MTI INVESTMENT AB

CORE HOLDINGS UPDATE: Q3 2026

19th Nov 2026

Q3 Market Commentary

Macro Comment

The region has absorbed this year's oil price shock better than expected. In October, the World Bank raised its 2026 growth forecast to 4.3%, up from 4.0% in April, and the IMF raised its forecast to 4.5%. However, inflation is expected to rise from 3.7% to 5.5%. This will cut into household spending power and limit how far interest rates can fall. Fuel-importing countries with no oil or mineral exports are under the most pressure.

East Africa kept growing in Q3 despite rising import costs. Central banks raised interest rates or held them steady, so borrowing costs are unlikely to ease in the near term.

Tanzania remains the stronger market. The Bank of Tanzania raised its rate from 5.75% to 6.25% in July and held it for Q4, acting early to keep prices stable. Inflation reached 4.3% in September, within the 3% to 5% target. Private sector lending grew 32.5% in Q3, up from about 24% in Q2, and the central bank projects Q4 growth of 7.2%. Demand for finance is strong, but credit growing this fast increases the risk of loan defaults.

Kenya is steadier but more constrained. Growth held at 5.1% in Q2. The Central Bank of Kenya kept its rate at 8.75% for a fourth straight meeting, which ends the rate cuts it had been making since 2024. Inflation rose to 6.8% in September, just below the 7.5% upper limit. Borrowing costs are unlikely to fall further, and if prices keep rising, the central bank may have to raise rates.

Financial Services

Credit demand across African markets is strong and broad-based, supporting loan book growth among SME and microfinance lenders. This is reflected across MTI's portfolio, where increased borrowing demand is driving loan book expansion and supporting the growth of portfolio companies. The harder question is margin. Higher policy rates have fed through to funding costs, with Tanzania's 7-day interbank rate averaging 6.56%, above the policy rate, in late September. For lenders reliant on wholesale borrowing, the priorities are diversifying funding sources, tightening collections and protecting asset quality as loan books grow quickly.

Agriculture and Food Production

Food prices have been a stabilising force. In Tanzania, a 0.5% monthly drop in food prices offset rises in transport, housing and household goods in September. This supports consumer demand for value-added products such as dairy, though higher fuel costs continue to push up distribution and input costs. For grain processors, supply looks adequate but tighter than last year, with 2026 cereal production forecast at a near-average 12.8 million tonnes after prolonged dry spells. Across the region, rising fertiliiser and transport costs remain the main pressure on agri-business margins.

Private Capital Flows

Capital is moving from early-stage venture toward later-stage equity and debt. In H1 2026, venture deals fell 34% to 102 transactions, while private equity grew 22% and private debt had its strongest first half by value. Investors are writing fewer but larger cheques: the median venture deal rose from $500K to $1.7M year on year, and the top 10 ventures captured 65% of H1 funding value, up from 48%.

The sector mix is broadening. Financials, mostly fintech, lost the lead for the first time in recent years, with business services and energy taking over half of capital deployed, while agritech and healthtech activity increased. Debt is increasingly the instrument of choice: startup debt funding rose six-fold to $305 million in Q1, while climate tech funding grew 48%. Regionally, East Africa overtook Southern Africa by deal value in H1, though this rested on one large electric vehicle deal.

Exits are maturing too, with trade sales making up 53% of exits, led by domestic buyers. Momentum improved in Q3, with startups raising $1.025 billion across 167 deals, compared with $785 million a year earlier. We see these trends as supportive of blended debt and equity structures in real-economy sectors such as agriculture, food processing and SME finance.

What to Watch

- **Oil prices**: Fuel has driven inflation across the region this year. Lower prices would ease business costs and open room for rate cuts; another spike would keep rates high.
- **Short rains (Oct–Dec):** Food is the largest share of household spending, so harvests drive inflation. Good rains would lower food prices and support rate cuts, though El Niño could disrupt crops in Tanzania.
- **Interest rates:** Tanzania hiked in July and Kenya has held for four meetings. Rate cuts in 2027 would ease funding costs for lenders and borrowers.
- **Credit quality:** Tanzania's private sector credit grew 32.5% in Q3. Rapid lending growth can lead to rising defaults, especially among SMEs.
- **Government refinancing:** Rising Eurobond repayments could push governments to borrow locally, crowding out credit to businesses.
- **Capital concentration:** The top 10 ventures took 65% of H1 funding. Smaller businesses may find equity harder to raise, increasing demand for debt and blended finance.

NET ASSET VALUE (NAV) Q3 2026

(TSEK)	NET ASSET VALUE ESTIMATE	SHARE OF MTI PORTFOLIO
FINANCIAL SERVICES		
Fintech Africa / Mtaji	14 296	22%
AML Finance	8 084	12%
Workpay	229	0.4%
FOOD PRODUCTION		
Tanswed	872	1%
Shambani Milk	16 220	25%
Chanzi	5 559	9%
VENTURE BUILDER ADVISORY		
MTI Ventures	15 000	23%
Interest Bearing Financial Assets	4 996	8%
Total Enterprise Value	65 255	100%
Interest-bearing debt	-13 768	
Total est. Net Asset Value	51 487	
Shares outstanding	20 818 926	
Estimated Net asset value per share (SEK)	2.47	

	30.06.2025	30.09.2025	31.12.2025	31.03.2026	30.06.2026	30.09.2026
Net Asset Value Per share (SEK)	2.31	2.46	2.46	2.44	2.49	2.47
Share price (SEK)	1.10	1.06	0.85	0.66	0.60	0.66
Percentage difference to NAV	52%	57%	65%	73%	76%	73%
Shares outstanding	16 666 614	16 666 614	16 666 614	16 666 614	20 818 926	20 818 926

MTI Investment AB's financial statements are prepared in accordance with K3. In this report, all unlisted holdings are valued on the basis of relevant multiples of the companies' historical or expected sales or earnings, transaction multiples, valuation of future cash flows, or book value.



Shambani Milk Ltd

Sector: Dairy
Founded: 2003
MTI invested: 2015
MTI ownership: 20%
Number of employees: 39
CEO: Victor Mfinanga

315 (9.8% YoY)

Number of "000" liters milk sold in Q3 2026

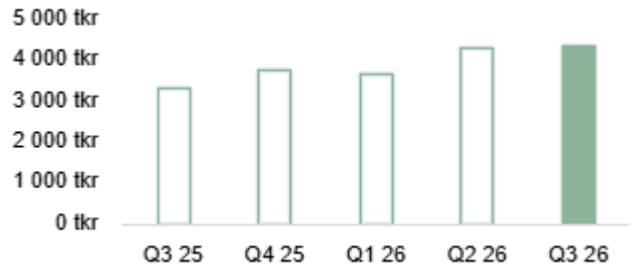
INVESTING IN HIGH GROWTH CONSUMER MARKETS

At MTI Investment, we back *businesses that combine strong market demand with scalable growth potential*. Shambani Milk, a growing dairy brand in Tanzania, is one of them. With a rapidly expanding Tanzanian middle class and increasing demand for high-quality dairy products, Shambani Milk is well-positioned to capture market growth. The company focuses on high-margin, value-added products, leveraging strong brand recognition and an efficient distribution network to drive profitability.

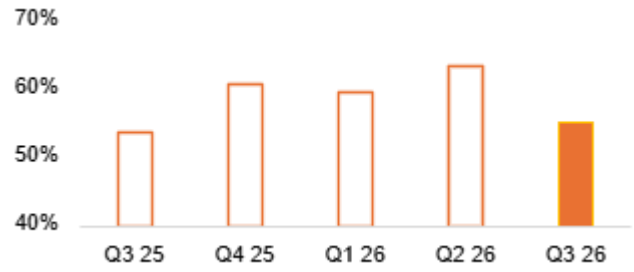
Q3: UNLOCKING DEMAND POTENTIAL WHILE STRENGTHENING FOUNDATION

Shambani Milk recorded a strong Q3 2026, with revenue increasing by 34% on year-on-year basis. The growth was primarily price-driven supported by improved pricing and product mix. Mtindi, which makes up two-thirds of sales, contributed from mide year price increase of approx. 10% per litre. The below target volume growth was compensated by the improved pricing. Yogurt remains the main growth driver, more than doubling year-on-year to 24% of revenue. However, the growth was temporarily constrained due to shortage in cups from mid-July to end-August. Supply was restored in September, which became the best month of the year so far. The Fresh milk sales continued to decline though (-33% YoY). The better pricing and product mix fed directly into profit improving the gross margins and overall profitability. The company has set its key priorities to accelerate the volume growth, ensuring consistent supply of yogurt packaging materials and address the decline trend in fresh milk sales. Maintaining the improved margins while strengthening sales volumes will be important to sustaining the company's positive financial trajectory.

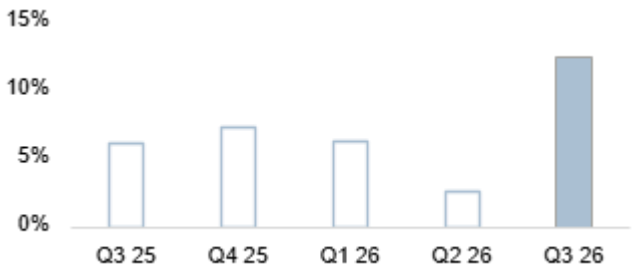
SALES (TSEK)



ASSET TURNOVER (%)



EBITDA MARGIN (%)



Note: The financial data represented is based upon Unaudited numbers



Mtaji Wetu Finance Ltd

Sector: Financial Services
Founded: 2019
MTI invested: 2020
MTI ownership: 43.71% + debt
Number of employees: 8
CEO: Torbjörn Jacobsson

60 (67% YoY)
Number of Borrowers in Q3 2026

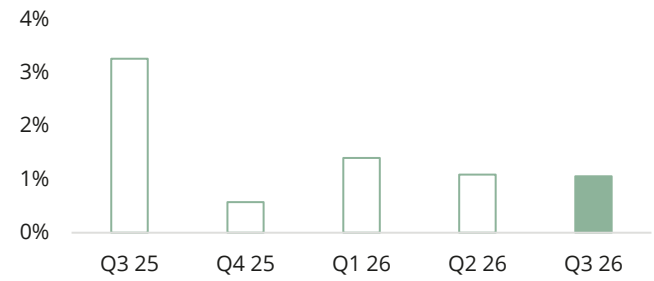
INVESTING IN SCALABLE FINANCIAL SOLUTIONS

At MTI Investment, we seek *businesses that unlock growth opportunities in underserved markets*. Mtaji Wetu Finance Limited, owned through Fintech Africa AB, is one such company. Tanzanian SMEs face significant financing barriers, limiting their ability to scale. Mtaji Wetu bridges this gap by offering innovative lending solutions, enabling businesses to expand and create jobs. With a tech-driven approach, growing customer base, and disciplined credit risk management, the company is well-positioned for sustainable growth.

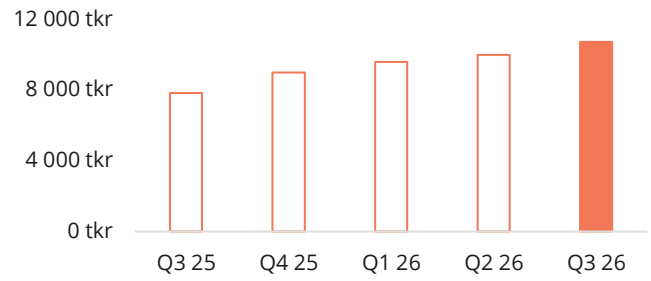
Q3: AGGRESSIVE CUSTOMER GROWTH TO MITIGATE CREDIT CONCENTRATION

MTAJI continued to expand its lending operations in Q3 2026, with steady growth in its loan portfolio, borrower base, and loan disbursements, reflecting sustained demand for credit. However, financial performance remained under pressure, as revenue growth was insufficient to offset rising funding costs and operating expenses. Despite these challenges, demand for new loans remains strong, and MTAJI is actively seeking additional funding to meet it and support portfolio growth. To manage the financial pressure due to increased borrowing cost and high operating expenses, the cost of CEO's compensation has been reduced from September onwards. An October 2026 client survey (11 respondents) supports this, with a Net Promoter Score of +64 and 10 of 11 clients reporting a positive business impact, though the application and documentation process was flagged for improvement.

NET INTEREST INCOME MARGIN (%)



LOAN BOOK (TSEK)



Note: The financial data represented is based upon Unaudited numbers



AML Finance Ltd

Sector: Financial Services
Founded: 2014
MTI invested: 2024
MTI ownership: 0.0005% + debt
Number of employees: 68
CEO: Reginald Massawe

618 (59% YoY)
Number of borrowers in Q3 2026

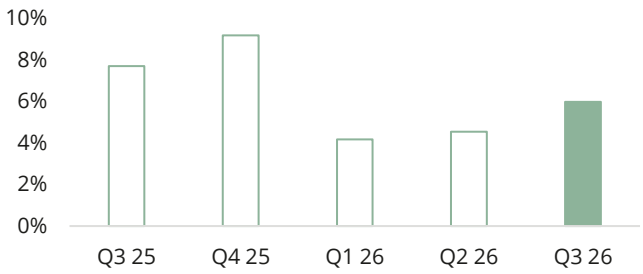
BACKING GROWTH WHERE IT MATTERS

At MTI Investment, we invest in businesses solving real problems in high-growth markets. AML Finance is doing just that. SMEs in East Africa struggle with financing, and AML fills this gap with tailored financial solutions, enabling growth and job creation. With a scalable model, strong risk management, and deep market insight, AML is well-positioned for long-term success.

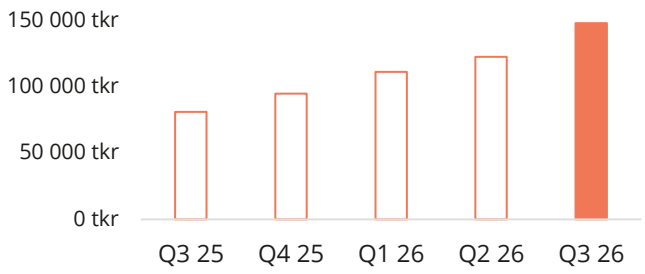
Q3: STRATEGIC POSITIONING FOR FUTURE GROWTH

AML Finance delivered solid growth in Q3 2026, supported by strong loan portfolio expansion and higher interest income. Borrowings increased during the period to fund this growth. Interest costs and overall operating expenses reduced during the quarter, improving net margins, and net profit increased year on year. The company's priorities remain reducing borrowing costs, strengthening loan collections, improving cash flow, and maintaining cost discipline to sustain profitability. During the quarter, AML strengthened client relationships and explored new financing opportunities through Kili Fair, engaged with financial sector stakeholders on digital innovation at the Tanzania Fintech Festival, and invested in staff development, risk management, and ESG awareness.

NET INTEREST INCOME MARGIN (%)



LOAN BOOK (TSEK)



Note: The financial data represented is based upon Unaudited numbers



Tanswed Agro Limited

Sector: Agri-processing
Founded: 2023
MTI invested: 2023
MTI ownership: 49%
Number of employees: 1
CEO: Michael Mrosso

74.89 MT (-41% YoY)
Total quantity of rice milled and graded in Q3 2026

Q3: INVESTING IN SUSTAINABLE AGRICULTURE

Tanswed Agro recorded a mixed financial performance in Q3 2026, with net revenue declining by 15% year-on-year, primarily due to lower production levels and the absence of its main customer, who experienced operational challenges. Production increased progressively from Q1 to Q3, although growth moderated slightly in Q3 compared to Q2. Operating expenses declined by 19%, supported by lower production-related costs and significant cost-control measures, including a workforce reduction that left the company with one employee. Overall, reduced production levels remained the main constraint on performance during the quarter. While cost savings supported a stronger EBITDA than in the prior-year quarter, lower output limited revenue generation and resulted in weaker net results.



Chanzi Ltd

Sector: Insect-based animal feed and organic waste recycling
Founded: 2019
MTI invested: 2022
MTI ownership: Convertible debt
Number of employees: 142

54.1 MT
Dried BSFL produced in Q3 2026

Q3: INVESTING IN CIRCULAR ECONOMY

Chanzi Farming experienced a challenging Q3 2026, with revenue remaining below budget and declining quarter-on-quarter, while the business continued to record an EBITDA loss, albeit narrower than in Q2. Performance was constrained by lower-than-target BSFL production across its sites and a growing stock of unsold frass. In response, management has undertaken operational restructuring, strengthened commercial accountability for frass sales, secured an offtake arrangement, and introduced output-linked site incentives, alongside engineering upgrades and improved maintenance and digital management systems. Meanwhile, the BSF landfill-avoidance and biochar carbon projects are progressing through third-party verification, with management targeting positive gross margins by Q2 2027. Okota, the Group's Tanzanian waste-to-value platform, recorded stronger operating momentum, with increased waste collection and improved revenue performance, supported partly by a newly signed cleaning contract.

Note: The financial data represented is based upon Unaudited numbers

GROWTH PORTFOLIO

During Q3, Growth Portfolio companies continued to receive training, mentorship, and targeted technical support. Mentorship efforts increasingly focused on connecting companies with platforms and opportunities to raise capital. MTI, in partnership with Sote Hub, also signed an MoU with Equity Bank to facilitate referrals of portfolio companies for potential financing. To date, three companies have received loans through Equity Bank's grant financing programme, with further referrals expected following ongoing company assessments.

Companies also made progress on strategic priorities, with Lishe 360 refining its distribution model and exploring working capital financing for its distributors, while Sokoine focused on entering new markets. Additionally, the introduction of a mentor providing tax and legal advisory support has helped Tanzanian companies strengthen their business structures and improve compliance with tax requirements.

Lishe 360
Country: Tanzania
Sector: Manufacturing
Founded: 2023
MTI Growth-Portfolio: 2026
https://lishe360.co.tz/

Food processing company that produces healthy baby food products from local organic ingredients such as cashew nuts, maize, and sorghum. Products are sold under their own brand and targets the expanding middle class.

Refasha Zanzibar
Country: Tanzania
Sector: Manufacturing
Founded: 2019
MTI Growth-Portfolio: 2026
https://refashazanzibar.com/

Seaweed processing company that transforms seaweed into export quality skincare, haircare, and body care products as well as premium seaweed powder for dietary supplements

Sokoine Agri-enterprises
Country: Tanzania
Sector: Aggregator
Founded: 2022
MTI Growth-Portfolio: 2026
https://sokoineagric.co.tz/team/

Agribusiness in the complex value chains in coastal Tanzania and Mozambique. Focus on high-quality sourcing of cowrie shells, sea cucumbers, and seaweed for to Asian markets.

Ice Cold Logistics
Country: Kenya
Sector: Logistics
Founded: 2023
MTI Growth-Portfolio: 2026
https://icecoldlog.com/

A cold chain logistics company that provides temperature-controlled transportation and storage solutions for perishable goods

ADDITIONAL INFORMATION

GROUP STRUCTURE

MTI Investment is a Swedish investment company that manages its own investment portfolios. Through its two wholly-owned subsidiaries, MTI Advisory in Kenya and Tanzania, the group provides investment and financial advisory services, market linkages, and business development support.

TEAM

The MTI Investment team today consists of 11 people spread out across our offices in Stockholm, Kenya and Tanzania. One person is based in Stockholm, 5 in Kenya and 5 in Tanzania. The management team consists of Anton Dahlberg, CEO, Lincoln Njiru, CFO, and Manvi Mathur, CCRO. Together they bring extensive experience in senior positions from working with investments, business development and credit analysis in developing markets in Africa and India.

Team highlights:
Average age: 33 years
Gender distribution: F/M 45/55
Employee turnover rate: 9%

TOP 10 SHAREHOLDERS

The table below shows the MTI Investment AB's ten largest owners as of 30th of September 2026 .

	SHARES	OWNERSHIP
Holdingselskabet Claus Jørgensen	6 224 859	29.90%
Engström Investment Holding AB	1 584 817	7.61%
Sørlandsforskning AS*	1 443 360	6.93%
Ternström, Björn	1 146 433	5.51%
Hans Joachim Reinhard	1 105 005	5.31%
Velliv Pension & Livforsikring A/S**	900 000	4.32%
ADB Invest AB	700 000	3.36%
Olson, Fredrik	575 000	2.76%
Deichmann Invest ApS	472 000	2.27%
Heracleum AB	410 664	1.97%
Others	6 256 788	30.06%
Total	**20 818 926**	**100.00%**

** Sørlandsforskning AS is controlled by Trond Randøy, Director on the Board of MTI Investment AB*
*** Shares held by Martin Ackermann, Chairman on the Board of MTI Investment AB.*

AUDITOR

The company's auditor is Ernst & Young AB. This quarterly report for the period Q3 2026 has not been subject to a review by the company's auditor.

CERTIFIED ADVISER

Mangold Fondkommission AB is acting as the company's Certified Adviser and can be reached on:
Phone: +46 (0)8-5030 1550
Email: ca@mangold.se

FINANCIAL CALENDAR

MTI Investment issues formal half-year interim reports.
All reports can be downloaded at www.mti-investment.com.

Year-end report 2026 (H2)	25 March 2027
Silent period begins	23 February 2027
Annual report 2026	13 May 2027
AGM	03 June 2027
Silent period begins	27 July 2027
Half-year report 2027 (H1)	26 August 2027

OTHER REPORTS

Q1 report 2027	13 May 2027

** MTI's core holdings update should not be considered as formal interim reports. These updates do not include the consolidated results of the Group and the Parent company.*

MTI INVESTMENT AB

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www.mti-investment.com

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