

PRESS RELEASE, 1 March 2023

MTI Investment makes strategic move into Zanzibar's thriving tourism industry through partnership with Mayai Ocean Resort AS with funds raised from T01 options

MTI Investment is excited to announce its expansion 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. This strategic investment opportunity is being made in conjunction with and dependent on the success in raising funds from the T01 warrants, offering investors the chance to be a part of the region's growth story.



Photo: A recent drone photo of the final phase of the completion of Mayai Ocean Resort in Zanzibar, showcasing four of the villas, the pool and the restaurant nearing completion. Source: Mayai Ocean Resort AS

Nestled in the Bwejuu area, just north of the popular Paje beach in Zanzibar's South District, lies this prime property that MTI Investment has signed an MOU to partner in. Boasting an impressive beach frontage of approximately 32 meters, this property is set to become the site of a beautiful 20-room hotel in its initial phase. The property's potential for expansion allows for at least two additional villas, implying at least eight more rooms could be added in the future. This investment opportunity is situated in the same district where



MTI Investment's investment in Zanrec Plastics Company Ltd is most active, highlighting the company's commitment to the region's development.

With an eye towards cash generation, MTI Investment is excited to see the project come to fruition and expects operations to commence in June/July of 2023. This investment is aligned with the company's core strategy of identifying high-potential businesses that offer sustainable growth, cash generation and value. 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. With its prime location, potential for expansion, and solid cash generation projections, this investment is set to provide excellent returns for years to come.

The investment will be made in two installments. The first installment of USD 125,000 will secure a 50% stake in the hotel management company, while a second installment of USD 600,000 will secure a 40% ownership in Mayai Ocean Resort AS, the holding company that owns the hotel and land in Zanzibar. Based on the budget and the speed of visitor attraction, the operations are expected to generate positive cash flow from the outset. Waste management will be handled by Zanrec, and the business is projected to create at least 32 new job opportunities. The funds raised from the T01 option expiry are intended to be used for the first installment of USD 125,000 to secure the 50 percent stake in the hotel management company.

The founder and chairman of Mayai Ocean Resort AS is Rune Haram. He is also the co-founder of [Sunnmørsmat](#) in Norway, and has through this venture been active in Zanzibar since 2014 with local premium egg production in a company called [Zanegg](#).

Rune Haram, Chairman of Mayai Ocean Resort says: "We are happy to welcome MTI as investors and stakeholders in our hotel project! I know MTI and Pontus Engstrom for quite some time and I have seen that the engagement to create a more sustainable tourism industry and society in Zanzibar is something that we have in common. Our engagement in Zanzibar is all about sustainability, both with the local egg production, and our cleaning of the beaches for plastic, and now we aim to build one of the most sustainable hotels in Zanzibar! I am sure this cooperation will benefit us all and make us able to find more sustainable solutions!"

"We have followed the development of this project over a long period and are impressed by Rune's ability to manage projects in Zanzibar and his dedication to doing things thoroughly. I expect us to collaborate in many aspects with Rune in this investment. We look forward to concluding this investment, conditioned on the success of the T01 options funds raised, and to welcoming visitors and MTI shareholders to Mayai Ocean Resort when it opens this summer," says Pontus Engström, CEO of 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