

# Uganda: Hofokam Ltd, Dioceses of Fort Portal, Hoima, and Kasese

## LOAN DETAILS

<b>LOAN AMOUNT</b>	\$1,700,000
<b>INITIAL INVESTMENT</b>	9/2021

## INVESTMENT OVERVIEW

### ENTERPRISES

**Financial Inclusion: Banking and Lending**

### USE OF LOAN

- Refinancing of existing Missio Invest loan
- Growing Hofokam's Gross Loan Portfolio (on-lending to rural and urban clients)

### INVESTMENT HIGHLIGHTS

- **Strong cost control and profitability:** Hofokam has been able to realize a growth in portfolio yield from 37% during the initial investment to 44% as at July 2023
- **Growth:** Hofokam is working to become a Microfinance Deposit Taking Institution, lowering their weighted average cost of capital, subject to regulatory approval
- **Strong and Experienced Management:** Hofokam is led by a team of nine qualified managers with over 15 years of experience in MFI lending
- **Established diverse partnerships:** Hofokam's growth has largely been debt financed establishing loan term relationships with reputable MFI lenders such as Oiko and attracting new lenders like ABC fund
- **Hedging:** The loan is fully hedged via a Cross Currency Interest Rate Swap with MFX Solutions

## Hofokam Ltd.

Headquarters:  
Fort Portal,  
Uganda

Gross Loan  
Portfolio:  
5.7MM USD



General Manager  
Charles Ingingoma



A Hofokam Branch Officer  
works with a Client



Hofokam's Fort Portal Branch

## IMPACT



### SHARED PROSPERITY

- 11,752 customers, 40% women
- Majority of customers are underserved rural and urban poor
- Hofokam has trained 790 village banking groups on financial literacy, credit and savings, record keeping, enterprise selection, planning and management



### RESILIENCE / LAUDATO SI'

- \$70,000 solar loan from Uganda Energy Credit Capitalization for on-lending to customers
- Hofokam also received a clean technology facility from Abi for on-lending to agricultural customers pursuing climate smart agriculture



### STRENGTHENED SOCIAL ENTITIES

- Income supports social programs including schools, health institutions and orphanages in three dioceses



### MISSIO INVEST ADVISORY & SUPPORT

- Missio Invest will work with Hofokam's existing lenders to further strengthen the MFI's Board and management