

MTI INVESTMENT SE

Year-End Report: January - December 2023
Including H2 2023 report



28 Mar 2024



MTI Investment Hub and co-working space, Dar es Salaam, Tanzania

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FINANCIAL REPORT Q1-Q4

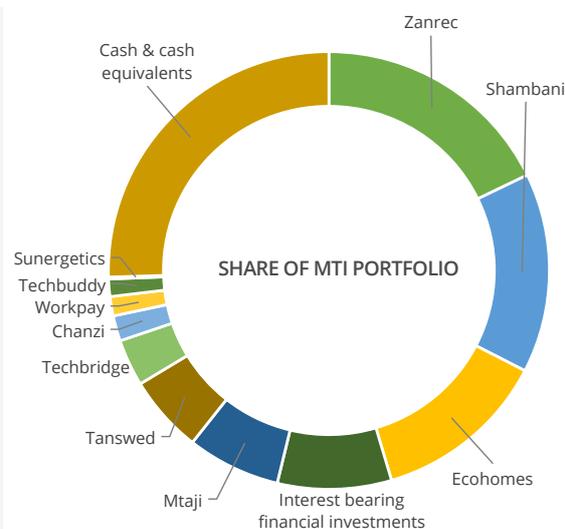
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ESTIMATED NET ASSET VALUE

(EUR)	NET ASSET VALUE ESTIMATE	SHARE OF MTI PORTFOLIO
WASTE MANAGEMENT / ANIMAL FEED PROTEIN		
Zanrec	959 387	17.8%
Chanzi	100 933	1.9%
CONSTRUCTION		
Ecohomes	691 469	12.8%
AGRICULTURE		
Tanswed	307 714	5.7%
Shambani Milk	795 089	14.8%
FINTECH AND TECH		
Fintech Africa / Mtaji	368 935	6.9%
Techbuddy	69 447	1.3%
Workpay	76 565	1.4%
RENEWABLE ENERGY		
Sunergetics	7 436	0.1%
VENTURE BUILDER ADVISORY		
TechBridge Invest	186 415	3.5%
Interest Bearing Financial Assets	450 003	8.4%
Cash and cash equivalents	1 372 392	25.5%
Total Enterprise Value	5 385 785	100%
Interest-bearing debt	-1 358 925	
Total est. Net Asset Value	4 026 860	
Shares outstanding	11 820 778	
Estimated Net asset value per share (EUR)	0.34	
Estimated Net asset value per share (SEK)	3.79	



	31.12.2022	31.03.2023	30.06.2023	30.09.2023	31.12.2023
Net Asset Value Per share (SEK)	7.8	6.6	7.0	6.3	3.79
Share price (SEK)	4.1	3.45	3.8	3.3	1.76
Percentage difference	48%	48%	46%	47%	54%
Shares outstanding	5 703 029	6 570 978	6 570 978	6 570 978	11 820 778

MTI Investment SE'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.

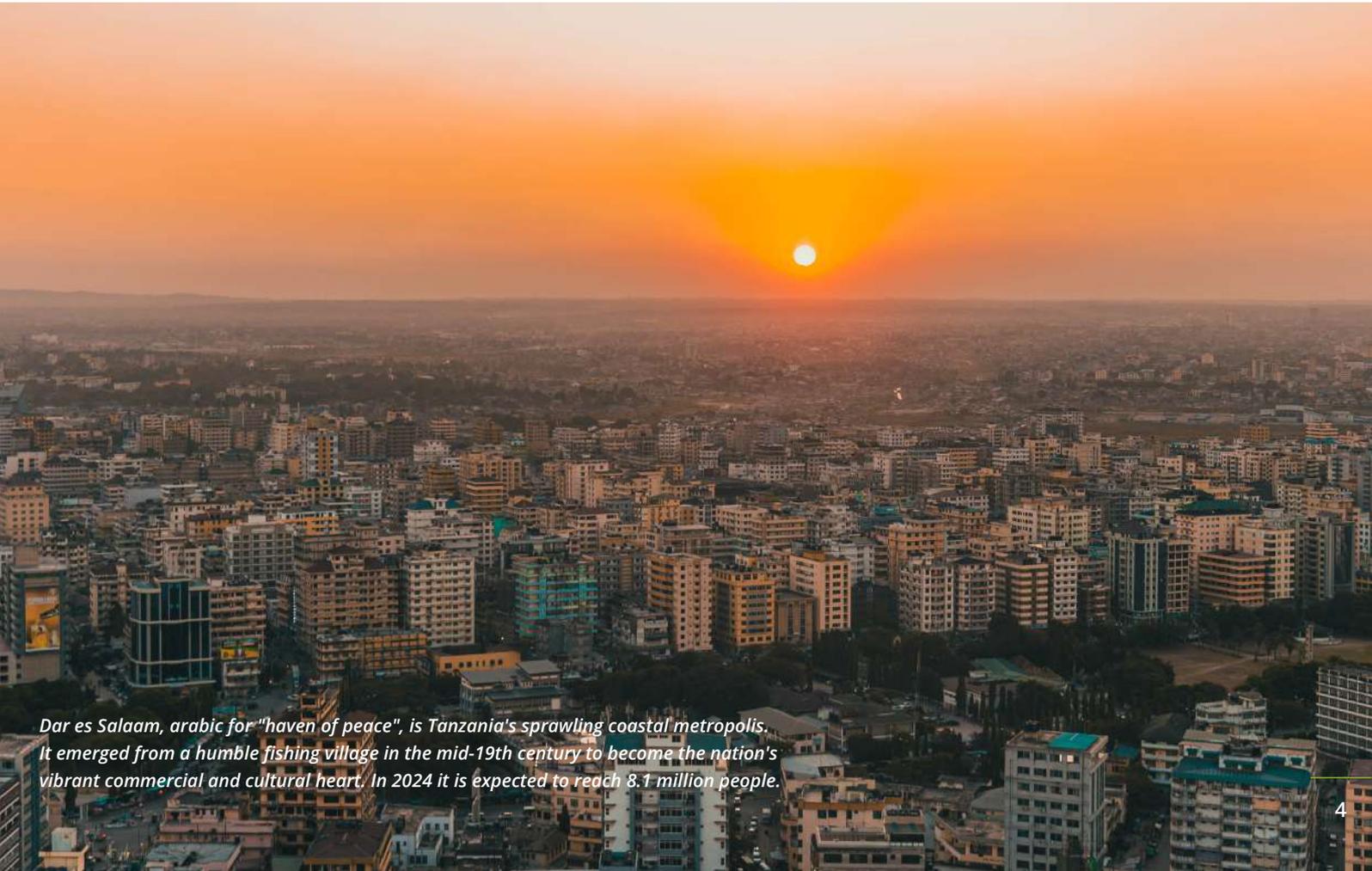
HIGHLIGHTS YEAR-END REPORT 2023

H2 2023 GROUP

- Consolidated group revenue has decreased during H2 2023 to EUR 196 005 (EUR 835 586).
- EBITDA during H2 2023 was EUR -639 297 (EUR -832 323).
- The net loss for the period was EUR -720 733 (EUR -332 986).
- The net cash flow for the period was EUR -130 794 (EUR -232 959).

FULL-YEAR 2023 GROUP

- Revenue amounted to EUR 301 813 (EUR 1 867 663).
- EBITDA was EUR -1 253 090 (EUR -1 319 600).
- The net loss was EUR -1 515 872 (EUR -947 772).
- Total equity at the end of the period was EUR 1 495 503 (EUR 2 162 676).
- Cash and cash equivalents amounted to EUR 706 931 (EUR 707 083).
- The net cash flow for the period was EUR 26 542 (EUR -1 444 175).

An aerial photograph of Dar es Salaam, Tanzania, taken at sunset. The sun is a bright orange orb in the center of the sky, casting a warm glow over the city. The city is densely packed with multi-story buildings, mostly in shades of beige and brown, with some modern structures featuring blue and green accents. The buildings are arranged in a grid-like pattern, with narrow streets visible between them. The horizon is visible in the distance, showing a mix of urban and natural landscape.

Dar es Salaam, arabic for "haven of peace", is Tanzania's sprawling coastal metropolis. It emerged from a humble fishing village in the mid-19th century to become the nation's vibrant commercial and cultural heart. In 2024 it is expected to reach 8.1 million people.

HIGHLIGHTS YEAR-END REPORT 2023

IMPORTANT EVENTS DURING H2 2023

- Noah Amri Mwakanyamale stepped up as the key personnel responsible for business operations of MTI group in Tanzania. He is responsible for business development and sourcing of potential opportunities.
- MTI Investment SE announces strategic partnership aimed at realizing [commercial solar energy](#) projects in Kenya.
- MTI investment made an exit from its investment [ZanDreams AB](#), recovering it's initial investment with small percentage of premium.
- Shambani Milk showcased its products in the 2023 Africa Food Systems Forum (AGRF) in Dar es Salaam and the Selous Marathon 2023.
- Tanswed Agro, experienced a huge demand for its rice bran grading service and opened one more operating center.
- CEO Pontus Engstrom meets with [Tanzania Finance minister Dr. Mwigulu Nchemba](#) in Stockholm.
- Grand Finale in the Ester-MTI Accelerator saw 10 [successful foreign born female entrepreneurs](#) accelerate their businesses under MTI's leadership.
- MTI Investment SE [secures NOREC grant funding](#) for transformational entrepreneurship project in partnership with Techbridge Invest AS and the University of Agder, allowing for [four locally hired recruits and three master student recruits](#).
- Zanrec participated in world clean up day and collected a total of 1.3 tons of waste in 2 hours in Kendwa.
- MTI Investment carries out a [preferential rights issue](#).

IMPORTANT EVENTS DURING 2023

- CEO Pontus Engström [met with the President of Zanzibar](#), H.E. Dr. Hussein Ali Mwinyi to discuss waste management and job creation.
- MTI's TO1 warrants were exercised, with approx. 48 percent subscribed, [raising SEK 1.6 million](#).
- MTI Investment SE [completes the investment](#) of an additional 7.92 percent of FinTech Africa AB.
- MTI invests in [state-of-the art rice bran grading](#) joint venture - Tanswed Agro Limited.
- MTI Investment SE [enters into a term loan facility](#) agreement of USD 1,500,000.
- MTI Investment's subsidiary Ecohomes chosen for [prestigious rehabilitation project](#) of St. Joseph's cathedral in Dar es Salaam, Tanzania.
- MTI Investment provides an [interest-bearing cash generating credit facility](#) to Fintech Africa and Mtaji of USD 0.5 million.
- Manvi Mathur was hired as Finance and Operations Manager in MTI Investment SE. She will work on reporting, managing financial and operational systems, processes, administration, and internal controls.
- MTI Investment [secures NOPEF funding](#) for solar energy feasibility study in Zanzibar.
- MTI Investment SE [secures NOREC grant funding](#) allowing for [four locally hired recruits and three master student recruits](#).
- MTI Investment carries out a [preferential rights issue](#), successfully raising SEK 7.9 million before issue costs.



See this beautiful video made by WWF on Chanzi - the sustainable protein company

Source: <https://youtu.be/PdTOoXGdylM?si=aqE9JJFo5ekNfgdC&t=1>

IMPORTANT EVENTS AFTER 2023

- MTI Investment [increases its interest-bearing](#) cash generating credit facility to Fintech Africa and Mtaji by USD 150.000, bringing the total to USD 650.000
- MTI Investment opened a new hub and co-working space in the Nobel Centre in Dar es Salaam, which was officially opened by the Swedish Ambassador Charlotta Ozaki Macias.

WORDS FROM THE CEO

"FOCUS ON PROFITABLE, SUSTAINABLE GROWTH"

A NEW PATH TOWARDS A SUSTAINABLE FUTURE FOR MTI INVESTMENT

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.

Since we went public in 2021, our mission has been to invest in small and medium-sized companies run by skilled and committed entrepreneurs running companies that could become regional champions over the long run. During the last two years, however, investor preferences have changed and the risk appetite has decreased. We have therefore had to adjust our investment approach to prioritize commercially scalable businesses as those that can create maximum impact by achieving profitable, sustainable growth and a positive cash flow in the near term.

MTI strives to build a self-sufficient group with eventual dividends to our shareholders. Today we see many more opportunities in different sectors of the market, in particular in agricultural processing and short-term working capital financing.

On that note, I want to highlight that in 2023 we hired Noah Amri as Investment Director in Tanzania. His efforts, involvement, energy, and commitment have given us new hope and opportunities to develop our operations in the region. Noah has also stepped into the role of interim CEO of Zanrec at 60% and has done an excellent job so far. His intelligence and ability to navigate complex business situations have been critical to our new direction with Zanrec in Zanzibar and in the creation of our new investment hub in Dar es Salaam. The path Zanrec is taking now is to develop strategies that make it less reliant on the districts.

Furthermore, I extend my congratulations to Manvi Mathur on her new role within MTI. Her journey from intern to a key player underscores our commitment to nurturing talent and fostering an internal culture of excellence. Her multifaceted expertise drives enhancements across MTI's operations, from meticulous

financial reporting and robust due diligence to a proactive pursuit of grants, like NOPEF.

In the realm of finance, we have experienced a successful development of Mtaji, where Torbjörn Jacobsson and the whole team in Mtaji have delivered a strong performance with a positive EBITDA and net result for 2023. Our investment in Shambani Milk has continued to grow steadily over time, by 800% since we first invested in 2015. We have also managed to get a strategically important advisor to Shambani Milk in Håkan Söderholm, with over two decades of senior management level experience with Tetra Pak and Tetra Laval, including several years in East Africa. Shambani Milk posted a second year in a row with a positive EBITDA.

The agri sector has turned out to be full of opportunities, and it is encouraging to see how Tanswed grows fast and posted a positive EBITDA in its first year of operations. We also continue to support Ecohomes, where the new CEO Harry Tuluhungwa gradually works on improving operations.

As we venture into the realm of solar energy, we are fortunate to collaborate with Poojan Dodhia and Ushmi Shah, who bring valuable insights and expertise to the table. Solar energy is a challenging area in East Africa, and we continue to develop potentially bankable investments in both Kenya and Zanzibar.

Notably, our acquisition of Techbridge has provided us with the resources and capabilities to expand our footprint across Tanzania and Kenya, thanks to the grant from NOREC. The establishment of an investment hub in Tanzania marks a significant milestone and we are excited to explore the opportunities ahead.

In closing, I am optimistic about the future of MTI Investment. With a renewed focus on profitability and sustainability, coupled with our dynamic team and strategic partnerships, we are poised to capitalize on the myriad of opportunities that lie ahead.

Sincerely,

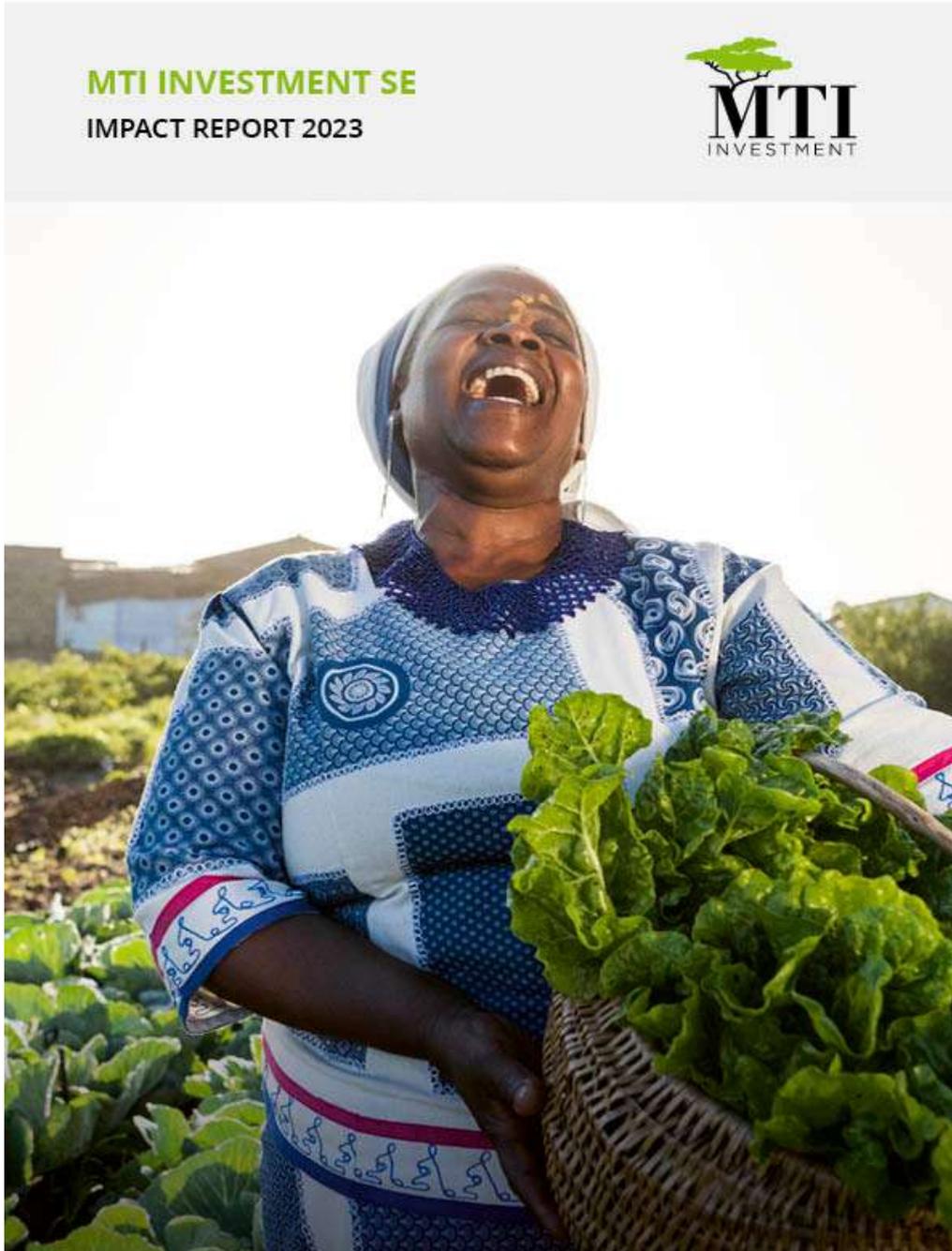


Pontus Engström
CEO of MTI Investment SE



MTI INVESTMENT **IMPACT REPORT**

Please see www.mti-investment.com/investor-relations for our first Impact Report.



BRIEF ABOUT MTI INVESTMENT

We offer investors an opportunity to take part in the value creation among small and medium-sized enterprises (SMEs) with high growth in Eastern Africa.



"Mti" means tree in Swahili, symbolically representing MTI's focus on growing companies. Our portfolio companies have the potential to bear fruit from long-term efforts of investing, coaching, and monitoring.

THE GO-TO INVESTOR FOR EAST AFRICAN GROWTH

MTI Investment is an investment and venture building company founded in 2014, by Prof. Trond Randøy from Norway, Ph.D. Pontus Engström from Sweden and Ph.D. Neema Mori from Tanzania.

Our mission is to help SMEs in East Africa to grow faster and become more profitable. With over eight years of experience in East Africa, we have built a relational infrastructure with key stakeholders, such as universities, local businesses, legal advisors, embassies, local and international investors. MTI's goal and vision is to be long-term owners who, through active participation become a leading investment company in East Africa, which in turn creates growth for small and medium-sized companies.

THE FOUNDERS OF MTI INVESTMENT SE



Prof. Trond Randøy
Chairman & Co-founder



Ph.D. Pontus Engström
CEO & Co-founder



Ph.D. Neema Mori
Co-founder

The holding company has its headquarter in Danderyd, Sweden

- Group parent company
- Nordic company, MTI's ownership > 50%.
- East African company, ownership > 50%.
- Nordic company, ownership <= 50%.
- East African company, MTI's ownership < 50%.
- Convertible debt
- SAFE Note



*As part of the share purchase agreement between Techbridge Invest AS and MTI Investment SE, 20% shareholding by Techbridge Invest Africa Ltd in Sunami Uganda and 17% shareholding in Sunami Kenya is in the process of being fully transferred over to Sunergetic AS.

** Incorporated after year end 2023

OUR CORE HOLDINGS REPORT **H2 2023**



Mtaji Wetu Finance Tanzania

Sector: Financial services

Founded: 2019

MTI invested: 2020

MTI ownership: 13.14%

Number of employees: 2

SDGs: 1, 5, 8, 9

"facilitating access to working capital"

Region: Tanzania

MTI rep: Pontus Engström*

WWW.MTAJI.CO.TZ


Torbjörn Jacobsson
Chairman of the board


8 DECENT WORK AND ECONOMIC GROWTH

KEY FIGURES

5 (+167% YoY)

Number of Customers in 2023


5 (+250% YoY)

Number of borrowers in 2023


TEUR 400 (+2636% YoY)

Lending Book in 2023

EVENTS DURING H2

- **Team Expansion:** Given the robust expansion in the operations of the company, Mtaji employed its first employee and now has two full-time staff.
- **New Office Establishment:** As part of their strategic growth initiatives, Mtaji has now established a new office on New Bagamoyo Road in Dar es Salaam. This physical presence underscores their commitment to enhancing accessibility and strengthening relationships with our stakeholders.
- **New official product/service:** Mtaji has successfully onboarded its first customer into their new innovative product, A/R Kua Pesa. This accomplishment not only validates the effectiveness of their offerings but also sets a solid foundation for future growth and expansion.

FINANCIAL COMMENTS

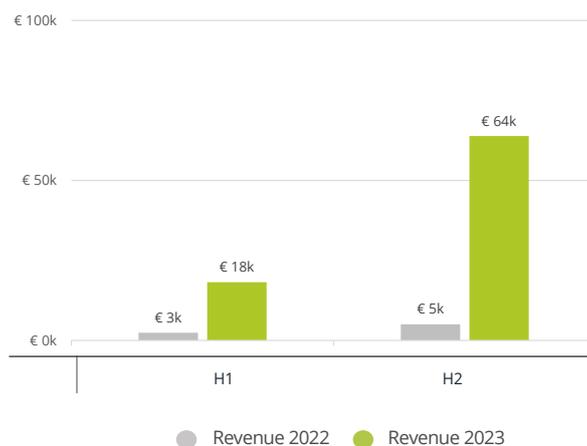
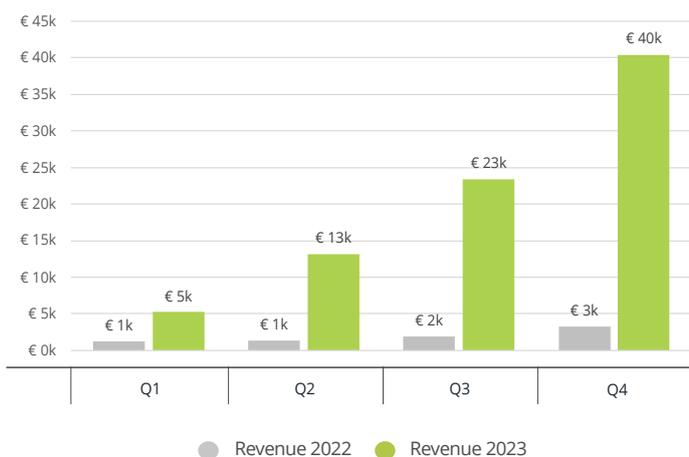
- Mtaji Wetu started its operation with a promising business idea in 2019. Business has picked up substantial momentum in 2023. The year saw an overall increase in the size of business operations by not only repeat business but also adding new customers in its fold.
- Revenue in H2 2023 amounted to TEUR 64, an increase of 1143% as compared to H2 2022.
- EBITDA in H2 2023 was a positive at TEUR 30 as against a negative in 2022. It was an increase of approx. 442%. EBITDA for the whole year 2023 was a positive of TEUR 33.
- Mtaji Wetu generated profits and gave a net result of TEUR 14 for H2 2023 which is a significant development for the company.

* In 2024, MTI is represented by Bengt Svelander

Mtaji Wetu		H2 results (July-Dec)		
TEUR	H2 2023	H2 2022	diff	
Tot. Revenue	64	5	1143%	
EBITDA	30	-9	442%	
EBITDA Margin	47%	-170%	128%	
Net result	14	-9	254%	
Asset Turnover Ratio	0.16	na	na	

Mtaji Wetu		Year-end (Jan-Dec)		
TEUR	2023	2022	diff	
Tot. Revenue	82	8	975%	
EBITDA	33	-22	249%	
EBITDA Margin	40%	-285%	114%	
Net result	15	-22	168%	
Asset Turnover Ratio	0.30	0.23	30%	

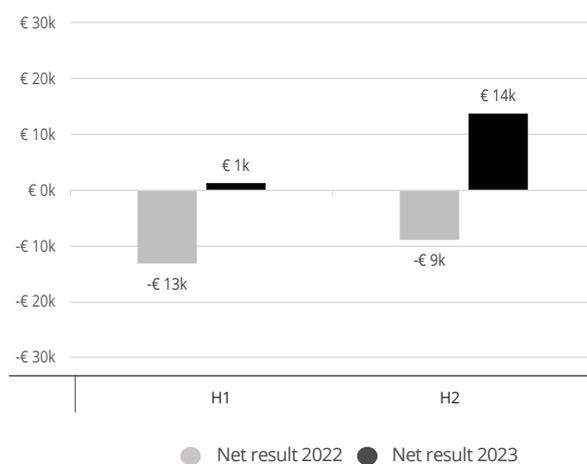
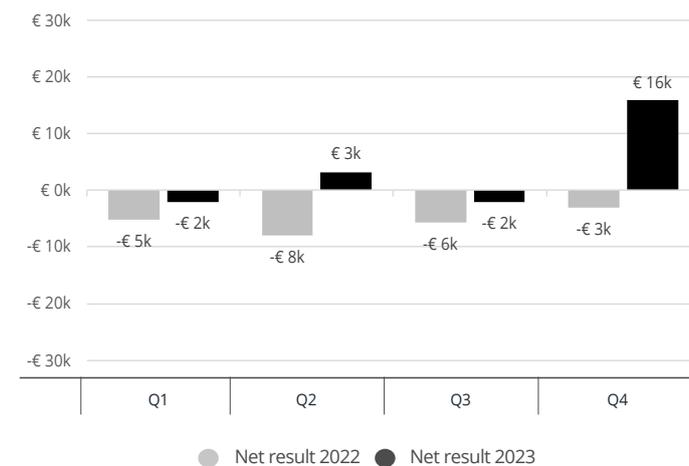
REVENUE



EBITDA



NET RESULT





Zanrec Plastics Co.Ltd

Sector: Waste Management

Founded: 2009

MTI invested: 2015

MTI ownership: 49%

Number of employees: 28

SDGs: 1, 3, 5, 6, 8, 9, 11, 12, 13, 14, 15, 17

"for sustainable tourism and communities"

Region: Zanzibar, Tanzania

MTI rep: Pontus Engström

WWW.ZANREC.COM



Noah Amri
CEO

(Investment Director MTI Tanzania)



From left: Pontus Engström, CEO of MTI Investment SE,
Justin Madho, General Manager of Zanrec Plastics Co. Ltd,
Martin Rex Empacher, CEO and co-founder of YardHouse Capital Group

11 SUSTAINABLE CITIES AND COMMUNITIES

KEY FIGURES



177 (-12% YoY)

Number of hotel clients during H2 2023



125 tonnes (+140% YoY)

Number of plastic waste collected during H2 2023.



2,291 tonnes (-40% YoY)

Number of total waste collected during H2 2023

EVENTS DURING H2

- **World clean up day:** Zanrec commemorated the World clean-up day on 16 Sep 2023 with a clean-up in Kendwa village and beach in partnership with hotels in Kendwa. Hotels like Kendwa rocks, Zuri and Gold Zanzibar participated together with the local communities and school children. A total of 120 people participated and collected 1,3 tons of waste in 2 hours.
- **Uncertain North A district tender outcome:** Zanrec won the tender initiated by North A district. However, despite winning, the regional commissioner insists on giving the waste handling to actors who were not in the tender, nor are qualified. We are challenging the outcome. Political interference lead to a standstill in the tender process.
- **Ongoing tender process with south district:** The South district has initiated a tender process for waste management services, and the outcome is pending.

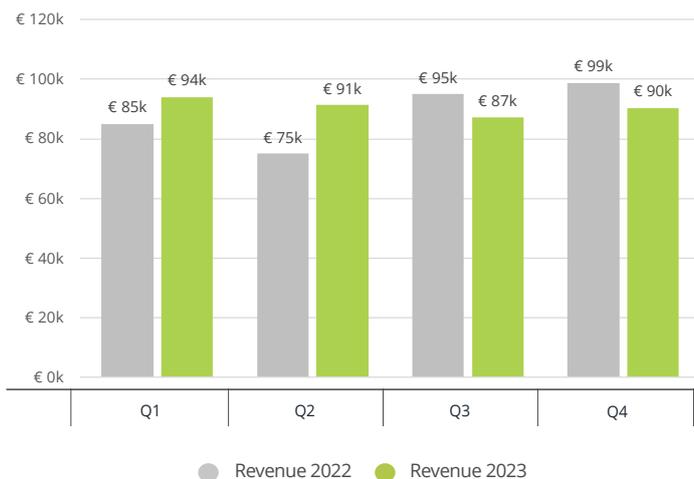
FINANCIAL COMMENTS

- H2 2023 Revenue: TEUR 177 (TEUR 194), down 8% from H2 2022. The number of clients decreased in 2023, due to that we operated in Nungwi during H2 2022. However, in that district there were numerous clients who resisted full fee payment. In 2023, focus shifted to the South, where clients are willing to pay higher fees. Plastic baling project in 2023 also boosted revenue.
- H2 2023 EBITDA: TEUR -2 (TEUR -15), up 83% from H2 2022. Nungwi operations in 2022 increased fuel and labor costs. Therefore, the ceased Nungwi operations in 2023 led to improved EBITDA margin.
- H2 2023 Net Results: TEUR -22 (TEUR -25), up 13% from H2 2022. Improvement due to shift to the South, where hotels paid higher fees.

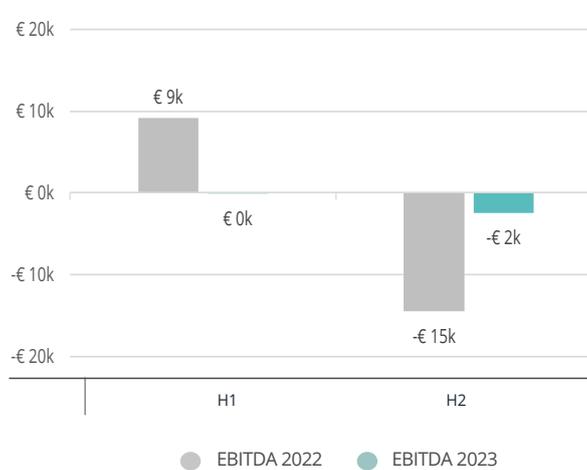
Zanrec Ltd		H2 results (July-Dec)		
TEUR	H2 2023	H2 2022	diff	
Tot. Revenue	177	194	-8%	
EBITDA	-2	-15	83%	
EBITDA Margin	-1%	-8%	82%	
Net result	-22	-25	13%	
Asset Turnover Ratio	1.41	1.43	1,47%	

Zanrec Ltd		Year-end (Jan-Dec)		
TEUR	2023	2022	diff	
Tot. Revenue	363	354	2%	
EBITDA	-2	-6	59%	
EBITDA Margin	-1%	-2%	60%	
Net result	-45	-37	-19%	
Asset Turnover Ratio	3.03	1.43	112.19%	

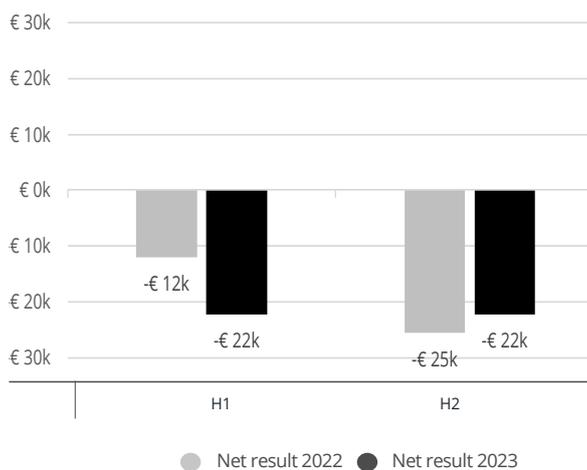
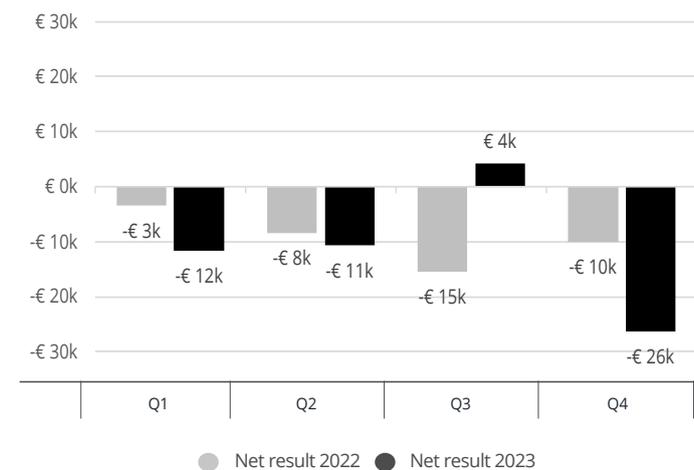
REVENUE



EBITDA



NET RESULT





Tanswed Agro Limited

Sector: Agri-processing

Founded: 2023

MTI invested: 2023

MTI ownership: 49%

Number of employees: 2

SDGs: 1, 2, 3, 5, 8, 9

"advancement of technology in agricultural practices."

Region: Kahama, Tanzania

MTI rep: Torbjörn Jacobsson



Michael Mrosso
CEO



KEY FIGURES



596 MT (New operations)

Total quantity of Broken Rice Separated in H2 2023



268 MT (New operations)

Total quantity of Rice Husk pulverised in H2 2023



482 MT (New operations)

Total quantity of Rice Bran sieved in H2 2023

EVENTS DURING H2

- **Commencement:** Tanswed launched operations in June 2023, experiencing a strong start with high demand for its services.
- **Investment in Infrastructure:** Responding to the significant demand and recognizing the business potential, the company management locally acquired an additional rice bran grading machine. This investment aims to meet the high demand while enhancing efficiency within the production facility.
- **New Processing Center:** Tanswed expanded its operations to a new processing center located in Kagongwa, Kahama. This strategic expansion demonstrates the company's commitment to broadening its market reach and serving more customers.
- **International Opportunities:** Michael Mrosso embarked on a trip to India to explore advanced and cost-effective agro-processing machines with new potential partnerships to further enhance Tanswed's operations.

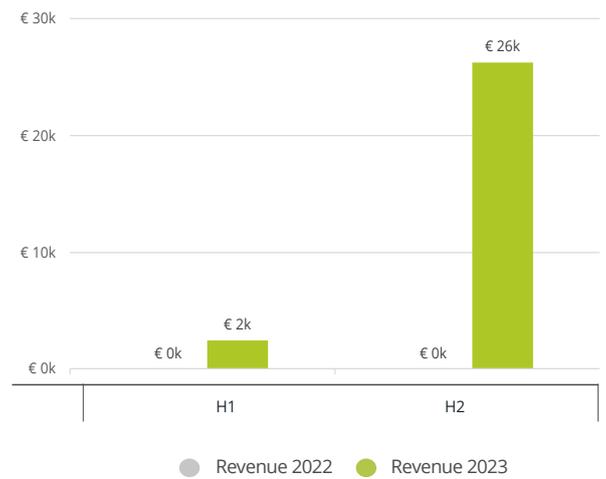
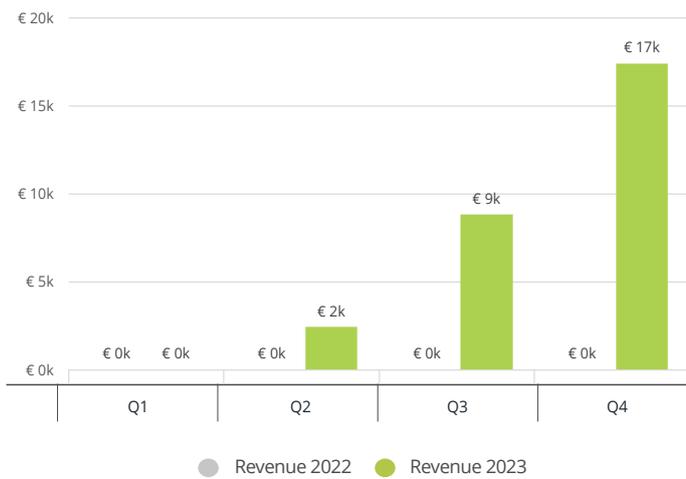
FINANCIAL COMMENTS

- Tanswed was incorporated in the year 2023 and kicked off its operations in June 2023. The company managed to clock revenue of TEUR 26 in H2 2023 and a total of TEUR 29 for FY2023. This is its first year of operations. There was a stable customer flow which it enjoyed since its inception.
- H2 2023 EBITDA: TEUR 2. Prudent operational cost management and increased sales volume led to a noteworthy EBITDA of TEUR 1 for FY 2023, a commendable achievement in its first seven months of operation.
- H2 2023 Net Result: TEUR 2. Despite reflecting TEUR 0 for the full year, the company achieved a net profit of TZS 218K in the local currency for FY 2023, a significant milestone considering its short operational period.

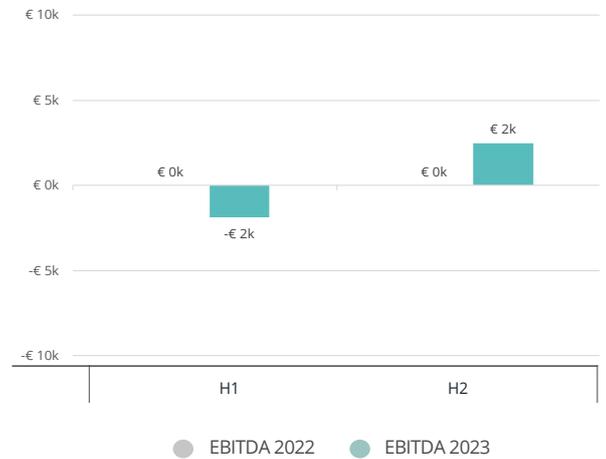
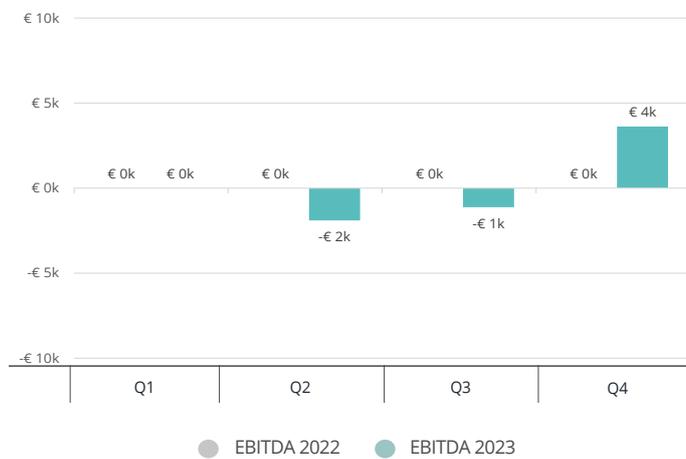
Tanswed Agro			
H2 results (July-Dec)			
TEUR	H2 2023	H2 2022	diff
Tot. Revenue	26	na	na
EBITDA	2	na	na
EBITDA Margin	9%	na	na
Net result	2	na	na
Asset Turnover Ratio	1.98	na	na

Tanswed Agro			
Year-end (Jan-Dec)			
TEUR	2023	2022	diff
Tot. Revenue	29	na	na
EBITDA	1	na	na
EBITDA Margin	2%	na	na
Net result	0	na	na
Asset Turnover Ratio	2,16	na	na

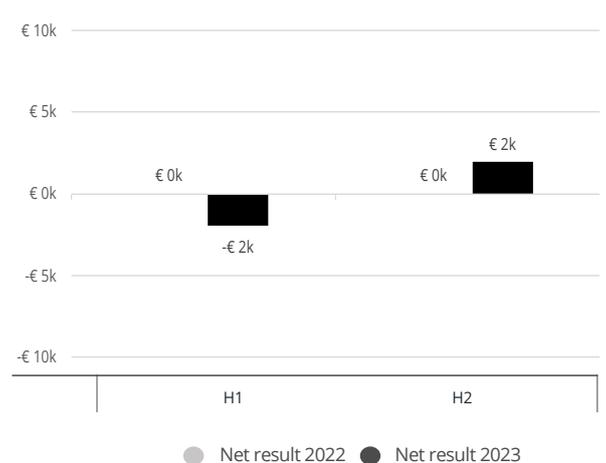
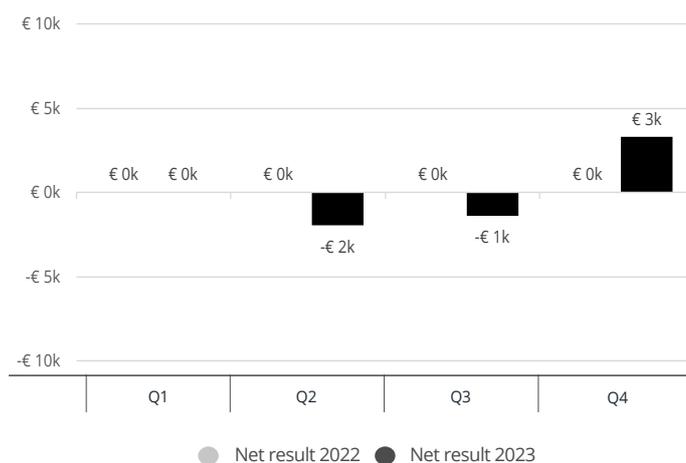
REVENUE



EBITDA



NET RESULT





Ladha halisi ya Mazina

Shambani Milk Ltd

Sector: Dairy

Founded: 2003

MTI invested: 2015

MTI ownership: 20%

Number of employees: 24

SDGs: 1, 2, 3, 8, 9

"Zero Hunger"

Region: Morogoro, Tanzania

MTI rep: Håkan Söderholm



Victor Mfinanga
Managing Director



2 ZERO HUNGER



KEY FIGURES



396 765 (+10% YoY)

Number of liters milk sold in H2 2023



3 (-25% YoY)

Number of milk suppliers in H2 2023



3 (0% YoY)

Number of sales agents in H2 2023

EVENTS DURING H2

- **Shambani Milk Expansion:** Shambani Milk initiated machinery installation and conducted tests for Yogurt 150 ml cup production, indicating expansion and product diversification efforts.
- **CRDB Staff Loan Facility:** In December, secured a staff loan facility from CRDB, facilitating financial support for operational and strategic initiatives.
- **Negotiated Raw Milk Price Changes:** Successfully negotiated changes in raw milk prices with suppliers, potentially impacting production costs and supply chain dynamics.

FINANCIAL COMMENTS

- Revenue in H2 2023 amounted to TEUR 394, an increase of 6% compared to same period previous financial year. Revenue of 2023 amounted to TEUR 795, an increase of 19%.
- EBITDA in H2 2023 was TEUR 3 (TEUR -10). EBITDA for the whole year of 2023 amounted to TEUR 43 (TEUR 14), an increase of 204%.
- The net result in H2 2023 amounted to TEUR -27, an increase of 54% , mainly due to improved cost control. The net result for the year 2023 stands at TEUR -21, an increase of 66% as compared to previous year.

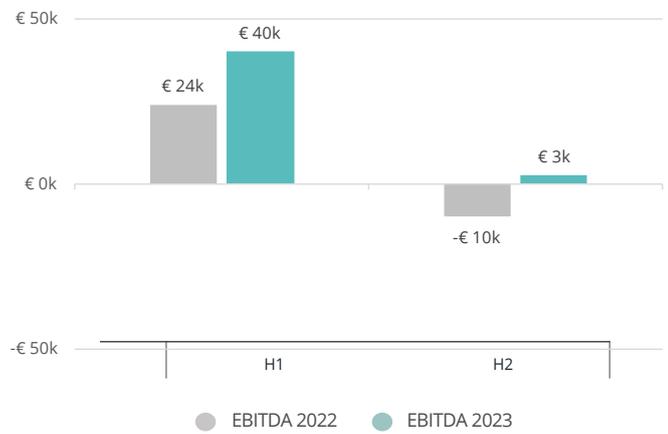
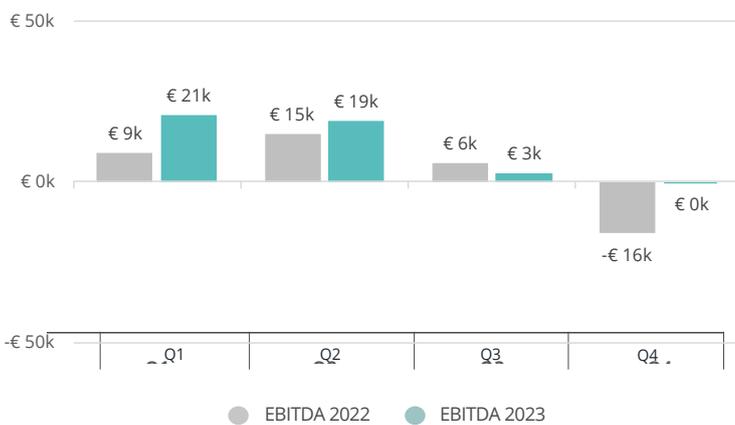
Shambani Milk Ltd		H2 results (July-Dec)	
TEUR	H2 2023	H2 2022	diff
Tot. Revenue	394	372	6%
EBITDA	3	-10	127%
EBITDA Margin	1%	-3%	126%
Net result	-27	-59	54%
Asset Turnover Ratio	0.73	0.75	-3%

Shambani Milk Ltd		Year-end (Jan-Dec)	
TEUR	2023	2022	diff
Tot. Revenue	795	670	19%
EBITDA	43	14	204%
EBITDA Margin	5%	2%	156%
Net result	-21	-60	66%
Asset Turnover Ratio	1.47	0,94	57%

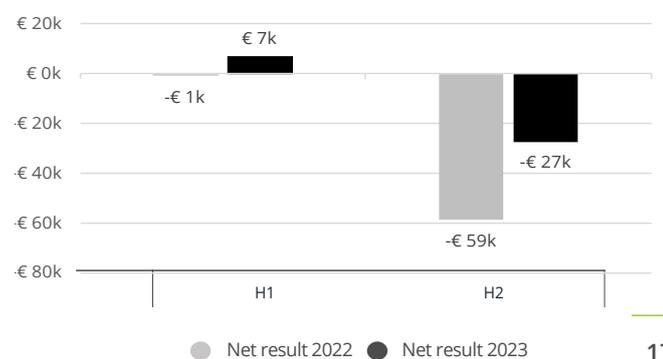
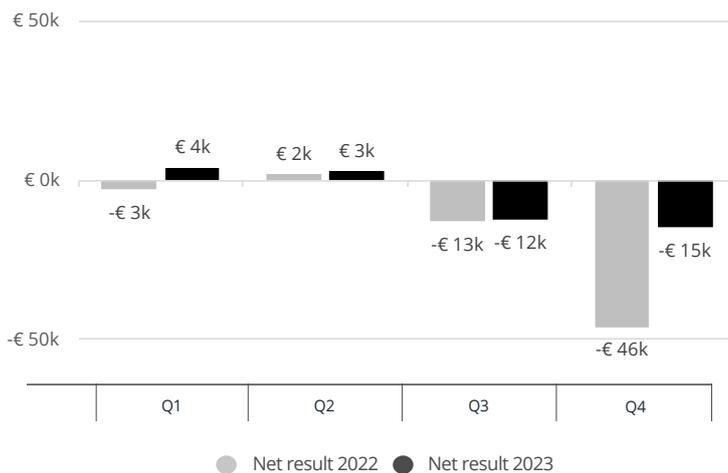
REVENUE



EBITDA



NET RESULT





Ecohomes Co.Ltd

Sector: Housing & Construction

Founded: 2015

MTI invested: 2016

MTI ownership: 77 %

Number of employees: 6

SDGs: 1, 8, 9, 11

Region: Dar es Salaam, Tanzania

MTI reps: Pontus Engström, Torbjörn

Jacobsson, Trond Randoy

WWW.ECOHOMES.CO.TZ



Harry Tuluhungwa
CEO



KEY FIGURES



7 (+75% YoY)

Number of total projects in H2 2023



3 (-57% YoY)

Number of clients in H2 2023



14.95 (-46% YoY)

Metric tonnes of steel sold in H2 2023

EVENTS DURING H2

- **Door-to-Door Sales Campaign:** Initiated outreach efforts targeting Structural Engineers and Consultants (Architects) to advocate for the use of Light Gauge Steel (LGS) over treated timber due to reliability concerns and customer risks.
- **New Marketing Strategy Success:** Implemented a revamped marketing strategy that resulted in securing a significant LGS deal with an architectural firm.
- This partnership involves designing and constructing a covered walkway between the Outpatient Department and the Maternity Ward at Muhimbili National Hospital in Dar es Salaam, highlighting the company's commitment to innovative solutions and impactful projects.

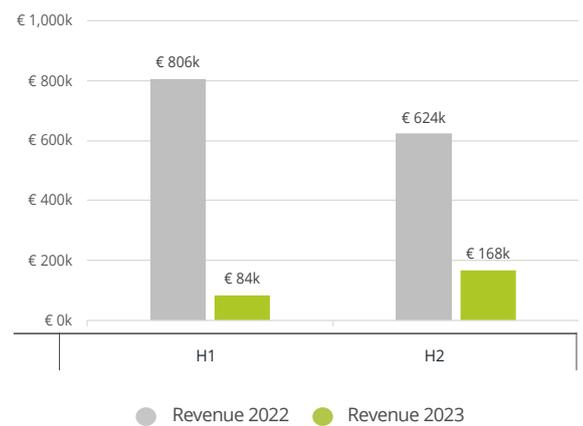
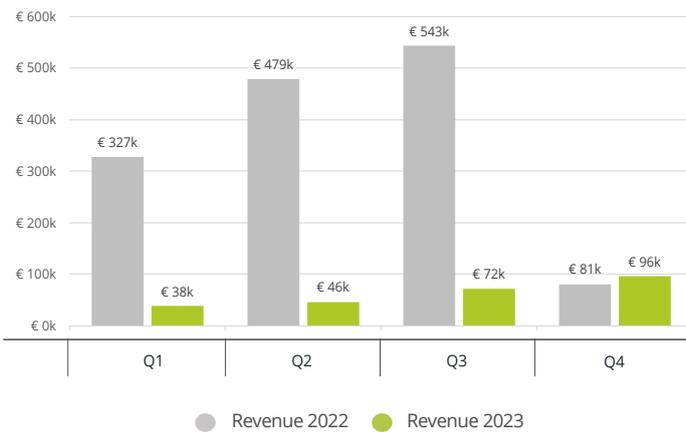
FINANCIAL COMMENTS

- The total revenue in H2 2023 amounted to TEUR 168 which was about 73% decline when compared to H2 2022. Considering the industry metrics, the management had decided to change its focus to more on product based solutions which leads to quick realisation of income. The company stopped prioritising tender based projects. This shift led to the squeezing of operations with better control. The total revenue for the FY 2023 stood at TEUR 252 which was 82% decline YoY basis.
- EBITDA in H2 2023 was a loss of TEUR -155 which was an increase of 68% as against H2 2022. The reasons attributed for this is mainly downsizing of the business operations.
- The net result in H2 2023 amounted to TEUR -177, an increase of 65% when compared to TEUR -499 in H2 2022. The company aims to focus on light gauge steel solutions and is expecting healthier margins in near future.

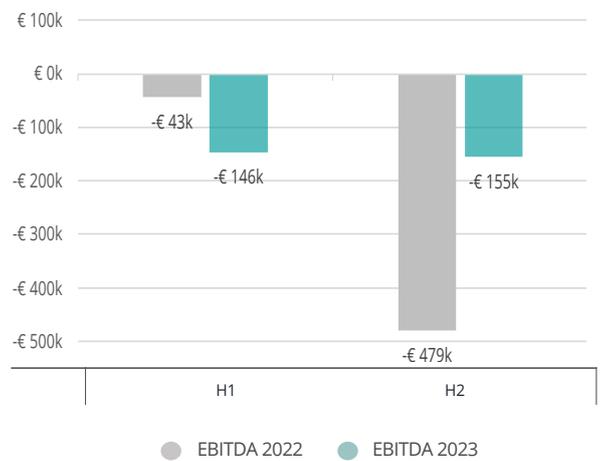
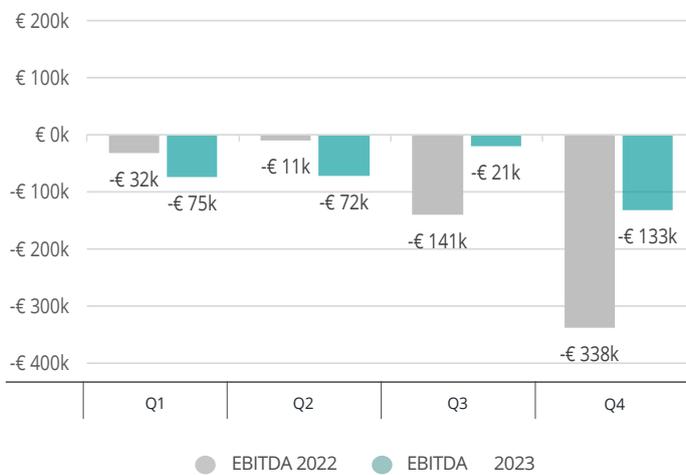
Ecohomes Ltd		H2 results (July-Dec)		
TEUR	H2 2023	H2 2022	diff	
Tot. Revenue	168	624	-73%	
EBITDA	-155	-479	68%	
EBITDA Margin	-92%	-77%	-20%	
Net result	-177	-499	65%	
Asset Turnover Ratio	0.51	1.02	-50%	

Ecohomes Ltd		Year-end (Jan-Dec)		
TEUR	2023	2022	diff	
Tot. Revenue	252	1429	-82%	
EBITDA	-301	-522	42%	
EBITDA Margin	-120%	-37%	-228%	
Net result	-341	-556	39%	
Asset Turnover Ratio	0.63	1.06	-41%	

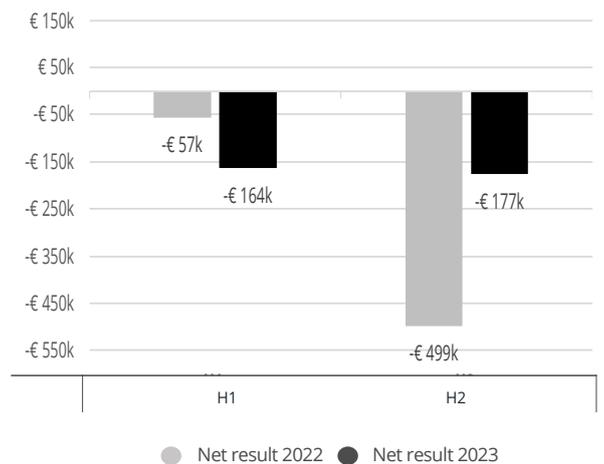
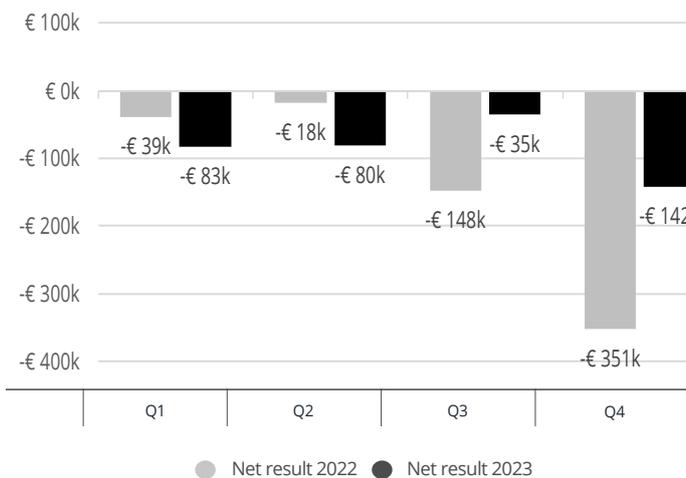
REVENUE



EBITDA



NET RESULT



HALF-YEAR UPDATE IN SELECTED COMPANIES

TECHBRIDGE INVEST

The company operates in the venture building space through its tech incubator and accelerator programs in Mombasa and Nairobi, Kenya. The company has eight full time employees and 2 part time through NOREC Student Exchanges program. Its operations are by large funded from the grant funding from large institutions like NOREC, NORAD and the likes.

In H2 2023, the company accelerated 15 startups and trained 30 entrepreneurs whereas in the full year 2023, it accelerated 35 startups and trained 70 entrepreneurs. The company's programs makes the participating start ups investment ready. 3 participating companies reported to have received funding/ investment during the year 2023. During the H2 2023, Techbridge received approval from NOREC for their collaborative application with MTI and University of Agder and kicked off the recruitment for the exchange program under the NOREC arrangement.

Techbridge Invest AS reported a revenue of TEUR 59 for H2 2023 making it TEUR 115 for the FY 2023 and is now waiting and pinning hopes on its grant application for spreading its wings further in impact creating sectors like blue economy.

MTI invested in Techbridge Invest AS in 2022 and holds 49 percent ownership.

WWW.TECHBRIDGEINVEST.COM



Techbridge and MTI was awarded a grant from NOREC which allowed the two organizations to bring on board new recruits in Tanzania and Kenya.

CHANZI

The innovative company uses black soldier fly larvae to convert food waste into nutritious protein for animal feed. It has exhibited strong potential and has secured recognition, commitment and funding from reputed organisations and financiers. Investors in the company include global beverage giant Anheuser-Busch InBev, Finca International and SEEK Impact. Chanzi has recently achieved a significant milestone by building, opening, and operating another EBITDA positive insect farm within the last six months of 2023. Despite the immense dedication and hard work invested over the past four years, reaching this point of breaking even is a noteworthy accomplishment in the challenging landscape of start-ups, particularly in the insect protein industry. Chanzi is now contemplating continental scale-up, aiming to expand rapidly and make a widespread impact across Africa.

MTI has provided a convertible debt of USD 100 000 to Chanzi and is partnering and supporting the company in its growth journey.

WWW.CHANZI.CO



Sune Muchendwa is a co-founder of Chanzi.

HALF-YEAR UPDATE IN SELECTED COMPANIES

SUNERGETICS AS - SUNAMI KENYA & SUNAMI UGANDA

Sunergetic AS, a Norwegian solar energy company, counts among its major shareholders the Norwegian solar entrepreneur Alf Bjørseth, known for founding world-leading solar companies REC and Scatec. Operating through its subsidiaries, Sunami Kenya and Sunami Uganda, Sunergetic AS is actively engaged in the solar energy sector, providing access to clean electricity in Kenya and Uganda. These subsidiaries are slowly expanding their operations in the region, with a current emphasis on advancing commercial installations of solar power.

In the latter half of 2023, MTI initiated a feasibility study in solar energy for Zanzibar, with partial funding secured through a grant from NOPEF. Furthermore, the partnership with Enkai in Kenya has continued in accordance with the previously established Memorandum of Understanding (MOU), aiming to develop and finance an initial 1.7 MWp project in Kenya. Leading the project is Poojan Dodhia alongside his colleague Ushmi Shah.

MTI owns 44 percent in Sunergetic AS.



Pontus Engström, with Poojan Dodhia and Ushmi Shah with Enkai during a visit in August 2023.

WORKPAY

Workpay is a Kenyan-based company specializing in providing innovative HR and payroll solutions for businesses. In 2023, Workpay continued to solidify its position as a leading provider of workforce management tools and services in the region.

Throughout the year, Workpay introduced several new features and enhancements to its platform aimed at streamlining HR processes, optimizing payroll management, and enhancing employee engagement. These developments included the introduction of advanced reporting capabilities, integration with popular accounting software, and the rollout of additional employee benefits management features.

Moreover, Workpay expanded its client base significantly in 2023, partnering with a diverse range of companies across various industries. This expansion reflects the growing demand for its services among businesses seeking efficient and cost-effective HR solutions. Additionally, Workpay continued to prioritize customer satisfaction and support, providing personalized assistance and training to clients to ensure smooth implementation and utilization of its platform.

MTI has exposure to WorkPay via Techbridge invest AS which owns 10 percent of Pangea Angels 1 AS, which owns an estimated 9 percent of Workpay.



*Workpay CEO
Paul Kimani*

FINANCIAL REPORT COMMENTARY **Q1-Q4 2023**

COMMENTARY ON GROUP RESULT FOR THE PERIOD H2 2023

- Group revenue decreased by 77% to EUR 196 005 (EUR 835 586), mainly because Zanrec is not consolidated into the group accounts and reduced turnover for Ecohomes due their focus on profitability over growth.
- EBITDA was EUR -639 297 (EUR -832 323), corresponding to a 23% increase. This is partially due to decreased cost of goods sold for Ecohomes.
- The net loss for the period was EUR -720 733 (EUR -332 986), corresponding to a 116% decline.
- The net cash flow for the period was EUR -130 794 (EUR -232 959).

COMMENTARY ON GROUP RESULT FOR THE PERIOD Q1-Q4 2023

- Group revenue decreased by 84% to EUR 301 813 (EUR 1 867 663). This is predominantly a consequence of that Zanrec is not consolidated into the group accounts any longer and reduced turnover for Ecohomes.
- EBITDA was EUR -1 253 090 (EUR -1 319 600), corresponding to a 5% increase. This is partially due to decreased cost of goods sold for Ecohomes.
- The net loss for the period was EUR -1 515 872 (EUR -947 772), corresponding to a 60% decline. This is mainly attributable to a decrease in net financial items. In FY 2022, there was a large one-off effect of divesting Atsoko and part of Zanrec that contributed positively to net financial items.
- Total equity at the end of the period was EUR 1 495 503 (EUR 2 162 676).
- Cash and cash equivalents amounted to EUR 706 931 as of 31st of December 2023, compared to EUR 707 083 as of 31st of December 2022.
- The net cash flow for the period was EUR 26 542 (EUR -1 444 175).

TRANSACTIONS WITH RELATED PARTIES DURING 2023

- Torbjörn Jacobsson, shareholder and CGRO in MTI Investment and also a major shareholder in Fintech Africa AB, has been employed as a consultant and has invoiced SEK 121,405 (EUR 10,649.44) for his work during the period 2023.
- During the year MTI Investment made an investment of SEK 1,229,585 (EUR 110,000) in Fintech Africa AB. Thereby, MTI increased its holding by 7.9 percent in Fintech Africa AB from 5.23 percent to 13.14 percent, a company where CEO Pontus Engström owns 19.4 percent of the shares and board chairman Trond Randøy owns 5.7 percent. Torbjörn Jacobsson owned 23.33 percent at year-end.
- MTI Investment issued an interest-bearing cash-generating credit facility of USD 0.5 million to Fintech Africa AB and its subsidiary Mtaji Wetu Finance Tanzania Limited. USD 470,000 has been paid out in year 2023.

DIVIDEND

- The board of directors proposes to the annual general meeting that no dividend is paid



INCOME STATEMENT **GROUP COMPANIES**

EUR	H2 2023 (July-Dec 2023)	H2-2022 (July-Dec 2022)	FY 2023 (Jan-Dec 2023)	FY 2022 (Jan-Dec 2022)
OPERATING INCOME				
Net revenue	196 005	835 586	301 813	1 867 663
Operating Income	196 005	835 586	301 813	1 867 663
OPERATING EXPENSES				
Cost of goods sold	-115 686	-856 457	-238 589	-1 628 636
Personnel costs	-257 951	-343 527	-507 823	-699 535
Other external costs	-461 666	-467 925	-808 491	-859 092
EBITDA	-639 297	-832 323	-1 253 090	-1 319 600
Write-down & depreciation on assets	-50 984	-128 024	-102 348	-277 613
Operating profit/loss (EBIT)	-690 282	-960 346	-1 355 439	-1 597 213
FINANCIAL ITEMS				
Net financial items	-30 369	634 440	-159 874	656 521
Profit/loss after financial items (EBT)	-720 651	-325 907	-1 515 313	-940 692
Taxes	-82	-7 080	-559	-7 080
NET PROFIT/LOSS FOR THE YEAR	-720 733	-332 986	-1 515 872	-947 772
Whereof minority	-53 606	-281 365	-101 955	-339 825
Earnings per share (EPS)* before and after dilution**	-0,10	-0,01	-0,21	-0,11

*Profit or loss attributable to common equity holders of the Parent company divided by the weighted average number of common shares outstanding during the period.

BALANCE SHEET GROUP COMPANIES

EUR	31.12.2023	31.12.2022
ASSETS		
Subscribed capital unpaid	772 044	0
Goodwill	186 129	298 952
Total intangible fixed assets	186 129	298 952
<i>Tangible fixed assets</i>		
Property plant and equipment	69 824	89 854
Total tangible fixed assets	69 824	89 854
<i>Financial fixed assets</i>		
Participation in associated companies	765 517	1 001 774
Participation in shares and units	218 898	133 071
Loans and advances	562 931	30 559
Total financial fixed assets	1 547 346	1 165 404
Subscribed capital unpaid and fixed assets	2 575 343	1 554 210
Current assets		
Inventories	15 331	43 663
<i>Receivables</i>		
Accounts receivable	31 315	124 514
Receivables to associated companies	3 269	0
Other prepaid expenses and accrued income	48 821	136 837
Other receivables	177 910	148 788
Total receivables	261 314	410 139
<i>Cash and cash equivalents</i>	706 931	707 083
Total current assets	983 576	1 160 885
TOTAL ASSETS	3 558 919	2 715 096

EUR	31.12.2023	31.12.2022
EQUITY		
Share capital	131 420	1 140 606
Unregistered share capital	104 996	0
Other equity incl. result for the period	1 234 134	890 526
Total	1 470 550	2 031 132
Minority ownership	24 953	131 544
TOTAL EQUITY	1 495 503	2 162 676
LIABILITIES		
Long term liabilities		
Provisions	0	0
Other long term liabilities	1 380 172	21 719
Total long term liabilities	1 380 172	21 719
Current liabilities		
Accounts payable	117 515	52 223
Other short-term liabilities	565 730	478 478
Total short term liabilities	683 245	530 701
TOTAL LIABILITIES	2 063 416	552 420
TOTAL EQUITY AND LIABILITIES	3 558 919	2 715 096

CHANGE IN EQUITY **GROUP COMPANIES**

EUR	Opening balance: 23.01.01 Closing balance: 23.12.31	Opening balance: 22.01.01 Closing balance: 22.12.31
OPENING BALANCE	2 162 676	2 543 639
New share issue	675 174	114 443
New share issue (not registered)	104 996	0
Loss for the period	-1 413 917	-947 772
Changes in group structure	0	321 565
Translation differences	73 166	-32 924
Minority interest	-106 591	163 726
CLOSING BALANCE	1 495 503	2 162 676

* issue expenses in 2023 amounted to EUR -235'000

CASH FLOW **GROUP COMPANIES**

EUR	H2 2023 (July-Dec 2023)	H2 2022 (July-Dec 2022)	FY 2023 (Jan-Dec 2023)	FY 2022 (Jan-Dec 2022)
Cash flow from operating capital	-253 941	-379 669	-708 634	-1 427 476
Cash flow from investing capital	-107 572	79 159	-550 210	75 714
Cash flow from financing capital	230 719	67 550	1 285 387	-92 413
Net cash flow	-130 794	-232 959	26 542	-1 444 175
Capital starting the period	843 385	1 118 577	707 083	2 320 218
Cash from acquired/divested subsidiary	0	(83 985)		-83 985
Translation differences in cash	(5 660)	(94 550)	-26 694	-84 975
CAPITAL ENDING THE PERIOD	706 931	707 083	706 931	707 083

INCOME STATEMENT **PARENT COMPANY**

EUR	H2 2023 (July-Dec 2023)	H2 2022 (July-Dec 2022)	FY 2023 (Jan-Dec 2023)	FY 2022 (Jan-Dec 2022)
OPERATING INCOME				
Net revenue	12 007	5 919	17 670	12 462
Operating Income	12 007	5 919	17 670	12 462
OPERATING EXPENSES				
Cost of goods sold	0	0	0	0
Personnel costs	-199 285	-136 774	-351 152	-317 814
Other external costs	-110 928	-206 120	-303 478	-433 391
Total operating expenses	-310 213	-342 894	-654 630	-751 205
EBITDA	-298 206	-336 975	-636 960	-738 743
Operating profit/loss (EBIT)	-298 206	-336 975	-636 960	-738 743
FINANCIAL ITEMS				
Net financial items	-244 947	-253 912	-315 015	-240 732
Profit/loss after financial items (EBT)	-543 153	-590 887	-951 975	-979 475
Taxes	0	0	0	0
NET PROFIT/LOSS FOR THE YEAR	-543 153	-590 887	-951 975	-979 475

BALANCE SHEET PARENT COMPANY

EUR	31.12.2023	31.12.2022
ASSETS		
Intangible fixed assets		
Subscribed capital unpaid	772 044	0
Goodwill	0	0
Total intangible fixed assets	0	0
Tangible fixed assets		
Property plant and equipment	0	0
Total tangible fixed assets	0	0
Financial fixed assets		
Participation in subsidiaries	177 961	87 730
Participation in shares and units	748 621	654 431
Loans to group companies	1 048 986	1 298 198
Other loans	540 598	6 842
Total financial fixed assets	2 516 165	2 047 202
Subscribed capital unpaid & fixed assets	3 288 209	2 047 202
Current assets		
Receivables		
Accounts receivable	0	0
Other receivables	145 387	85 984
Total receivables	145 387	85 984
Cash and cash equivalents		
	675 886	582 819
Total current assets	821 273	668 803
TOTAL ASSETS	4 109 482	2 716 004

EUR	31.12.2023	31.12.2022
EQUITY		
Restricted equity		
Share capital	131 420	1 140 606
Unregistered share capital	104 996	0
Total	236 416	1 140 606
Unrestricted equity		
Share premium reserve	5 437 211	4 935 626
Profit/loss brought forward	-2 297 420	-2 500 721
Profit/loss for the year	-951 975	-979 475
Total	2 187 815	1 455 430
TOTAL EQUITY	2 424 231	2 596 036
LIABILITIES		
Long term liabilities		
Provisions	0	0
Other long term liabilities	1 359 992	1 110
Total long term liabilities	1 359 992	1 110
Current liabilities		
Accounts payable	87 869	15 609
Other short-term liabilities	237 390	103 250
Total short term liabilities	325 259	118 859
TOTAL LIABILITIES	1 685 251	119 968
TOTAL EQUITY AND LIABILITIES	4 109 482	2 716 004

CHANGE IN EQUITY **PARENT COMPANY**

EUR	Q1-Q4 2023 (Jan-Dec 2023)	Q1-Q4 2022 (Jan-Dec 2022)
OPENING BALANCE	2 596 036	3 461 068
New share issue	675 174	114 443
New share issue (not registered)	104 996	
Loss for the period	-951 975	-979 475
Translation differences	0	0
CLOSING BALANCE	2 424 231	2 596 036

* issue expenses in 2023 amounted to EUR -235'000

NOTES

NOTE 1

Accounting principles, K3 standards

This report and consolidated accounts have been established in accordance with the Annual Accounts Act (1995:1554) and BFNAR 2012:1 Annual Accounts and Consolidated Accounts (K3).

See annual report 2022 for more information on accounting principles used.

NOTE 2

Group company

MTI divested 12% of its holding in Zanrec AB during H2 2022. After the transaction MTI Investment SE owns 49% of Zanrec AB and during 2023 Zanrec AB is consolidated as an associated company.

NOTE 3

Warrants

In June 2022 an additional 81,000 warrants were registered in accordance with the decision taken at the AGM to issue warrants to management in order to ensure alignment of interests between the Company's management and shareholders.

From the preferential rights issue in December 2023, 3,149,880 warrants of series TO2 were subscribed. Each warrant of series TO2 entitles the holder to subscribe for one (1) new share in the Company. The subscription price for subscription of shares by virtue of the warrants of series TO2 amounts to seventy (70) percent of the volume-weighted average price of the Company's share during the period from and including 23 April 2024 up to and including 7 May 2024, however, not less than the quota value of the share (currently EUR 0.02) and not more than SEK 3.00.



CEO Pontus Engström presents at "Stora Aktiedagen" in Stockholm.
Source: https://youtu.be/9YLun_9Skc4?si=YTSMuxU3rnlge2aD

DEFINITIONS

EBITDA

Earnings before interest, taxes, depreciation, and amortizations.

EBIT

Earnings before interest and taxes.

Basic earnings per share

Profit/loss for the year attributable to the Parent Company's shareholders in relation to the weighted average number of shares outstanding.

Diluted earnings per share

Profit/loss for the year attributable to the Parent Company's shareholders, in relation to the weighted average number of shares outstanding after full conversion and adjusted for the effect of share-based payments.

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Swedish English

<https://news.bequoted.com/newsroom/mti-investment/>

ADDITIONAL INFORMATION

AUDITOR

Ernst & Young AB

The company's auditor is Ernst & Young AB. This year-end report has not been subject to a review by the company's auditor.

CERTIFIED ADVISER

Mangold Fondkommission AB

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

SHARE CAPITAL

Numbers of shares

MTI's share capital (incl. unregistered share capital) as per 31st of December 2023 amounted to EUR 236,415.56 with 11,820,778 shares outstanding (5,703,023 shares outstanding as per 31st of December 2022). MTI's average number of outstanding shares for the financial year of 2023 is 8,761,901.

LARGEST SHAREHOLDERS

The table below shows the MTI Investment SE's ten largest owners as of 31st of December 2023.

Shareholder	Shares Total	Ownership
Holdingselskabet Claus Jørgensen II ApS	1 041 670	8.81%
Sørlandsforskning AS*	899 400	7.61%
Stiftelsen H&M Foundation	813 350	6.88%
Handelsbanken EMEA TEMA	707 350	5.98%
Mangold Fondkommission	587 897	4.97%
ADB Invest AB	550 000	4.65%
Martin Ackermann	400 000	3.38%
XS Tech AB	322 632	2.73%
Fetter Anton Invest AS	319 429	2.70%
Hans Joachim Reinhard	300 000	2.54%
Others	5 879 050	49.75%
Total	11 820 778	100%

* Sørlandsforskning AS is controlled by Trond Randøy, Chairman of the Board of MTI Investment SE

Source: Euroclear as per 31.12.2023 where existing BTUs (Paid Subscribed Units) were converted into shares.



REPORTING CALENDAR



FORMAL REPORTS

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

Annual report 2023
AGM
Silent period begins
H1 report 2024
Silent period begins
Year-end report 2024 (H2)

Week 20, 2024
7 June, 2024
31 July 2024
30 August 2024
26 February 2025
28 March 2025

OTHER REPORTS

MTI Investment also issues core holdings updates*.
All updates can be downloaded at www.mti-investment.com.

Core holdings update Q1 2024
Core holdings update Q3 2024

17 May 2024
20 November 2024

** 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.*

The financial calendar is subject to change.

*The latest updated version is available on MTI Investment SE's website:
www.mti-investment.com/financial/calendar*

CERTIFICATION

CERTIFICATION OF THE BOARD AND THE CEO

The Board of Directors and the CEO assure that this report gives an accurate picture of the Parent Company's and the Group's operations, position and income and describes significant risks and uncertainty factors faced by the Parent Company and the companies making up the Group.

Danderyd, March 28, 2024

Trond Randøy
Chairman

Christer Käck
Board member

Bengt Svelander
Board member

Magdalena Johansson
Board member

Pontus Engström
CEO



THE GO-TO INVESTOR FOR EAST AFRICAN GROWTH

MTI INVESTMENT SE

Org. 517100-0135

◆

CONTACT PERSON

Contact information

Pontus Engström, CEO
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Email: pontus.engstrom@mti-investment.com

◆

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Sweden

◆

WEBSITE

For more information visit us at

www.mti-investment.com