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MTI Investment SE Strengthens Partnership with Tanswed Agro Limited, Boosting Agri-Tech Services Expansion

Danderyd, Sweden – MTI Investment SE (ticker: MTI) ("MTI" or the "Company") today announces its commitment to further support its core holding company, Tanswed Agro Limited (Tanswed), through a USD 30,000 shareholder loan facility. This investment, facilitated by MTI Advisory Limited, the Company's Tanzania subsidiary, aims to accelerate Tanswed's expansion into the value-added segment of agri-tech services within the rice processing sector.

The shareholder loan agreement, totaling USD 30,000 (equivalent in TZS), is structured over a five-year term with an annual interest rate of 20 percent. This agreement signifies MTI's strategic investment in Tanswed's profitable growth trajectory. The allocated funds will be utilized to acquire cutting-edge rice milling equipment, enabling Tanswed to expand its array of existing agro-processing services and capitalize on the region's demand potential. Additionally, the machines purchased under the agreement will serve as collateral, ensuring accountability and adherence to the terms of the agreement.

Tanswed Agro Limited, where MTI Investment SE owns a 49% equity stake, was established in May 2023 to deliver cutting-edge rice bran processing and grading mechanisms that provide seamless high-quality output to the rice farming community in Kahama, Tanzania. Commencing its operations in June 2023, the company gained traction and enjoyed a continuous flow of business. Within its inaugural six months of operations, the company not only managed a notable revenue of TZS 77 million but also realized a net profit of TZS 218k. In setting up a rice milling vertical, Tanswed taps into a new and bigger market for its services.

Recognizing the industry demand potential and Tanswed's presence in the right landscape, the management aims to capitalize on the opportunity to grow the business and has decided to provide rice milling services in parallel to the current active rice bran grading service. This addition to the value chain will enable Tanswed to further strengthen its foothold in the region, and scale its operations while offering a comprehensive tech-enabled high-quality agro-processing solution to the region.

Tanswed Agro Limited's Director Michael Mrosso says: "This facility will play a key role for Tanswed to roll out its first full value-adding agro-processing center for the present and new SME customers. By creating a value-addition center Tanswed continues to focus on supporting small businesses with the process of raw crops to the final product. As a result, it will open doors for these small businesses to be able to export their final products regional-wise and overseas."

Speaking about the investment, MTI Investment's CEO Pontus Engström said, "We are glad to collaborate further in our partnership that reflects our confidence in Tanswed's management team. We are excited to unveil the immense opportunities lying in this sector while ensuring continuous cash generation."



For additional information

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About MTI Investment SE

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.

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