

MTI INVESTMENT SE

Year-End Report: January - December 2022
Including H2 2022 report



31 Mar 2023



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FINANCIAL REPORT Q1-Q4

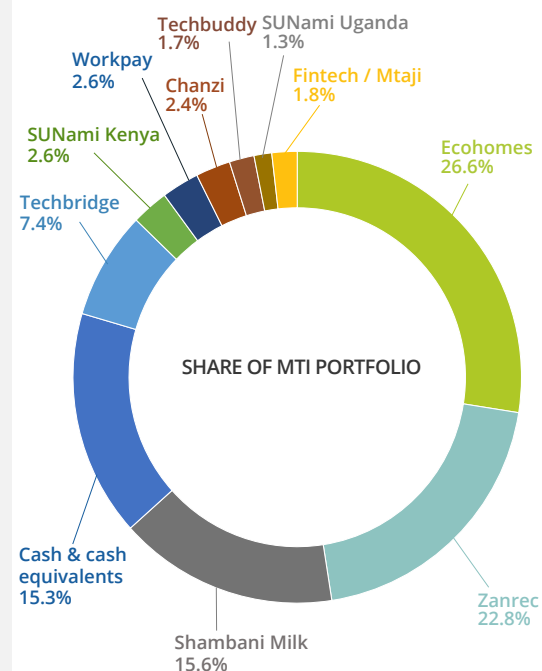
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ESTIMATED NET ASSET **VALUE**

	NET ASSET VALUE ESTIMATE	SHARE OF MTI PORTFOLIO
WASTE MANAGEMENT		
Zanrec	913 959	22.8%
CONSTRUCTION		
Ecohomes	1 065 920	26.6%
AGRICULTURE		
Chanzi	96 908	2.4%
Shambani Milk	627 363	15.6%
TECH		
Fintech / Mtaji	70 417	1.8%
Techbuddy	69 352	1.7%
Workpay*	104 686	2.6%
RENEWABLE ENERGY		
SUNami Uganda	49 438	1.2%
SUNami Kenya	103 233	2.6%
VENTURE BUILDER		
Techbridge Invest	298 302	7.4%
Cash and cash equivalents and other net assets		
	613 260	15.3%
Total est. Net Asset Value	4 012 837	100%
Shares outstanding	5 703 029	
Estimated Net asset value per share (EUR)	0.70	



	31.12.2021	31.03.2022	30.06.2022	30.09.2022	31.12.2022
Net Asset Value Per share (SEK)	15.7	16.3	15.87	13.76	7.84
Share price (SEK)	9.88	6.24	5.02	4.14	4.10
Percentage difference	37%	62%	68%	70%	48%

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 or book value.

HIGHLIGHTS YEAR-END REPORT 2022

H2 2022 GROUP

- Consolidated group revenue has increased during H2 2022 to EUR 835 586 (EUR 776 051).
- EBITDA during H2 2022 was EUR -832 323 (EUR -696 454).
- The net loss for the period was EUR -332 986 (EUR -848 823).
- The net cash flow for the period was EUR -232 959 (EUR 1 790 838).

FULL-YEAR 2022 GROUP

- Revenue amounted to EUR 1 867 663 (EUR 1 450 069).
- EBITDA was EUR -1 319 600 (EUR -842 438).
- Ecohomes EBITDA deteriorated significantly due to excess cost in completed projects.
- The net loss was EUR -947 772 (EUR -1 171 241).
- Total equity at the end of the period was EUR 2 162 676 (EUR 2 543 639).
- Cash and cash equivalents amounted to EUR 707 083 (EUR 2 320 218).
- The net cash flow for the period was EUR -1 444 175 (EUR 1 701 247).



"Mti" means tree in Swahili, symbolically representing MTI's focus on growing companies

HIGHLIGHTS YEAR-END REPORT 2022

IMPORTANT EVENTS DURING H2 2022

- MTI Investment [invests](#) SEK 1.1 million (EUR 103.000) in fast growing, sustainable animal feed company Chanzi.
- MTI Investment SE [completes](#) the acquisition of 56 percent (subsequently 49 percent of the shares in Techbridge Invest AS).
- MTI [sells down](#) 12 percent equity in Zanrec AB to Claus Jørgensen for SEK 2 million.
- MTI [increased its ownership](#) in the fast-growing FinTech Africa to 5.23% in a cash equity issue, investing SEK 500.000 (TEUR 45) to fund the company's expansion.
- Zanrec's plastic baling business became operational during H2, with an aim to bale and remove from the island at least 50 tonne of plastic per month.
- MTI's subsidiary Atsoko International AB completed the [divestment](#) of its ownership in Atsoko Tanzania Limited (Atsoko) through a management buy-out. Atsoko International AB was then closed down.
- MTI [announces](#) that Mr. Harry Tuluhungwa is the new CEO of Ecohomes Company Limited, replacing former CEO and cofounder Eric Chonjo.
- MTI [launches](#) a new accelerator program with Ester Foundation, targeting female immigrant entrepreneurs.

IMPORTANT EVENTS DURING 2022

- Martin Rex Empacher joins MTI Investment's subsidiary Zanrec AB as [new member of the Board](#), and subsequently as a member of the MTI advisory board.
- MTI subsidiary Ecohomes was awarded several bank branches to be built for clients such as CRDB and Stanbic Bank, including the construction of a new branch in Lubumbashi in Democratic Republic of Congo.
- MTI [invested USD 389.000](#) into Ecohomes and increased ownership to 77 percent.
- Torbjörn Jacobsson [appointed as new member](#) of the board in Ecohomes.
- Magdalena Johansson and Bengt Svelander enrolled as new members of the Board in MTI Investment.
- Zanrec faced an unexpected [area change](#) in the North A district on Zanzibar.
- Improved local presence and control through the hiring of Parmena Mkuu as Group Audit and Finance Manager, based in Dar es Salaam.
- The divestment of 12 percent ownership in Zanrec gave rise to a EUR 522 000 gain to our group accounts

IMPORTANT EVENTS AFTER 2022

- MTI Investment and Hotel Online [launch](#) a booking portal for sustainable tourism to Zanzibar.
- MTI Investment [met with](#) the President of Zanzibar, H.E. Dr. Hussein Ali Mwinyi to discuss waste management and job creation.
- MTI Investment [signs letter of intent](#) with Mayai Ocean Resort to create a hotel management company and to invest in a new resort.
- MTI [signs term sheet](#) to invest in prime property to be built in central Dar es Salaam.
- [Warrants of series TO1](#) were 48 percent subscribed and bring in SEK 1.62 million
- MTI [signs term sheet](#) to invest in rice bran grading business.
- MTI [signs letter of intent](#) to acquire an additional 7.9 percent in fast growing Fintech Africa worth SEK 1.2 million.



Recent participation and sponsorship of the Zanzibar Tourism Investment and Travel Exhibition 2023 (ZTITE)

WORDS FROM THE CEO

"ESTABLISHING MTI INVESTMENT AS A LISTED COMPANY"

NOW PRESENT IN TANZANIA, KENYA AND UGANDA

In 2022, our adjusted net asset value experienced a decline of 50 percent, primarily due to underperformance of Ecohomes. Our total shareholder return was -58 percent, which is lower than the -43.4 percent return of the Nasdaq First North All-Share index. Most of the underperformance in the NAV came in the second half of 2022, when the adjusted net asset value decreased by 43 percent. The total shareholder return over the last six months of the year was -15.3 percent, compared to -16.6 percent for the Nasdaq First North All-share index.

Despite a challenging performance in Ecohomes, we have successfully expanded MTI to be present in three East African countries and also diversified the portfolio holdings further to help reduce company specific risk significantly. Although a few companies have historically dominated our portfolio, we are committed to further diversifying it in 2023, while also placing a stronger focus on generating cash. Our efforts in this regard are expected to enhance MTI's resilience and position it for sustained growth in the future.

OUR CORE BUSINESS

Ecohomes - a challenging year, but turning around

Ecohomes, a company in which MTI holds a 77% ownership, generated **EUR 1.4 million** (EUR 1.4 million) in revenues in 2022, but it was a challenging year, because of higher than expected costs, partly driven by the war in Ukraine, but also due to poor cost control. The board noticed significant cost overruns and therefore decided to recruit a new CEO. Ecohomes subsequently hired Mr. Harry Tuluhungwa through a professional recruitment agency, and he started as CEO of Ecohomes on July 1st.

Since July, Ecohomes has taken significant steps to address the issues that arose in 2022, and are seeing both margin and sales improve, placing a specific focus on positive cash flow. With the appointment of a new CEO and the implementation of a more robust control system, a major retrenchment, the company is better positioned to avoid costly mistakes in the future. The addition of key personnel in MTI Investment, such as Parmena Mkuu and Torbjörn Jacobsson, ensures greater control and accountability across not only Ecohomes, but the whole MTI Investment group of investments.

One of the new paths Ecohomes has taken is to be a more solution focused company, such as in the roofing space where Ecohomes fabricate and assemble light gauge steel for trusses for varying lengths from residential to commercial infrastructures. The benefits here are many. It is faster to put up, longer lasting, lighter and more environmentally friendly to comparative solutions as wooden structures which over time are prone to insect infestation and rendering the wooden structures hazardous to roof collapse or fire. Margins are also better as the company better controls its output

Zanrec - record sales

Zanrec, in which MTI owns 49%, continued its strong growth momentum into the fourth quarter, with a remarkable 24% improvement compared to the same period the previous year, generating record revenues of **EUR 354 000** (EUR 265 000), up by 34% year-on-year. However, [unexpected changes](#) made by the local government in the North A district resulted in lower revenues than initially expected, causing losses for the full year. Nonetheless, we have devised an alternative strategy to regain profitability and have been in ongoing negotiations with the government. We are grateful for the assistance of the Swedish embassy, which facilitated a meeting between us and the President of Zanzibar, Dr. Hussein Ali Mwinyi, where we expressed our concerns and frustrations. We are continuing discussions with stakeholders to achieve a more sustainable solution. Meanwhile, we are redoubling our efforts to achieve positive performance by increasing plastic baling activities. Our aim is to collect a minimum of 50 tonnes of plastic per month. During the year, MTI executed our first successful partial exit, [selling 12 percent](#) of our ownership in Zanrec AB for SEK 2 million, which gave rise to a **EUR 522 000** gain to our group result. This strategic move allowed us to realize a portion of the investment's value while retaining a significant stake in the company, which we believe will continue to generate positive returns.

Techbridge - new addition

Techbridge, in which MTI owns 49%, is a new business venture led by CEO Frøydis D. Archer, who is currently based in Kampala, Uganda. Founded in 2015 by Oyvind Rideng, Tone Faugli, and Frøydis D. Archer, Techbridge is dedicated to supporting tech startups located along the coast near Mombasa. To date, the incubator has trained 800 entrepreneurs, and its commitment to helping these startups successfully launch their business concepts has been recognized at the World Incubation Summit. In fact, Techbridge was designated as one of the [Top Challenger Business Incubators](#) in Africa.

In 2022, Techbridge had a record year, largely due to grant funding. The team is continuing to seek additional funding to sustain its growth into the future. Despite the challenges of the COVID-19 pandemic, Techbridge remains committed to its mission of helping entrepreneurs in the region thrive, and

WORDS FROM THE CEO (CONTINUED)

we are excited to see its continued success under Frøyd's leadership.

Shambani Milk - record sales

Shambani Milk, in which MTI holds a 20% ownership stake, had its best year ever in 2022, achieving record sales of **EUR 670 000**, (EUR 454 000) a remarkable 47% growth compared to the previous year. CEO Victor Mfinanga deserves credit for this impressive performance, having achieved a positive EBITDA and continued strong growth. Although a non-cash charge related to a VAT liability led to negative profits in 2022, Victor remains optimistic and has already made a good start in 2023. We are proud to be a part of Shambani Milk's success story and look forward to its continued growth in the coming years.

OTHER HOLDINGS

Fintech Africa and its subsidiary Mtaji has made significant progress over the past year, prompting MTI Investments to increase its ownership stake in the company by [investing](#) an additional SEK 500 000. Mtaji, which provides factoring and invoice reminder services for repetitive business-to-business transactions, has seen a surge in interest for its services in recent months, thanks in part to an expanded sales team and a growing number of referrals. As a result, the company's lending book has grown significantly, with promising forecasts for 2023. Mtaji's market strategy, which involves a rigorous credit evaluation process and a focus on stable growth, is clearly paying off, as the company has maintained an impressively low number of defaulting customers. We believe that Mtaji's commitment to responsible lending practices and its customer-focused approach are key factors in its success. As more and more businesses in Africa turn to fintech solutions to meet their financial needs, we are confident that Mtaji will continue to play

a vital role in providing innovative and reliable services. We are excited to see what the future holds for Mtaji and are proud to support its growth and development.

We have also during the year [invested](#) in the innovative alternative protein company **Chanzi** together with FINCA International, Inc., the Singapore-based SEEK Impact and global beverage giant Anheuser-Busch InBev (AB InBev). It is worth mentioning that Chanzi was selected as [one of only five finalists](#) in the prestigious Growth Stage Impact Ventures (GSIV) programme, backed by the United Nations Development Programme (UNDP).

In addition to our investment in Chanzi, we are proud to have **Workpay** as a standout performer in our portfolio. This Kenyan HR payroll startup is making impressive strides in the African market, having [recently raised](#) USD 2.7 million pre-Series A funding round with support from Arcadian Ventures, Axian, and Norrsken. Workpay's expansion to 40 countries in Africa is a testament to its dedication to providing innovative and reliable services to businesses across the continent.

We remain committed to identifying and investing in companies that are making a positive impact in Africa and beyond. We believe that our diverse portfolio of investments will continue to yield strong results in the years to come, and we are proud to be a part of this exciting journey.



Pontus Engström

Pontus Engström
CEO of MTI Investment SE



Towards a
Sustainable Zanzibar

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



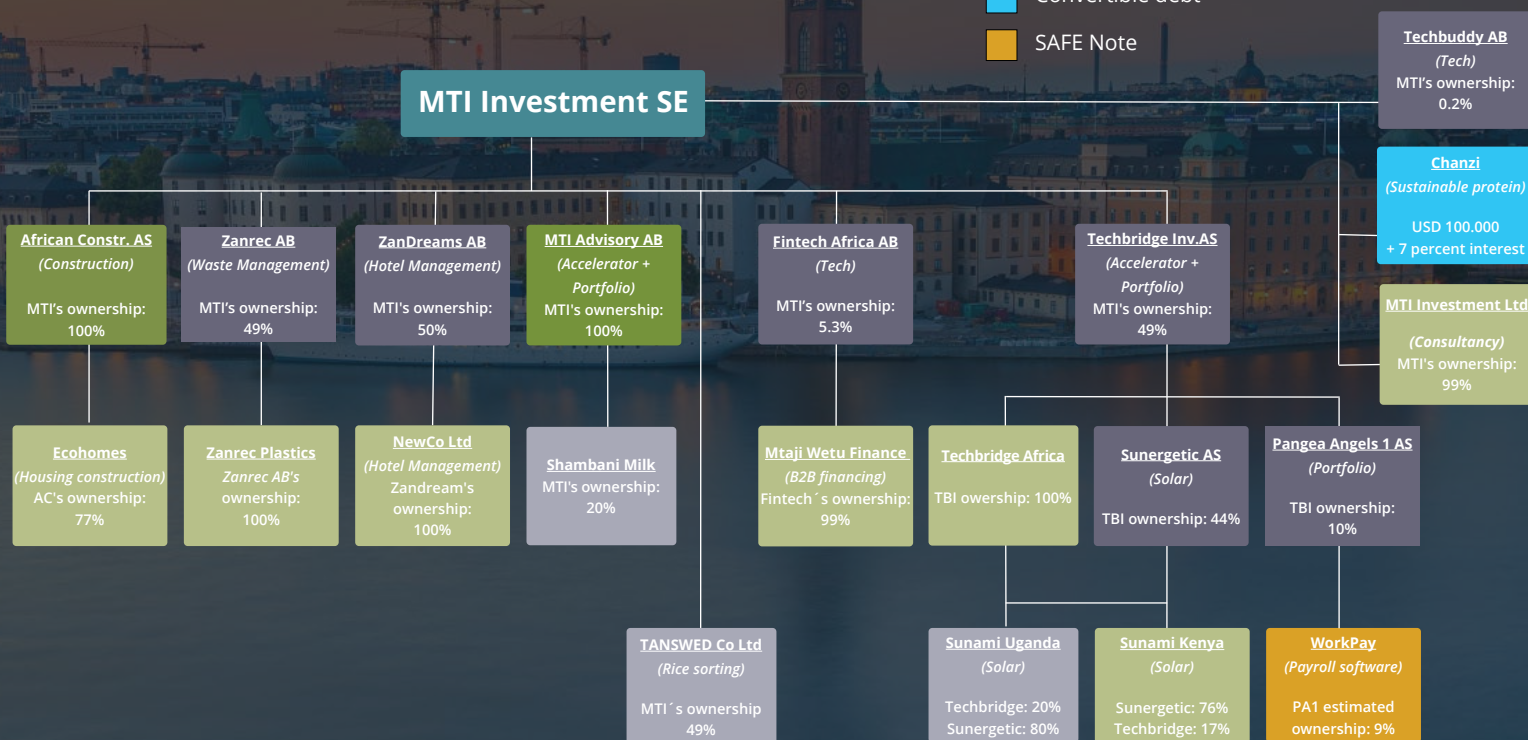
Ph.D. Pontus Engström
CEO & Co-founder



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



Please note: TANSWED and Zandreams AB are in the process of formation and are to be added into the MTI portfolio during first half of 2023. In March of 2023, MTI increased its ownership in Fintech Africa AB to 13.14 percent through a share swap.

OUR CORE HOLDINGS REPORT H2 2022





Ecohomes Co.Ltd

Sector: Housing & Construction

Founded: 2015

MTI invested: 2016

MTI ownership: 77 %

Number of employees: +100 at various construction projects

SDGs: 1, 3, 5, 6, 7, 11, 13

Region: Dar es Salaam, Tanzania

www.ecohomes.co.tz



Harry Tuluhungwa
CEO



11 SUSTAINABLE CITIES AND COMMUNITIES



Ecohomes designs, manufactures, and builds affordable housing and offices by using the modern technology of cold steel forming.

KEY FIGURES



4 (-20% YoY)

Number of projects during H2 2022



3 (-50% YoY)

Number of bank branches built during H2 2022



9 (+0% YoY)

Number of residential houses built during H2 2022

EVENTS DURING H2

- New CEO Harry Tuluhungwa has re-focused the company by increased management control and by becoming a more solution focused company, especially in the roofing space where Ecohomes fabricate and assemble light gauge steel for trusses for varying lengths from residential to commercial infrastructures.
- Ecohomes has also been capturing opportunities in other areas especially in the prefab-temporary structure and agriculture space where environmentally conscious clients are replacing wooden structures with light gauge steel.
- Ecohomes finalized all key bank construction projects for CRDB Lubumbashi, CRDB Musoma and Stanbic Bank Moshi.
- In H2 Ecohomes sold 24.2 metric tons of steel from the factory.
- As part of cost cutting plan Ecohomes retrenched 8 staff from various departments in order to cope with increased operational cost and decrease in new projects.

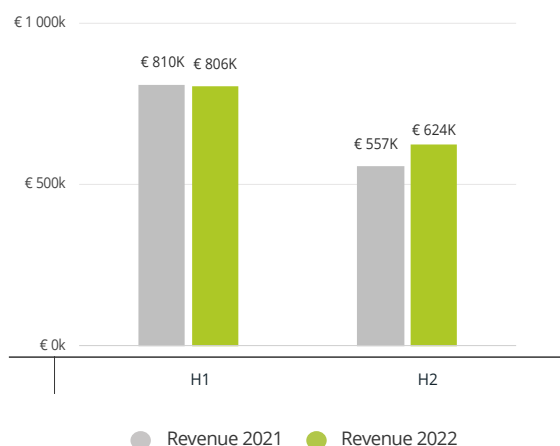
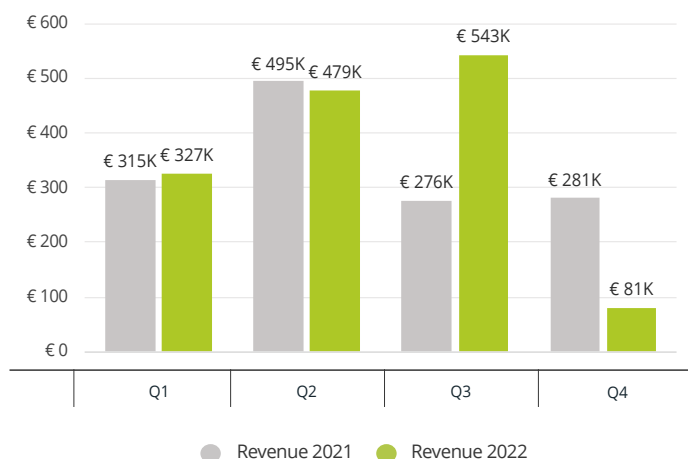
FINANCIAL COMMENTS

- Revenue in H2 2022 amounted to TEUR 624 (TEUR 557), an increase of 12% compared to H2 2021.
- EBITDA in H2 2022 amounted to TEUR -479 (TEUR -51), a decrease of 838% compared to H2 2021 due to lack of major tender contracts won with significant sales amounts, increased payroll expenses due to termination cost, Tanzanian Revenue Authority and Tanzanian National Social Security Fund compliance expenses.
- The net result in H2 2022 amounted to TEUR -499 (TEUR -82), a decrease of 509% compared to H2 2021.

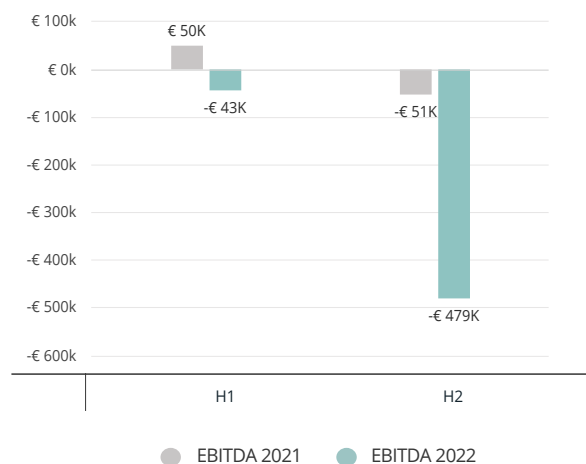
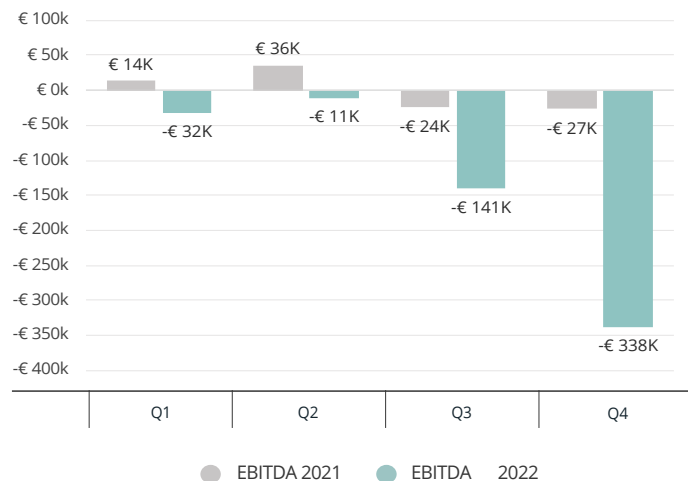
Ecohomes Ltd H2 results (July-Dec)			
TEUR	H2 2022	H2 2021	diff
Tot. Revenue	624	557	12%
EBITDA	-479	-51	-838%
EBITDA Margin	-77%	-9,16%	-68 p. p.
Net result	-499	-82	-509%
Asset Turnover Ratio	1,02	0,66	55%

Ecohomes Ltd Year-end (Jan-Dec)			
TEUR	2022	2021	diff
Tot. Revenue	1 429	1 367	+5%
EBITDA	-521	-1	-52 000%
EBITDA Margin	-36.62%	-0.06%	-36.56 p.p
Net result	-556	-54	-930%
Asset Turnover Ratio	1.06	1.75	-40%

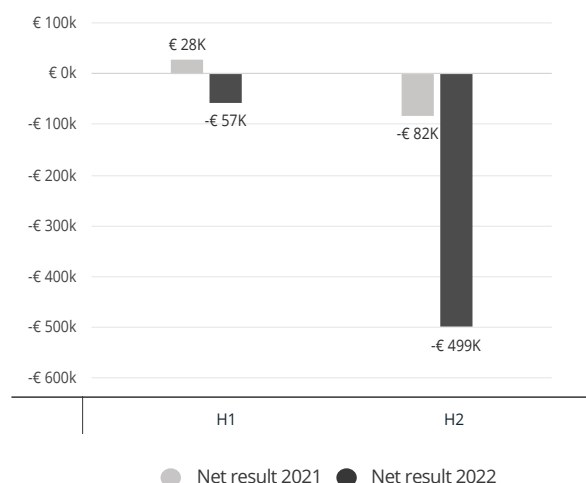
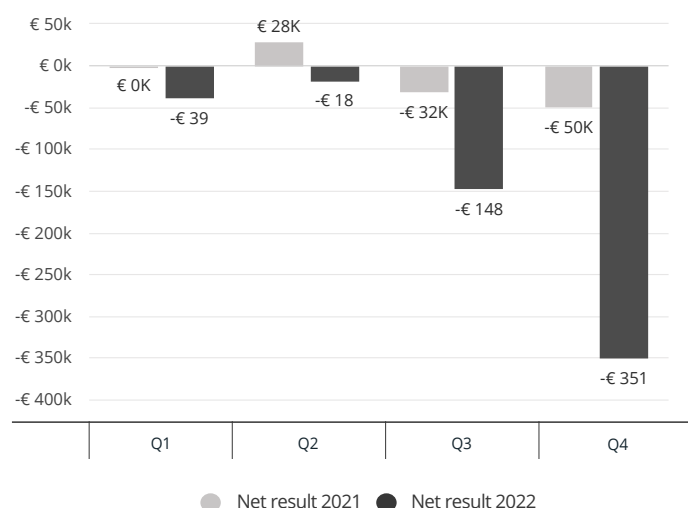
REVENUE



EBITDA



NET RESULT



Zanrec Plastics Co.Ltd

Sector: Waste Management

Founded: 2009

MTI invested: 2015

MTI ownership: 49%

Number of employees: +50
waste management collectors and
two waste management educators

SDGs: 1, 3, 6, 8, 9, 10, 11, 12, 13, 14, 15, 17

Region: Zanzibar, Tanzania

www.zanrec.com



Justin Madho
General Manager



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



KEY FIGURES



201 (+66% YoY)

Number of hotel clients during H2 2022



52 tonnes (+44% YoY)

Number of plastic waste collected during
H2 2022.



3,825 tonnes (+149% YoY)

Number of total waste collected during
H2 2022

EVENTS DURING H2

- Zanrec has started baling plastic. Around 13 tons of plastic have been baled with the source of collection being the Swop shops and hotels. Target going into 2023 is to bale at least 50 tonne of plastic every month.
- Zanrec stopped serving the unprofitable north A district, to engage in new discussions with the local government.

FINANCIAL COMMENTS

- Revenue in H2 2022 amounted to TEUR 194 (TEUR 151), an increase of 28% compared to H2 2021 due to new hotel clients from the South District and revenue generated from the Swop shop
- EBITDA in H2 2022 amounted to TEUR -15 (TEUR 1), a decrease of 1600% compared to H2 2021 due to one of their biggest clients Pilipili Group, and Verde had stopped their business operations. Another reason for lower EBITDA in H2 is the high maintenance- and fuel costs of the trucks.
- The net result in H2 2022 amounted to TEUR -25 (TEUR -8), a decrease of 212% compared to H2 2021.

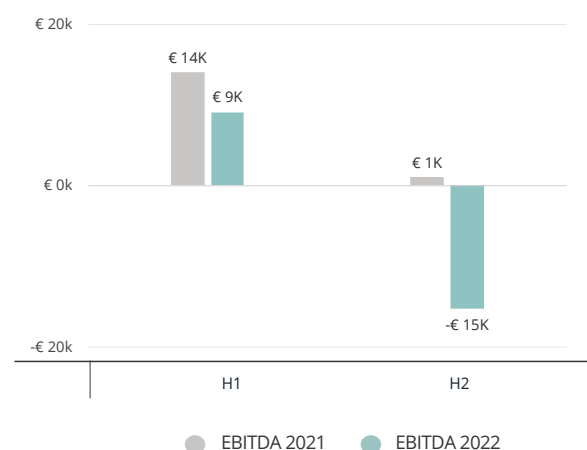
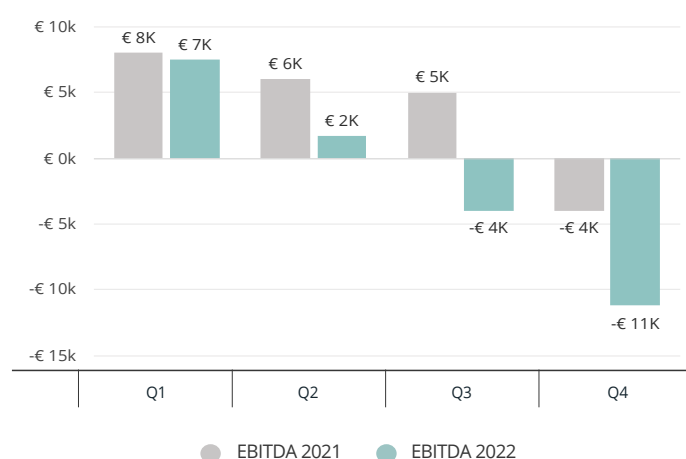
Zanrec Ltd	H2 results (July-Dec)		
TEUR	H2 2022	H2 2021	diff
Tot. Revenue	194	151	+28%
EBITDA	-15	1	-1600%
EBITDA Margin	-8%	1%	-9 p.p
Net result	-25	-8	-212%
Asset Turnover Ratio	1.43	1.08	+33%

Zanrec Ltd	Year-end (Jan-Dec)		
TEUR	2022	2021	diff
Tot. Revenue	354	265	+34%
EBITDA	-6	15	-140%
EBITDA Margin	-2%	-6%	+4 p.p
Net result	-37	-1	-3600%
Asset Turnover Ratio	1.43	2.66	-46%

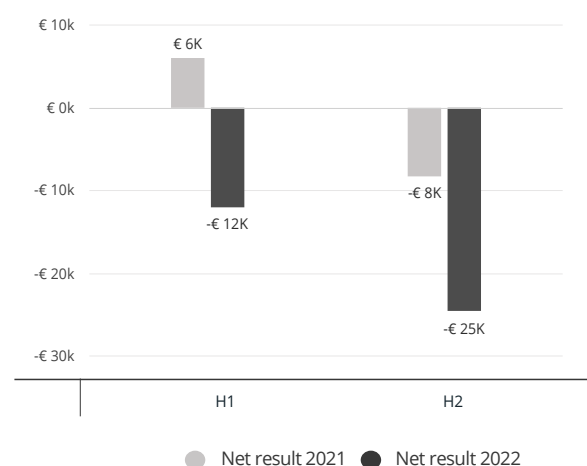
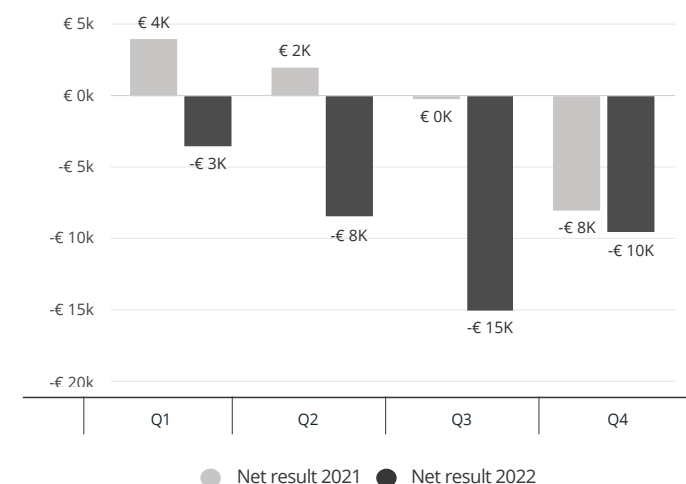
REVENUE



EBITDA



NET RESULT



Techbridge Invest

Sector: Accelerator and Incubator

Founded: 2015

MTI invested: 2022

MTI ownership: 49%

Number of employees: 6.5

SDGs focus: No.8

"Decent work and economic growth"

Region: Mombasa, Kenya

www.techbridgeinvest.com



Frøydís D. Archer
CEO



KEY FIGURES



110 (+18% YoY)

Number of entrepreneurs trained in 2022



42 (+31% YoY)

Number of startups incubated in 2022



€ 93 000

Revenue created by supported enterprises



€ 130 000

Investments mobilized by supported enterprises

EVENTS DURING H2

- Frøydís D. Archer became new CEO
- MTI Investment came onboard as a new 49% shareholder
- Ongoing hybrid incubation and acceleration programs in Mombasa, Kenya

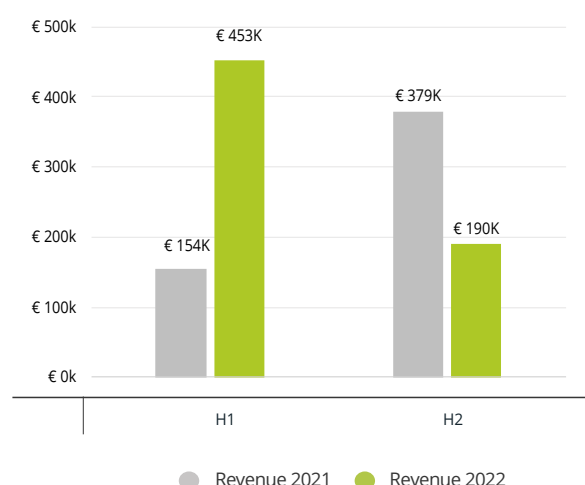
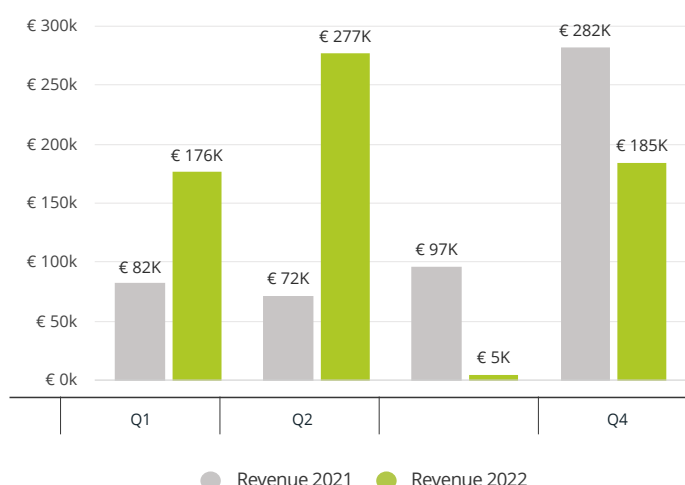
FINANCIAL COMMENTS

- Revenue in H2 amounted to TEUR 190 (TEUR 379), a decrease of 50% compared to the previous year. Revenue for the whole year of 2022 amounted to TEUR 643 (TEUR 533), a increase of 21%.
- EBITDA in H2 amounted to TEUR -124 (TEUR 23), a decrease of 646%. EBITDA for the full year of 2022 amounted to TEUR -7 (TEUR 19), a decrease of 137%.
- The net result in H2 amounted to TEUR -122 (TEUR 1), a decrease of 12300%. The net result for the whole year of 2021 amounted to TEUR -122 (TEUR -1).

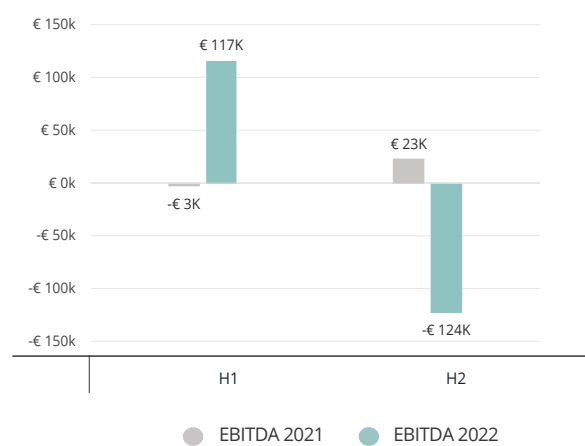
Techbridge AS H2 results (July-Dec)			
TEUR	H2 2022	H2 2021	diff
Tot. Revenue	190	379	-50%
EBITDA	-124	23	-646%
EBITDA Margin	-65%	6%	-71 p.p
Net result	-122	1	-12 300%
Asset Turnover Ratio	0.86	na	na

Techbridge AS Year-end (Jan-Dec)			
TEUR	2022	2021	diff
Tot. Revenue	643	533	+21%
EBITDA	-7	19	-137%
EBITDA Margin	-1%	4%	-5 p.p
Net result	-10	-2	-400%
Asset Turnover Ratio	4.25	na	na

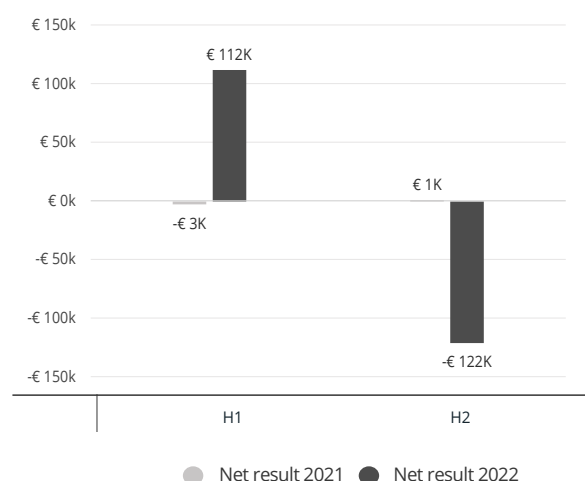
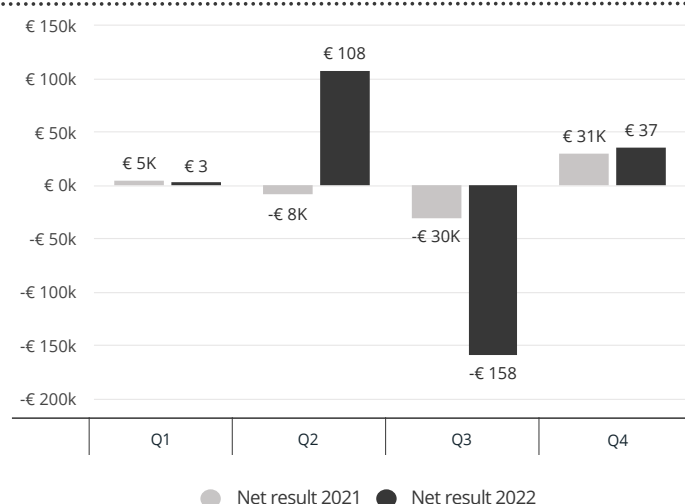
REVENUE



EBITDA



NET RESULT





Shambani Milk Ltd

Sector: Dairy

Founded: 2003

MTI invested: 2015

MTI ownership: 20%

Number of employees: 16

SDGs focus: No.2 "Zero Hunger"

Region: Morogoro, Tanzania



Victor Mfinanga
Managing Director



KEY FIGURES



674 495 (+26% YoY)

Number of liters milk sold in 2022



5 (-97% YoY)

Number of milk suppliers in 2022



3 (-25% YoY)

Number of sales agents in 2022

EVENTS DURING H2

- Secured a three years term loan of USD 86 000 from CRDB Bank PLC at an interest rate of 9%.
- Hired new head of sales.
- Invested in a sales truck for Dodoma region.
- Developed designs and packaging for the 150 ml yogurt cups.
- Managed to increase the shelf life of their Mtindi products by 8 days.

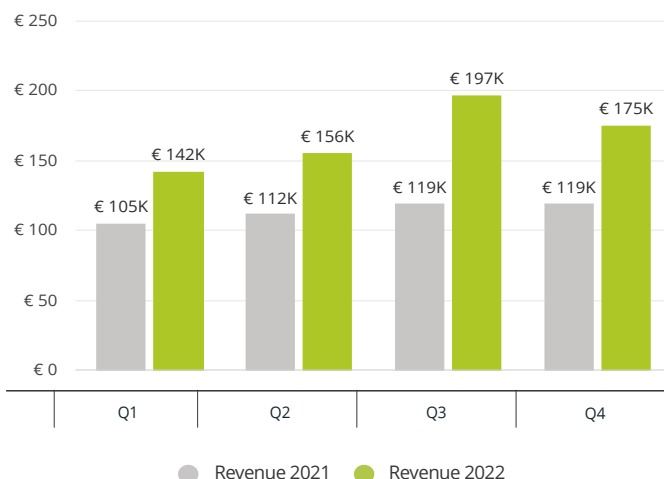
FINANCIAL COMMENTS

- Revenue in H2 amounted to TEUR 372 (TEUR 238), an increase of 56% compared to the previous year. Revenue of 2022 amounted to TEUR 670 (TEUR 454), an increase of 48%. Main reason behind the increase is better sourcing of milk.
- EBITDA in H2 amounted to TEUR -10 (TEUR -10). EBITDA for the whole year of 2022 amounted to TEUR 15 (TEUR -23), an increase of 165%.
- The net result in H2 amounted to TEUR -59 (TEUR -27), a decrease of 119%, mainly due to need to book a non-cash charge relating to VAT on equipment previously invested into. The net result for the whole year of 2022 amounted to TEUR -60 (TEUR -52), an decrease of 15% compared to the previous year.

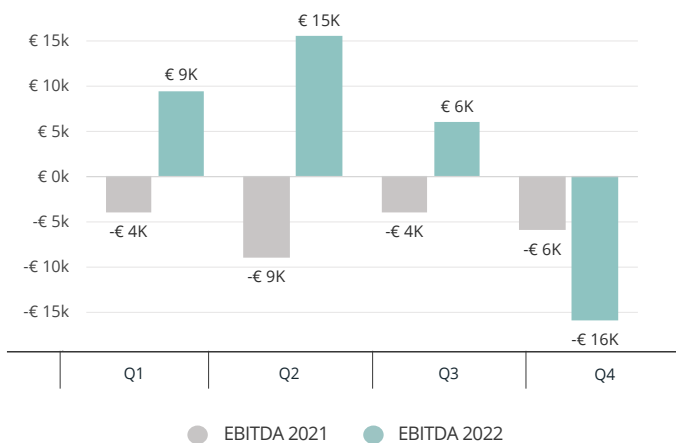
Shambani Milk Ltd	H2 results (July-Dec)		
TEUR	H2 2022	H2 2021	diff
Tot. Revenue	372	238	+56%
EBITDA	-10	-10	+0%
EBITDA Margin	-3%	-4%	+1 p.p
Net result	-59	-27	-119%
Asset Turnover Ratio	0.75	0.49	+55%

Shambani Milk Ltd	Year-end (Jan-Dec)		
TEUR	2022	2021	diff
Tot. Revenue	670	454	+48%
EBITDA	15	-23	+165%
EBITDA Margin	2%	-5%	+ 7 p.p
Net result	-60	-52	-15%
Asset Turnover Ratio	0.75	0.94	-20%

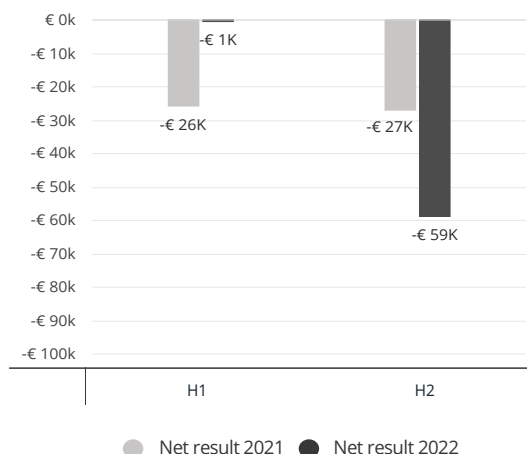
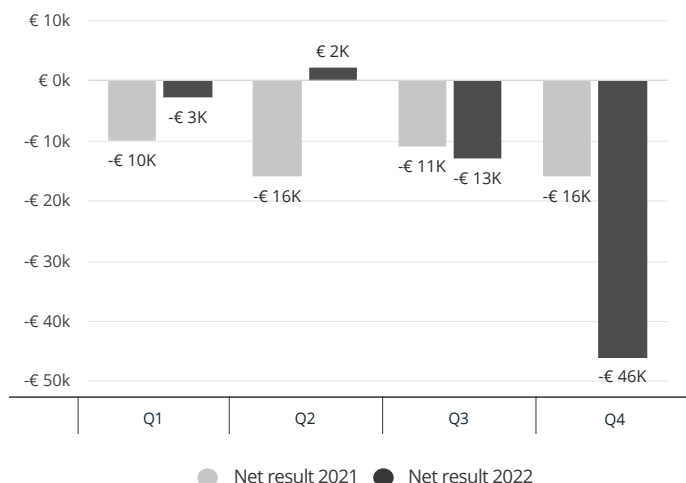
REVENUE



EBITDA



NET RESULT



FINANCIAL REPORT COMMENTARY Q1-Q4 2022

COMMENTARY ON GROUP RESULT FOR THE PERIOD H2 2022

- Group revenue increased by 8% to EUR 835 586 (EUR 776 051).
- EBITDA was EUR -832 323 (EUR -696 454), corresponding to a -20 % change, mainly attributable to increased costs at Ecohomes.
- The net loss for the period was EUR -332 986 (EUR -848 823), corresponding to a 61% change. This is mainly attributable to the increase in financial items.
- The net cash flow for the period was EUR -232 959 (EUR 1 790 838).

COMMENTARY ON GROUP RESULT FOR THE PERIOD Q1-Q4 2022

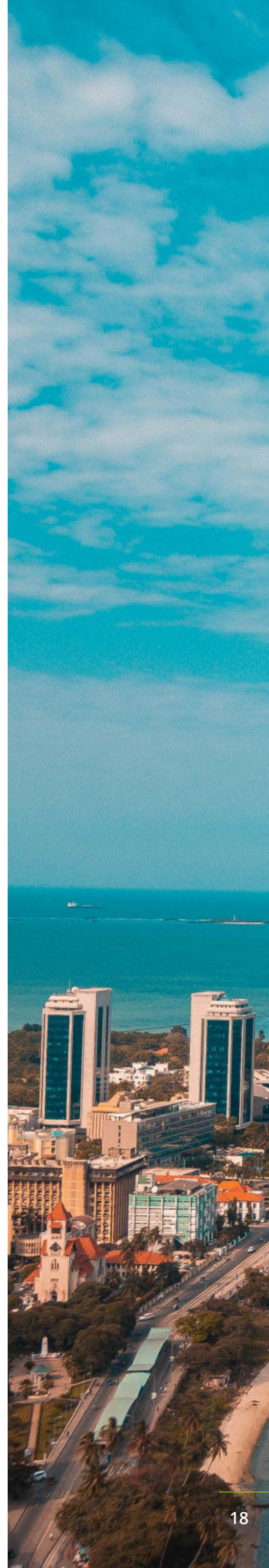
- Group revenue increased by 29% to EUR 1 867 663 (EUR 1 450 069).
- EBITDA was EUR -1 319 600 (EUR -842 438), corresponding to a -57% change, mainly attributable to increased costs at Ecohomes.
- The net loss for the period was EUR -947 772 (EUR -1 171 241), corresponding to a 19% change.
- Total equity at the end of the period was EUR 2 162 676 (EUR 2 543 639).
- Cash and cash equivalents amounted to EUR 707 083 as of 31st of December 2022, compared to EUR 2 320 218 as of 31st of December 2021.
- The net cash flow for the period was EUR -1 444 175 (EUR 1 701 247).
- The parent company has recorded a gain of approximately EUR 78 962 as a consequence of divesting 12% of the shares in Zanrec AB. The corresponding result from this transaction in the group's result amounts to EUR 521 608.

TRANSACTIONS WITH RELATED PARTIES DURING 2022

- Torbjörn Jacobsson, a shareholder in MTI Investment and also a larger shareholder in Fintech Africa AB, is hired as a consultant and has invoiced SEK 153 750 for his work during 2022.
- MTI Investment invested SEK 500.000 into Fintech Africa AB, a company in which Pontus Engström hold 19.4 percent of the shares and Trond Randøy owns 5.7%. The decision was made by the board of directors, excluding the involvement of Engström and Randøy.

DIVIDEND

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



INCOME STATEMENT **GROUP COMPANIES**

EUR	H2 2022 (July-Dec 2022)	H2 2021 (July-Dec 2021)	FY 2022 (Jan-Dec 2022)	FY 2021 (Jan-Dec 2021)
OPERATING INCOME				
Net revenue	835 586	776 051	1 867 663	1 450 069
Operating Income	835 586	776 051	1 867 663	1 450 069
OPERATING EXPENSES				
Cost of goods sold	-856 457	-559 098	-1 628 636	-1 009 833
Personnel costs	-343 527	-367 243	-690 830	-567 602
Other external costs	-467 925	-546 164	-867 797	-715 072
EBITDA	-832 323	-696 454	-1 319 600	-842 438
Write-down & depreciations on assets	-128 024	-146 496	-277 613	-256 033
Operating profit/loss (EBIT)	-960 346	-842 950	-1 597 213	-1 098 471
FINANCIAL ITEMS				
Net financial items	634 440	2 648	656 521	-64 249
Profit/loss after financial items (EBT)	-325 907	-840 302	-940 692	-1 162 720
Taxes	-7 080	-8 521	-7 080	-8 521
NET PROFIT/LOSS FOR THE YEAR	-332 986	-848 823	-947 772	-1 171 241
Whereof minority	-281 365	-69 268	-339 825	-87 170
Earnings per share (EPS)* before and after dilution**	-0,01	-0,21	-0,11	-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

BALANCE SHEET GROUP COMPANIES

EUR	31.12.2022	31.12.2021
ASSETS		
Fixed assets		
<i>Intangible fixed assets</i>		
Goodwill	298 952	693 071
Total intangible fixed assets	298 952	693 071
<i>Tangible fixed assets</i>		
Property plant and equipment	89 854	266 385
Total tangible fixed assets	89 854	266 385
<i>Financial fixed assets</i>		
Participations in associated companies	1 001 774	158 831
Participations in shares and units	133 071	85 463
Loans and advances	30 559	476 370
Total financial fixed assets	1 165 405	720 663
Total fixed assets	1 554 210	1 680 119
Current assets		
<i>Inventories</i>	43 663	90 782
<i>Receivables</i>		
Accounts receivable	124 514	162 291
Receivables to associated companies	0	0
Other prepaid expenses and accrued income	128 300	26 787
Other receivables	157 325	29 587
Total receivables	410 139	218 665
<i>Cash and cash equivalents</i>	707 083	2 320 218
Total current assets	1 160 885	2 629 665
TOTAL ASSETS	2 715 096	4 309 784

EUR	31.12.2022	31.12.2021
EQUITY		
Share capital	1 140 606	1 076 720
Unregistered share capital	0	0
Other equity incl. result for the period	890 526	1 171 566
Total	2 031 132	2 248 286
Minority ownership	131 544	295 353
TOTAL EQUITY	2 162 676	2 543 639
LIABILITIES		
Long term liabilities		
Provisions	0	0
Other long term liabilities	21 719	325 619
Total long term liabilities	21 719	325 619
Current liabilities		
Accounts payable	52 223	295 149
Other short-term liabilities	478 478	1 145 376
Total short term liabilities	530 701	1 440 526
TOTAL LIABILITIES	552 420	1 766 145
TOTAL EQUITY AND LIABILITIES	2 715 096	4 309 784

CHANGE IN EQUITY **GROUP COMPANIES**

EUR	Opening balance: 22.01.01 Closing balance: 22.12.31		Opening balance: 21.01.01 Closing balance: 21.12.31	
OPENING BALANCE	2 543 639		1 403 794	
New share issue	114 443		1 997 310	
New share issue (not registered)	0		0	
Loss of the period	-947 772		-1 171 241	
Changes in group structure	321 565		0	
Translation differences	-32 924		97 224	
Minority interest	163 726		216 552	
CLOSING BALANCE	2 162 676		2 543 639	

* Issue expenses in 2021 amounted to EUR -424,368

CASH FLOW GROUP COMPANIES

EUR	H2 2022 (July-Dec 2022)	H2 2021 (July-Dec 2021)	FY 2022 (Jan-Dec 2022)	FY 2021 (Jan-Dec 2021)
Cash flow from operating capital	-379 669	-46 104	-1 427 476	-131 411
Cash flow from investing capital	79 159	-124 205	75 714	-215 066
Cash flow from financing capital	67 550	1 961 147	-92 413	2 047 724
Net cash flow	-232 959	1 790 838	-1 444 175	1 701 247
Capital starting the period	1 118 577	512 387	2 320 218	527 490
Cash from acquired/divested subsidiary	(83 985)		-83 985	74 488
Translation differences in cash	(94 550)	16 993	-84 975	16 993
CAPITAL ENDING THE PERIOD	707 083	2 320 218	707 083	2 320 218

INCOME STATEMENT **PARENT COMPANY**

EUR	H2 2022 (July-Dec 2022)	H2 2021 (July-Dec 2022)	FY 2022 (Jan-Dec 2022)	FY 2021 (Jan-Dec 2021)
OPERATING INCOME				
Net revenue	5 919	66	12 462	12 249
Operating Income	5 919	66	12 462	12 249
OPERATING EXPENSES				
Cost of goods sold	0	0	0	0
Personnel costs	-136 774	-201 464	-309 109	-307 949
Other external costs	-206 120	-306 924	-441 813	-372 774
Total operating expenses	-342 894	-508 389	-750 922	-680 724
EBITDA	-336 975	-508 323	-738 460	-668 475
Operating profit/loss (EBIT)	-336 975	-508 323	-738 460	-668 475
FINANCIAL ITEMS				
Net financial items	-253 912	-242 686	-241 015	-226 892
Profit/loss after financial items (EBT)	-590 887	-751 009	-979 475	-895 367
Taxes	0	0	0	0
NET PROFIT/LOSS FOR THE YEAR	-590 887	-751 009	-979 475	-895 367

BALANCE SHEET PARENT COMPANY

EUR	31.12.2022	31.12.2021
ASSETS		
Fixed assets		
<i>Intangible fixed assets</i>		
Goodwill	0	0
Total intangible fixed assets	0	0
<i>Tangible fixed assets</i>		
Property plant and equipment	0	0
Total tangible fixed assets	0	0
<i>Financial fixed assets</i>		
Participations in subsidiaries	87 730	731 801
Participations in shares and units	654 431	81 977
Loans to group companies	1 298 198	1 023 934
Other loans	6 842	47 484
Total financial fixed assets	2 047 202	1 885 196
Total fixed assets	2 047 202	1 885 196
Current assets		
<i>Receivables</i>		
Accounts receivable	0	1 212
Other receivables	85 984	55 520
Total receivables	85 984	56 733
<i>Cash and cash equivalents</i>		
	582 819	2 037 347
Total current assets	668 803	2 094 080
TOTAL ASSETS	2 716 004	3 979 276

EUR	31.12.2022	31.12.2021
EQUITY		
Restricted equity		
Share capital	1 140 606	1 076 720
Unregistered share capital	0	0
Total	1 140 606	1 076 720
Unrestricted equity		
Share premium reserve	4 935 626	4 885 069
Profit/loss brought forward	-2 500 721	-1 605 354
Profit/loss of the year	-979 475	-895 367
Total	1 455 430	2 384 348
TOTAL EQUITY	2 596 036	3 461 068
LIABILITIES		
Long term liabilities		
Provisions	0	0
Other long term liabilities	1 110	127 119
Total long term liabilities	1 110	127 119
Current liabilities		
Accounts payable	15 609	165 820
Other short-term liabilities	103 250	225 269
Total short term liabilities	118 859	391 089
TOTAL LIABILITIES	119 968	518 208
TOTAL EQUITY AND LIABILITIES	2 716 004	3 979 276

CHANGE IN EQUITY **PARENT COMPANY**

EUR	Q1-Q4 2022 (Jan-Dec 2022)	Q1-Q4 2021 (Jan-Dec 2021)
OPENING BALANCE	3 461 068	2 548 370
New share issue	114 443	1 730 603
New share issue (not registered)		0
Loss for the period	-979 475	-895 367
Translation differences		77 462
CLOSING BALANCE	2 596 036	3 461 068

* Issue expenses in 2021 amounted to EUR -424,368

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 2021 for more information on accounting principles used.

NOTE 2

Group company

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

In H2 2022 Atsoko International AB divested its ownership in Atsoko Tanzania Limited in a management buy-out. Atsoko International AB was then closed down.

MTI divested 12% of its holding in Zanrec AB during H2 2022. After the transaction MTI Investment SE owns 49% of Zanrec AB and at year-end Zanrec AB is consolidated as 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 principle has 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 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 as per 31st of December 2022 amounted to EUR 1,140,606 with 5,703,029 shares outstanding (5,383,600 shares outstanding as per 31st of December 2021). MTI's average number of outstanding shares for the financial year of 2022 is 5,543,314.

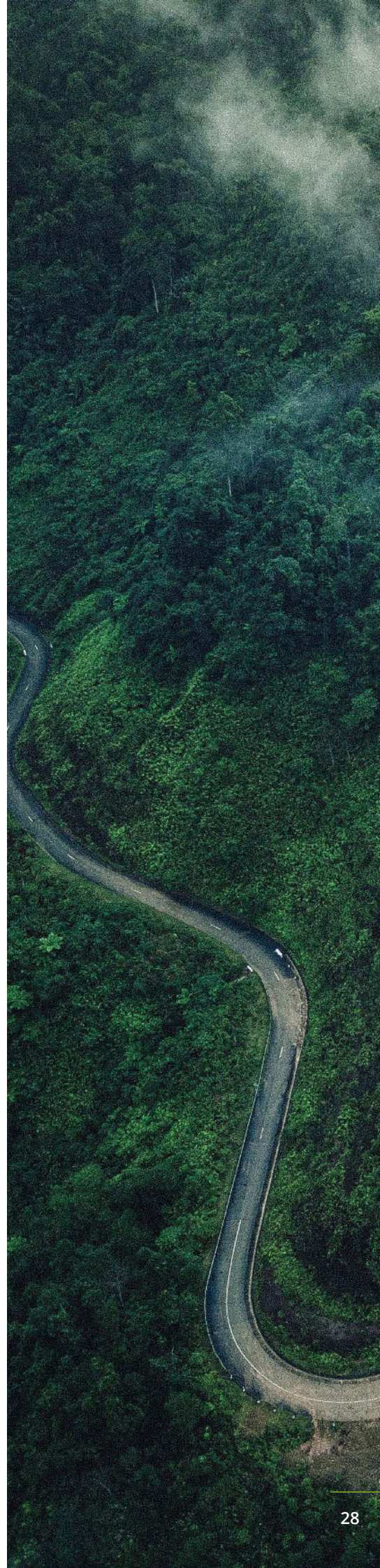
LARGEST SHAREHOLDERS

The table below shows the MTI Investment SE's ten largest owners as of 31st of December 2022.

Shareholder	Shares Total	Ownership
Sørlandsforskning AS*	880,600	15.11%
Mangold Fondkommission AB	689,366	12.09%
Stiftelsen H&M Foundation	510,000	8.94%
Fetter Anton Invest AB	319,429	5.60%
ADB Invest AB	262,200	4.60%
Handelsbanken EMEA TEMA	250,000	4.38%
Engström, Pontus**	245,217	4.30%
Wallman, Roger	138,038	2.42%
Egahult Invest AB	110,000	1.93%
Heracleum AB	107,200	1.88%
Others	2,209,979	38.75%
Total	5,703,029	100%

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

** CEO, MTI Investment SE



REPORTING CALENDAR



FINANCIAL CALENDAR



UPCOMING REPORTS

Report calendar	Release date
Annual report	week 20 2023
AGM	9 June 2023
Silent period begins	31 July 2023
H1 report 2023	30 August 2023
Silent period begins	23 February 2024
Year-End 2023 incl H2	28 March 2024

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



OTHER INFORMATION UPDATES



UPCOMING EVENTS

- Core holdings updates Q1
19 May 2023
- Core holdings updates Q3
20 November 2023

NB: Other information updates regarding MTI's Core holdings should not be considered as formal interim reports. These updates will not include the consolidated result of the Group or the Parent company.

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 31, 2023

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

Phone: +46 (0)70 716 55 38

Email: pontus.engstrom@mti-investment.com

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OFFICE

Visit us at

Vendevägen 89
182 32 Danderyd
Sweden

Postal address

Vendevägen 87
182 32 Danderyd
Sweden

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WEBSITE

For more information visit us at

www.mti-investment.com