



PRESS RELEASE, 31 May 2023

MTI Investment SE enters into a term loan facility agreement of USD 1,500,000

DANDERYD, SWEDEN – MTI Investment SE ("MTI" or the "Company") has today, 31 May 2023, entered into a term loan facility agreement of USD 1,500,000 with HCJ II ApS (the "Lender"), a company associated with Yardhouse Capital Group ApS in Denmark, to finance cash generating investments such as real estate investments and B2B lending.

The term loan facility agreement

The loan facility amounts to USD 1,500,000 in total. MTI may on one or several occasions utilize the facility upon request, whereof each request may not amount to less than USD 500,000.

Interest shall accrue on each loan at a rate of twelve (12) per cent per annum. Each loan and accrued interest shall be repaid no later than five (5) years from 30 May 2023. The Company may prepay all or any part of a loan, together with accrued interest on the prepaid loan, without any premium or penalty.

The Company may, by giving prior written notice, elect to pay accrued interest on the loans by way of issuance of shares. The Lender may, on up to one (1) occasion each calendar year, demand payment of accrued interest on the loans by way of issuance of shares in the Company. This demand shall be made to MTI no later than six (6) weeks prior to the annual general meeting of the Company. Upon such demand, interest will be payable by way of issuance of shares on the date which falls ten (10) Business Days after the annual general meeting. The value of each share to be issued for payment of interest shall be deemed to be equal to the lower of SEK 3.82 and the VWAP of MTI's shares on Nasdaq First North Growth Market during a period of ten (10) consecutive trading days prior to the payment date, provided however, that the value of a share shall never be less than EUR 0.2.

The Lender undertakes to not engage in any trade for a short position (*Sw. blankning*) in respect of the shares in the Borrower for as long as any Loan or other amount is outstanding under this Agreement.

Motives for the facility agreement

The primary motive for the facility agreement is to allow MTI to make a serie of cash flow generating investments which can help provide an operating cash flow, and therefore faster make MTI a sustainable investment vehicle with a focus on the growth of East Africa. The cash flow generating investments will improve the overall mix of investments in MTI, and provide a better balanced portfolio.

Pontus Engström - CEO of MTI Investment SE says: "We are thrilled to announce yet another successful transaction, facilitated by our strategic advisor, Martin Rex Empacher and Yardhouse Capital Group ApS. This loan agreement marks a significant milestone as it allows us to conclude the final phase of our investment in the exquisite Zanzibar hotel property, Mayai Ocean Resort, along with other planned real estate ventures. Additionally, we will allocate funds towards lucrative cash-generating investments, effectively mitigating risks



associated with MTI while bolstering our operating cash flow. This solidifies our position as a sustainable investment vehicle towards one of the last emerging market frontiers.”

Martin Rex Empacher, Co-founder and CEO of Yardhouse Capital Group ApS says: “YardHouse Capital Group, YardHouse Family Office, and YardHouse Global Partners are dedicated to specializing in Frontier Markets, with a strong belief in the tremendous potential of the Eastern African region. To ensure the highest quality of collaboration, we actively engage with top-tier partners both locally and globally within this region. Since 2019, we have cultivated a strategic partnership with MTI Investment, and we are delighted to provide our support in expanding their access to a broader range of tangible assets. It is worth noting that MTI Investment, like YardHouse, is founded upon Nordic principles, emphasizing sustainability as an integral part of both companies' DNA. This shared commitment underscores our aligned vision for Africa's future.”

For additional information

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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 11:45 CET on 2023-05-31.

About MTI Investment SE

MTI Investment SE is a Nordic investment and venture-building company, founded in 2014 by a team with extensive experience in emerging markets to invest in East African small and medium-sized enterprises ("SMEs") with high value-adding potential. The Company is active in the expansive East African market, and by being a long-term and active owner, MTI Investment helps its portfolio companies grow faster and become more profitable. The Company invests primarily in innovative and scalable companies that have the potential for a significant positive impact on society.

The MTI Investment share (MTI) is traded on the Nasdaq First North Growth Market.

Certified Adviser to MTI Investment is Mangold Fondkommission AB.

Read more on: www.mti-investment.com