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MTI Investment completes its investment into the hotel management company in Zanzibar

MTI Investment announces that it has completed its move into the booming tourism industry of Zanzibar with an investment of SEK 1.3 million (EUR 115,000) into a hotel management company. This strategic investment opportunity was made possible from the funds raised in the TO1 warrant expiry in February of 2023.



Photo: A recent photo of the beach by Mayai Ocean Resort, Zanzibar. Source: Valento Media AS

This completed investment is part of a two-tiered transaction. In this first stage, MTI has secured a 50 percent ownership stake in the hotel management company, which is controlled through a Swedish holding company. For the second stage, MTI continues to explore the financing options, which would secure a 40% ownership in the actual real estate of Mayai Ocean Resort. Based on the budget and the speed of visitor attraction, the operations are expected to generate positive cash flow from the outset, with at least 32 new job opportunities being created.



The hotel management company is founded to manage several hotels and other real estate in Zanzibar, in partnership with Norwegian entrepreneur and initiator Rune Haram. Rune Haram is also the co-founder of [Sunnmørsmat](#) in Norway and has through this venture been active in Zanzibar since 2016 with local premium egg production in a company called [Zanegg](#), servicing 70 hotels in Zanzibar. Another investor involved is Tord Ripe from Norway, who is a managing partner at [The Cloud People](#), a leading provider of cloud-based platforms. Tord contributes both by securing a strong and best-in-class technological set-up, but also through a travel agency he recently co-founded called [Zanzibar Dreams Travel](#). In addition, local businessman and co-founder Innocent Thomas contributes with invaluable local know-how and an ability to get things done.

The first hotel to be managed is Mayai Ocean Resort, located in the quiet Bwejuu area, just north of the popular Paje beach in Zanzibar's South District. It boasts an impressive beach frontage of approximately 32 meters. An agreement has also been signed with Norwegian-founded [HotelOnline](#) (based in Kenya), which supports more than 6000 hotels in 27 countries in boasting occupancy and increasing yield. The hotel will also be using the sustainable waste management services of [Zanrec](#), another MTI Investment portfolio company.

Zanzibar is a popular tourist destination located in the Indian Ocean, off the coast of Tanzania. The island is known for its beautiful beaches, rich history, and cultural diversity. The tourism industry is a vital part of Zanzibar's economy, contributing significantly to the island's GDP and providing employment opportunities for the local population. It was recently named a top tourism destination by Travelers Worldwide Magazine.

Tourism in Zanzibar has been on the rise in recent years, with the number of visitors increasing steadily. The island attracts a diverse range of tourists, including honeymooners, families, adventure seekers but also business travelers, and digital nomads. There are many different types of accommodation available on the island, ranging from budget-friendly guesthouses to luxury resorts.

Additionally, Zanzibar has a stable political environment, making it an attractive destination for foreign investment. The island's government has also introduced policies and initiatives to support and promote the growth of the tourism industry. Recently, the island has been getting more attention through the initiative to build [Burj Zanzibar](#), the world's tallest timber building in the world. In addition, [Silicon Zanzibar](#) has garnered some interest as a public-private partnership that aims to draw tech companies and professionals from Africa and other regions to relocate to the scenic island of Zanzibar. A recent example is [Wasako](#), a fast-growing African e-commerce company that intends to draw hundreds of engineers, designers, and project managers to the island.

The hotel will be ready to welcome visitors after 1st July 2023. Anyone interested in visiting Zanzibar and Mayai Ocean Resort, should not hesitate to contact Zanzibar Dreams Travel AS for an attractive [opening offer](#).

Pontus Engstrom, CEO of MTI Investment SE says: "With an eye on immediate cash generation, MTI Investment is excited to see this project come to fruition and expects operations to commence in July of 2023. By capitalizing on the booming tourism industry in Zanzibar, MTI Investment is poised to deliver strong returns for its investors while contributing to the region's economic development."



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