



PRESS RELEASE, 28 June 2024

## **MTI Investment AB Backed-Techbridge Invest AS Secures NOK 25 Million NORAD Grant to Accelerate East African Entrepreneurship**

Danderyd, Sweden - MTI Investment AB (ticker MTI) announces that Techbridge Invest AS, in which MTI holds a 49.1% stake, has secured a NOK 25 million grant from the Norwegian Agency for Development Cooperation (NORAD). This funding will drive entrepreneurship, create the possibility for up to 9000 new jobs in the region, and foster sustainable economic growth in East Africa.

- **NORAD Grant of NOK 25 million Secured:** Techbridge Invest AS, backed by MTI Investment AB, has received a NOK 25 million (USD 2.4 million) grant from NORAD to drive entrepreneurship and economic growth in East Africa, to support our efforts from July 1<sup>st</sup>, 2024 to June 30<sup>th</sup>, 2027.
- **Significant Impact on Job Creation and Economic Empowerment:** The project aims to create approximately 9000 jobs within five years, significantly boosting local economies in Kenya and Tanzania.
- **Focus on Environmental and Social Benefits:** The result of this project has the potential for increased availability and affordability of aquatic foods and sustainable livelihoods. Additionally, supporting entrepreneurs contributes to healthier oceans, mitigating the impacts of climate change and reducing marine litter

### **Grant Overview:**

Techbridge Invest AS, backed by MTI Investment AB, has received a NOK 25 million (USD 2.4 million) grant from NORAD to drive entrepreneurship and economic growth in East Africa. This grant will support activities from 1 July 2024 to 30 June 2027.

### **Significant Impact:**

The project aims to create approximately 9,000 jobs within five years, significantly boosting local economies in Kenya and Tanzania. This initiative is expected to increase the availability and affordability of aquatic foods, fostering sustainable livelihoods. Moreover, it will support entrepreneurs, contributing to healthier oceans and mitigating the impacts of climate change by reducing marine litter.



### **Sectoral Focus:**

- **Blue Economy:** Emphasizes sustainable fishing, aquaculture, and eco-tourism.
- **Marine Litter:** Focuses on reducing marine pollution and promoting recycling.

### **Project Phases:**

1. **Innovation Challenges:** Stimulating innovative solutions through hackathons.
2. **Incubation:** A 16-week bootcamp for early-stage startups.
3. **Acceleration:** Helping startups scale sustainably with mentoring and coaching.
4. **Post-Acceleration (Momentum):** Medium-term financing and investor linkages.
5. **Fundraising and Investment:** Organizing investor trips and fundraising rounds.

### **Impact and Outcomes:**

The project targets significant economic empowerment, with around 9,000 jobs expected within five years. It also aims for substantial revenue growth for startups, projecting a +1000% increase from baseline revenue three years post-program.

### **Consortium Partners:**

The project leverages a consortium of partners, including [Sote Hub Ltd](#), [MTI Investment](#) and [TechBridge Invest](#), each contributing expertise to various project phases.

### **Ownership of Techbridge Invest AS:**

Techbridge Invest AS is owned by a diverse group of stakeholders:

- MTI Investment AB: 49.1%
- Frøydis Dybdahl Archer: 21%
- Tone Cecilie Faugli: 14%
- Nermina Ljevakovich: 9.3%
- Grieg Foundation: 5%
- Vestre AS: 1.5%

### **Pontus Engström, Chairman of Techbridge Invest AS and CEO of MTI Investment AB, comments:**

*"This grant agreement with NORAD highlights our deep commitment to East Africa. By focusing on the blue economy and marine litter sectors, it will provide essential capacity building and enhance investment scalability. Our expertise with ventures like Zanrec and Chanzi positions us to maximize this project's impact, aligning with our vision to create long-term value for*



*shareholders and positively impact local communities. It is also very positive for shareholders of MTI Investment as it provides us with further economies of scale and scope in our operations.”*

**Anton Dahlberg, Managing Director of Techbridge Invest Africa Ltd, comments:**

*“The approval of this project concludes a significant milestone for our mission to create long-lasting impact through entrepreneurial development in East Africa. With the 3 year commitment from NORAD we, together with our project partners, will be able scale our efforts in improving the conditions for businesses in underserved markets and sectors. Through the combined experiences of the partnerships, we are dedicated to increasing the value created in the communities we serve, especially for the youth and women. “*

**Grant payment provisions:**

Key provisions driving the payment of the grant include:

1. **The Grant:** Norad will provide a maximum grant amount of NOK 25,223,253, subject to Norwegian Parliamentary appropriations. The grant covers actual project costs incurred during the support period from July 1, 2024, to June 30, 2027.
2. **Disbursement:** The grant will be disbursed in advance installments based on the project's financial needs for upcoming periods, not exceeding six months. Disbursements are contingent upon Norad's receipt of written requests and supporting financial documentation from the grant recipient. The first disbursement may be made upon the agreement's signing, while subsequent disbursements require periodic financial need assessments and compliance with reporting obligations.
3. **Reporting and Documentation:** The grant recipient must submit annual progress and financial reports by September 30th each year. These reports should include detailed accounts of results achieved, financial statements, and risk management updates. Additionally, a final report covering the entire support period must be submitted within three months after the project's conclusion.
4. **Audit:** Annual financial statements of the project are to be audited according to International Standards of Auditing (ISA). The audit reports must be submitted to Norad, detailing the project's financial position and adherence to financial management standards.
5. **Procurement:** All procurement activities must follow the principles of sound financial management, equal treatment, non-discrimination, and sustainable



procurement, as outlined in the agreement's procurement provisions.

6. **Repayment of Unused Funds:** Any unused funds totaling NOK 500 or more, along with any accrued interest not used for project purposes, must be repaid to Norad within six months of the support period's end or upon agreement termination.

#### **About NORAD:**

The Norwegian Agency for Development Cooperation (NORAD) is a directorate under the Norwegian Ministry of Foreign Affairs, responsible for implementing Norway's development policy. NORAD supports sustainable development efforts globally by providing aid and expertise, promoting economic growth, education, health, and good governance. Its mission is to combat poverty and promote social and economic development through effective and targeted aid programs. NORAD collaborates with a variety of partners, including governments, international organizations, NGOs, and the private sector, to achieve these goals.

#### **About Techbridge**

Founded by the late Øivind Rideng, TechBridge is a pioneering Norwegian company based in Mombasa, continuing its mission of fostering innovation and empowering startups in East Africa. Recognized as the "Incubator of the Year" in 2023, TechBridge offers dynamic accelerator programs and invaluable resources to entrepreneurs. With a focus on nurturing local talent and shaping the future of entrepreneurship, TechBridge honors Rideng's legacy by redefining possibilities and making a lasting impact in the startup ecosystem. MTI is the largest shareholder (49.1%) in TechBridge.

***This information is information that MTI Investment SE is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information in this press release has been published through the agency of the contact persons set out above, at 15:00 CET on 2024-06-28.***

#### **For additional information**

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## About MTI Investment AB

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](http://www.mti-investment.com)