



PRESS RELEASE, 4 December 2024

## MTI Investment AB Reduces Ownership Stake in Ecohomes

**Dar es Salaam, Tanzania - MTI Investment AB (Nasdaq First North: MTI) announces that it has completed the reduction of its ownership in Ecohomes Tanzania Limited ("Ecohomes"). MTI Investment has reduced its stake from a majority holding of 76.8% to 18.9%, following a strategic review. This ownership adjustment has been officially registered with the Business Registration and Licensing Agency (BRELA) in Tanzania.**

### Transaction Details

The shares in Ecohomes previously held by MTI Investment AB were owned through our subsidiary, African Construction AS. As part of this transaction, 116,991 shares have been acquired by Pivotech Company Limited, and 174,915 shares have been acquired by CEO Harry Tuluhungwa. Additionally, 99,452 shares have been transferred from African Construction AS to MTI Investment, resulting in MTI retaining an 18.9% minority stake in Ecohomes.

The transaction is structured as a non-cash ownership transfer at nominal book value. Since the shares had already been largely written down, the transaction has minimal impact on MTI Investment AB's balance sheet while significantly improving group cash flow. Ecohomes' net value as per the latest H1 update corresponded to 0.6 percent of MTI's total estimated net asset value, or EUR 34,709.

This divestment also results in a one-off capital gain of approximately EUR 950,000 in the consolidated profit and loss statement, effectively offsetting prior losses. In the parent company, the value of the shares in African Construction AS is written down with EUR 34,709.

### New Shareholding Structure

Following the transaction, Ecohomes' new shareholding structure is as follows:

Shareholder	Shares	Ownership
Pivotech Company Limited	225,391	42.8%
Harry Tuluhungwa	174,915	33.2%
MTI Investment AB	99,452	18.9%
Others	26,681	5.1%
<b>Total</b>	<b>526,439</b>	<b>100.0%</b>



## **Board Changes**

With the new ownership structure, MTI will no longer have representation on the Board of Directors of Ecohomes. Harry Tuluhungwa joins the board to represent the new ownership alignment, while Torbjörn Jacobsson, Trond Randøy, and Pontus Engström have stepped down from their roles.

## **CEO Statement**

Pontus Engström, CEO of MTI Investment AB, commented:

“Our investment in Ecohomes was an important effort to bring new and updated technology to Tanzania. However, the market was not ready to the level we expected. By reducing our ownership to below 20%, Ecohomes is no longer classified as an associated company. This allows us to streamline operations and focus on core investments that align with MTI’s long-term growth strategy, while maintaining a minority stake to follow its future development under a more localized ownership structure.

## **For additional information**

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## **About MTI Investment AB**

MTI operates at the intersection of venture capital and impact investing. Our goal is to become a leading investment company active in one of the foremost growth markets in the world, East Africa. With a diversified team rooted in both the Nordic region and East Africa, we have forged a unique position with capital and expertise from the Nordics, and a strong network and trust capital from local entrepreneurs in Africa. Founded in the Nordic financial industry, backed by capital-rich and experienced investors, as well as foundations owned by industrial families, MTI Investment brings significant competitive advantages to portfolio companies, sustainable transformation in the region, and high returns to our investors.

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](http://www.mti-investment.com)