

MTI INVESTMENT SE

Half year report: H1 2022 (January - June)



30 Aug 2022



“Over the past eight years, our investments have generated huge social impact – hundreds of jobs, healthy food products, houses, bank branches for improved access to finance, genuine and safe cosmetics, and saved nature from thousands of tons of waste. Our companies, even though challenges remain, are now more than ever focused on profitable growth, and particularly satisfying to see that Shambani Milk made a strong lift after seeing its performance drag for several quarters.”

- Pontus Engström, CEO of MTI Investment

MTI Investment's current SDGs focus



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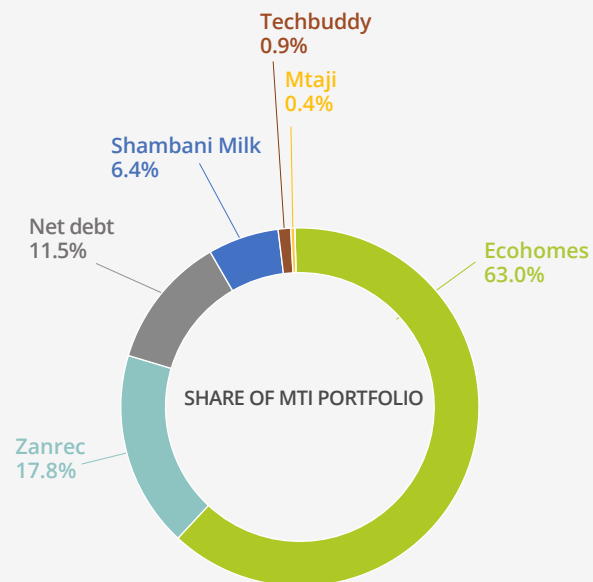
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ESTIMATED NET ASSETS **VALUE**

(EUR)	NET ASSET VALUE ESTIMATE	SHARE OF MTI PORTFOLIO
WASTE MANAGEMENT		
Zanrec	1,425,088	17.8%
CONSTRUCTION		
Ecohomes	5,035,901	63.0%
AGRICULTURE		
Shambani Milk	514,185	6.4%
TECH		
Techbuddy	72,321	0.9%
Fintech/Mtaji	29,485	0.4%
Net debt	918,146	11.5%
Total est. Net Asset Value	7,995,126	100%
Shares outstanding	5,383,600	
Estimated Net Asset Value per share (EUR)	1.49	
Estimated Net Asset Value per share (SEK)	15.87	



	31.12.2021	31.03.2022	30.06.2022
Net Asset Value per share (SEK)	15.68	16.30	15.87
Share price (SEK)	9.88	6.24	5.02
Percentage difference	37%	62%	68%

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 or valuation of future cash flows.

FINANCIAL SUMMARY **H1 2022****GROUP**

- Consolidated group revenue has increased during H1 2022 to EUR 1,032,077 (EUR 674,018).
- EBITDA during H1 2022 was EUR -487,277 (EUR -145,984).
- The net loss for the period was EUR -614,786 (EUR -322,418).
- The net cash flow for the period was EUR -1,211,216 (EUR -89,591).



A happy lady at Kizimkazi Recycling Swop Shop. The Swop Shop is initiated by Ozeankind, an NGO, with support from Zanrec. The shop allows children to exchange plastic for points that will be redeemable for gifts from the shop.

IMPORTANT EVENTS H1 2022

IMPORTANT EVENTS DURING H1 2022

- During H1 2022 Parmena Mkuu was hired as Group Audit and Finance Manager, and he is based in Dar es Salaam, Tanzania.
- Martin Rex Empacher, CEO and co-founder of YardHouse Capital Group, joined the board of Zanrec AB, a subsidiary (61percent) of MTI Investment SE. Empacher represents Holdingselskabet Claus Jørgensen II ApS that invested USD 300,000 into Zanrec AB for a 12.9 percent share.
- Ecohomes was awarded several contracts to remodel bank branches for in particular CRDB Bank, but is also receiving interest from several other banks such as Stanbic bank in Tanzania.
- Ecohomes was also awarded a major contract for CRDB Bank in Lubumbashi in Democratic Republic of the Congo (DCR). This project opens new business opportunities with other members of the East African Community.
- MTI Investment SE made a USD 389,000 investment into our subsidiary Ecohomes Company Ltd as working capital for investments in steel, but also in new roofing sheet machinery and equipment. The investment was made via MTI's fully owned Norwegian holding company, African Construction AS.
- MTI Investment SE and Techbridge Invest AS announced a partnership around investments and accelerator programs in climate/solar and tech investments in East Africa.
- Magdalena Johansson and Bengt Svelander enrolled as new members of the Board in MTI Investment SE.
- Magdalena Johansson has over 20 years of experience working with financing and business development in everything from innovative start-ups to multinational companies, both in Sweden and internationally. She is the current CEO of ALMI Halland, chairman of Walkbeat, and chairman of UF Halland.
- Bengt Svelander has over 38 years of experience in the financial industry, including as CEO of Consensus Fondkommission, and CEO of Danske Bank's Sweden branch.
- Torbjörn Jacobsson stepped down as a board member in MTI Investment SE, instead, he joined MTI Investment's subsidiary Ecohomes Company Limited as a new member of the Board. Torbjörn was also assigned as Chief Governance and Risk Officer (CGRO) in MTI Investment SE on a part-time basis.

IMPORTANT EVENTS AFTER H1 2022

- Harry Tuluhungwa became the new CEO of Ecohomes Company Limited, a subsidiary of MTI Investment SE. Former CEO and co-founder Eric Chonjo steps aside and supports Ecohomes in a new business development role.
- Atsoko Tanzania Ltd was officially divested from Atsoko International AB in August (See separate [press release](#)).
- Chief Operating Officer (COO) and Investment Manager Mai Duong will be leaving her role at the end of August 2022.



Harry Tuluhungwa, Ecohomes' new CEO.



Magdalena Johansson, new member of the Board in MTI Investment SE.



Bengt Svelander, new member of the Board in MTI Investment SE.



"I am a flexible and firm person, ready to unlearn and learn new ways of life for the better, and pass by what I learn to my peers."

- PARMENA MKUU

Group Audit and Finance Manager,
MTI Investment Limited

WORDS FROM **THE CEO**

“TANZANIA POWERS ON”

SHAMBANI MILK SHOWS POSITIVE EBITDA IN H1 2022

Dear shareholders,

During the second quarter (Q2), our total shareholder return was -19.6 percent, compared to the SIXRX return of -16.4 percent. During the first six months of 2022 (H1), our total shareholder return was -49.1 percent, compared to the SIXRX return index at -27.4 percent. Our adjusted net asset value decreased by 2.68 percent during the second quarter and increased 1.17 percent during the first six months. The relative resilience in our net asset value was driven by operating performance in our subsidiaries, and a strengthening Tanzanian shilling.

TANZANIA

Tanzania has achieved a sustained economic growth over the past 20 years, with recently advancing from a low-income country to a lower-middle-income country. Tanzania is also strategically well positioned along the coast of eastern Africa, in a central position in the expanding East African Community (EAC) which now includes the Democratic Republic of the Congo, **creating a free trade area of 312 million inhabitants**. In June, Tanzania signed a framework agreement with Equinor of Norway and Shell of Britain that brings them closer to launching the USD 30 billion liquefied natural gas export project. It was an important milestone in the development of the liquefied natural gas plant in Tanzania's southern coastal town of Lindi, which is expected to begin operations in 2029-2030.

MTI SUBSIDIARIES

Atsoko

The Tanzanian shilling (TZS) moves in line with the US dollar (USD) and has strengthened by approximately 10 percent against the euro (EUR) over the past year. This implies that the same level of sales a year ago will translate into being reported as 10 percent stronger in our books. We have recently communicated that Atsoko Tanzania was officially divested from Atsoko International AB after H1 2022. The shares held by Atsoko International AB was formally transferred to Rehema Julius (See separate [press release](#)). We note that **Atsoko's sales were up by 10 percent. However, EBITDA remained negative.**

Zanrec

Zanrec started the year with a strong Q1, but saw its performance slow in Q2 due to the changes implemented by the North A district on Zanzibar. We have launched a complaint via the Swedish Embassy which was received and acknowledged by the Finance Minister of Zanzibar. **Despite these challenges Zanrec does post a 39 percent increase in sales compared to H1 2021**, of which 10 percent is currency related. EBITDA remained positive, but decreased by 36 percent compared to the previous year, and was especially negatively impacted in the second quarter.

Ecohomes

Ecohomes had a strong start to the year, but has for the remainder of H1 sales performed below our expectations, both on sales and costs. Sales decreased by -0.5 percent compared to H1 and EBITDA was negative. As communicated, the board in **Ecohomes has recruited a new CEO** to improve profitability.

MTI ASSOCIATED COMPANIES

Shambani Milk

Shambani Milk performed the best in our portfolio, improving sales by 37 percent compared to H1 2021, and improving EBITDA by 291 percent with a small loss of TEUR -1. This is particularly encouraging after we have seen performance drag for several quarters. Part of the reason for the improvement is a heightened focus on performance by the CEO and co-founder Victor Mfinanga. Shambani Milk has taken over two distributors in Dar es Salaam and Dodoma, which has helped boost sales and also better traction by the sales team. Sourcing milk has historically been one of the biggest challenges for Shambani Milk, but in H1 2022, they made big improvements in this area. In addition, Victor Mfinanga managed to secure a loan with CRDB for further expansion.

WORDS FROM **THE CEO** (CONTINUED)

Mtaji

We are also happy to report that MTI's fintech investment **Mtaji Wetu Finance Tanzania finally received the Microfinance Tier II non-deposit-taking license** that the company applied for in August 2021. It is common in Tanzania for matters like this to take time as the bureaucracy can be slow. Mtaji has used the waiting time well and has done a pilot with three customers with a setup allowed without a license. The pilot has provided good insights resulting in two main customer offers within reminding and financing. Mtaji has recruited new sales capacity and is expecting to see increased sales during the next quarters.

MTI INVESTMENT SE

On a group level, our company has been burdened by high costs for auditing and bookkeeping. We are therefore taking measures to address these two points. We have also taken a step towards improving cash flow in the parent company by using management's strong skills in entrepreneurship training. During H1 2022 we announced the **first such partnership with Techbridge in Kenya**, and we have recently launched an additional **initiative with the Ester Foundation** in Sweden, an initiative that will allow us to invoice and secure more funding for MTI.



CHANGE IN MANAGEMENT

Last but not least, we have made some organizational changes. Mai Duong, who has been our much appreciated colleague for many years, is moving on to new opportunities. This reduces the costs in the parent company, and to improve the local risk control and reporting we have instead strengthened our **local presence in Tanzania** through Parmena Mkuu, who has taken on the role as the Group Audit and Finance Manager. In addition, Torbjörn Jacobsson (part-time Chief Governance and Risk Officer (CGRO) at MTI Investment SE) has strengthened not only our local presence, as he spends a lot of time in Dar es Salaam, but also our areas of risk control, analysis, governance, and also venture building.



Pontus Engström
CEO of MTI Investment SE

"I would like to thank all the people I have met via MTI Investment through the years. It has been an intriguing journey and I have gained valuable experience from East Africa, a region in rapid development with many opportunities."

- MAI DUONG

COO & Investment Manager,
MTI Investment SE



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 becoming 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

MTI INVESTMENT SE COMPANY STRUCTURE

The holding company has its headquarter in Danderyd, Sweden

- Holding company
- Nordic company, MTI's ownership > 50%.
- East African company, MTI's ownership > 50%.
- Nordic company, MTI's ownership < 50%.
- East African company, MTI's ownership < 50%.



OUR CORE HOLDINGS REPORT H1 2022

*"Architecture begins where
engineering ends"*

- WINNIE USIRI

Architect,
Ecohomes Company Limited





From left: Eric Chonjo, co-founder of Ecohomes together with Harry Tuluhungwa, the new CEO of Ecohomes.

Core holding company	Ecohomes Co.Ltd
Sector:	Housing & Construction
Founded:	2015
MTI invested:	2016
MTI' ownership:	77%
CEO during H1 2022:	Eric Chonjo
Revenue H1 2022:	TEUR 806
No. of employees:	19
Job creation:	+100 at various construction projects
SDGs:	Goal 11: Sustainable cities and communities
Region:	Dar es Salaam, Tanzania
Website:	www.ecohomes.co.tz

KEY FIGURES



6 (+20% YoY)

Number of projects during H1 2022



5 (0% YoY)

Number of bank branches built during H1 2022



9 (100% YoY)

Number of residential houses built during H1 2022



Eric Chonjo

Ecohomes' CEO during H1 2022

EVENTS DURING H1

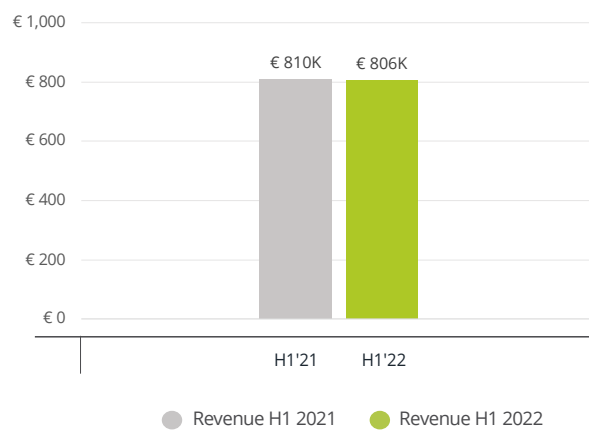
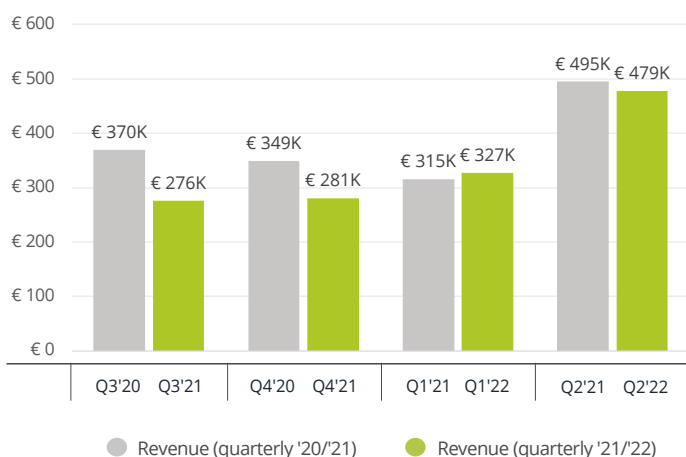
- Ecohomes won a EUR 541,000 VAT inclusive tender fit-out work for CDRB Bank branch in Lubumbashi in the Democratic Republic of the Congo. This project opens new business opportunities with other members of the East African Community.
- In Q2 Ecohomes managed to sell 12.9 metric tons of steel from the factory.
- Torbjörn Jacobsson was elected to the board of Ecohomes Company Limited.

FINANCIAL COMMENTS

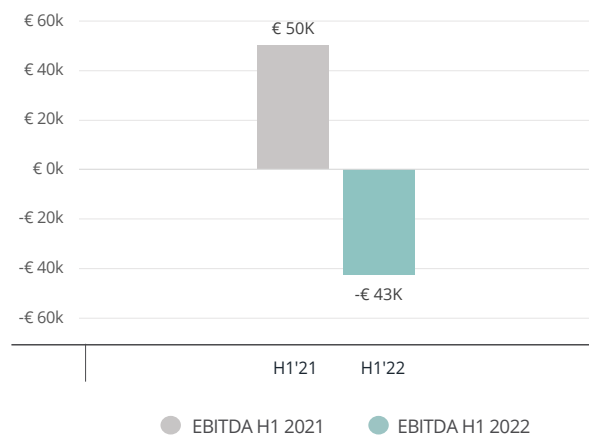
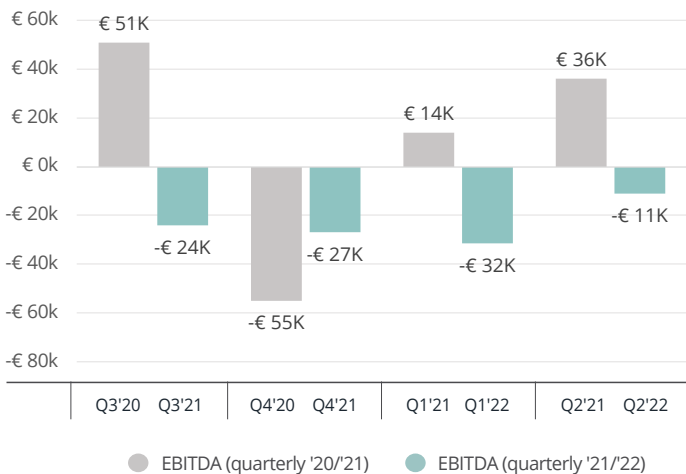
- Revenue in H1 2022 amounted to TEUR 806 (TEUR 810), a decrease of 0.5 percent compared to H1 2021.
- EBITDA in H1 2022 amounted to TEUR -43 (TEUR 50), a decrease of 186 percent compared to H1 2021. The cost of building materials for projects increased due to higher prices for materials which resulted in increased cost of sales leading to a declined gross profit margin in H1 2022.
- The net result in H1 2022 amounted to TEUR -58 (TEUR 28), a decrease of 307 percent compared to H1 2021. The net result decreased due to higher operating expenses related to administration costs.

Ecohomes Ltd		H1 (Jan-June)	
TEUR	H1 2022	H1 2021	diff
Tot. Revenue	806	810	-0.5%
EBITDA	-43	50	-186%
EBITDA Margin	-5%	6%	-11 p.p
Net result	-58	28	-307%
Asset Turnover Ratio	0.82	1.04	-21%

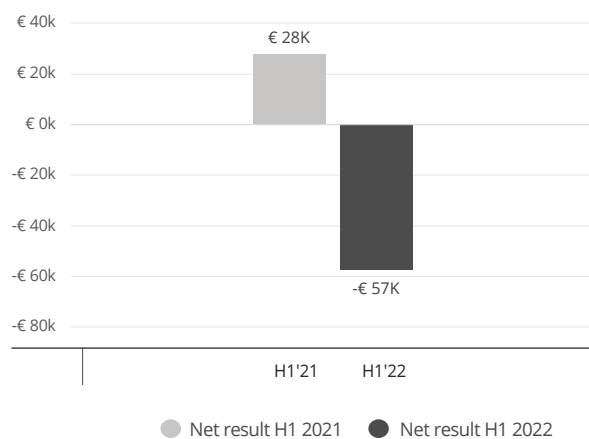
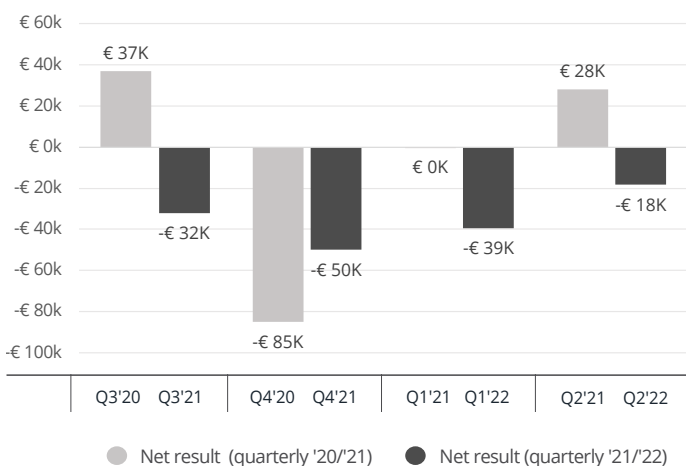
REVENUE



EBITDA



NET RESULT





Core holding company **Zanrec Plastics Co.Ltd**

Sector: Waste Management

Founded: 2009

MTI invested: 2015

MTI' ownership: 61%

General Manager: Justin Madho

Revenue H1 2022: TEUR 160

No. of employees: 28

Job creation: +50 who work with waste management and with waste management education

SDGs: Goal 11: Sustainable cities and communities

SDGs: Goal 12: Responsible consumption and production

Region: Zanzibar, Tanzania

Website: www.zanrec.com



From left: Pontus Engström (MTI Investment) together with Bas Jongtien (DOB Equity) and Martin Rex Empacher (Claus Jørgensen II ApS) standing in front of the fifth recycling swop shop in Kizimkazi, Zanzibar.

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

KEY FIGURES

201 (+66% YoY)
Number of hotel clients during H1 2022

52 tonnes (+44% YoY)
Number of plastic waste collected during H1 2022

3,825 tonnes (+149% YoY)
Number of total waste collected during H1 2022



*Justin Madho
General Manager*

EVENTS DURING H1

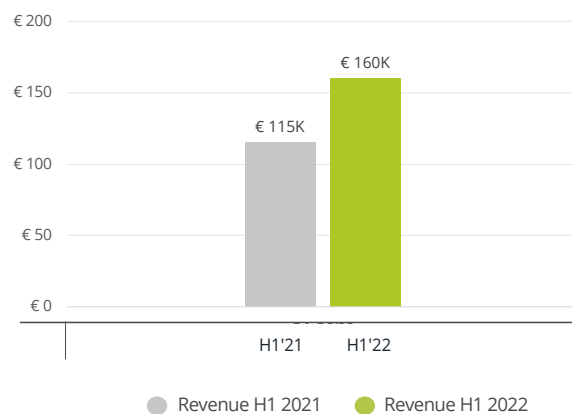
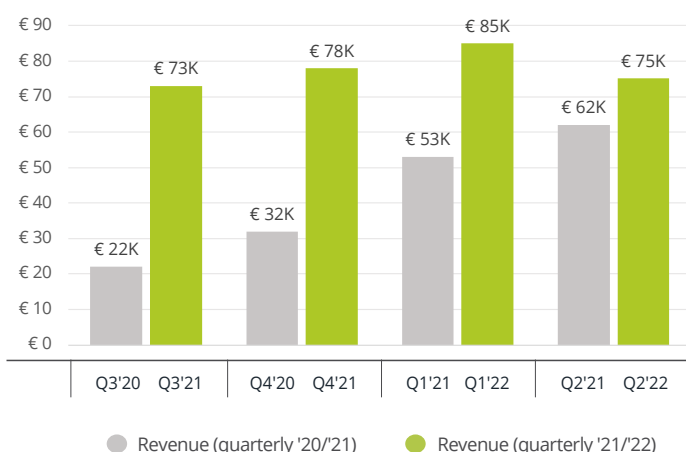
- At the end of April 2022, Zanrec experienced a set back as it was unexpectedly instructed to give up the Matemwe and Pwani Mchangi areas in the North A district and instead to move to the heavily polluted Nungwi area. The result was an immediate drop in sales, as it now had to start from scratch in a new area where the hotels and restaurants had little, if any, experience of responsible waste management and where the resistance to paying appropriate fees for responsible waste management is high. The previous two areas Zanrec had been working on have now been awarded to two other actors of which one was not part of the tender process. It is hard to comprehend this as this increases the risks of dumping and burning of waste, which is bad news for Zanzibar tourism.
- During Q2, Zanrec together with Ozeankind opened another swop shop in Kizimkazi making it the fifth on the Island. The shop allows children to exchange plastic for points that will be redeemable for gifts from the shop.

FINANCIAL COMMENTS

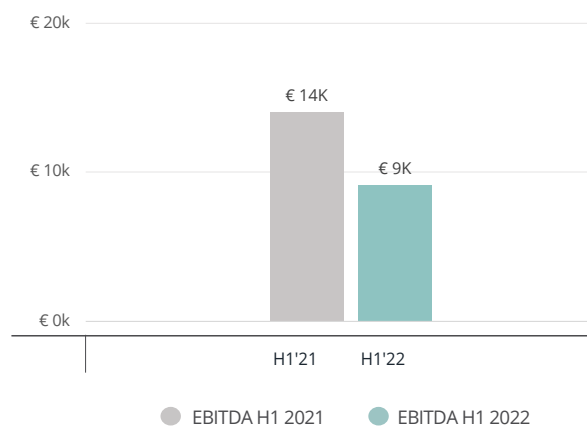
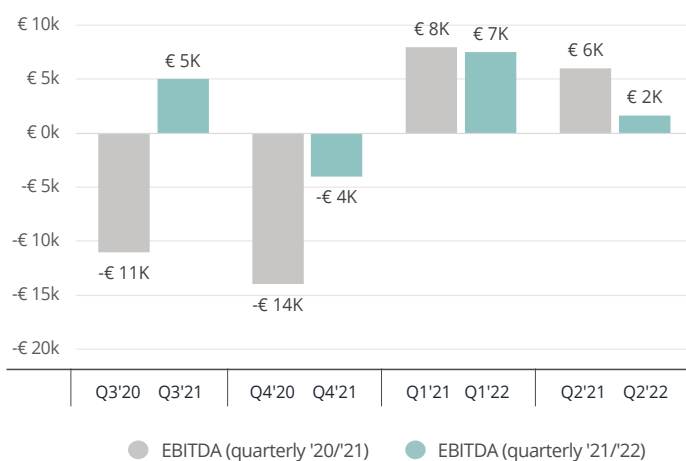
- Revenue in H1 2022 amounted to TEUR 160 (TEUR 115), an increase of 39 percent compared to H1 2021 due to new hotel clients from the South District and revenue generated from the Swop shops.
- EBITDA in H1 2022 amounted to TEUR 9 (TEUR 14), a decrease of 36 percent compared to H1 2021 due to one of their biggest clients had stopped their business operation. Another reason for lower EBITDA in H1 is the high maintenance- and fuel costs of the trucks.
- The net result in H1 2022 amounted to TEUR -12 (TEUR 6), a decrease of 300 percent compared to H1 2021.

Zanrec Ltd		H1 (Jan-June)	
TEUR	H1 2022	H1 2021	diff
Tot. Revenue	160	115	39%
EBITDA	9	14	-36%
EBITDA Margin	6%	12%	-6 p.p
Net result	-12	6	-300%
Asset Turnover Ratio	1.10	1.64	-33%

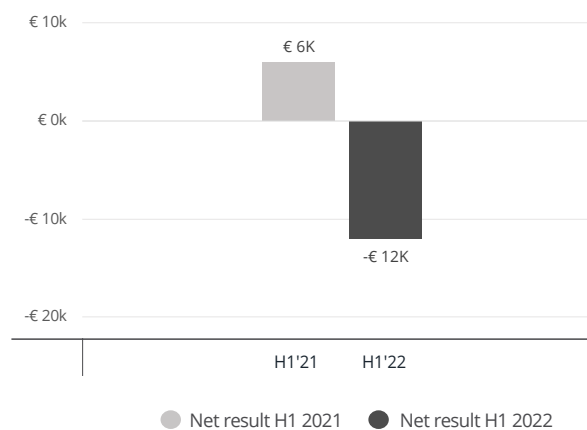
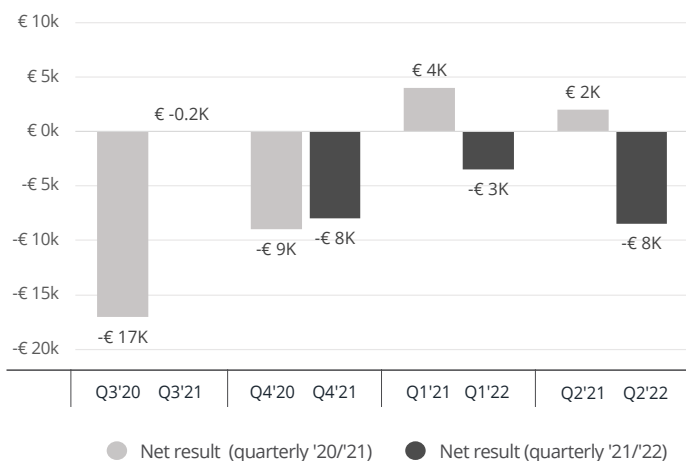
REVENUE



EBITDA



NET RESULT



Core holding company	Atsoko Tanzania Ltd
Sector:	Beauty & Cosmetics
Founded:	2012
MTI invested:	2015
MTI' ownership:	67%
General Manager:	Rehema Julius
Revenue H1 2022:	TEUR 62
No. of employees:	12
Job creation:	+50 who work as sales agents or makeup artists
SDGs:	Goal 3: Good health and well-being Goal 8: Decent work and economic growth
Region:	Dar es Salaam, Tanzania
Website:	www.atsoko.com



Atsoko launched the new brand Black Opal to their product portfolio in Q2.


3 GOOD HEALTH AND WELL-BEING




8 DECENT WORK AND ECONOMIC GROWTH



KEY FIGURES

 **2,325 (+26% YoY)**
Number of transactions during H1 2022

 **1,472 (+45% YoY)**
Number of customers during H1 2022

 **941 pcs (+50% YoY)**
Number of Atsoko private label lipstick sold during H1 2022



Rehema Julius
General Manager

EVENTS DURING H1

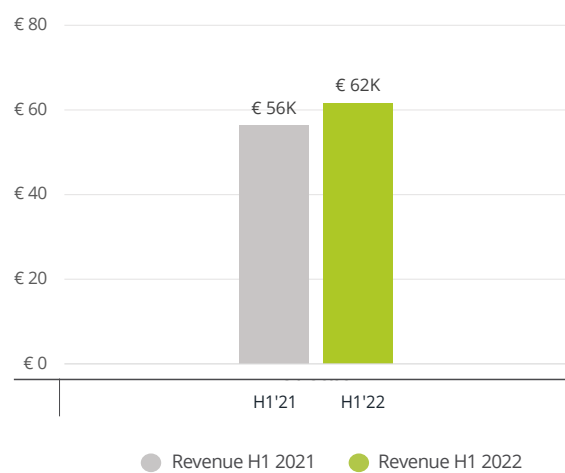
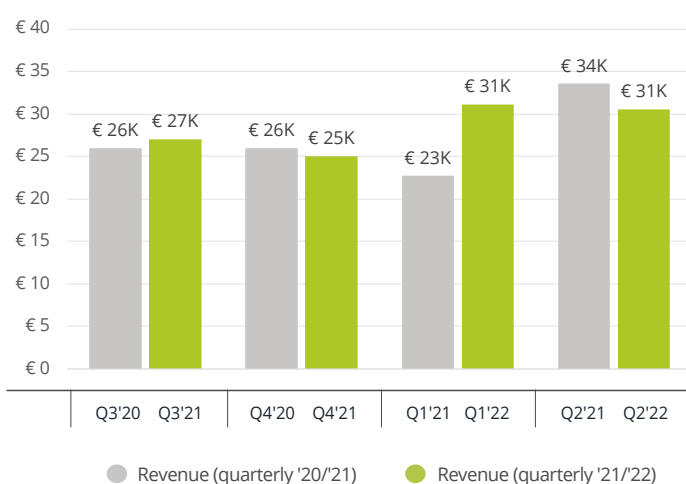
- Introduced a small consignment of a new brand (Black Opal) to their product portfolio.
- Tanzania Bureau of Standards (TBS) changed the requirements of allowed ingredients in cosmetics. The decision led to a re-registration and new importation of items without the banned ingredients. All of Atsoko's suppliers have been informed and they have started working on improving the product ingredients.
- Atsoko secured a supplier from Kenya who can easily supply Atsoko with the perfume brand "Adopt" from France, which is one of the top-selling brands at Atsoko.

FINANCIAL COMMENTS

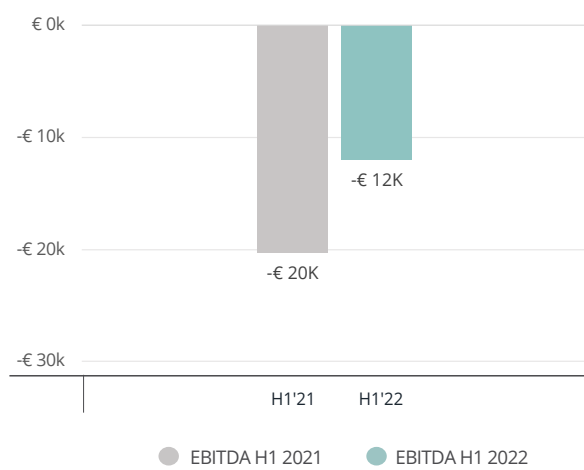
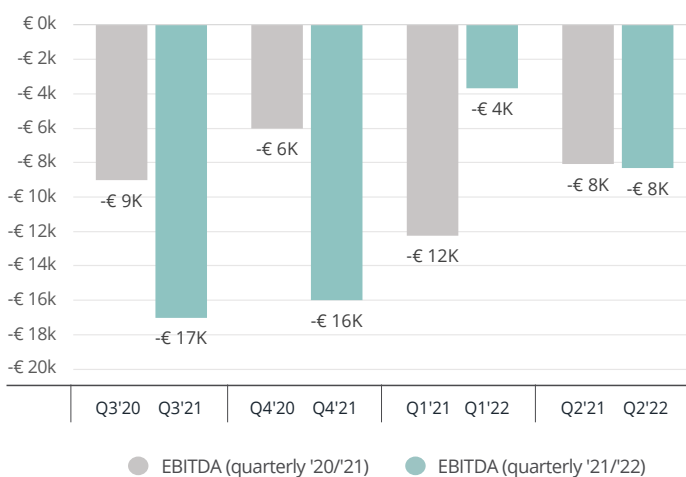
- Revenue in H1 2022 amounted to TEUR 62 (TEUR 56), an increase of 10 percent compared to H1 2021 due to the introduction of the new Black Opal products, focus on recruiting more customers, and better marketing strategy on social media.
- EBITDA in H1 2022 amounted to TEUR -12 (TEUR -20), an increase of 42 percent compared to H1 2021 due to reductions in operating expenses during Q2.
- The net result in H1 2022 amounted to TEUR -33 (TEUR -35), an increase of 7 percent compared to H1 2021.

Atsoko Ltd		H1 (Jan-June)	
TEUR	H1 2022	H1 2021	diff
Tot. Revenue	62	56	+10%
EBITDA	-12	-20	+42%
EBITDA Margin	-19%	-36%	+17 p.p
Net result	-33	-35	+7%
Asset Turnover Ratio	0.55	0.31	+78%

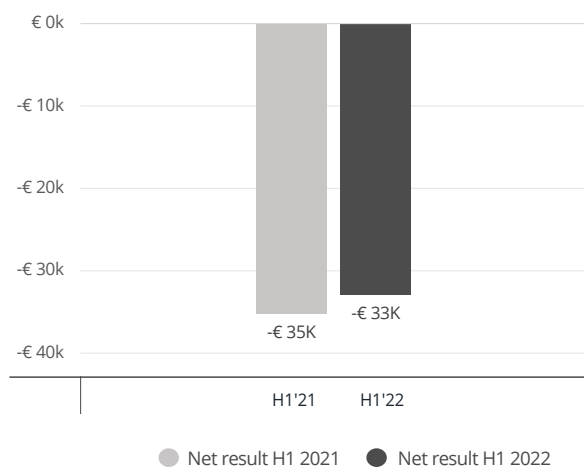
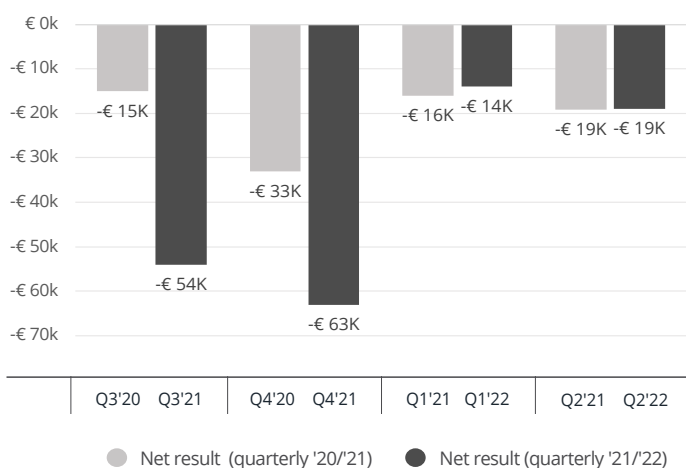
REVENUE



EBITDA



NET RESULT





Ladha halisi ya Mazina

Core holding company	Shambani Milk Ltd
Sector:	Dairy
Founded:	2003
MTI invested:	2015
MTI' ownership:	20%
General Manager:	Victor Mfinanga
Revenue H1 2022:	TEUR 298
No. of employees:	12
Job creation:	+300 via livestock breeders, raw material supplier, sales agents
SDGs:	Goal 2: Zero hunger
Region:	Morogoro, Tanzania



Two young children try Shambani Milk's Mtindi (sour milk), a refreshing and healthy alternative to fizzy drinks. A favorite drink amongst many Tanzanians.

2 ZERO HUNGER



KEY FIGURES



314,867 (+17% YoY)

Number of liters milk sold during H1 2022



121 (-45% YoY)

Number of milk suppliers during H1 2022



4 (0% YoY)

Number of sales agents during H1 2022



Victor Mfinanga
Managing Director

EVENTS DURING H1

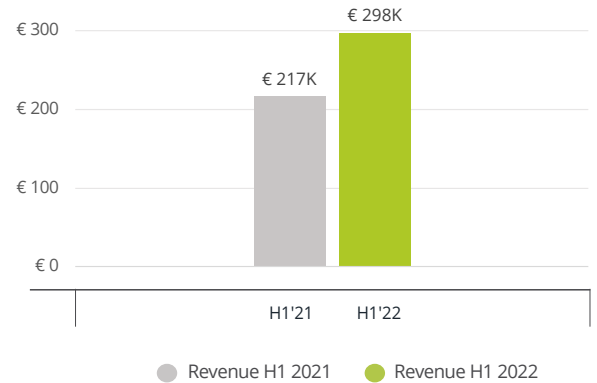
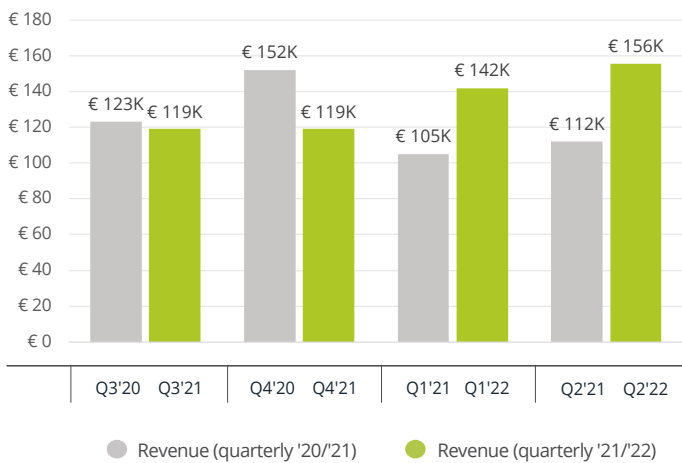
- In Q1 Shambani Milk had to close Kimamba Milk Cooling Centre (MCC) to cut costs. Shambani will instead be establishing a partnership with a dairy farm in Kilimanjaro that produces 2,000 liters per day.
- Shambani Milk started sourcing fresh milk from Miombo Farm, a dairy farm in Iringa with good raw milk quality. The milk has fewer microbes than previous milk suppliers.
- Shambani Milk reached an agreement with CRDB Bank PLC for three years term loan.
- Shambani is working on a strategy where the goal is to have their products in one of Tanzania's biggest grocery chains.

FINANCIAL COMMENTS

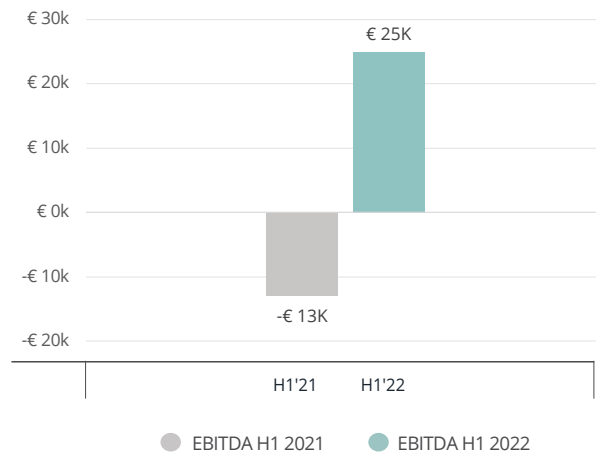
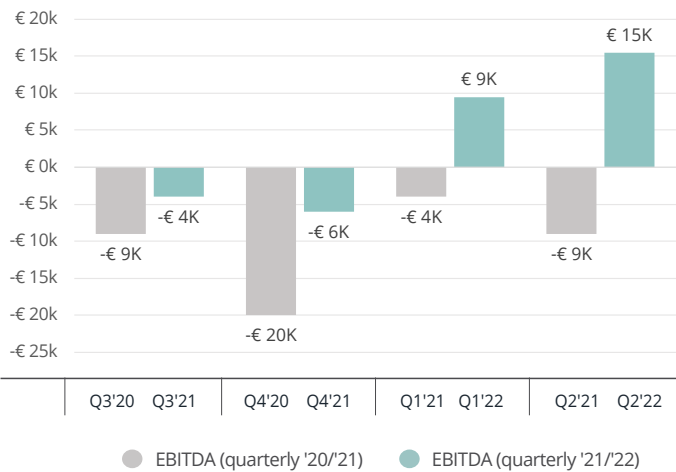
- Revenue in H1 2022 amounted to TEUR 298 (TEUR 217), an increase of 37 percent compared to H1 2021. In Q2 Shambani took over sales operations from two suppliers, one in Dar es Salaam and one in Dodoma, and improved the efficiency of the sales team which lead to better revenue.
- EBITDA in H1 2022 amounted to TEUR 25 (TEUR -13), an increase of 291 percent compared to H1 2021 due to reductions in operating expenses.
- The net result in H1 2022 amounted to TEUR -1 (TEUR -26), an increase of 97 percent compared to H1 2021.

Shambani Milk Ltd		H1 (Jan-June)	
TEUR	H1 2022	H1 2021	diff
Tot. Revenue	298	217	+37%
EBITDA	25	-13	+291%
EBITDA Margin	8%	-6%	+14 p.p
Net result	-1	-26	+97%
Asset Turnover Ratio	0.57	0.44	+31%

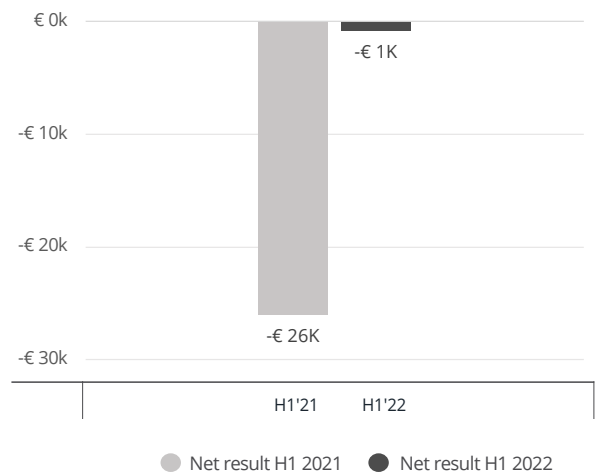
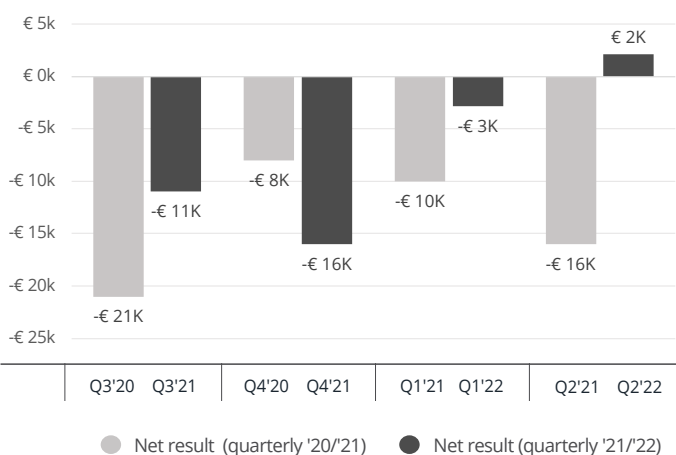
REVENUE



EBITDA



NET RESULT



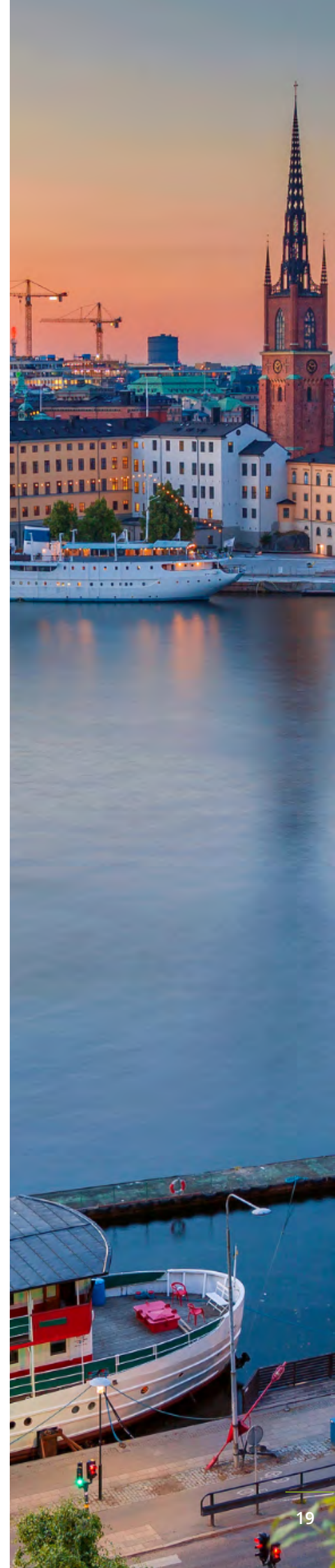
FINANCIAL REPORT COMMENTARY **H1 2022**

COMMENTARY ON CONSOLIDATED GROUP RESULT FOR PERIOD H1 2022

- Group revenue increased by 53 percent to EUR 1,032,077 (EUR 674,018), mainly due to that Ecohomes became a subsidiary in Q2 2021, and therefore its turnover in Q1 2021 is not part of the consolidated numbers.
- EBITDA was EUR -487,277 (EUR -145,984), corresponding to a -234 percent change, mainly attributable to increased costs in the parent company due to becoming a listed company.
- The net loss for the period was EUR -614,786 (EUR -322,418), corresponding to a -91 percent change. This is mainly attributable to an increase in operating expenses for the parent company.
- Total equity at the end of the period was EUR 1,960,172 (EUR 1,292,466).
- Cash and cash equivalents amounted to EUR 1,118,577 as of 30th of June 2022, compared to EUR 512,387 as of 30th of June 2021.
- The net cash flow for the period was EUR -1,211,216 (EUR -89,591).

TRANSACTIONS WITH RELATED PARTIES DURING H1 2022

- No transactions with related parties to MTI Investment SE took place during the period of H1 2022.



INCOME STATEMENT **GROUP COMPANIES**

EUR	H1 2022 (Jan-Jun 2022)	H1 2021 (Jan-Jun 2021)	FY 2021 (Jan-Dec 2021)
OPERATING INCOME			
Net revenue	1,032,077	674,018	1,450,069
Operating Income	1,032,077	674,018	1,450,069
OPERATING EXPENSES			
Cost of goods sold	-772,180	-450,735	-1,009,833
Personnel costs	-347,302	-200,359	-567,602
Other external costs	-399,872	-168,908	-715,072
EBITDA	-487,277	-145,984	-842,438
Write-down & depreciations on assets	-149,590	-109,537	-256,033
Operating profit/loss (EBIT)	-636,867	-255,521	-1,098,470
FINANCIAL ITEMS			
Interest and financial income	37,636	16,977	58,209
Interest and financial expenses	-15,555	-83,874	-122,458
Net financial items	22,081	-66,897	-64,249
Profit/loss after financial items (EBT)	-614,786	-322,418	-1,162,720
Taxes	0	0	-8,521
NET PROFIT/LOSS FOR THE YEAR	-614,786	-322,418	-1,171,241
Whereof minority	-58,460	-17,901	-87,170
Earnings per share (EPS)* before and after dilution**	-0.10	-0.08	-0.29

*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.

**Shares outstanding in 2021 have been adjusted to take into account split 200:1 that was conducted in June 2021.

See information on warrant program at www.mti-investment.com/ipo

CONSOLIDATED

BALANCE SHEET **GROUP COMPANIES**

EUR	30.06.2022	30.06.2021	31.12.2021
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Goodwill	580,440	808,915	693,071
Total intangible fixed assets	580,440	808,915	693,071
<i>Tangible fixed assets</i>			
Property plant and equipment	263,803	194,847	266,385
Total tangible fixed assets	263,803	194,847	266,385
<i>Financial fixed assets</i>			
Participations in associated companies	149,473	196,414	158,831
Participations in shares and units	85,710	85,725	85,463
Loans and advances	435,831	480,233	476,370
Total financial fixed assets	671,014	762,372	720,663
Total fixed assets	1,515,257	1,766,134	1,680,119
Current assets			
Inventories	88,243	97,581	90,782
<i>Receivables</i>			
Accounts receivable	223,467	155,377	162,291
Other prepaid expenses and accrued income	239,212	0	26,787
Other receivables	56,190	32,009	29,587
Total receivables	518,869	187,386	218,665
<i>Cash and cash equivalents</i>	1,118,577	512,387	2,320,218
Total current assets	1,725,689	797,354	2,629,665
TOTAL ASSETS	3,240,946	2,563,488	4,309,784

EUR	30.06.2022	30.06.2021	31.12.2021
EQUITY			
Share capital	1,076,720	746,720	1,076,720
Other equity incl. result for the period	556,234	311,943	1,171,566
Total	1,632,954	1,058,663	2,248,286
Minority ownership	327,218	233,803	295,353
TOTAL EQUITY	1,960,172	1,292,466	2,543,639
LIABILITIES			
Long term liabilities			
Provisions	0	0	0
Other long term liabilities	186,048	264,257	325,619
Total long term liabilities	186,048	264,257	325,619
Current liabilities			
Accounts payable	67,494	69,398	295,149
Other short-term liabilities	1,027,232	937,366	1,145,376
Total short term liabilities	1,094,726	1,006,765	1,440,526
TOTAL LIABILITIES	1,280,773	1,271,022	1,766,145
TOTAL EQUITY AND LIABILITIES	3,240,946	2,563,488	4,309,784

CHANGE IN EQUITY **GROUP COMPANIES**

EUR	H1 2022 (Jan-Jun 2022)	H1 2021 (Jan-Jun 2021)	FY 2021 (Jan-Dec 2021)
OPENING BALANCE	2,543,639	1,403,794	1,403,794
New share issue	0	0	1,997,310
Loss of the period	-614,786	-322,418	-1,171,241
Translation differences	31,320	-8,661	97,224
Minority interest	0	219,751	216,552
CLOSING BALANCE	1,960,172	1,292,466	2,543,639

CASH FLOW **GROUP COMPANIES**

EUR	H1 2022 (Jan-Jun 2022)	H1 2021 (Jan-Jun 2021)	FY 2021 (Jan-Dec 2021)
Cash flow from operating capital	-1,047,808	-85,307	-131,411
Cash flow from investing capital	-3,446	-90,861	-215,066
Cash flow from financing capital	-159,963	86,577	2,047,724
Net cash flow	-1,211,216	-89,591	1,701,247
Capital starting the period	2,320,218	527,490	527,490
Cash from acquired subsidiary	0	74,488	74,488
Translation differences in cash	9,575	0	16,993
CAPITAL ENDING THE PERIOD	1,118,577	512,387	2,320,218

INCOME STATEMENT **PARENT COMPANY**

EUR	H1 2022 (Jan-Jun 2022)	H1 2021 (Jan-Jun 2021)	FY 2021 (Jan-Dec 2021)
OPERATING INCOME			
Net revenue	6,543	12,183	12,249
Operating Income	6,543	12,183	12,249
OPERATING EXPENSES			
Cost of goods sold	0	0	0
Personnel costs	-172,335	-106,485	-307,949
Other external costs	-235,693	-65,850	-372,774
Total operating expenses	-408,028	-172,335	-680,724
EBITDA	-401,485	-160,152	-668,475
Operating profit/loss (EBIT)	-401,485	-160,152	-668,475
FINANCIAL ITEMS			
Interest and other financial income	14,192	18,008	56,242
Interest and other financial expenses	-1,295	-2,214	-283,134
Net financial items	12,897	15,794	-226,892
Profit/loss after financial items (EBT)	-388,588	-144,358	-895,367
Taxes	0	0	0
NET PROFIT/LOSS FOR THE YEAR	-388,588	-144,358	-895,367

CONSOLIDATED

BALANCE SHEET PARENT COMPANY

EUR	30.06.2022	30.06.2021	31.12.2021
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Goodwill	0	0	0
Total intangible fixed assets	0	0	0
<i>Tangible fixed assets</i>			
Property plant and equipment	0	0	0
Total tangible fixed assets	0	0	0
<i>Financial fixed assets</i>			
Participations in subsidiaries	754,225	826,377	731,801
Participations in shares and units	81,977	85,725	81,977
Loans to group companies	1,376,710	1,342,552	1,023,934
Other loans	0	14,812	47,484
Total financial fixed assets	2,212,911	2,269,466	1,885,196
Total fixed assets	2,212,911	2,269,466	1,885,196
Current assets			
<i>Receivables</i>			
Accounts receivable	0	1,016	1,212
Other receivables	54,097	7,201	55,520
Total receivables	54,097	8,217	56,733
<i>Cash and cash equivalents</i>			
	893,733	339,853	2,037,347
Total current assets	947,830	348,071	2,094,080
TOTAL ASSETS	3,160,741	2,617,536	3,979,276

EUR	30.06.2022	30.06.2021	31.12.2021
EQUITY			
Restricted equity			
Share capital	1,076,720	746,720	1,076,720
Total	1,076,720	746,720	1,076,720
Unrestricted equity			
Share premium reserve	4,885,069	3,484,446	4,885,069
Profit/loss brought forward	-2,500,721	-1,707,167	-1,605,354
Profit/loss of the year	-388,588	-144,358	-895,367
Total	1,995,760	1,632,921	2,384,348
TOTAL EQUITY	3,072,480	2,379,641	3,461,068
LIABILITIES			
Long term liabilities			
Other long term liabilities	1,011	0	127,119
Total long term liabilities	1,011	0	127,119
Current liabilities			
Accounts payable	8,035	24,305	165,820
Other short-term liabilities	79,215	213,591	225,269
Total short term liabilities	87,250	237,896	391,089
TOTAL LIABILITIES	88,261	237,896	518,208
TOTAL EQUITY AND LIABILITIES	3,160,741	2,617,536	3,979,276

CHANGE IN EQUITY **PARENT COMPANY**

EUR	H1 2022 (Jan-Jun 2022)	H1 2021 (Jan-Jun 2021)	FY 2021 (Jan-Dec 2021)
OPENING BALANCE	3,461,068	2,548,370	2,548,370
New share issue	0	0	1,730,603
Loss for the period	-388,588	-144,358	-895,367
Translation differences	0	-24,371	77,462
CLOSING BALANCE	3,072,480	2,379,641	3,461,068

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)

NOTE 2

Group company

Ecohomes Co Ltd became a group company during Q2 2021 from previously being an associated company.

NOTE 3

Transferred to BFNAR 2012:1

In 2021 the Group and the Parent transferred to using BFNAR 2012:1 Annual Accounts and Consolidated Accounts (K3). In connection with the transfer to BFNAR 2012:1 the following accounting principles have been changed in comparison to previous years:

Accounting of goodwill – in the Group there are a number of subsidiaries that have been acquired through successive acquisitions. Acquisitions analyses have been established in accordance with K3 which has led to adjusted values for goodwill.

NOTE 4

Accounting currency

The accounting currency has during the year 2021 changed to EUR. Previously the accounting currency was Norwegian crowns (NOK).

NOTE 5

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. Prior to the registration of the warrants to management, the total number of registered warrants were 1,182,718. Each of those warrants of series TO1 gives the right to subscribe for one (1) new share in the Company at a variable subscription price corresponding to 70 percent of the volume-weighted average price in the Company's share during the period between 10 February 2023 and 23 February 2023, however, the lowest nominal value per share and a maximum of SEK 20.10 per share, corresponding to 150 percent of the subscription price in the Offer. Subscription of shares in the Company with the support of warrants of series TO1 will take place during the period from 27 February 2023 through March 10, 2023. More information on the warrants program is available at www.mti-investment.com/ipo.

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.

ADDITIONAL INFORMATION

AUDITOR

Ernst & Young AB

The company's auditor is Ernst & Young AB.

This H1 2022 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 per 30th of June 2022 amounted to EUR 1,076,720 with 5,383,600 shares outstanding (3,733,600 shares outstanding per 30th of June 2021). MTI's average number of outstanding shares for the financial year of 2021 was 4,558,600.

LARGEST SHAREHOLDERS

The table below shows MTI Investment SE's ten largest owners as of 30th of June 2022.

Shareholder	Shares Total	Ownership
Sørlandsforskning AS*	861,600	16.00%
Mangold Fondkommission AB	760,366	14.12%
Stiftelsen H&M Foundation	510,000	9.47%
ADB Invest Aktiebolag	262,200	4.87%
HANDELSBANKEN EMEA TEMA	250,000	4.64%
Pontus Engström**	245,217	4.55%
Egahult Invest AB	110,000	2.04%
Heracleum AB	107,200	1.99%
Christer Käck AB***	106,108	1.97%
Lindeborg Sofia Ellenor	100,000	1.86%
Others	2,070,909	38.47%
Total	5,383,600	100.00%

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

** CEO, MTI Investment SE

*** Controlled by Christer Käck and via his company Christer Käck AB, Board member in MTI Investment SE



A worker at Echomes' warehouse facility.

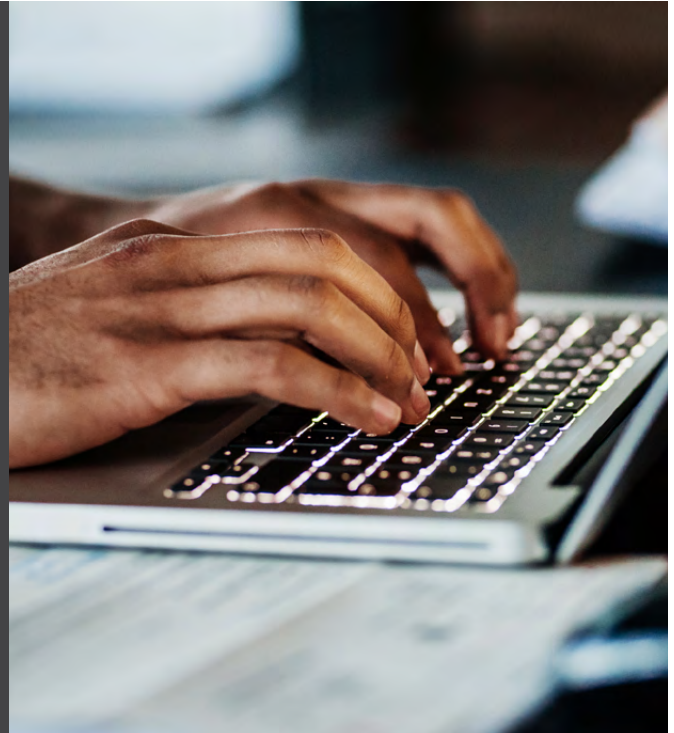
REPORTING CALENDAR

OTHER INFORMATION UPDATES



UPCOMING EVENTS

- Core holdings updates Q3 2022
18 November 2022



NB: Other information updates such as MTI's *Core holdings update* should not be considered as formal reports. These updates do not include the consolidated result of the Group or the Parent Company.

FINANCIAL CALENDAR



UPCOMING EVENTS

- Year-end report (H2) 2022
24 March 2023



NB: MTI Investment provides half-year reports. See the above financial calendar for the report release date. 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, August 30, 2022

Trond Randøy
Chairman

Bengt Svelander
Board member

Christer Käck
Board member

Magdalena Johansson
Board member

Pontus Engström
CEO



THE GO-TO INVESTOR FOR EAST AFRICAN GROWTH

MTI INVESTMENT SE

Org. 517100-0135

◆

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WEBSITE

For more information visit us at

www.mti-investment.com