



PRESS RELEASE, 19 May 2023

MTI Investment SE publishes its Core Holdings Update Q1 2023

The company's core holdings update for Q1 2023, including a Net Asset Value (NAV) update, is now available on the company's website and attached to this press release. Link to the company's report page: <https://www.mti-investment.com/financial-reports/>

NB: *MTI's core holdings updates should not be considered as formal interim reports. These updates do not include the consolidated result of the Group or the Parent company.*

For more information visit: <https://www.mti-investment.com/financial-calendar/>

The Net Asset Value is estimated at SEK 6.6 per share

The estimated Net Asset Value has decreased by 16.1 percent from 31st of December 2022 until 31st of March 2023 to SEK 6.6 per share. During the same period Nasdaq First North All-Share index, returned -15.8%. MTI has primarily unlisted holdings.

For more information on the distribution of NAV and which companies are included in the investment company's portfolio can be found in the attached core holdings update.

The MTI share is listed on Nasdaq First North. The most recent share price for the MTI Investment share was SEK 3.84 as of the 18th of May 2023.

Important events during 1st Quarter 2023

- MTI raised its holding in Fintech Africa AB from 5,23% to 13,14%, thereby strengthening its presence in the fast-growing B2B financing market in Tanzania. Considering the industry potential and existing clients' response with repeat business, the additional investment in 7,92% of shares valued at approx. SEK 1.2 million holds promising returns.
- MTI Investment expanded further into the thriving tourism industry of Zanzibar. The company has signed a memorandum of understanding (MOU) with Mayai Ocean Resort AS to invest up to USD 600,000 in a beach front hotel property and another USD 125,000 in a hotel management company.
- MTI signed a term sheet to invest in the rice bran grading business. The aim is to establish a modern rice bran processing plant, where raw rice bran will be processed to graded quality, with broken rice separated, and rice husk ground using state-of-the-art agriculture machinery in the region of Kahama, Tanzania.



- In February, 2023, Pontus Engström, CEO of MTI Investment had the opportunity to meet with the President of Zanzibar, H.E. Dr. Hussein Ali Mwinyi to discuss investments and improved collaboration with the local government in Zanzibar. The meeting took place in the presence of Swedish Ambassador H.E. Charlotta Osaki Macias.
- MTI Investment in partnership with Hotel Online Kenya Ltd. launched the booking portal www.sustainablezanzibar.com which is linked to those hotels that are using a sustainable waste management practice in Zanzibar. Along with the booking portal, a 10-minute mini-documentary called "Towards a sustainable Zanzibar" was published on MTI Investment's YouTube channel.
- The company exercised its TO1 series of warrants during the quarter with a goal to further diversify the portfolio by focusing on investments in hotel management, real estate and other cash-flow generating assets. Warrants of series TO1 were subscribed to approximately 48 percent and MTI Investment SE received approximately SEK 1.62 million.
- MTI Investment SE signed a memorandum of understanding (MOU) for an up to USD 500,000 property investment with high development potential in central Dar es Salaam. It has an excellent potential for further development and promising return on investment.

Financial summary Core Holdings

MTI's Core holdings	MTI's ownership	Revenue Q1 2022 (TEUR)	Revenue Q1 2021 (TEUR)	Diff %
Ecohomes Co. Ltd	77%	38	327	-761%
Zanrec Plastics Co. Ltd	49%	94	84	11%
Techbridge	49%	26	176	-577%
Shambani Milk Ltd	20%	197	143	27%



- Ecohomes' revenue in Q1 amounted to TEUR 38 (TEUR 327), a decrease by 88% compared to the same period the previous year.
- Zanrec revenue in Q1 2023 amounted to TEUR 94 (TEUR 85), an increase of 11% compared to Q1 2022. Revenue increased due to new hotels clients won in South District and baled plastic waste sales.
- Techbridge revenue in Q1 2023 amounted to TEUR 26 (TEUR 176), a decrease of 85% compared to Q1 2022. TechBridge relies mostly on grant funding which is volatile and varies between quarters.
- Shambani Milk's revenue in Q1 amounted to TEUR 197 (TEUR 142), an increase of 39% compared to the same period the previous year. This topline growth was enabled by increased raw milk supply.

Words from the CEO

"According to the African Development Bank, East Africa is poised to outperform the global economy in terms of economic growth over the next two years, **Ecohomes** successfully completed a project for CRDB and also undertook light gauge steel projects for prominent clients such as Total Energies. **Zanrec** significantly increased its visibility in the Zanzibar region and successfully closed deals with major hotels in the southern district, and collected 70 tonnes of plastic. As a result, the company's revenue for the quarter experienced a year-on-year increase of 11%. **Shambani Milk** demonstrated exceptional performance in the first quarter, achieving a remarkable year-on-year growth rate of 39%.

MTI made a strategic decision to significantly increase its stake in Fintech Africa AB and its wholly owned subsidiary, **Mtaji**, raising it from 5.23% to 13.14%. Mtaji demonstrates immense potential for growth and profitability. The annual **Techbridge** Demo Day event was held both online and in-person in Nairobi to allow the best start-ups from the last accelerator cohort to pitch their businesses. **My WagePay**, a startup that focuses on financial education, savings, and earned wage access, won the award for the best startup. In Sweden, MTI continued its impactful collaboration with **Ester Foundation**, in delivering a powerful accelerator program specifically designed for foreign-born female entrepreneurs.

Sunami Solar in Uganda and Kenya continued its efforts on making a strategic shift to maximize their influence in the renewable energy sector, specifically by prioritizing the installation of solar plants for commercial purposes. **Chanzi**, our sustainable protein producer in East Africa, continued to address Africa's waste challenges while offering an affordable and innovative animal protein and fertilizer alternative to local farmers. **Workpay**, our Kenyan HR payroll startup, has shown remarkable progress by attracting a multitude of new clients and demonstrating promising prospects for 2023. It raised USD 2.7 million in quarter one of 2023, including investors like Norrsken.



In January 2023, we organized an investor trip to Zanzibar, which brought together approximately 10 investors. The trip featured an investor conference where our portfolio companies had the opportunity to showcase their businesses. We also engaged in discussions surrounding sustainable growth in the region and explored strategies to address potential challenges.

In conclusion, I want to emphasize the significance of nurturing and cultivating a tree (MTI in Swahili). Just as a tree takes time to grow and bear fruit, venture building also requires patience and dedication. I am confident that our investments and new strategic approach on more immediate cash generating investments, including developing a better pipeline with Techbridge in Kenya, will lead to fruitful outcomes. With the right combination of investments and support, we are well positioned for success.”

Pontus Engström

CEO MTI Investment

For additional information

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About MTI Investment SE

MTI Investment SE is a Nordic investment and venture-building company, founded in 2014 by a team with extensive experience in emerging markets to invest in East African small and medium-sized enterprises ("SMEs") with high value-adding potential. The Company is active in the expansive East African market, and by being a long-term and active owner, MTI Investment helps its portfolio companies grow faster and become more profitable. The Company invests primarily in innovative and scalable companies that have the potential for a significant positive impact on society.

The MTI Investment share (MTI) is traded on the Nasdaq First North Growth Market.

Certified Adviser to MTI Investment is Mangold Fondkommission AB.

Read more on: www.mti-investment.com