



MISSION INVEST

2023 Impact Report

// **U**nique!" can be a great way of complimenting someone or something. It's an absolute for sure. Something is either unique or not. It can't be 'almost unique' or 'very unique,' as we sometimes hear. But it's also a complex word that relates to the work of Missio Invest and the world it inhabits.

From the distinctive mission of each of our borrowers, with their individual vocation stories that led to them becoming sisters, or priests or brothers, to the journey that brought them to Missio Invest and the often pressing need to give their initiatives the kind of boost that only Missio Invest can provide, uniqueness runs through this year's Impact Report.

From the hundreds of thousands of children educated and treated in Church-run schools, clinics and hospitals, to the thousands of acres of land cultivated, the tens of thousands of trees planted, and the millions of people cared for, Missio Invest accounts for every life impacted and every community changed because of its work.

We wish there were more groups who were doing what we are doing; we don't want to be the only ones! It's certainly not easy changing the culture of dependency on overseas donations that many of our borrowers experience and that leaves them unable to expand their mission. We believe that there is enough available capital and

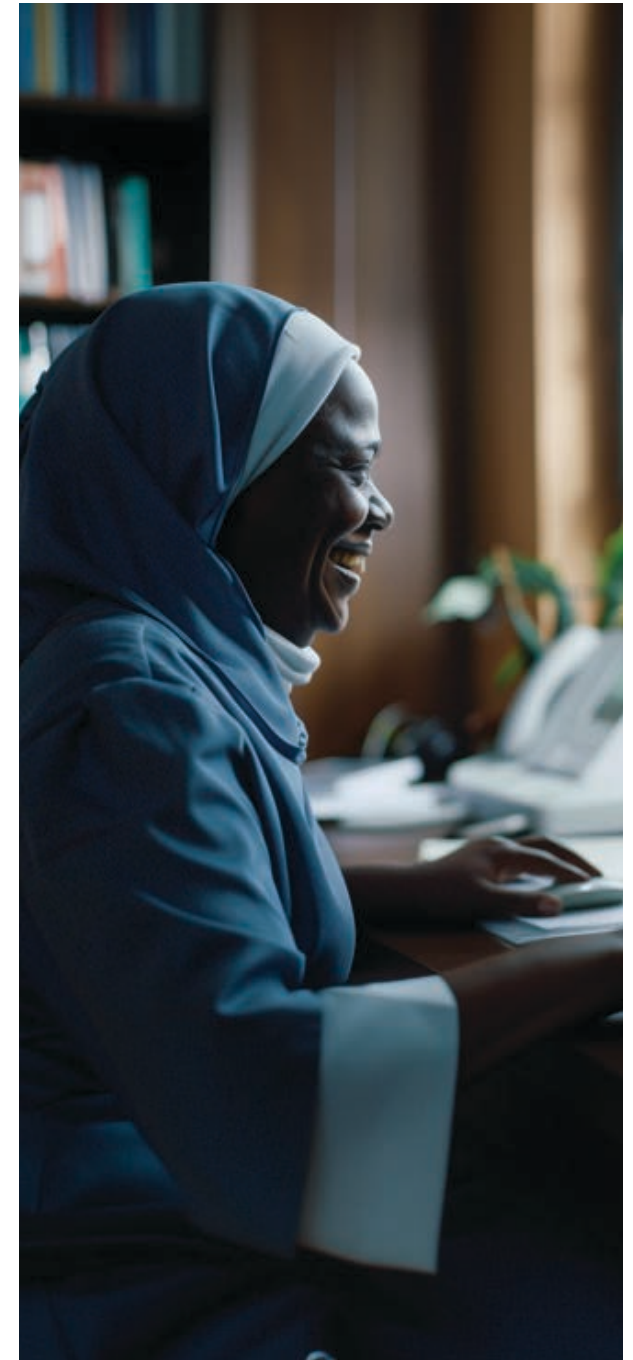
technical expertise to move the development needle in Africa. But we need investors and their advisors to deploy some portion of their portfolios in a way that prioritizes social impact and not just financial return. We hope this year's Impact Report convinces more investors to join this unique group of changemakers.

As an impact-first fund, Missio Invest makes a promise to our investors to make sure your goal of empowering some of the world's most vulnerable populations is our priority. And we don't just say it; we show it. At the time of publication in June 2024 (even though this report covers 2023), Missio Invest has:

- 96 loans disbursed that are worth nearly \$23,000,000.
- 60% of loans are women-run enterprises.
- been repaid fully by 12 of the initial loans.
- active loans in 9 countries: Kenya, Uganda, Ethiopia, Tanzania, Rwanda, Malawi, Zambia, Nigeria, and Ghana.
- plans to make our first loans in Cameroon and Burundi, with the Democratic Republic of the Congo and Benin soon to follow.

Until next year...
Fr. Andrew

Fr. Andrew Small, OMI
President & CEO
Missio Invest



Missio Invest aligns the principles of Catholic social teaching with key development goals.
 As a social impact fund Missio Invest that has been providing patient capital and technical assistance to institutions of the Catholic Church in Africa since 2016.

Our Impact FOCUSES

Resilience



Investment finances irrigation, clean energy and infrastructure to combat climate change

Sustainable farming practices promote environmental stewardship

Local production reduces costs, protects against supply chain disruptions and forex issues, reduces the carbon footprint



Shared Prosperity




Farm expansions create new local jobs, MFI have more funds to support local economic growth

Investees provide communities with free training in agriculture & financial management

Farms buy and sell local, bolstering regional economic growth




Food Security




Investments in capital equipment, strategic crop selection & updated farming methods provide higher yields

Irrigation enables year-round production, preserves resources, mitigates climate change

Increased local production ensures availability of affordable foods in times of crisis



Strengthened Church Entities



Through investment, training & technical advisory, investees become financially self-sufficient

Increased farm income supports expansion of investees' schools, hospitals and other social institutions

Strengthened church entities remain at the heart of their communities



2023 Impact in Numbers

64

Borrowers

10

Operating Countries

+15,000

Hours in Technical Assistance
provided in 2023 by Missio Invest

\$ 14,050,515

Loan Principal Outstanding
at the end of 2023

Social Impact



220

hospitals and
healthcare facilities
run by borrowers

2,371 schools supported

14,587 households supplied
with clean water

121,505 smallholder farmers
trained

3,395,721 children educated

8,006,177 patients treated

9,423,094 schoolmeals
prepared & eaten

Economic Impact

29,279

microfinance
borrowers



32,750 jobs created &
maintained
57% for women

60,358 SMEs traded with,
50% female-
owned

\$ 9,445,819 in microfinance
loans

\$ 38,443,626 USD spent in
local economies



Environmental & Governance (ESG) Impact

55%

of our
borrowers are
female-led



84%

of borrowers are
using alternative
energies



3,788

hectares under
management

179,163

trees planted

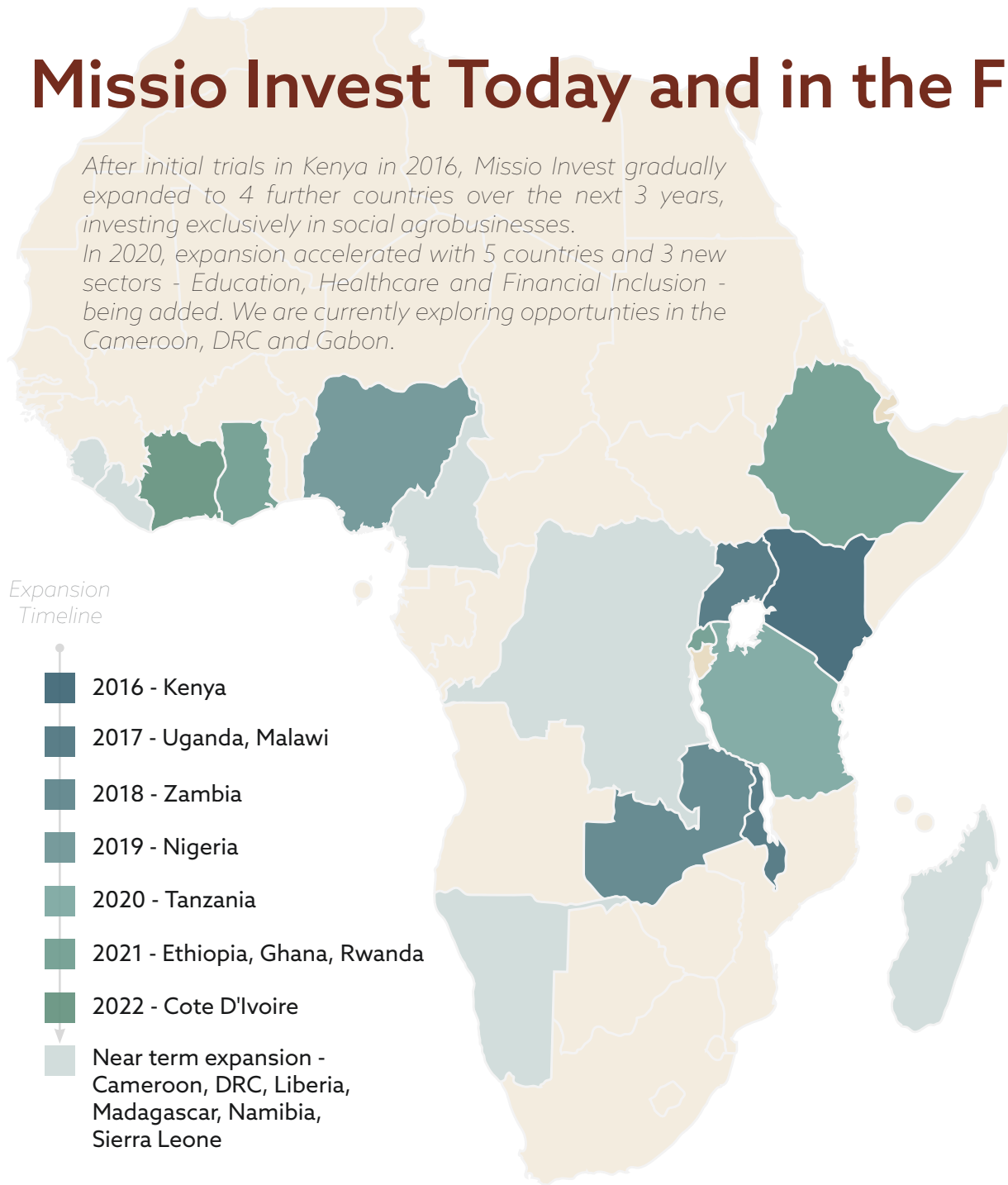


Missio Invest Today and in the Future

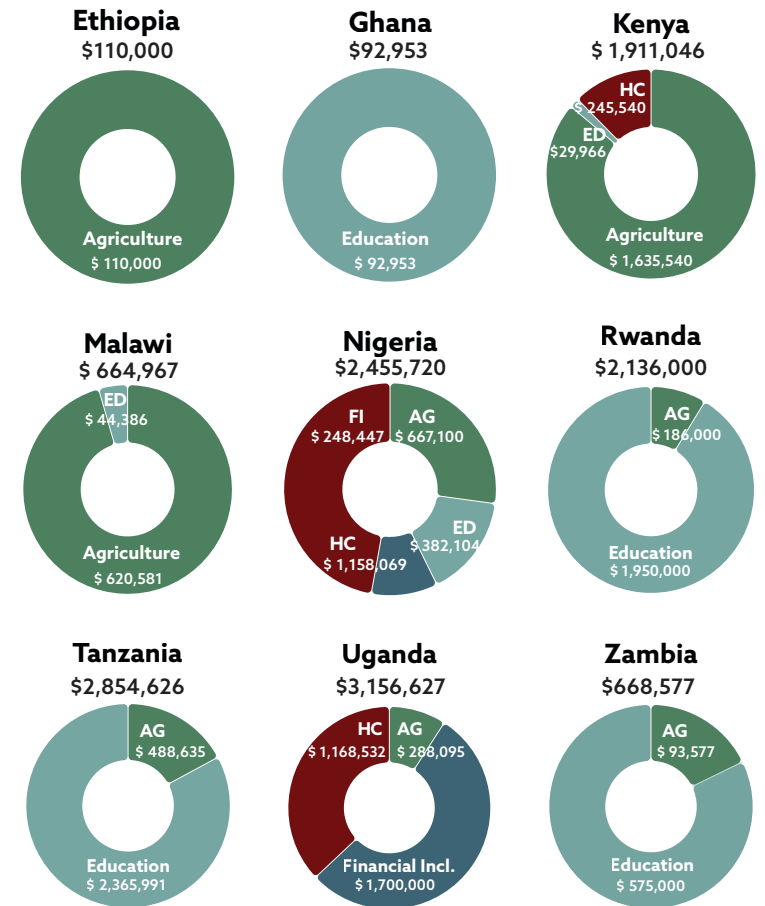
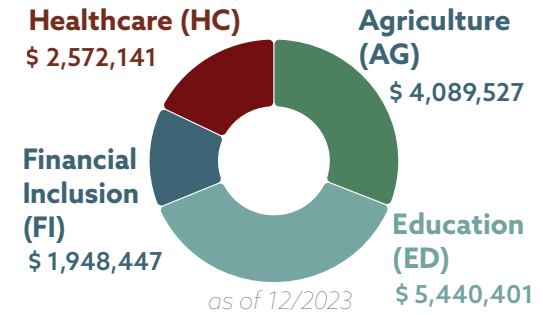
After initial trials in Kenya in 2016, Missio Invest gradually expanded to 4 further countries over the next 3 years, investing exclusively in social agribusinesses. In 2020, expansion accelerated with 5 countries and 3 new sectors - Education, Healthcare and Financial Inclusion - being added. We are currently exploring opportunities in the Cameroon, DRC and Gabon.

Expansion Timeline

- 2016 - Kenya
- 2017 - Uganda, Malawi
- 2018 - Zambia
- 2019 - Nigeria
- 2020 - Tanzania
- 2021 - Ethiopia, Ghana, Rwanda
- 2022 - Cote D'Ivoire
- Near term expansion - Cameroon, DRC, Liberia, Madagascar, Namibia, Sierra Leone



All Countries Outstanding Portfolio \$14,050,515



People Impacted: By the Numbers

"The logic underlying these innovative forms of intervention is one which acknowledges the ultimate connection between profit and solidarity, the virtuous circle existing between profit and gift."

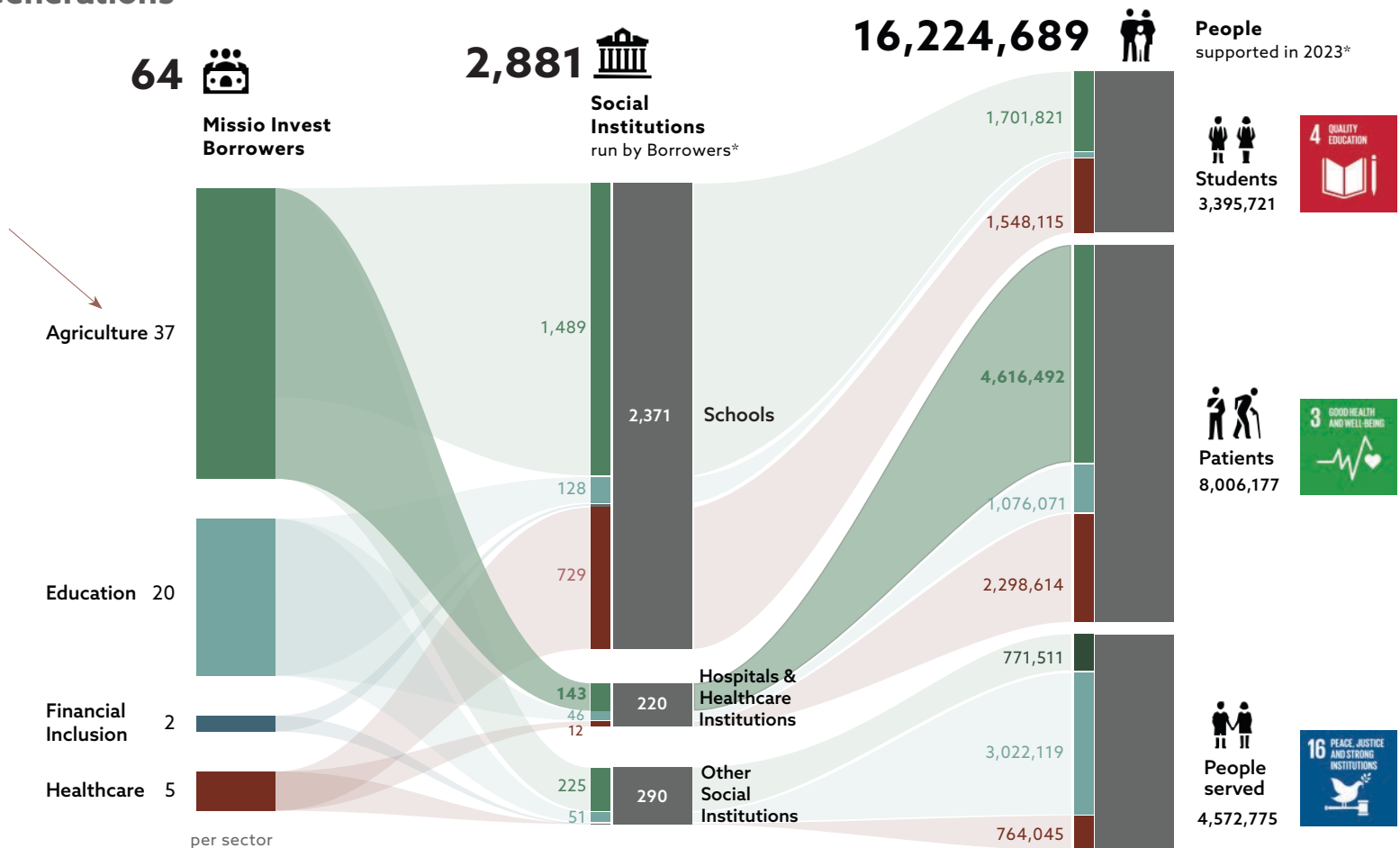
"Aligning profit with purpose" - Pope Francis at the 2018 Vatican Impact Investing Conference in Rome, Italy.

Impacting Networks for Generations

The graph to the right illustrates the flow of influence from our borrowers, across the diverse social institutions they manage, to the beneficiaries of their services. For instance, in 2023, **our 37 agriculture borrowers operated 143 hospitals, attending to 4,616,492 patients.** Collectively, our borrowers provided care for 8,006,177 patients.

The Catholic Church stands out as the largest non-governmental provider of education and healthcare in Africa. Our borrowers form part of this dynamic tapestry of social institutions that deliver vital services across generations.

By fostering financial sustainability in one venture, we catalyze a positive ripple effect throughout a borrower's entire network of institutions, driving change and long-term impact well beyond the loan period.



* based on all 64 borrowers that were active in 2023. Streams under 50,000 people were omitted for visual simplicity.

Breaking Barriers to Access



Sr. Gisela of The Missionaries Sisters of the Eucharist and New Evangelization - Jitegemeo Vocational Training Centre, in conversation with CM Patrick Mujuni.

Sr. Gisela's Story:

"We built our vocational training center for youth from 2018 to 2021 with funding from a private donor. The building was finished when the donor unexpectedly passed away. The family wasn't willing to continue her work. Banks had no interest in the project, and international organisations we contacted did not want to contribute more than \$5,000. The building stood empty for two years, and our vision of educating youth was getting very hard to hold on to.

Then came a miracle: Missio Invest provided a loan to finance the \$95,000 needed for all the equipment of the vocational training center. We are repaying the loan not only from the school fees, but also from additional income streams we developed. 250 students are now learning professions and securing their future."

55% are first-time borrowers

We often are the first provider of finance to a borrower. As such, we take the responsibility seriously of supporting our investees to become sound financial managers as well as successful entrepreneurs, providing over **15,000 hours of technical assistance** and training in 2023.

To quote one of our borrowers, Rev. Fr. Esperius: *"The loan from Missio Invest has a relatively low interest rate compared to our local banks that charge from 18% to 28% interest rate per annum. Unlike other financial institutions, Missio Invest provides technical support to the borrower. The loan is based on mutual trust; Missio Invest does not require collateral or a mortgage."*

Patrick Mujuni, Missio Invest Country Manager for Tanzania, on the impact we've made since we started working there in 2020:

"We have achieved a lot in the past three years. We are proud to have MWECAU as one of the 30 private universities in Tanzania as a borrower. Supporting MWECAU, the enrolment numbers will now increase by 6,000 from the current 30,000 students annually; of 203,000 students¹ pursuing higher education in the country.

We have also observed a large number of income-generating activities being integrated into various Missio Invest sites / investments / borrowers. For instance, hostels have been constructed to accommodate students, and vendors have begun exploring business opportunities by supplying materials for construction or providing feed for farms, among other things.

And the most vivid example of change we are seeing is in the management change: priests and sisters are becoming entrepreneurs and business is no longer as usual."

¹<https://tcu.go.tz> Tanzania Commission for Universities 2022/2023

Meet the Changemakers

These are the changemakers that **joined us in 2023** to fulfill our shared vision of creating long-term and sustainable positive change, uplifting their communities and caring for our common home.

● Ethiopia ● Kenya ● Malawi ● Nigeria ● Rwanda ● Tanzania



Fr. Habtesilassie Antuan

Emdiber Diocese -
Debrety Integrated
Organic Farm

"Caring for nature, nourishing communities, and ensuring sustainable integral human development."



Fr. Gerald Mugendi

St. Joseph the Worker
Parish Kathwana -
Our Lady of Consolation
Preparatory School

"The financing of a dormitory has provided our students with a conducive learning environment which contributes in shaping their future."



Fr. Chikhasu Stephen

Lilongwe Archdiocese -
Lilongwe Archdiocese Farm
(LAF)

"...enabled us to diversify our agriculture activities, we are now raising pigs, chickens, row crops and horticulture production. We will soon venture into aquaculture."



Ms. Linly Chavula

Mzuzu Diocese -
Marymount Catholic
Secondary School

"..the loan has enabled our Secondary School to build a 96-bed hostel and clinic construction is underway. Next we aim to construct a library, dining hall and recreation hall".



Rev. Fr. Esibor J. Idogho-Noba

The Missionaries of Divine
Mercy Congregation -
Divine Farm Mercy Limited

"The loan enabled us to establish a poultry farm in Niger State during a period of food insecurity. We also were supported to overcome some market challenges."



Most Rev. Fr. Hilary Dachalem

Catholic Diocese of Bauchi
- Thomas Moore College
of Health Sciences and
Technology

"Missio invest can do for us what we cannot do for ourselves. The investment will help our college grow much quicker."



Sr. Rose Kuramukobwa

Priory Daughters of the
Resurrection -
Ecole Christ Ressuscite

"The loan allowed us to build the secondary school of Ecole Christ Ressuscite with 12 classes where 541 learners will start studying in September 2024."



Br. Aristide Kamali

Josephite Brothers Congregation
- St. Joseph Integrated Technical
College (SJITC)

"Funding from Missio Invest extended our school buildings. Now we can expand the technical sections at the secondary school, and start a bachelors degree in construction and IT."



**Fr. Niyonsenga
Banzubaze Jackson**

La Société de l'Apostolat
Catholique au Rwanda - Centre
d'Accueil Saint Vincent Pallotti

"Once Saint Vincent Pallotti Center is operational, it will be a place of reference for trainings, workshops and pilgrimages in all Rwanda."



Sr. Flora Mashughuli

Carmelite Missionary Sisters Of
St. Therese Of The Child Jesus -
St. Therese Secondary School

"The loan allowed us to construct a girl's dormitory for St. Therese Secondary School, without which we could not have admitted any of the 97 new students."

● Uganda ● Zambia

Abbreviations:
Br. - Brother,
Fr. - Father,
Rev. - Reverend,
Sr. - Sister



Rev. Fr. Moses Mapela

St. Dominic Pastoral Centre

"Missio Invest has done for us something that we never expected; it has helped us realize our dreams. For us Missio Invest looks like our Redeemer with regards to Projects Planning and Management."



Rev. Sr. Gisela Msuya

The Missionaries Sisters of the Eucharist and New Evangelization - Jitegemee Vocational Training Centre

"Our Vocational Training Center stood empty for 2 years before the loan made it possible for us to buy the necessary training equipment. Now 250 youth are being trained."



Rev. Fr. Manoj Mathew

Missionaries of Compassion - Compassion Secondary School

"An umbrella cannot stop the rain but it can help you to stand in it. For our school Missio Invest was the timely help received to rise up back from the fire tragedy."



Sr. Juunza Mwangani

Religious Sisters of Holy Spirit - James Corboy Schools

"It would have taken us at least 10 years to build our school if Missio Invest had not financed us. Now we have done it in two."



Mr. Benard Awich

Diocese of Arua, Uganda - JMS Pharmaceutical Warehouse Project Lead

Arua Diocese in Uganda: A Model of Integrated Development and Healthcare Innovation

Arua Diocese in Uganda, a borrower of Missio Invest, exemplifies the transformative power of social investment. With a \$900,000 loan for healthcare infrastructure, the Diocese has catalyzed progress across its extensive network of social enterprises.

Healthcare Expansion: The Pharmaceutical Warehouse Initiative

The loan's centerpiece is a pharmaceutical warehouse, a groundbreaking project led by Rt. Rev. Sabino Ocan Odoki, Bishop of Arua Diocese. Featured on NBS Television, this facility is poised to revolutionize healthcare in the West Nile sub-region, Eastern Congo, and South Sudan. It will serve as a critical distribution hub for medical supplies, addressing shortages and enhancing healthcare quality for 1,6 million patients in the 15 health facilities the Diocese operates. This initiative is a landmark that promises to save lives and change healthcare standards across three countries.

Education and Environmental Care: Foundations for the Future

The Diocese's commitment extends to 462 schools educating over 1.5 million students. The Diocese planted 50,356 trees and championed renewable energy with solar and biogas initiatives. The Laudato Si encyclical's principles are very alive here, with tree planting campaigns and educational efforts fostering ecological awareness.

Sustainable Agriculture and Pastoral Care: Nurturing Communities

The 'Waste to Clean' project transforms waste into resources, benefiting the Imvepi refugee settlement. The integrated livelihood program empowers local farmers with smart agriculture practices, enhancing food security and economic resilience.

Innovative Solutions: Energy and Counselling Services

Innovative energy-saving programs like the Ecoca Solar cooker and Lorena stoves reduce environmental impact while providing practical solutions to communities. The Arua Diocese's Counselling Services Organization is 1 of 7 social programs offering vital support, touching lives in parishes, hospitals, and prisons.

Conclusion: A Testament to Holistic Development

Arua Diocese's multifaceted initiatives, supported by Missio Invest, demonstrate how a loan for one social enterprise can ripple through an entire network, fostering comprehensive development. The pharmaceutical warehouse, expected to be completed in 6-8 months, is a milestone for Arua Diocese and a beacon of progress in regional healthcare.

Our Economic Impact

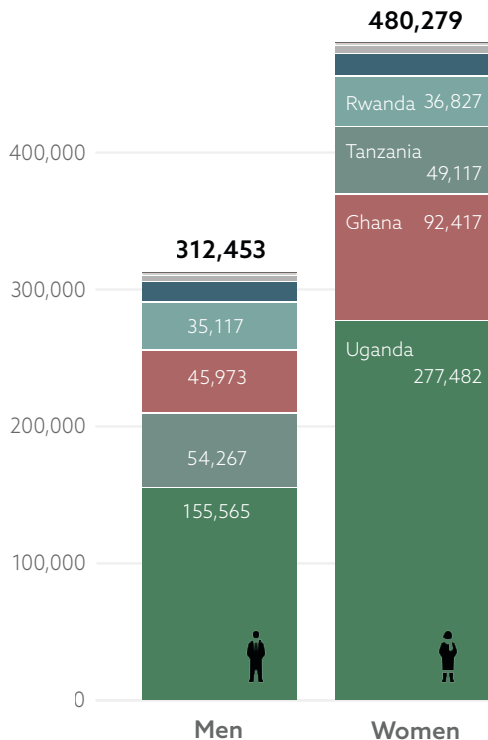
"I urge you ...to do your part so that the economy and finance are at the service of people and our Mother Earth."

"Preparing the Future: Building a sustainable, inclusive, regenerative economy" - Pope Francis at the 2022 conference for promoting integral human development.

People directly supported by our Borrowers in 2023

employed, hired, educated, trained

800,504



Labels for values under 30,000 omitted for visual clarity. 7,772 MFI group members not included in graph.

Completing Key Development Goals

Achieving Key Development Goals is at the heart of Missio Invest's mission. We empower borrowers not only through loans but also by providing comprehensive technical assistance both before and after funds are released. This ensures that their enterprises can attain financial independence and realize their long-term potential.

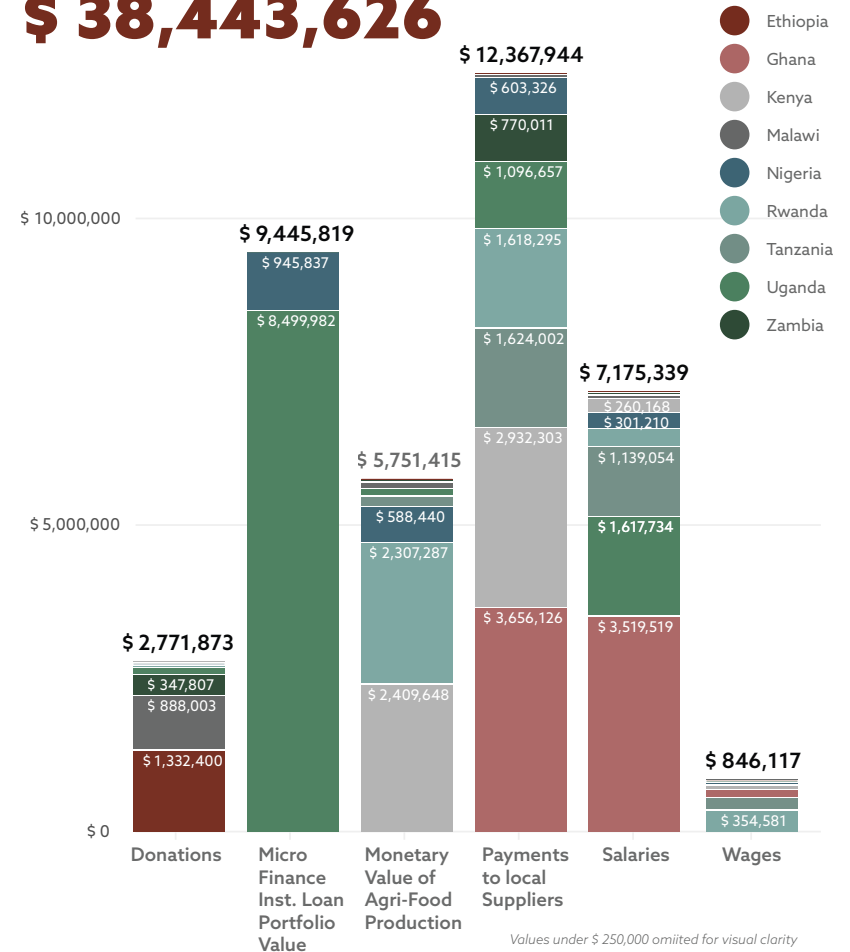
Our borrowers are proactive contributors to their local economies, generating measurable and direct positive impacts: They create jobs, offer short-term employment, foster education, extend microfinance to burgeoning businesses, procure from local vendors, and provide training to small-scale farmers.

Their initiatives generate financial currents that bolster the economic health of their communities and regional economies, creating prosperity for many.



USD injected into Local Economies by our Borrowers in 2023

\$ 38,443,626



Values under \$ 250,000 omitted for visual clarity

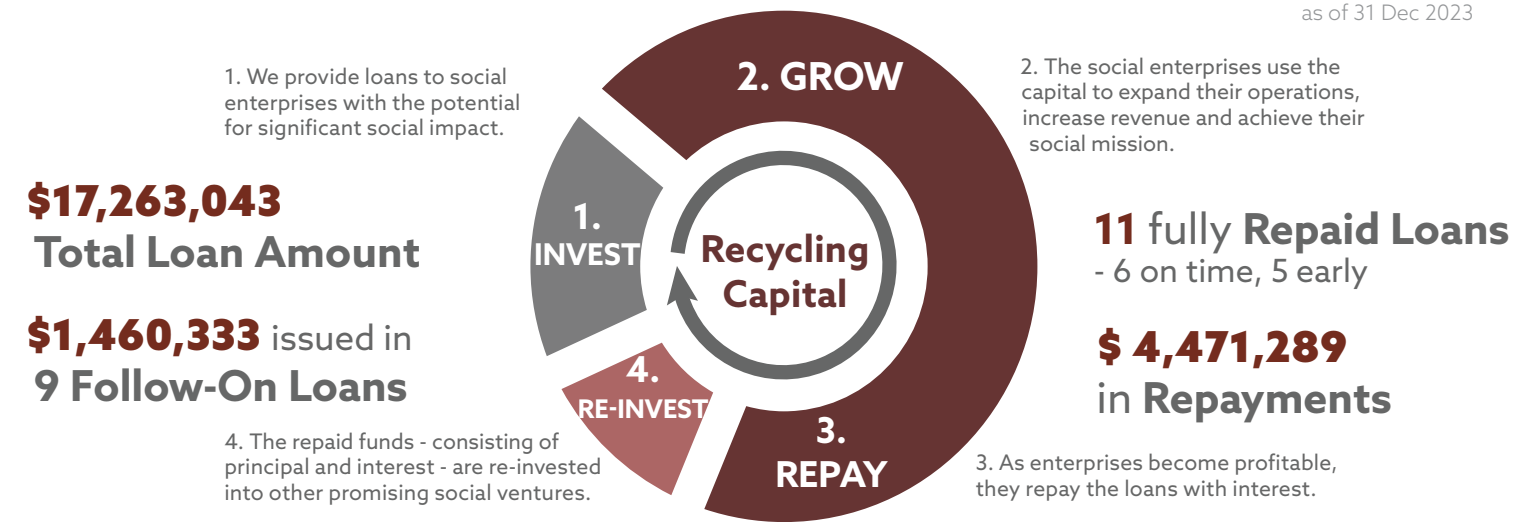
A Virtuous Circle of Reinvestment

At Missio Invest, we believe in the power of sustainable investment. Our approach to social impact is not a one-time transaction but a continuous cycle of empowerment and growth. This is where the concept of recycling capital comes into play.

What is Recycling Capital?

Recycling capital is an investment strategy that involves the reinvestment of repaid loan funds into new projects. It's a dynamic process that allows capital to serve multiple purposes over time, amplifying the impact of each dollar.

How It Works



The Benefits



Maximizing Impact: By continually reinvesting funds, we can support more projects and create a larger cumulative impact.



Building a Self-Sustaining Ecosystem: Over time, the fund becomes a self-sustaining ecosystem of social impact, reducing reliance on external funding.

Missio Invest prioritizes recycled capital to catalyze sustained development and meaningful impact. This strategy ensures our investments perpetuate the common good, far beyond the initial funding. This cycle of capital reuse amplifies every dollar's effect, achieving a **4.2 times greater impact over 12 years** compared to grants, ultimately empowering more of today's borrowers to become tomorrow's changemakers and benefactors.

Why Patient Capital in the form of Loans is a Good Idea for Everyone:

1. Encouraging Sustainability: Loans promote long-term viability and self-sufficiency in social enterprises.

2. Scaling: They enable enterprises to expand operations to viable business sizes.

3. Financial Discipline: Loan repayments and investor demands encourage better financial management.

5. Change Management: Repayment obligations help create entrepreneurial thinking in management.

4. Leverage and Credit History: Repaying a loan validates the business model to investors and the market.

Loans help social enterprises evolve from grant- and donor-dependent to **self-sustainable entities**, while fostering job and income creation and regional economic growth.



Laudato Si'

Caring for our Common Home

"Take care of nature, so that it takes care of us."

Pope Francis, October 2023, in his Apostolic Exhortation titled "Laudate Deum".

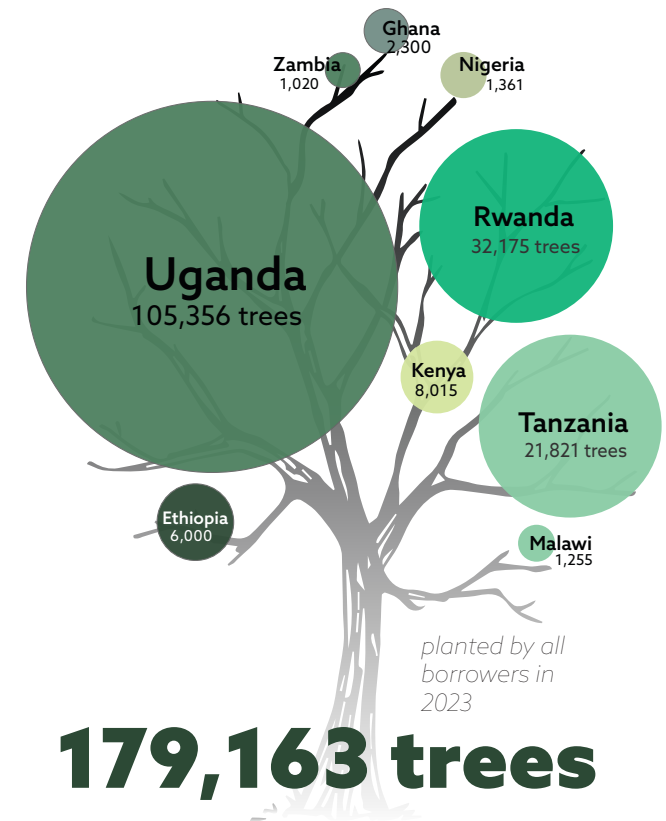
Africa is the region most exposed to the adverse effects of climate change, despite contributing the least to global warming. In addition, Sub-Saharan Africa relies heavily on rain-fed agriculture, making it highly vulnerable to climate change impacts.

Missio Invest's partners are at the forefront of climate action, planting trees and using renewable energy. In partnership with our agricultural experts, they adopt sustainable practices like crop rotation and organic farming.

As the majority of their managed lands are rain-fed, our support extends to financing drip irrigation systems, enhancing resilience against the variability of climate change.

84%

*of our borrowers in 2023 were using some form of **alternative energy***



Together, in 2023 our borrowers in Healthcare and Microfinance planted as many trees as those in Agrobusiness - over 80,000.

The Diocese of Arua in Uganda, one of our new healthcare borrowers, planted 50,356 trees in the West Nile region as part of their annual Laudatio Si' program.

Investing with Missio Invest not only provides financial support to social enterprises but also initiates a domino effect that transcends the initial transaction, influencing broader networks and impacting generations.

UN Sustainable Development Goals



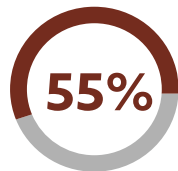
Promoting Inclusivity



“We must work, all together, to open equal opportunities for men and women in every context, to aim for a stable and lasting situation of equality in diversity...Women’s thinking is different from men’s, they are more attentive to protecting the environment, their gaze is not turned to the past but to the future.” Pope Francis’ preface to the volume “More Women’s Leadership for a Better World: Caring as the Engine for Our Common Home,” which highlights the essential role of women in leading a sustainable and equitable future, and the importance of providing them with equal educational opportunities.

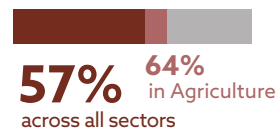
2X Challenge

Missio Invest is recognized as a **2X investment** under the US International Development Finance Corporation’s (DFC’s) 2X Women’s Initiative.

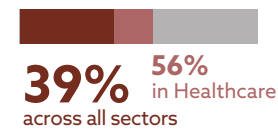


of our **portfolio fulfills 2X** criteria for women in leadership
30% = 2X threshold

Female Employees



Senior Management



We are especially proud of our educational projects in Malawi, which as a country has a significant gender gap in educational attainment for women. We’ve found education and health projects involve more women in management; another good reason for expanding our impact focus beyond agriculture in 2020.



Ms. Mastano Kalagho, Student at the Catholic University Malawi

I’m Mastano Kalagho, a student at Catholic University, residing at St. Teresa Hostel since February 2023. It stands out among university hostels for its cleanliness, with well-maintained, spacious, and furnished rooms. The common areas are always spot-less, and the facilities are in excellent condition. Moreover, the hostel ensures adequate security, making St. Teresa a premier choice for female student accommodation.”



Mr. Francis Nkhoma, Catholic University of Malawi - University Registrar

“The Teresian Sisters’ hostels have been a boon for the Catholic University of Malawi, significantly easing accommodation shortages. Since their establishment, female student enrollment has surged, reflecting a broader trend in Malawi where only 27% of girls are enrolled in education. These hostels provide safe and convenient housing and also contribute to our university’s growth, embodying the positive change in education in Malawi.”



Sr. Dorice and Sr. Coleta of the Teresian Sisters, Malawi, with students in front of 1 of 2 hostels they built with Missio Invest’s loan.



Sr. Auxilia Hokororo OSB, Superior General of the African Benedictine Sisters, shares cashews grown on their farm in Tanzania, then shared with Pope Francis. Upon her request, Missio Invest provided technical support to help her improve their management structure to make it more inclusive of all sisters’ voices and talents in the congregation, and to revamp their cashew farm business strategy.

Why Missio Invest's Model works

A Recipe for Success



Sister Christina Archibong in a classroom with students at OLF Academy in Abuja, Nigeria, run by the Congregation of The Sisters of Our Lady of Fatima Diocese of Jos.

Free Cash Flow for Long-term Self-sufficiency

Missio Invest works with investees to generate annual cash flow equal to 1.5 times the annual repayments. This ensures that borrowers can comfortably repay the loan without financial strain, even if a project doesn't go according to plan. It also ensures that, after repayment, the borrower will be financially self-sufficient, with a steady stream of recurring income to drive further business growth and expansion of social programs.

Favorable Loan Terms

Interest Rate

Competitive interest rate for USD loans

Loan Term

5 - 7 years, exceptions considered on a case-by-case basis

Comprehensive Technical Assistance Services

Provided by Missio Invest Country Investment Managers, consultants and technical specialists

Pre-financing

Holistic project evaluation - advisory on strategy, market access and loan structuring, business planning

Post-financing

Implementation advisory & technical assistance through the loan term e.g financial management

Track Record of Loan Repayments

Missio Invest and our investees are building a strong track record of loan repayment. All the loans disbursed in the first year of operation in 2016 have been repaid in full. In 2023, 2 loans were repaid, bringing the total number of fully repaid loans to 11. As of December 2023, the total number of repaid loans stands at 11 from 81 disbursed to 73 unique borrowers so far.

Reflecting on our Partnership with Investees

We conducted an informal survey with former and current borrowers to gauge their views on Missio Invest's value. They shared the barriers to accessing finance they faced before working with us and summarized our support in one word (or three), depicted in the word clouds below:

Challenges Borrowers Faced Before Missio Invest



Missio Invest helps investees overcome challenges by providing extensive technical assistance pre-loan as well as during the entire loan-period. In the pre-financing phase we support in-depth business planning, which can go as far as visiting other borrowers operating successfully in a similar business model.

Post-financing support includes specialized technical assistance, financial management training, cross-visits, regional workshops, and regular communication with and site visits by country managers.

Missio Invest loans are patient capital, characterised by single-digit interest rates and interesting loan terms. We do extensive due diligence up front, and in turn do not require investees to provide us with collateral. Our focus is on supporting them to scale and become profitable long-term. We see our borrowers as partners in creating sustainable positive impacts on society - thereby tackling some of the most pressing development issues humanity faces.

Leveraging the presence of the Catholic Church in Africa presents a unique opportunity to reach almost a third of the African population. With the Church having a long tradition of being the largest non-governmental provider of essential services like healthcare and education on the continent, an expansion and improvement of services and social institutions will benefit generations to come.

Missio Invest Described in a Word by Borrowers



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Participants of the Missio Invest Workshop in Dar Es Salaam, May 2024



A virtuous circle of sustainable impact.
That's the power of **MISSIOINVEST**.

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