

# MAINE STATE LEGISLATURE

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# Annual Report 2025



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# A Message from MTI's President



It is a pleasure to present the Fiscal Year 2025 (FY25) annual report of the Maine Technology Institute (MTI). As Maine's unique public-private partnership whose core mission is

to help diversify and grow Maine's economy by helping to catalyze innovation and its transformation into new products, processes, and companies, MTI had another impressive year.

In addition to celebrating the 25th anniversary of MTI's creation by the Maine Legislature, we used our core Business Innovation Funding program to make 307 funding awards totaling \$8.04 million, deployed the last sizable chunk (\$7 million) of Maine Jobs & Recovery Plan funding, launched a new program focused on artificial intelligence, held a networking event in collaboration with Startup Maine, welcomed a couple new MTI Board members, and sponsored more than 70 different innovation-focused events and programs throughout Maine.

Once again, MTI portfolio companies led the way as some of the fastest growing private companies in the country per the Inc. 5000 list, our world class research organizations continued to identify solutions to the most vexing human health conundrums, and our stellar universities and colleges churned out exceptional talent that will help meet the workforce challenges of the future.

Maine's technology-based organizations continue to propel Maine's economy forward. Additionally, Maine's entrepreneurial ecosystem is robust, providing a diverse array of funding, counseling mentorship, and networking activities to bolster startup activity. MTI serves as the vital lynchpin that helps enable much of the most promising growth in these areas.

This year's report provides a marvelous overview of MTI's activities, investments, and impact. Since its founding, MTI has now disbursed \$387 million across 4,350 distinct projects throughout Maine, and that funding has leveraged well-over \$2.2 billion in private sector matching investment. It demonstrates the profound influence the organization has had these past 25 years—and continues to have—on Maine and its economy. It truly is a beacon for economic optimism in the State of Maine.

Best,

A handwritten signature in black ink, appearing to read 'Brian'. The signature is stylized and fluid, with a large loop at the beginning and a long, sweeping tail.

Brian



### Innovator Spotlight

## Apriqot

### Transforming Community Health Data Into Local Impact

Apriqot is reshaping how public health leaders understand and respond to community needs. Founded in 2023, the company turns fragmented population data into detailed, local insights. That clarity helps health systems and agencies understand where risk is concentrated and where targeted action can have the strongest impact. Apriqot's work with partners across Maine has accelerated quickly, supported by MTI's early and ongoing investment in its technology.

Apriqot emerged from a clear gap. Public health programs often rely on outdated or coarse data that obscures differences between neighborhoods. Using advanced modeling techniques, the company developed a framework that delivers small-area estimates in a format that integrates seamlessly with public health workflows. Built in close collaboration with the Maine CDC and MaineHealth, Apriqot's tools provide the kind of precision decision-makers have long needed but rarely had access to.

As demand grew, Apriqot faced the challenge of converting successful consulting work into a scalable, repeatable platform. MTI's funding supplied the resources to design that foundation—from building the company's modeling engine to developing its Health Atlas, a secure, web-based system now being deployed statewide. That infrastructure also laid the groundwork for Apriqot's first federal research award and its expansion into emerging use cases, including dementia surveillance, cancer screening eligibility, and food insecurity modeling.

Today, Apriqot's platform is improving how agencies and health systems identify risk, plan services, and reach people who might otherwise be overlooked. Local teams can now visualize need at the town level, empowering them to act sooner and more strategically at the local level and strengthening Maine's broader public health response.

As Apriqot looks ahead, the company is preparing to deepen its engagement in Maine and scale its innovative technology nationally. That growth builds on Maine's collaborative innovation ecosystem and MTI's catalytic support, extending high-resolution public health intelligence to communities across the country.



*By turning complex data into clear, decision-ready intelligence, Apriqot is strengthening Maine's public health system, enabling faster, more coordinated, and more effective responses across agencies and communities.*

—Ken Shapiro, CEO, Apriqot

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Roux Institute Co-ops and  
Maine-based  
organization partners

1.3 million

Maine residents mapped  
for food security and  
insurance status

\$140,000

award from the National  
Institutes of Health  
Artificial Intelligence  
Technological Center to  
develop the country's first  
Alzheimer's disease  
surveillance system in  
partnership with  
MaineHealth and the  
Roux Institute.

# Maine Jobs & Recovery Plan

In July 2021, the Maine Legislature enacted the Maine Jobs & Recovery Plan, Governor Mills' proposal for allocating the more than \$1 billion in federal discretionary funding associated with the American Rescue Plan Act of 2021. The new law took effect on October 18, 2021.

The Maine Jobs & Recovery Plan included meaningful allocations to support innovation. It included consequential investments that help address revenue losses in Maine small businesses and high growth enterprises and will position those entities to retain and create jobs, grow revenues, and gain market share. Specifically, the Maine Jobs & Recovery Plan included the following funding related to innovation:

**MTI will administer \$39.6M (\$25M in year one, and \$14.6M in year two) for "one-time funding to support and leverage private investments in research, development, and innovation in the state's technology sectors. These funds, which must be matched by the recipient, will be awarded to Maine organizations through a competitive process to help them increase revenue, create and preserve jobs, and grow market share." This funding will be deployed in several phases to provide both direct aid to businesses as well as strategic investments to support economic resiliency.**

## PRIME

MTI created the Pandemic Recovery for an Innovative Maine Economy (PRIME) Fund, to allocate the \$39.6 million in innovation funding from the Maine Jobs & Recovery Plan. PRIME will meet the state's mandate of supporting and leveraging private investments in research, development and innovation in the state's technology sectors. Phase 1 of the PRIME Fund opened in April 2022, and in August, we announced 174 awards totaling \$23.3 million. In December 2022, MTI announced \$5.6 million in funding through our PRIME Ecosystem program to 16 Maine entrepreneurial support organizations. Those awards supported programs that provide mentoring and support to entrepreneurs and businesses in Maine to help them take their novel ideas from their notebooks, kitchen tables and garages to the global marketplace.

In FY25, MTI awarded the remaining funding during a PRIME Phase 2 solicitation.

Approximately \$7 million was awarded to 48 Maine organizations. Those entities matched the PRIME Phase 2 funding with more than \$16 million in private sector contributions to their projects.



**Maine Technology Institute (MTI) has played a pivotal role in DeepCharge's journey from innovation to market. Thanks to MTI, we are now well-positioned to expand our technology across various sectors, including airports, offices, and educational institutions, while maintaining a strong manufacturing base in Maine.**

**–Yusof Naderi, DeepCharge**

# Key Events & Happenings



*MTI has played a key role in encouraging young people to pursue their STEM passions by supporting the Maine State Science Fair. This annual event*

*is the culmination of months-long work by Maine teens on science and engineering projects that seek to make a difference in the world. Without MTI's sponsorship, the Maine Mathematics & Science Alliance would not have been able to provide our top-notch support to these students and their teachers.*

—Stefany Burrell, Maine State Science Fair

## Maine Science Festival

Sponsored in part by MTI, the Maine Science Festival brings Maine science to the public by showcasing national and world leading science by the Mainers who do it. Each March, the Bangor festival features more than 70 events for all ages.



## BioME Student Showcase: Promoting Visionaries

The Bioscience Association of Maine (BioME) offers Maine high school and college students an opportunity to share their life science research. Sponsored in part by MTI, this event is designed to “support innovation and commercialization of student ideas in Maine, as

well as connect current students with potential future employers and entrepreneurial resources in the state.” The

competition features two categories—one for



students in grades 9–12, as well as one for undergraduate and graduate college students.

## MxG: Supporting Maine Innovators

Maine Accelerates Growth (MxG) was founded in 2015 to advance Maine’s entrepreneurial ecosystem through funding, collaboration and networking. It helped fund a number of projects such as the Innovate for Maine Fellows Program, the Top Gun



Pitch Competition, and other innovation challenges. Sponsored by MTI and the Department of Economic and Community Development (DECD), MxG was re-established in 2020 to work in conjunction with the state’s Economic Recovery and 10-Year Development plans. This dynamic network of organizations meets monthly to focus on strategic initiatives. By sharing expertise, amplifying successes, and seeking best practices, MxG aims to address issues, support innovators, and create an inclusive entrepreneurial ecosystem statewide.

## Greenlight Maine Season 10: Promoting Maine Innovators

Greenlight Maine is “a series that highlights innovative small business owners in a competitive format.” The show provides a platform for Maine entrepreneurs to pitch their businesses to a panel of judges throughout each season, compete for cash prizes, and take their products and services to the next level. Greenlight Maine shines a light on Maine’s

diverse business community, championing the visionaries who are influencing the state's economic future. One of MTI's E-Residents, John Karp, served as a contest judge.

**Greenlight Maine College Series: A Path to Possibilities**

Student entrepreneurs from Maine's colleges and universities compete for cash prizes in the Greenlight Maine College Series. The episodes air on several Maine TV stations. The College Series provides aspiring students with a platform to present fresh ideas, start businesses and create jobs in Maine, thereby boosting the state's innovation economy. Greenlight Maine is a "collaboration of entrepreneurs and corporate leaders, designed to promote and mentor the development and growth of business in our great state."



In addition to the College Series, it also features a Head-to-Head Series with cutting-edge entrepreneurs as well as the Elevating Voices Series which spotlights racially diverse businesses and the significant role they play in Maine's business community. MTI is pleased to be an ongoing Greenlight Maine sponsor.

**Big Gig Pitch-Off Finale: Boosting Maine Economic Growth**

Maine entrepreneurs pitch their innovative, early-stage businesses or business ideas to an audience and a panel of judges for the opportunity to win \$5,000 in the Big Gig Finale. Following each of the four pitches,



the audience and judges cast votes to determine which participant will carry off the win and take home the \$5,000 prize. Big Gig is a partnership between municipalities, universities, and organizations in Maine who strive to "create a supportive network and to bring positive change and economic growth to our communities" by collaborating with innovators and entrepreneurs across the state. MTI is proud to be an ongoing Big Gig sponsor.

**Top Gun Showcase 2025: Advancing Maine's Entrepreneurs**

Administered by the Maine Center for Entrepreneurs (MCE), the Top Gun accelerator program is "designed specifically for the entrepreneur with a desire to grow his/her business and achieve long-term success through the use of the right tools, resources, and related mentorship." MTI has been an ongoing Top Gun supporter since its inception in 2009 and applauds the program for the positive impact it has had on Maine's innovation economy.



In May 2025, the 2025 Top Gun finalists pitched their businesses to a panel of experts. This event presented an opportunity for all attendees to learn about innovative technologies and unique products developed in the state, as the five Maine-based entrepreneurs competed for a chance to win the \$25,000 grand prize, courtesy of MTI.

## Startup Maine Week

Startup Maine, a resource hub within the entrepreneurial ecosystem, hosted Startup Maine Week from May 19 – 22 in Portland. There were a number of events and panels throughout the four-day experience highlighting Maine’s supportive entrepreneurial ecosystem. MTI was a presenting sponsor of Startup Maine Week and hosted a dynamic networking gathering, the “MTI Mixer,” on May 21 that featured 15 of our innovative portfolio companies as exhibitors.



## On The Road With Mainebiz Spotting Business Communities Across Maine

Sponsored by MTI, the ‘On The Road’ reception series provides a platform for business leaders to connect, exchange ideas, and showcase their communities. Hosted by Mainebiz, the series is an excellent conduit for participants to become better acquainted with their region and mingle with other members of the local business community. During the year, the ‘On The Road’ series traveled throughout Maine offering networking and business opportunities in

### Mainebiz

multiple regions across the state. The series made the following stops: Auburn, Bath, Bethel, Greenville, Waterville, Wells, and Windham. MTI was proud to sponsor the ‘On The Road’ events to help spread the word about the services and funding that it makes available to aspiring entrepreneurs and businesses.

## Bigelow Labs: Expanding Labs

On June 26th, MTI’s President was on hand to celebrate Bigelow Laboratory’s new 25,000-square-foot Harold Alfond Center for Ocean Education and Innovation, which will revolutionize the lab’s education and solutions-focused work with teaching labs, research facilities, and a 300-seat forum. The project—which grows the lab’s footprint in East

Boothbay by 40%—was funded through an \$8 million gift from the Harold Alfond Foundation, \$13 million in private philanthropic support, and \$12 million in Congressionally directed spending. The expansion celebration was a fitting way to close-out and commemorate the lab’s 50th anniversary as an independent, non-profit research institute studying global ocean health.

## Inc. 5000 list

In August 2024, the Inc. 5000 list was published—with 14 Maine companies listed—7 of which are MTI companies. We extend our congratulations to all the Maine companies that made the list, but especially to those companies we’ve had the privilege of working with:

- CampTek Software
- Defendify
- HistoryIT
- Compotech
- Vetro
- ATX Advisory Services
- Tilson



*The Maine Technology Institute has been instrumental in helping ATX build a top-notch technology team here in Maine. The resources and guidance have been invaluable in helping us grow, innovate, and deploy new products. We’re extremely grateful for the partnership and the positive impact MTI has made on our organization.*

–Mark DiGiovanni, ATX



Innovator Spotlight

# Bluesonde

## Easy-to-Use Smart Buoys Benefit Coastal Communities

Bluesonde Technologies is rethinking how water-quality data is gathered and maintained. Water steward organizations need continuous, precise data on marine and freshwater ecosystems for accurate condition assessments. For years, the work has been limited by equipment that’s hard to deploy and even harder to service. Bluesonde’s solution is a compact, smart buoy that can be dropped into the water quickly. Once deployed, it keeps performing even when conditions get challenging.

The team recognized how difficult continuous monitoring can be and saw an opportunity to build tools that better support the needs of marine researchers, port and infrastructure operators, and coastal communities. Bluesonde focused on simplicity, durability, and accessibility. Their patent-pending anti-fouling technology extends maintenance intervals, lowering service demands and cost.

The buoys monitor water-quality data like temperature, oxygen, and turbidity and can stay in the water far longer than traditional systems. Older equipment is typically larger and harder to maintain, while Bluesonde’s smaller design makes it easier to deploy several units where they’re needed, allowing teams to cover more of a site without adding extra work.

To move from concept to working product, the team needed early resources. MTI’s Business Innovation Grants and TAP support helped Bluesonde assess markets, focus on those ready for adoption, and advance product development. 2025 funding supported the first functional prototype, followed by eight MVP units placed with partners across Maine. These trials proved the system’s reliability and gave the team confidence to move toward production.

The impact is already visible. Field partners in organizations ranging from a university marine center to an oyster farm have praised the buoy’s ease of use. Several organizations are planning for 2026 deployments following the successful trials. By lowering the barrier to continuous monitoring, Bluesonde is expanding who can collect water-quality data and how often, strengthening environmental stewardship across the region.

Looking ahead, Bluesonde plans to expand its ocean-tech product line and continue building a Maine-based team. Many talented Mainers leave for technical careers, and the founders want to create opportunities that bring them back to a growing blue-tech industry. Their ultimate vision is to make continuous, high-quality water monitoring accessible to far more researchers, operators, and coastal communities.



*Access to MTI’s early-stage funding has been one of our biggest advantages. Many startups struggle to secure capital before they are ready for angel or VC investment, and MTI’s tech-focused grants help bridge that gap and accelerate progress.*

– John Williams, Co-Founder,  
Bluesonde Technologies

**5**  
months from conceptualization to functional prototype prepared for field trials

**8**  
buoys deployed across multiple partner sites in Maine

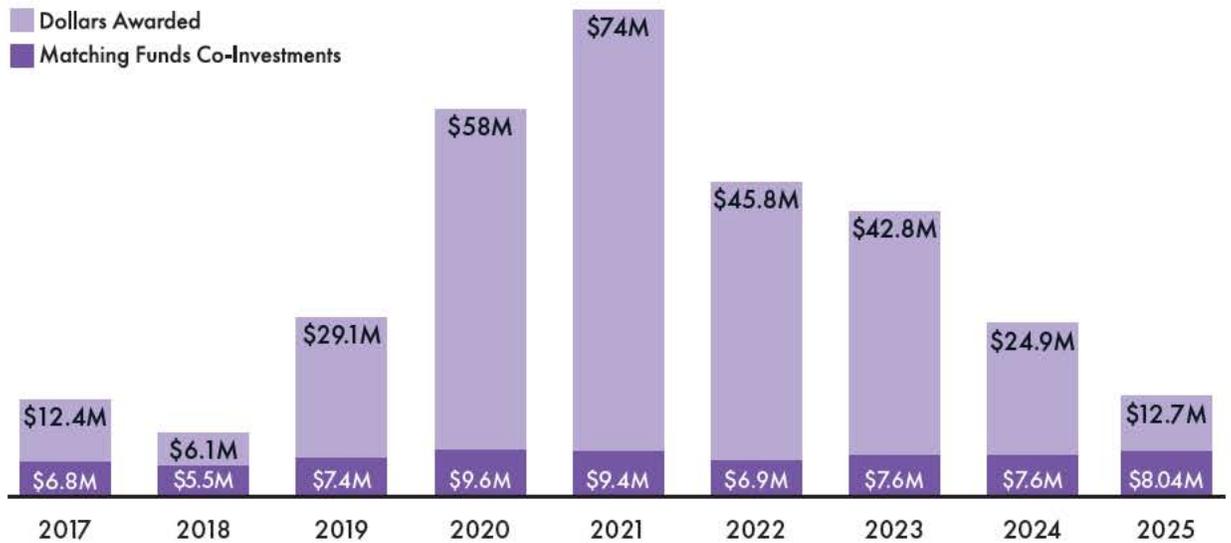
**0**  
biofouling maintenance required after 12-week buoy deployment

# MTI FY25 Funding Report

In FY25, MTI made 307 awards totaling \$8.04 million from its core funding program. The organizations receiving those awards matched MTI's funding with \$12.7 million.



**Total Dollars Awarded/ Matched by Year**



## Awards by Range

Because MTI invests in businesses of varying maturity, and because we individualize our approach and investment to the clients' needs, we distribute our levels of funding across four ranges. Generally, we fund a greater number of projects at a lower level, then dedicate larger levels of investment to a smaller number of projects that will have a greater impact.

Sector	Awards	Amount
Range 1	35	\$820,202
Range 2	28	\$1,186,521
Range 3	23	\$1,603,720
Range 4	12	\$2,180,000
MERC	131	\$789,083
SBIR	3	\$15,000
Special Opportunities	4	\$616,413
Sponsorships	71	\$831,622
<b>Total</b>	<b>307</b>	<b>\$8,042,562</b>

## Awards by Technology Sector

The State of Maine has targeted seven technology sectors best suited for investment and other forms of support. These include both mature industries (like forestry and agriculture) as well as emerging ones (such as composite materials

and biotechnology). In FY25, MTI invested in businesses within all seven of these targeted sectors, helping to create a more vibrant and diversified economy.

Sector	Awards	Amount
Aquaculture & Marine	87	\$1,089,780
Biotechnology	17	\$650,656
Composite Materials	17	\$734,184
Environmental Technology	19	\$981,171
Forestry & Agricultural	27	\$318,273
Information Technology	88	\$2,816,397
Precision Manufacturing	23	\$909,775
Economic Development	29	\$542,325
<b>Total</b>	<b>307</b>	<b>\$8,042,562</b>



### Innovator Spotlight

## Maine Laboratories

### Building Fast, Reliable PFAS Testing to Support Critical Decisions

Founded in 2022, Maine Laboratories has quickly become a leader in PFAS testing, an increasingly critical need as homeowners, municipalities, and businesses seek clarity about environmental risk. As the only lab in the nation focused entirely on PFAS contamination, the company set out to deliver accurate, high-quality data with uncommon speed, turning around results in 10 business days where many competitors take two to three times longer.

Building that capacity required significant investment, and early-stage support from MTI helped accelerate the company’s trajectory. MTI funding provided essential capital for equipment and facility expansion. The team’s subsequent growth reflects that foundation: in 2025, Maine Laboratories expanded national, international, and Department of Defense accreditations—clear validation that they can compete with far larger peers on the highest level of data quality.

Additional MTI support through MERC, Maine MEP, and the MTI AI program further strengthened operations. Workflow design improvements, space expansion, and new intake automations now save the team more than 40 hours of administrative time each month. That added capacity helped the lab process more than 400 tests in October 2025, a record high and a major leap from the previous year.

The lab’s impact is deeply personal. Their testing helps homeowners and homebuyers understand potential PFAS exposure on their property. It provides information that can shape one of life’s biggest decisions: where they live.

Maine Laboratories also supports small businesses working on PFAS treatment technologies, providing fast, accurate data that helps those companies validate their solutions and win new work.

Looking ahead, Maine Laboratories plans to grow its staff, expand its testing capabilities, and continue contributing to Maine’s collaborative innovation ecosystem. With strong demand and an expanding customer base, the company is positioned to scale its impact well into the future.



*The major advantage to opening a business in Maine is that the small business community is extremely supportive. Once you ask for help, you will find there are several different resources you could tap into for that help.*

—Katie Richards, CEO, Maine Laboratories LLC

**40**

hours/month of administrative labor saved through workflow automations

**400+**

tests processed in October 2025

**1700**

Expanded from 1000 sq ft lab to 1700 sq ft lab



## Other Programs

### E-Resident Program

MTI employs an E-Resident program to provide portfolio firms with direct access to experienced entrepreneurs who have taken big risks, founded companies, raised capital, and created jobs. One of the most powerful tools for startups or for less experienced teams is access to network contacts and mentorship support from seasoned entrepreneurs.

### The Maine Entrepreneurial Resource Corps (MERC)

The Maine Entrepreneurial Resource Corps (MERC) program provides Maine businesses with funding to complete short-term consulting projects with experts throughout the state. From digital marketing strategies to custom software development, MERC helps eligible businesses access the essential technical assistance they need to elevate their performance. MERC approved 131 awards to businesses across Maine, totaling more than \$789,082.94. Thanks to the expertise of MERC's network of 196 consultants, 97% of awardees reported an increase in their businesses productivity as a direct result of their MERC project.

MERC AI Launched – In the spring of 2025, MTI offered a new AI training opportunity through its Maine Entrepreneurial Resource Corps (MERC) program for Maine businesses. MERC-AI helps Maine businesses build foundational knowledge of artificial intelligence (AI) and explore how it can support day-to-day operations. Through a partnership with Coursera, MTI is offering free access to curated AI courses designed with small businesses and

entrepreneurs in mind. Eligible businesses can apply for up to three Coursera licenses, each providing four months of access to Coursera's GenAI catalog. The content includes beginner-friendly introductions and more targeted learning paths for marketing, finance, customer service, and other business functions.

### SBIR/STTR Technical Assistance Program

The federal Small Business Innovation Research and Small Business Technology Transfer (SBIR/STTR) programs provide over \$4B in annual funding for small businesses to conduct research and development of innovative technology. MTI's Technical Assistance Program (TAP) helps Maine small businesses develop competitive SBIR/STTR proposals. This service is free to clients.



***MTI is the best. Especially the TAP team. They make grant writing significantly less painful. We are so lucky in Maine to have such a knowledgeable group of folks and an entity like MTI to support small businesses like Cold Current Kelp. Thank you so much!!!***

–Krista Rosen, Cold Current Kelp



# MTI FY25 Impact Survey Results

MTI surveyed its FY25 award recipients and 96% completed the survey to maintain good standing with the organization.



*This award has enabled us to make 3 key hires (FTE) and invest in the infrastructure needed to continue to scale our platform. We have been able to strengthen our team, enhance our technology, and position Reconnect for sustainable growth.*

–Laura Baine, Reconnect, Inc.



*MTI's award allowed Ostara to pursue and complete a software demo of our inaugural project and begin the process of onboarding a full time software team. The award was absolutely indispensable for Ostara.*

–William Drury, Ostara LLC



*MTI has been the best funding source for us because it has allowed us to develop a plan and then directly fund it. The removal of limitations on how to spend the money was a game changer because being pre-rev means we need to pivot, which means we don't always know what will be coming within the next 6 months. That freedom has let us pivot and get to revenue faster.*

–Alexa McGovern, Dirigo Sea Farms



*MTI's support has been instrumental in establishing SBD Technologies' credibility within Maine's innovation ecosystem. Their endorsement signaled validation to local investors and accelerator programs, helping us gain respect in the broader climate tech community. We believe our applications to the ROUX Institute Climate Tech Incubator and the CleanTech Open Accelerator were strengthened by MTI's backing. Their support has served as a meaningful signal of quality, potential, and alignment with Maine's innovation priorities.*

–Kamal Ayad, SBD Technologies, Inc.

## Summary of the Impact of MTI's Support

(Responses summarized in 100 words or less utilizing AI):

MTI awards empowered businesses to scale, innovate, and expand into new markets by funding development, product launches, team hiring, and enhanced operational efficiency. Recipients reported increased revenue, stronger market positioning, technology advancements, key hires, successful commercialization, and sustainable growth. Many cited improved partnerships, strategic pivots, and expanded customer reach as direct outcomes of MTI support, leading to measurable impacts across industries in Maine.

## Main Challenges Facing MTI Portfolio Companies over the next year

(AI summary of answers):

Key challenges include securing capital for growth, hiring technical talent, and scaling teams with limited resources. Companies are grappling with increasing costs of materials and labor, complex regulations, and proving ROI to partners. Additional hurdles mentioned are navigating uncertain economic and political environments, fundraising, marketing adoption, and customer acquisition. Operational efficiency, capacity, access to talent, and competitive market pressures also remain ongoing concerns for business development.

## Additional Programs/ Services MTI Clients would like to see offered

(AI summary of responses):

Key themes from the comments are a strong appreciation for MTI's existing support, especially technical assistance, funding, and mentorship. Respondents seek expanded follow-on funding, business and commercialization mentorship, administrative and financial reporting help, peer networking, tailored support for solo founders, streamlined grant processes, and improved connections with investors and technical talent. Calls for enhanced programming around growth stages, marketing, collaboration platforms, and legal services are also noted as priorities.



*MTI business innovation funding provided the platform to transform our business from an early prototype and proposal to a customer facing business with a website, scaled production and contract manufacturing trials, and early commercialization.*

–Jon Steuber, Seascale LLC



*We brought all production in house! It took 6 months to ramp up which is why revenue was down. But it was well worth it.*

–Kurt Boeker, Grimburg Less Lethal LLC



*The MTI Grant made the start up of my business possible. I am now on the verge of a big marketing push with sales to follow. This grant got me this far, the return on that investment is about to begin.*

–David Smith, ISAR LLC



*The award allowed further growth of the company through the expansion of the product line to include Pocket Nodules Breast patient education tool. This tool will help patients understand mammographic findings as well as support Pink & Pearl Campaigns designed to bring patients to both lung and breast screening for detection and treatment of early stage cancer and reduced late stage cancer detection which is much more difficult and costly to treat.*

–Theresa Roelke, Teach Me RX



# of Innovation and Impact

**2000**  
First 37 awards totaling \$3 million

**2005**  
500 awards total

**2011**  
1500+ total projects funded

**2015**  
\$195 million in total investments

**2017**  
Over \$200 million in total investments

**1999**  
Creation of MTI

**2000**  
Makes first awards

**2007**  
Creation of \$50 million Maine Technology Asset Fund (MTAF)

**2008**  
Overall Maine employment increases 0.8% while MTI-assisted companies' employment increases 2.6%

**2010**  
Completes distribution of \$52.85 million in MTAF funds

**2011**  
Begins administering \$3 million Blackstone Accelerates Growth initiative to foster entrepreneurship

**2014**  
Battelle study identifies technology clusters in Maine well-positioned for growth

**2015**  
Administers \$10 million Maine Cancer & Aging Research bond and \$3 million Maine Biomedical Research bond

**2016**  
Administers \$7 million Marine Economy & Jobs bond  
Blackstone Accelerates Growth initiative ends successfully and inspires creation of Maine Accelerates Growth to support Maine's innovation, startup and creative technology community

**2019**

\$270 million  
in total funding across  
2,800 projects

**Historic Total Impact**

**\$372 Million +**  
Funds deployed

**4,000+**  
Projects across Maine

**\$2.2 Billion +**  
Private sector co-investment

**2018**

Awards \$45 million in MTAF 2.0 funds to 18 projects, matched by \$192 million in private investment, creating 5,350 jobs, generating \$1.4 billion in economic impact over next 3 years

Launched new approach to funding Maine innovation focused on individual needs of customers

**2019**

Maine Office of the U.S. Small Business Administration recognizes MTI as Financial Services Champion

**2020**

MTI pandemic response offers loan flexibility, new funding opportunities and fast-tracks COVID solution approvals for rapid market entry

**2021**

Helps distribute \$1 billion in federal ARPA funds via Maine Jobs & Recovery Plan, focusing on forestry (\$20 million), seafood processing (\$15.3 million) and tech innovation (\$39.6 million)

Awards \$7.4 million to new and early-stage businesses seeking funding relief

**2022**

Creates Maine Entrepreneurial Resource Corps (MERC) to connect companies with Maine consultants for short-term projects

**2023**

Deploys ~\$50 million in state and federal funding to 330+ Maine businesses and organizations

Leads Maine consortium, earning federal "Forest Bioproducts Manufacturing Hub" designation

**2024**

Manages Electric Grid Upgrade Program, awarding \$6.5 million to drive Maine businesses' expansion

MTI's 3-year, federally funded initiative SEAMaine launches roadmap to promote Maine seafood industry resilience



Innovator Spotlight

## Whole Trees

### Transforming Forest Resources Into Sustainable Building Solutions

Across rural Maine, a new kind of forest-based innovation is taking root, and WholeTrees Structures is leading that shift with sustainable building materials sourced directly from regional forests. The company transforms Solid Structural Timber into durable, high-value components for architects and commercial builders nationwide.

Their work addresses a long-standing challenge in rural forest communities: the loss of access to high-value timber markets and the economic decline that follows. WholeTrees is helping reverse that trend by creating modern uses for timber that retain the natural strength and beauty of the tree.

Solid Structural Timber refers to large, single pieces of wood used as structural elements in construction. It retains the tree’s natural strength and grain rather than gluing and reassembling pieces, giving new life to material often treated as waste.

WholeTrees has spent nearly two decades applying this resource in commercial projects across the country, including zoo habitats, large and small playscapes, and custom installations for public spaces. Recent examples include the Smithsonian Zoo’s Panda Habitat and the Children’s Museum of the East End’s new natural playground.

Opening a new facility in Ashland, Maine in early 2024 marked an important milestone. The team transferred operational knowledge from its Wisconsin headquarters, integrated advanced digital tools, and began sourcing Solid Structural Timber from regional forests. MTI’s funding and MERC support helped accelerate that ramp-up by strengthening operations, expanding the sales and marketing team, and securing legal and storytelling resources to establish their Maine presence.

That investment has already produced measurable results. The company added 15 new jobs in Aroostook County, with projections to exceed 40 by 2028. Their east coast sales funnel grew more than 30% in the first year of the Maine facility opening, and revenue continues to increase steadily.

As demand for sustainable building materials expands, WholeTrees is positioned to scale Solid Structural Timber into new markets while contributing to the strength and resilience of Maine’s forest-based economy.



*Maine’s innovation community will continue to serve as a source of mentorship and potential financial support, united by a shared goal of bringing greater economic development to the state’s rural forest communities.*

–Amelia Baxter, Co-Founder & CEO, WholeTrees Structures

**15**

New jobs to Aroostook County, ME

**30%+**

increase in sales funnel in the first year

**196%**

average monthly website traffic growth by year 2



Active MTI Collaborations, Affiliations and Partnerships



## Partnerships To Promote Maine's Innovation Economy

In addition to direct support of innovators, MTI also supports programs and infrastructure that encourage innovation. Under its governing statute, MTI is instructed to cooperate with the Maine Department of Economic & Community Development (DECD), Manufacturing Extension Partnership (MEP), University of Maine (UMaine), and others to ensure a complementary system of support services is available to companies and research laboratories.

To foster this complementary system of support services, MTI works collaboratively with organizations across Maine to support programs and initiatives designed to assist entrepreneurs and small businesses and to promote and celebrate Maine's culture of ingenuity and its vibrant startup community.

**71**  
sponsorships awarded

**\$831,622**  
value

Here are just some of the programs, events and organizations that have received MTI support:

- University of Maine
- UpStart Maine
- Maine Community Foundation
- Maine Development Foundation
- Maine Discovery Museum
- Manufacturers Association of Maine
- Maine International Trade Center
- Northeast Clean Energy Council Institute
- Bioscience Association of Maine
- Mount Desert Island Biological Laboratory



## Organization

MTI leads the development of a strong culture of innovation in the State of Maine and is well-positioned for continued growth and effectiveness. It is organized as a nonprofit corporation, consistent with the provisions of the Federal Internal Revenue Code. By-laws were drafted and corporation documents filed in September of 1999. A Board of Directors consisting of thirteen voting members and two non-voting members governs MTI. The Governor appoints ten directors, eight representing the targeted technologies and two of whom have demonstrated finance, lending, or venture capital experience. The Commissioner of the Maine Department of Economic and Community Development, the Chancellor of the University of Maine System, the President of the Maine Community College System and the Director of the Office of Innovation Policy & the Future, or their designees, are ex-officio members. The MTI

President is a non-voting director. Seven subsidiary boards, each representing a targeted technology sector, were formed to support the MTI Board. Approximately 120 subject matter experts comprise the membership of these Tech Boards.

The MTI staff is composed of a Director of Finance & Administration, five Senior Investment Officers, one Investment Officer, one Office Coordinator, one Staff Accountant, one Contracts & System Manager, and one Coordinator of the Maine Entrepreneurial Resource Corps. The MTI President is employed by the Maine Department of Economic & Community Development. In 2025, we welcomed Sarah Delmar as the Founding Director of the Maine Life Sciences Center (MLSC).



Innovator Spotlight

## Even Keel

### Maine-Made Composite Panels Give Ocean Plastic New Life

It all began with a simple idea: take discarded plastic out of the waste stream and turn it into something that helps people build. In 2018, Founder and CEO Ben Davis launched Even Keel to make this goal a reality.

His solution was Even Keel's composite building panels marketed under the EDURA name. The panels use a composite sandwich structure: a rigid core of structural foam made from recycled PET (Polyethylene Terephthalate) plastic, bonded between two laminated "skins." This process makes every EDURA panel lighter, stronger, and more resilient in harsh marine conditions.

Builders can cut and assemble the ready-made EDURA panels with common tools, without the extra workspace, safety issues, or consumable materials that fiberglass work usually requires. The composite material offers a flexible and sustainable choice for boat builders, marine manufacturers, small shops, and DIY users.

As Even Keel prepared to introduce EDURA to a national audience, they needed a launch that resonated with the professional boat building community. MTI funding helped them develop customer-facing materials that empowered the small Woolwich startup to stand alongside global competitors.

That investment paid off at the 2025 IBEX marine manufacturers' show. EDURA was one of just a few products selected for the "Golden Ticket" award and given the opportunity to present the product to the industry press.

Their momentum has continued. Even Keel expanded from a single Maine distributor to eight along the East Coast, including three in Florida, the country's largest marine manufacturing region. They are also testing and selling to customers in 10 countries, from Australia to Brazil. Even Keel hopes to lean on Maine's innovation community to connect with larger opportunities and access technology that makes production more efficient.

Looking ahead, they have their eye on the North Atlantic Garbage Patch, a mass of drifting plastic debris trapped by ocean currents. They hope to sell enough EDURA panels to help reduce that waste by turning it into useful products.



*In Maine we can pick up the phone and reach the movers and the shakers who are shaping Maine's economy and actually sit down with them to share ideas, hard lessons learned and advice. That doesn't happen everywhere.*

—Ben Davis,  
Founder / CEO, Even Keel, Inc.

**8**  
distributors along  
the east coast

**\$100,000**  
predicted sales  
per month in 2026

**10**  
Countries with EDURA  
customers



# Looking Ahead to FY26

## **\$25M R&D Bond To Be Administered By MTI**

The \$25 million R&D bond earned passage by Maine voters on November 5, 2024. MTI will begin soliciting proposals in the fall of FY26. The bond-funded program title, Maine Technology Asset Fund 3.0 (MTAF 3.0), will provide grant and loan funding to support capital asset projects—bricks and mortar, renovations, land purchase, equipment and machinery purchases, and certain technology upgrades—at organizations that are engaged in innovation in one of the State’s seven targeted technology sectors. Once launched, we anticipate the application portal will remain open for 4-6 weeks. We will host several informational webinars about the application process and the program generally. They will provide applicants with an opportunity to ask questions and understand details of the program.

Broadly speaking, any entity based in Maine, or with the intention of having a Maine-based footprint, can apply. Entities meeting the criteria outlined in the application can apply for up to \$2.5 million in funding. For for-profit entities, the funding will be structured as an interest-free, potentially partially forgivable, loan. Up to 50% of a loan may be forgiven if the applicant’s stated impact goals are achieved (job and revenue targets, etc.). A minimum match of 1:1 will be required. For non-profits, the funding will be structured as a grant but will also require a minimum funding match of 1:1. Given it’s a competitive process, projects will be ranked

against the standard criteria but also against each other. To maximize statewide impact, we will likely also balance other factors like geography, company maturity level, business attraction vs retention, big bets, and sure bets, and far-to-market vs. near-to-market outputs.

## **Innovation Ecosystem Development Program (IEDP)**

In the spring of FY25, the MTI Board of Directors gave the greenlight to an MTI staff proposal to launch a new pilot funding approach to support ecosystem development—the Innovation Ecosystem Development Program. In June of 2025, MTI began soliciting proposals. The competition allowed applicants to seek up to \$500,000 in MTI funding. Like all MTI programs, applicants needed to match the request with an equivalent amount of additional funding. The funding application and scoring rubric have been designed to tightly align with MTI’s mission to ensure funding supported projects with a strong fit to MTI’s strategic goals. The initial 2025 pilot competition was open to organizations within any of MTI’s seven technology sectors. Future competitions may have a sector specific focus. This program was intended to support partner organizations which seek to bolster Maine’s innovation economy. Applicants could request up to \$500K for their projects which required matching funds. Proposed programs should provide a catalyst for enhancing Maine’s innovation economy and supporting Innovation-Driven Enterprises (IDEs) as they scale and grow in Maine and beyond.

The ideal applicant had a demonstrated track record of impact, backed by metrics. Additional consideration was given to applicants that strategically partner with other organizations to expand their strength and reach within sectors and across Maine. We encouraged collaborative efforts among organizations on their proposed projects / programs. Awards are expected to be announced in the fall of FY26.

### **Maine Life Sciences Incubator Program**

The Maine Life Sciences Incubator program, administered by MTI, will provide funding of up to \$2.75M to develop or attract a new life sciences wet lab and coworking facility to the greater Portland region. Maine's life sciences sector is growing, fueled by more than 500 organizations spanning biotechnology, diagnostics and medical devices, marine and aquaculture science, healthcare innovation, and fields like AI, data science, and bioinformatics. Strong institutional feeders and a steady rise in early-stage ventures are encouraging signs of momentum and this new wet lab will attract businesses from across the region and help the burgeoning industry thrive in Maine. MTI plans to announce the incubator award(s) in the fall of FY26.

### **MTI Board to Grow to 16 Members**

With the enactment of LD 1270 that creates the new cabinet-level department called the Maine Department of Energy Resources, MTI's Board of Directors is poised to grow to 16 members to accommodate a non-voting seat for the Commissioner of the new department, or his/her designee. The department will officially be established in the fall of FY26 with the nomination and appointment of the Commissioner. The MTI Board expansion is expected to align with that timeframe. We look forward to welcoming the new Commissioner to the Board.



***MTI has sponsored our ideas and events —from the annual conference to the exhibition at TechCrunch Disrupt in San Francisco. Because they support organizations such as Startup Maine and our ecosystem building work, we are able to focus on being a convener and champion of the innovation ecosystem so that entrepreneurs (and future entrepreneurs) are able to thrive.***

**—Katie Shorey, Startup Maine**





**FINANCIAL STATEMENTS  
and  
SUPPLEMENTARY INFORMATION**

**June 30, 2025 and 2024  
With Independent Auditor's Report**



**MAINE TECHNOLOGY INSTITUTE**  
**Financial Statements**  
**Years Ended June 30, 2025 and 2024**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Maine Technology Institute

### Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary funds of Maine Technology Institute (a component unit of the State of Maine) (the Institute) as of June 30, 2025 and the related notes to the financial statements, which collectively comprise the Institute's basic financial statements as listed in the table of contents.

In our opinion, the 2025 financial statements referred to above present fairly, in all material respects, the respective financial position of the Institute and the fiduciary funds of the Institute as of June 30, 2025, and the respective changes in the business-type activities, and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

### Basis for Opinions

We conducted our audit in accordance with U.S. generally accepted auditing standards (U.S. GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Institute and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Change in Accounting Principle

As discussed in Note 1 to the financial statements, the Institute adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, and GASB Statement No. 102, *Certain Risk Disclosures*, during the year ended June 30, 2025. Our opinion are not modified with respect to those matters.

### Prior Period Financial Statements

The financial statements of the Institute as of and for the year ended June 30, 2024, were audited by Berry, Dunn, McNeil & Parker, LLC whose report dated, December 6, 2024, expressed an unmodified opinion on those statements.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Institute's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether these financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Institute's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors  
Maine Technology Institute

### **Required Supplementary Information**

U.S. GAAP requires that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion on or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion on or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The supplementary information in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*BMP Assurance, LLP*

Bangor, Maine  
October 27, 2025

**MAINE TECHNOLOGY INSTITUTE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

**June 30, 2025 and 2024**

As management of the Maine Technology Institute (the "Institute" or "MTI"), we offer readers of these financial statements this narrative, overview, and analysis of the financial activities of the Institute for the fiscal years ended June 30, 2025 and 2024 ("FY2025 and FY2024" or "Fiscal 2025 and 2024"). We encourage readers to consider the information presented here together with the basic financial statements as a whole.

**Financial Highlights**

- MTI received \$6,572,814 annually in FYs 2025, 2024, and 2023 from a State of Maine (the State) appropriation through the Department of Economic and Community Development ("DECD") for general programs. During FY2023, MTI received \$750,000 to fund the Life Science Research Program.
- During 2025, \$7,067,817 in federal funds was received to administer the Pandemic Recovery for an Innovative Maine Economy (PRIME) Fund. During FY2024, \$3,246,858 in federal funds was received to administer the PRIME Fund. During FY2023, \$23,524,471 in federal funds was received to administer the PRIME Fund. During FY2025, \$5,360,060 in federal funds was received to administer the Forestry Recovery Initiative (FIR). During FY2024, \$8,037,408 in federal funds was received to administer the FRI. During FY2023, \$1,672,770 in federal funds was received to administer the FRI. During FY2025, MTI received \$376,154 in federal funds to supplement the Maine Entrepreneurial Resource Corps (MERC) program from the State Domestic Trade Promotion Program (DTP). During FY2024, MTI received \$267,599 in federal funds to supplement the MERC program from the DTP. During FY2023, MTI received \$104,308 in federal funds to supplement the MERC program from the DTP. During 2025, \$640,000 in federal funds were received to administer the Electronic Grid Upgrades Program (EGUP). During 2024, \$1,419,500 in federal funds were received to administer EGUP.
- In FY2025, MTI approved 101 projects totaling \$6.6 million, compared to 89 projects totaling \$6.6 million, and 83 projects totaling \$5.5 million in FY2024 and FY2023, respectively.
- MTI expended \$7.4 million in FY2025 according to agreed-upon project award milestones, versus \$6.2 million and \$6.6 million during FY2024 and FY2023, respectively. During FY2025, core award payments increased by \$1.2 million from FY2024. During FY2024, core award payments decreased by \$407,000 from FY2023. During FY2023, core award program payments decreased by \$624,000 from FY2022. In FY2025, the Maine Technology Asset Fund (MTAF) had no award payments. In FY2024, the MTAF payments were \$4.5 million, and in FY2023, MTAF payments were \$588,000.
- In FY2025, MTI expended \$7.9 million through the PRIME program, 8.0 million through the FRI program, \$1.5 million for the EGUP Program, \$290,000 through the Tech Hubs EDA Grant and \$504,000 through the Domestic Trade Program. In FY2024, MTI expended \$2.8 million through the PRIME program, \$5.1 million through the FRI program, \$774,000 through the SEAMaine EDA Grant and \$334,000 through the Domestic Trade Program. In FY2023, MTI expended \$23.2 million through the PRIME program, \$1.7 million through the FRI program, \$1 million through the SEAMaine EDA Grant and \$174,000 through the Domestic Trade Program.

## MAINE TECHNOLOGY INSTITUTE

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

June 30, 2025 and 2024

- In FY2025, MTI's outstanding commitments for its core awards totaled \$2.6 million, including \$1.0 million in approved awards awaiting contract finalization. In FY2024, MTI's outstanding commitments for its core awards totaled \$3.3 million, including \$325,500 in approved awards awaiting contract finalization. For FY2023, MTI's outstanding commitments for its core awards totaled \$3,994,000, including \$788,000 in approved awards awaiting contract finalization. For FY2025, MTAF funds totaling \$355,000 were committed, with all awards being contracted. For FY2024, MTAF funds totaling \$355,000 were committed, with all awards being contracted. For FY2023, MTAF funds totaling \$5.3 million were committed, with all awards being contracted. The Maine Marine Economy and Jobs Bond Fund outstanding commitments for FY2025 were \$33,400. As of June 30, 2024 and June 30, 2023, commitments for the Maine Marine Economy and Jobs Bond Fund were \$60,700 and \$464,000.
- MTI received \$1.54 million of Development Award repayments during FY2025, compared to \$1.84 million in repayments during FY2024; \$2.6 million was received in FY2023.
- The amount of \$1,066,000 was realized from interest in FY2025, compared to \$1,088,000 in FY2024. For FY2023, \$760,000 was received.
- The bonds that created the Maine Technology Asset Fund, which MTI was directed to administer by the Legislature, were approved by Maine voters in November 2007, June 2010, and June 2017. FY2025 MTAF operating costs were \$2,220. For FY2024, MTAF operating costs were \$2,500 and paid out of net position. For FY2023, MTAF operating costs were \$7,500.
- The bond that created the Maine Marine Economy and Jobs Bond Fund, which MTI was directed to administer, was approved by Maine voters in November 2014. No administration costs were approved with these bond funds, and so operating costs for these funds were paid out of net position.
- During FY2017, MTI developed and promoted the Maine Accelerates Growth Initiative (MxG). This initiative accelerates the growth of companies, communities, and talent by funding, creating, and leveraging high impact entrepreneurship and innovation programs, and events through a collaborative and complementary network of organizations and individuals propelling prosperity across Maine. During FY2025, there were no related expenses. For FY2024 and 2023, those related expenses were \$25,000 and \$68,750, respectively.
- MTI maintains an experienced team dedicated to helping small businesses write competitive proposals to leverage the federal Small Business Innovation Research and the Small Business Technology Transfer research and development programs. Early-stage funding to develop new products, processes, and services allows companies to innovate and grow their businesses. During FY2025, \$243,681 was expended in this effort, compared to \$202,342 in FY2024 and \$226,092 in FY2023.
- As good caretakers of the monies related to all bond funds which MTI administers, MTI returns all interest earned on the funds held to the Maine State Treasurer's Office on a quarterly basis. For FY2025, this amounted to a return of \$106,600. For FY2024, this amounted to \$37,550, and it totaled \$56,000 for FY2023.

**MAINE TECHNOLOGY INSTITUTE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

**June 30, 2025 and 2024**

- FY2025 administrative and operating costs, excluding award payments, were \$2.33 million, representing an 3.5% increase from FY2024. FY2024 administrative and operating costs, excluding award payments, were \$2.26 million, representing a 24.1% decrease from FY2023. Operating expenses, including the costs to monitor and administer the MTAF, are paid from administration fees of 10% of the State appropriation (7% during all FYs prior to 2014), fees on development award repayments and interest earnings.
- During FY2025, MTI continued its Entrepreneur-In-Residence program. The program consists of several consultants who are assigned to assist MTI-funded companies and their personnel on a variety of projects of particular significance to the recipients. During FY2025, expenditures were in the amount of \$224,000 and were paid primarily through program funding. During FY2024, \$200,500 was expended and in FY2023, \$234,000. This program offers services to assist recipients in developing marketing channels and resources, identifying sources for growth funding, developing internet marketing strategies and solving production planning or process concerns, among other needs. MTI believes that expanding its resources beyond funding meets other critical client needs in the areas of growth planning and management and developing connections to required resources.
- We believe the operating procedures and policies of MTI demonstrate a record of outstanding stewardship of the public funds entrusted to it for investment in ventures pursuing the creation of technology-based economic development.
- FY2025's change in net position resulted in an increase in net position of approximately \$543,000. FY2024's change in net position resulted in an increase in net position of approximately \$514,000. FY2023's change in net position resulted in an increase in net position of approximately \$660,000.

**Overview of the Institute**

MTI was created by the Maine legislature in 1999 to “encourage, promote, stimulate, and support research and development activity leading to the commercialization of new products and services in the State’s technology-intensive industrial sectors...” (5 MRSA, CH. 407). MTI is funded primarily by the State from a direct appropriation that is granted to MTI from the DECD. To maximize the benefits of a public-private partnership, MTI is a private, nonprofit 501(c)(3) organization governed by a Governor-appointed, private-sector led Board of Directors. The Director of the Institute is appointed by the Governor, is an employee of the DECD, and is President of the Institute as elected by the Board of Directors.

The Institute has functioned with a staff of up to 11 full-time equivalent employees who report to the Director, an increase of one and one-half full-time employees since its previous high in February 2009. MTI is limited by statute to using only up to 10% of its State appropriation for administration, with the exception of the funds that MTI received to administer MTAF. There are no statutory restrictions on the use of other income which the Institute may receive.

During FY23, MTI increased the percentage of repaid funds applied to administrative costs from 20% to 35%. This percentage was last modified in 2014.

**MAINE TECHNOLOGY INSTITUTE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

**June 30, 2025 and 2024**

**Overview of the Financial Statements**

This discussion is intended to serve as an introduction to the Institute's financial statements, which include the basic financial statements and the notes to the financial statements.

**Basic Financial Statements**

The basic financial statements are designed to provide readers with a broad overview of the Institute's finances, in a manner similar to a private-sector business.

The statements of net position present information on the Institute's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the Institute is improving or deteriorating. Net position increases when revenues exceed expenses. Increases to assets without a corresponding increase to liabilities result in increased net position, which may indicate an improved financial position.

The statements of revenues, expenses, and changes in net position present information showing how the Institute's net position changed during the fiscal year. Changes in net position are reported as soon as the underlying event occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. The utilization of capital assets is reflected in the financial statements as depreciation, which allocates the cost of an asset over its expected useful life.

The statements of cash flows present information related to cash inflows and outflows summarized by operating, investing, and capital financing activities and help measure the ability to meet financial obligations as they mature.

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The Institute adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, and GASB Statement No. 102, *Certain Risk Disclosures*, during the year ended June 30, 2025. The Institute adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* in 2023.

**Financial Analysis: 2025 Compared to 2024 and 2023**

Net position may serve, over time, as a useful indicator of the Institute's financial position. In the case of the Institute, its assets exceed liabilities by \$3,620,099 on June 30, 2025, compared with \$3,076,913 in 2024 and \$2,562,819 in 2023.

The Institute's financial position, excluding fiduciary funds, as of, and operations for, fiscal years 2025, 2024, and 2023 are summarized below based on information included in the financial statements.

**MAINE TECHNOLOGY INSTITUTE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

**June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	<b>\$ 10,071,918</b>	\$ 16,695,364	\$10,708,403
Loans and investments (net of allowances)	<b>11,937,448</b>	12,130,587	10,289,305
Capital assets, net of depreciation	<b>68,930</b>	21,004	29,950
Other assets	<b><u>446,874</u></b>	<u>403,554</u>	<u>1,315,104</u>
Total assets	<b><u>22,525,170</u></b>	<u>29,250,509</u>	<u>22,342,762</u>
Refundable advances	<b>18,223,362</b>	25,765,329	19,320,077
Other liabilities	<b><u>681,709</u></b>	<u>408,267</u>	<u>459,866</u>
Total liabilities	<b><u>18,905,071</u></b>	<u>26,173,596</u>	<u>19,779,943</u>
Net position, all unrestricted	<b><u>\$ 3,620,099</u></b>	<u>\$ 3,076,913</u>	<u>\$ 2,562,819</u>

Cash and cash equivalents compose a significant majority of MTI's assets. The amount of funding received from the State as well as any funding carried over from previous years is included in this line until expended. Some loans held by MTI were transferred from the Maine Science and Technology Foundation (no longer in existence), and terms have been renegotiated as the payments have come due.

In FY2025, MTI made two investments in equity or convertible note positions. In FY2024, MTI made five investments in equity or convertible note positions. In FY2023, MTI made seven investments in equity or convertible note positions. MTI's loan and investment portfolio increasingly comprises preferred stock units and convertible notes which, if converted, will provide MTI the opportunity to participate in any equity appreciation that will accrue to a successful enterprise.

Refundable advances represent all funding on hand for use in MTI programs. Funding is disbursed according to achievement of milestones by the recipients. As noted earlier, \$2.6 and \$3.3 million were committed, but not yet disbursed for MTI's core awards at the close of June 2025 and 2024, respectively. MTAF outstanding commitments totaled \$355,000 at the close of June 30, 2025 and 2024.

Changes of net position, excluding fiduciary funds, were as follows for the years ended June 30:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Operating revenues			
State of Maine funding	<b>\$ 10,876,825</b>	\$ 9,312,525	\$ 8,545,988
Other operating revenues	<b><u>18,751,459</u></b>	<u>12,276,767</u>	<u>26,907,081</u>
Total operating revenues	<b><u>29,628,284</u></b>	<u>21,589,292</u>	<u>35,453,069</u>

**MAINE TECHNOLOGY INSTITUTE**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)**

**June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Operating expenses			
Program grants	27,563,140	19,693,804	32,356,119
Special grants	243,655	202,342	226,092
Salaries and wages	1,089,962	1,144,184	974,394
Other operating expenses	<u>1,249,158</u>	<u>1,111,015</u>	<u>1,995,172</u>
Total operating expenses	<u>30,145,915</u>	<u>22,151,345</u>	<u>35,551,777</u>
Net operating loss	(517,631)	(562,053)	(98,708)
Nonoperating revenues, net	<u>1,060,817</u>	<u>1,076,147</u>	<u>758,510</u>
Change in net position	<u>\$ 543,186</u>	<u>\$ 514,094</u>	<u>\$ 659,802</u>

Operating revenues – State of Maine funding reflects MTI’s State appropriations and bond funds received and grants made. The changes in FY2025 and FY2024 reflect the change each year in awards funded.

The following table shows the relationship between the appropriation and bond funds received and revenues recognized, excluding fiduciary funds:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
State appropriation received	\$ 6,572,814	\$ 6,572,814	\$ 6,572,814
Supplemental funds received	-	-	750,000
Accrual basis accounting effect	<u>4,304,011</u>	<u>2,739,711</u>	<u>1,223,174</u>
Revenues recognized	<u>\$ 10,876,825</u>	<u>\$ 9,312,525</u>	<u>\$ 8,545,988</u>

The “accrual basis accounting effect” reflects appropriations received that are being deferred or recognized as revenues in periods when corresponding award payments are made and reflects payments to the State for curtailments.

MTI’s operating expenses (which include award disbursements and accruals) were 36% higher in 2025 than 2024. Program grants were 40% higher. Special grants were 20% higher. Salaries and wages were 5% lower. Other operating expenses were 12% higher due to increases in contractors. MTI’s operating expenses (which include award disbursements and accruals) were 38% lower in 2024 than 2023. Program grants were 39% lower. Special grants were 11% lower. Salaries and wages were 17% higher due to increased staffing costs. Other operating expenses were 44% lower. MTI’s operating expenses (which include award disbursements and accruals) were 133% higher in 2023 than 2022. Program grants were 142% higher. Special grants were 1% higher. Salaries and wages were 12% higher due to increased staffing costs. Other operating expenses increased by 147% due to increases in legal and support costs.

**MAINE TECHNOLOGY INSTITUTE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

**June 30, 2025 and 2024**

**Cash Flow Highlights**

Cash and cash equivalents decreased \$6.6 between FY2025 and FY2024, primarily due to the payment of federal awards. This compares to an increase between FY2024 and FY2023 of \$6.0 million, primarily due to a significant increase in funding receipts to be disbursed.

**Looking Ahead**

**R&D Bond**

In the Second Regular Session of the 131st Maine Legislature, lawmakers approved, and the Governor signed, LD 416, "An Act to Authorize a General Fund Bond Issue for Research and Development and Commercialization." Maine voters approved the bond measure in November 2024. Accordingly, the bond proceeds will provide \$25 million to MTI to support R&D-related projects and can include facility construction, renovations or land purchase, equipment acquisition, and certain technology upgrades. The funding will be offered to Maine public and private entities through a competitive process in FY2026. MTI will use the language in the bond bill and the "intent and content" guidance provided to voters by the Secretary of State, as well as soliciting statewide input through outreach and listening sessions, to develop a competitive funding program and process. The funding solicitation will be launched in the fall of 2025, and MTI plans to announce award winners by early 2026.

**Maine Life Science Innovation Center**

In the waning days of the First Session of the 132<sup>nd</sup> Maine Legislature, the House and Senate enacted LD 1643, "An Act to Establish the Maine Life Science Innovation Center." The Maine Life Science Innovation Center is to serve as the central coordinating organization for life science initiatives on behalf of the State and will work in collaboration with governmental entities, trade associations, academia, research institutions, and other entities to grow the life sciences sector. The Center will also create and execute on a roadmap for growth in the sector.

The new law creates a Board of 17 Directors, of which 4 are ex officio (DECD Commissioner, MTI President, President of MCCS, and Chancellor or UMaine System, or their designees). The remaining 13 members are appointed by the Governor and confirmed by the Senate. The initial legislative proposal contained a \$4 million appropriation to establish a non-lapsing fund (Maine Life Science Innovation Fund) to make awards to life sciences businesses and to pay the costs of operating the entity. Regrettably, given State budget constraints, the bill passed without the proposed funding. The final version contained a mere \$500 to establish the entity.

While the proposal passed in the Legislature, the enacted bill ended up as one of 61 bills that the Governor opted to postpone final decisions on until the Legislature reconvenes in January 2026. However, she has indicated a willingness to press forward with the initiative through her Executive Order powers or some other mechanism and MTI will be asked to play a meaningful role in implementing the measure.

To that end, MTI has been meeting with FocusMaine, the Bioscience Association of Maine (BioME), the Maine Department of Economic & Community Development (DECD), and other players within the sector to chart a path forward. This includes MTI hiring a life sciences director in FY2026 to shepherd the effort.

**MAINE TECHNOLOGY INSTITUTE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

**June 30, 2025 and 2024**

**MTI Board to Grow to 16 Members**

With the enactment of LD 1270 that creates a new cabinet-level department called the Maine Department of Energy Resources, MTI's Board of Directors is poised to grow to 16 members to accommodate a seat for the Commissioner of the new department, or his/her designee. The department will officially be established in the fall of 2025 with the nomination and appointment of the Commissioner. The MTI Board expansion is expected to align with that timeframe.

**Request for Information**

This financial report is designed to provide a general overview of MTI's financial statements for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to MTI's President.

## MAINE TECHNOLOGY INSTITUTE

### Statements of Net Position

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 10,071,918	\$ 16,695,364
Other receivables	160,564	50,151
Prepaid expenses	202,201	169,872
Loans receivable – current, net of allowance for loan losses of \$1,017,703 in 2025 and \$1,180,954 in 2024 (Note 3)	<u>904,358</u>	<u>1,599,959</u>
Total current assets	<u>11,339,041</u>	<u>18,515,346</u>
Noncurrent assets:		
Property and equipment, at cost		
Leasehold improvements	-	39,870
Equipment	28,278	132,579
Computer software	<u>181,679</u>	<u>125,995</u>
	209,957	298,445
Less accumulated depreciation	<u>(141,027)</u>	<u>(277,441)</u>
Net property and equipment	68,930	21,004
Subscription-based right-of-use-asset	84,109	183,532
Loans receivable, net of allowance for loan losses of \$8,875,624 in 2025 and \$8,772,426 in 2024, and investments, excluding current portion (Note 3)	<u>11,033,090</u>	<u>10,530,627</u>
Total assets	<u>\$ 22,525,170</u>	<u>\$ 29,250,509</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 585,035	\$ 219,149
Current portion of refundable advances	7,190,272	15,234,702
Current portion of subscription-based lease obligation	<u>96,674</u>	<u>92,444</u>
Total current liabilities	7,871,981	15,546,295
Noncurrent liabilities:		
Refundable advances, net of current portion	11,033,090	10,530,627
Subscription-based lease obligation, net of current portion	<u>-</u>	<u>96,674</u>
Total liabilities	<u>\$ 18,905,071</u>	<u>\$ 26,173,596</u>
<b>NET POSITION</b>		
Undesignated net position	\$ 2,651,169	\$ 2,155,909
Net investment in capital assets	68,930	21,004
Board-designated (Note 4)	<u>900,000</u>	<u>900,000</u>
Total unrestricted net position	<u>\$ 3,620,099</u>	<u>\$ 3,076,913</u>

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The accompanying notes are an integral part of these financial statements.

**MAINE TECHNOLOGY INSTITUTE**

**Statements of Revenues, Expenses, and Changes in Net Position**

**Years Ended June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Operating revenues		
State of Maine funding		
Program grants	\$ 9,527,003	\$ 8,243,195
Administrative grants	1,106,922	870,663
Matching grants	<u>242,900</u>	<u>198,667</u>
Total State of Maine funding	10,876,825	9,312,525
Royalties	546,626	677,684
Federal grants	18,204,833	11,598,664
Other income	<u>-</u>	<u>419</u>
Total operating revenues	<u>29,628,284</u>	<u>21,589,292</u>
Operating expenses (Note 5)		
Program grants	27,563,140	19,693,804
Special grants	243,655	202,342
Salaries and wages	1,089,962	1,144,184
Benefits and payroll taxes	339,761	376,519
Travel	16,140	6,804
Depreciation	7,759	12,534
Amortization of subscription-based right-of-use asset	91,756	91,756
Marketing and advertising	251,363	155,564
Other	<u>542,379</u>	<u>467,838</u>
Total operating expenses	<u>30,145,915</u>	<u>22,151,345</u>
Net operating loss	<u>(517,631)</u>	<u>(562,053)</u>
Nonoperating revenues (expenses)		
Investment income	1,066,675	1,087,596
Interest expense	<u>(5,858)</u>	<u>(11,449)</u>
Nonoperating revenues, net	<u>1,060,817</u>	<u>1,076,147</u>
Increase in net position	543,186	514,094
Net position, beginning of year	<u>3,076,913</u>	<u>2,562,819</u>
Net position, end of year	<u>\$ 3,620,099</u>	<u>\$ 3,076,913</u>

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The accompanying notes are an integral part of these financial statements.

## MAINE TECHNOLOGY INSTITUTE

### Statements of Cash Flows

Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
State of Maine funding	\$ 7,388,088	\$ 11,980,490
Grants received	13,532,721	16,122,372
Award repayments	991,198	1,202,227
Royalties received	546,626	677,684
Other receipts	4,200	(505)
Grants paid	(27,891,577)	(19,976,929)
Paid to employees, including benefits	(1,553,404)	(1,415,639)
Paid to vendors	<u>(352,641)</u>	<u>(712,437)</u>
Net cash (used) provided by operating activities	<u>(7,334,789)</u>	<u>7,877,263</u>
Cash flows from investing activities		
Loans funded	(1,553,700)	(3,108,609)
Loans repaid	1,540,003	1,853,418
Net investment income received	986,582	1,030,895
Investments purchased	<u>(200,000)</u>	<u>(1,650,000)</u>
Net cash provided (used) by investing activities	<u>772,885</u>	<u>(1,874,296)</u>
Cash flows from capital and related financing activities		
Purchase of property and equipment	(55,684)	(3,589)
Lease obligation payments	-	(968)
Interest payments	<u>(5,858)</u>	<u>(11,449)</u>
Net cash used by capital and related financing activities	<u>(61,542)</u>	<u>(16,006)</u>
Net (decrease) increase in cash and cash equivalents	<u>(6,623,446)</u>	5,986,961
Cash and cash equivalents, beginning of year	<u>16,695,364</u>	<u>10,708,403</u>
Cash and cash equivalents, end of year	<u>\$ 10,071,918</u>	<u>\$ 16,695,364</u>
Reconciliation of net operating loss to net cash (used) provided by operating activities		
Net operating loss	\$ (517,631)	\$ (562,053)
Adjustments to reconcile net operating loss to net cash (used) provided by operating activities		
Depreciation	7,759	12,534
Changes in the allowance for loan losses and investment impairment	372,314	1,113,868
Changes in operating assets and liabilities		
Subscription-based right-of-use asset	99,423	84,089
Subscription-based lease obligation	(92,444)	(79,577)
Other receivables	4,200	840,317
Prepaid expenses	(32,329)	(6,113)
Accounts payable and accrued expenses	365,886	28,946
Refundable advances	<u>(7,541,967)</u>	<u>6,445,252</u>
Net cash (used) provided by operating activities	<u>\$ (7,334,789)</u>	<u>\$ 7,877,263</u>

The accompanying notes are an integral part of these financial statements.

**MAINE TECHNOLOGY INSTITUTE**  
**MAINE TECHNOLOGY ASSET FUND**  
**AND MAINE MARINE ECONOMY AND JOB BOND FUND**

**Statements of Fiduciary Net Position**

**June 30, 2025**

	<b><u>Maine Technology Asset Fund</u></b>	<b><u>Maine Marine Economy and Job Bond Fund</u></b>	<b><u>Total</u></b>
<b>Assets</b>			
Cash and cash equivalents (Note 9)	\$ <b><u>554,742</u></b>	\$ <b><u>36,341</u></b>	\$ <b><u>591,083</u></b>
Total assets	<b><u>554,742</u></b>	<b><u>36,341</u></b>	<b><u>591,083</u></b>
<b>Liabilities</b>			
Refundable advances (Note 9)	<b><u>554,742</u></b>	<b><u>36,341</u></b>	<b><u>591,083</u></b>
Total liabilities	<b><u>554,742</u></b>	<b><u>36,341</u></b>	<b><u>591,083</u></b>
Fiduciary net position held in fund	\$ <b><u>          -</u></b>	\$ <b><u>          -</u></b>	\$ <b><u>          -</u></b>

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The accompanying notes are an integral part of these financial statements.

**MAINE TECHNOLOGY INSTITUTE**  
**MAINE TECHNOLOGY ASSET FUND**  
**AND MAINE MARINE ECONOMY AND JOB BOND FUND**

**Statements of Fiduciary Net Position**

**June 30, 2024**

	<u>Maine Technology Asset Fund</u>	<u>Maine Marine Economy and Job Bond Fund</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents (Note 9)	\$ <u>629,668</u>	\$ <u>77,433</u>	\$ <u>707,101</u>
Total assets	<u>629,668</u>	<u>77,433</u>	<u>707,101</u>
<b>Liabilities</b>			
Refundable advances (Note 9)	<u>629,668</u>	<u>77,433</u>	<u>707,101</u>
Total liabilities	<u>629,668</u>	<u>77,433</u>	<u>707,101</u>
Fiduciary net position held in fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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The accompanying notes are an integral part of these financial statements.

**MAINE TECHNOLOGY INSTITUTE**  
**MAINE TECHNOLOGY ASSET FUND**  
**AND MAINE MARINE ECONOMY AND JOB BOND FUND**

**Statements of Changes in Fiduciary Net Position**

**June 30, 2025**

	<u>Ma ine Tech nology As set Fund</u>	<u>Ma ine Ma rine E co no my a nd J ob B o nd Fund</u>	<u>Total</u>
<b>Additions</b>			
Program grants (Note 9)	\$ <u>          -</u>	\$ <u>  27,287</u>	\$ <u>  27,287</u>
Total additions	<u>          -</u>	<u>  27,287</u>	<u>  27,287</u>
<b>Deductions</b>			
Grant award payments (Note 9)	<u>          -</u>	<u>  27,287</u>	<u>  27,287</u>
Total deductions	<u>          -</u>	<u>  27,287</u>	<u>  27,287</u>
Net change	<u>          -</u>	<u>          -</u>	<u>          -</u>
Fiduciary net position held in fund, beginning of year	<u>          -</u>	<u>          -</u>	<u>          -</u>
Fiduciary net position held in fund, end of year	<u><u>          -</u></u>	<u><u>          -</u></u>	<u><u>          -</u></u>

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The accompanying notes are an integral part of these financial statements.

**MAINE TECHNOLOGY INSTITUTE**  
**MAINE TECHNOLOGY ASSET FUND**  
**AND MAINE MARINE ECONOMY AND JOB BOND FUND**

**Statements of Changes in Fiduciary Net Position**

**June 30, 2024**

	<u>Maine Technology Asset Fund</u>	<u>Maine Marine Economy and Job Bond Fund</u>	<u>Total</u>
<b>Additions</b>			
Program grants (Note 9)	\$ <u>4,520,894</u>	\$ <u>403,284</u>	\$ <u>4,924,178</u>
Total additions	<u>4,520,894</u>	<u>403,284</u>	<u>4,924,178</u>
<b>Deductions</b>			
Grant award payments (Note 9)	<u>4,520,894</u>	<u>403,284</u>	<u>4,924,178</u>
Total deductions	<u>4,520,894</u>	<u>403,284</u>	<u>4,924,178</u>
Net change	-	-	-
Fiduciary net position held in fund, beginning of year	-	-	-
Fiduciary net position held in fund, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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The accompanying notes are an integral part of these financial statements.

# MAINE TECHNOLOGY INSTITUTE

## Notes to Financial Statements

June 30, 2025 and 2024

### Nature of Organization

Maine Technology Institute (the Institute), a nonprofit corporation which commenced operations in November 1999, was established to encourage, promote, stimulate, and support research and development activity leading to commercialization of new products and services in the State of Maine's technology intensive sectors. Businesses, non-profit organizations, academic institutions, and entrepreneurs are eligible for funding under the Institute's programs.

The Institute awards funds to applicants in the State of Maine who submit proposals, which are reviewed and approved by the Institute. Grants are distributed in stages upon the successful completion of certain milestones. The Institute is governed by a voluntary statewide Board of Directors appointed by the Governor of the State of Maine.

The core programs the Institute operated until August 2018 were as follows:

- TechStart Grant Program – grants up to \$5,000 to support technology-based innovation, business plan development, intellectual property filings, market analysis, and activities related to planning and submission of Federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants.
- Seed Grant Program – grants up to \$25,000 to fund small, early-stage research and development projects, and development activities leading to commercialization.
- Development Loan Program – awards ranging from \$30,000 to \$500,000 to fund new and/or enhanced technologies or tech transfer leading to market sales. If a product is successfully commercialized, the award becomes repayable.
- Business Accelerator Grants – grants to support commercialization and business development/capacity activities not eligible for SBIR or Development Loan funding, but required to advance new technology to market and to firmly establish and increase the scope and sustainability of the business enterprise.
- Equity Capital Fund – helps eligible Seed Grant, SBIR, and Development Loan recipients bridge the financing gap between product development and sales, moving them toward the market by providing equity or near-equity capital.
- SBIR Awards – help support SBIR/STTR proposal submissions and technology commercialization.
- Cluster Initiative Awards – awards up to \$50,000 for industry-driven cluster-initiative planning or feasibility activity, and up to \$500,000 to strengthen Maine's technology clusters.

## MAINE TECHNOLOGY INSTITUTE

### Notes to Financial Statements

June 30, 2025 and 2024

Beginning in August 2018, the Institute implemented a new funding model. Initial contact is made when those interested complete an intake form. Meetings are established with entities proposing projects. Using an assessment tool, the potential applicant and the Institute review eight different areas, including Team Ability, Innovation and Value Proposition, Customer and Market, Business/Organization Model, and Scope of Work/Budget. At this point the process may continue with the Institute or may be referred to a business partner. If the determination is to apply for support, the appropriate level of funding request will be determined, and the application will be submitted. The funding level will also determine the level of due diligence needed with the application. Funding levels may also help to determine the nature of the award. The Institute awards grants, loans, and equity investments. Successful applicants who receive funds are also required to submit reporting on their projects for five years post-award.

Four funding levels are used in the application process, as follows:

Range One – Awards less than \$25,000

Range Two – Awards between \$25,000 and \$100,000

Range Three – Awards between \$100,000 and \$250,000

Range Four – Awards over \$250,000

In addition to the core programs listed, the Institute is also asked, on occasion, to administer bond funds on behalf of the State of Maine. The application, review, and award process on these activities is not necessarily handled in the same manner as the core offerings. This process is often dictated by the terms of the bond itself.

During the years ended June 30, 2025 and 2024, two such instances were in place.

- Maine Technology Asset Fund (MTAF) – funded by bonds totaling \$98,000,000, approved by State of Maine voters; this program helps fund capital expenditures supporting research, development, and commercialization. The activity for this fiduciary fund is not included in the entity-wide financial statements of the Institute.
- Maine's Marine Economy and Jobs Bond Fund (MMEJBF) – funded by a \$7,000,000 bond approved by State of Maine voters to facilitate the growth of marine businesses and commercial enterprises that create jobs and improve the sustainability of the State's marine economy and related industries. The activity for this fiduciary fund is not included in the entity-wide financial statements of the Institute.

The Institute is a component unit of the State of Maine for financial reporting purposes. The Institute is considered a business-type activity because of royalty payments and interest charged to award recipients.

# MAINE TECHNOLOGY INSTITUTE

## Notes to Financial Statements

June 30, 2025 and 2024

Starting in September of 2020, the Institute leads the application review and financial disbursement of awards from a fund of up to \$5 million as part of the Maine Economic Recovery Grant Program. The intent is to support the viability of businesses less than a year old, which fall into the seven sectors served by the Institute.

Beginning in fiscal year 2022, the Institute began administering several new funding buckets associated with the Maine Jobs & Recovery Plan, the State of Maine's roadmap for allocating more than \$1 billion in Federal discretionary funding associated with the American Rescue Plan Act of 2021. The new funding included \$20 million for "one-time grants funding for economic recovery and development opportunities in the forest products industry to address reduced demand from economic disruption of the COVID-19 pandemic and other industry effects." In collaboration with the Maine Department of Agriculture, Conservation, and Forestry (DACF), and the Maine Department of Economic & Community Development (DECD), the Institute launched Phase 1 of the Forest Recovery Initiative (FRI) in 2022. Phase 2 was launched in fiscal year ended June 30, 2023 and sought to improve market opportunities for Maine timber.

MTI also created the Pandemic Recovery for an Innovative Maine Economy (PRIME) Fund to administer funds to support and leverage private investments in research, development, and innovation in the State of Maine's technology sectors. The PRIME Fund awarded grants in several phases. Phase 1 awards were announced in early fiscal year 2023, focused on direct support to businesses who suffered negative impacts from the pandemic. PRIME Fund Phase 2 was designed to provide funding to public-private partnerships to spur the development of entrepreneurial support programs that provide a catalyst for startup companies as they scale and grow in Maine.

### 1. Summary of Significant Accounting Policies

#### Basis of Presentation

The accounts of the Institute are maintained in accordance with the principles of fund accounting with the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (U.S. GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

#### Reporting Entity

The financial reporting entity consists of the primary government (the Institute) and its blended component unit, Maine Technology Holdings (MTH). The financial statements also include two fiduciary activities. The accompanying financial statements separately present the statements of fiduciary net position and statements of changes in fiduciary net position for MTAf and MMEJBF.

## MAINE TECHNOLOGY INSTITUTE

### Notes to Financial Statements

June 30, 2025 and 2024

MTH is a legally separate component unit of the Institute that was formed in 2011. MTH holds an investment in a privately-held company that was granted an award from the Institute and reached successful commercialization. Because the Institute is the sole shareholder of MTH and the intent of owning MTH is to directly enhance its ability to fulfill its mission, MTH is considered a blended component unit of the Institute. MTH's balance sheet at June 30 is as follows:

	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
Investments	\$ <u>48,539</u>	\$ <u>48,539</u>
<b>LIABILITIES AND NET POSITION</b>		
Due to Maine Technology Institute	\$ 643	\$ 643
Refundable advances	<u>42,900</u>	<u>42,900</u>
Total liabilities	43,543	43,543
Net position	<u>4,996</u>	<u>4,996</u>
	<u>\$ 48,539</u>	<u>\$ 48,539</u>

MTH had no operating revenues or expenses in either 2025 or 2024.

#### **Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Cash and Cash Equivalents**

All highly liquid savings deposits and investments with maturities of three months or less when purchased are considered to be cash equivalents.

#### **Loans Receivable and Investments**

Loans receivable are reported at their outstanding unpaid principal balances adjusted for charge-offs, net of the allowance for losses. Investments are stated at their cost, net of impairment where appropriate. These loans receivable and investments are with closely-held small companies and there is no readily available market or fair value. When indicators of impairment of investments are noted, they are written down to fair value, if below carrying amount, via an impairment charge.

Interest and dividend income on loans receivable and investments are recognized when received due to the uncertainty of collection.

# MAINE TECHNOLOGY INSTITUTE

## Notes to Financial Statements

June 30, 2025 and 2024

### **Allowance for Loan Losses**

An allowance for loan losses is established when it is probable that loans receivable will be uncollectible. Loans are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The allowance for loan losses is evaluated regularly based upon management's periodic review of the collectibility of the loans in light of the companies' current financial position situations. This evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as more information becomes available.

### **Credit Risk**

Financial instruments which subject the Institute to credit risk consist of cash equivalents, loans receivable, and investments. The risk with respect to cash equivalents is mitigated by the Institute's policy of investing in financial instruments with short-term maturities issued by highly-rated financial institutions. The risk with respect to loans and investments is managed by establishing limits on the amounts loaned to, or invested in, any one company.

### **Property and Equipment**

Property and equipment is stated at cost. The provision for depreciation is determined by the straight-line method to depreciate the cost of assets over their estimated useful lives. Expenditures for repairs and maintenance which do not extend the useful lives of the assets are charged to operations.

### **Revenues**

The Institute's programs are primarily funded by the State of Maine. This funding is to support operations and programs; 90% is required by legislation to support programs and 10% can be used for administration. The program support amounts received are classified as refundable advances until the related qualifying grants are made or expenses have been incurred to match other grants; the amounts used for administration of core programs are recognized as revenue upon receipt. The amounts used for administration of the MTAF are held as refundable advances until expended, as the money is required to be expended for MTAF administration only.

Certain grants awarded by the Institute have provisions requiring the recipient to make repayments to the Institute if certain conditions are met. The Institute classifies 80% of award repayments as refundable advances upon receipt; the remaining 20% are recognized as royalties revenue. When awards enter repayment status and notes receivable are signed or investments are made, the entire carrying balance of the note or investment is offset by refundable advances; when payments are received, 20% of the payments is recognized as royalties revenue. Refundable advances are reduced as additions to the allowances for loan losses and investment impairments are recorded. At the same time, program grant revenue is also recorded with an offsetting program grant expense. The amount of these expenses recognized during the years ended June 30, 2025 and 2024 was \$372,316 and \$1,111,926, respectively.

## MAINE TECHNOLOGY INSTITUTE

### Notes to Financial Statements

June 30, 2025 and 2024

The Institute has recognized \$204,312 and \$184,126 in 2025 and 2024, respectively, of revenue and expense for salary and benefits paid by the DECD.

The Institute considers State of Maine funding, grant income, and royalties to be operating revenues.

#### **Retirement Benefits**

The Institute sponsors an Internal Revenue Code (the Code) Section 401(k) defined contribution plan. Under the plan, retirement benefits are provided to substantially all employees who meet certain age and service requirements. Employee contributions are limited to the maximum yearly limit as determined by the Code or 100% of the employee's compensation. The Institute contributes 5% of gross salary. Employer contributions vest 100% to the employees immediately. Retirement expense was \$47,560 and \$52,575 for the years ended June 30, 2025 and 2024, respectively.

#### **Risk Management**

The Institute is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

#### **Income Taxes**

The Institute is exempt from taxation under Code Section 501(c)(3). Only unrelated business income, defined by Section 512(a)(1) of the Code, is subject to federal and state income tax.

#### **Subsequent Events**

Management has considered subsequent events occurring through October 27, 2025, the date the financial statements were available to be issued, and determined no additional adjustments or disclosures are required for the financial statements to be fairly stated.

#### **New Accounting Pronouncements**

As of June 30, 2025, the Institute adopted the GASB Statement No. 101, *Compensated Absences*. This statement provides guidance on updating the recognition and measurement for compensated absences. The Institute also adopted the GASB Statement No. 102, *Certain Risk Disclosures*. This statement provides guidance on disclosing risks related to a government's vulnerability arising from certain concentrations or constraints. The adoption of GASB Statement No. 101 and Statement No. 102 did not have a material impact on the Institute.

## MAINE TECHNOLOGY INSTITUTE

### Notes to Financial Statements

June 30, 2025 and 2024

#### 2. Cash and Cash Equivalents

Cash and cash equivalents, for account balances over \$10,000, are held in accounts covered under a deposit placement agreement. This arrangement allows the financial institution, acting as custodian and using a sub-custodian, to place amounts in excess of depository insurance limits in destination institutions to maximize depository coverage. The bank account balances are covered by depository insurance up to \$250,000 per bank at June 30, 2025 and 2024. The Institute's cash and cash equivalent accounts had bank balances of \$10,519,362 and \$16,680,696 at June 30, 2025 and 2024, respectively. The fiduciary fund's cash and cash equivalent accounts had bank balances of \$591,083 and \$707,101 at June 30, 2025 and 2024, respectively. Any balance in excess of depository insurance limits would be uncollateralized.

#### 3. Loans Receivable and Investments

The Institute's loans receivable and investments consisted of the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Loans receivable	\$ <b>15,934,196</b>	\$ 17,477,984
Investments in privately-held companies	<u>5,896,579</u>	<u>4,605,982</u>
	<b>21,830,775</b>	22,083,966
Allowance for loan losses and impairment	<u>(9,893,327)</u>	<u>(9,953,380)</u>
	<b>11,937,448</b>	12,130,586
Less current portion	<u>(904,358)</u>	<u>(1,599,959)</u>
	<u>\$ <b>11,033,090</b></u>	<u>\$ 10,530,627</u>

Loans receivable have a variety of terms and due dates based on the structure of the agreement and are generally collateralized by the general business assets of the borrower. Interest rates on loans receivable range from 5%-8%. The loans receivable and investments are held by the Institute; thus, there is no custodial credit risk.

#### 4. Board-Designated Net Position

The Institute's Board of Directors has designated \$900,000 of the unrestricted net position for the following three purposes:

1. One-time program investments, such as special studies and reports.
2. High-quality program award projects that would not otherwise be funded due to lack of funds (e.g., at the end of a fiscal year).
3. One-time infrastructure or capacity investments, such as data management systems.

**MAINE TECHNOLOGY INSTITUTE**

**Notes to Financial Statements**

**June 30, 2025 and 2024**

**5. Expenses**

Expenses are comprised of the following:

	<u>2025</u>	<u>2024</u>
Direct program services	\$ 28,818,805	\$ 21,044,277
General and administrative, including nonoperating expense	<u>1,332,968</u>	<u>1,118,517</u>
	<u>\$ 30,151,773</u>	<u>\$ 22,162,794</u>

**6. Liabilities**

*Other Liabilities*

The Institute leased office space under a lease with a one year term expiring September 30, 2023, with an option to renew annually for up to five years. The Institute renewed until July 31, 2024. Rent expense was calculated on a square footage basis, excluding certain occupancy charges. As of August 1, 2024, the Institute leased office space under a lease with month-to-month terms. In evaluating GASB Statement No. 87, *Leases*, the Institute evaluated lease terms in determining the value of the right-of-use asset and related liability to be recognized, which represents the noncancellable lease term plus any renewal period that is reasonably certain to be exercised. Rent expense under the lease was \$54,635 and \$37,827 in 2025 and 2024, respectively.

*Long-term liabilities*

Long-term liabilities activity for the year ended June 30, 2025 was as follows:

	<u>June 30,</u> <u>2024</u>		<u>Additions</u>		<u>Reductions</u>	<u>June 30,</u> <u>2025</u>	<u>Current</u> <u>Portion</u>
Refundable Advance	\$ 25,765,329	\$	-	\$	(7,541,967)	\$ 18,223,362	\$ 7,190,272
Subscription-based Lease Obligation	\$ 189,118	\$	-	\$	(92,444)	\$ 96,674	\$ 96,674

Long-term liabilities activity for the year ended June 30, 2024 was as follows:

	<u>June 30, 2023</u>		<u>Additions</u>		<u>Reductions</u>	<u>June 30, 2024</u>	<u>Current</u> <u>Portion</u>
Refundable Advance	\$ 19,320,077	\$	6,445,252	\$	-	\$ 25,765,329	\$ 15,234,702
Subscription-based Lease Obligation	\$ 268,695	\$	-	\$	(79,577)	\$ 189,118	\$ 92,444
Other liabilities	\$ 968	\$	-	\$	(968)	\$ -	\$ -

**MAINE TECHNOLOGY INSTITUTE**

**Notes to Financial Statements**

**June 30, 2025 and 2024**

**7. Grant Commitments**

The Institute recognizes a liability and corresponding expense for awards in the amount expected to be paid when awards are approved by the Board of Directors and awardees submit required documentation and incur costs under the awards. There were no awards payable at June 30, 2025 or 2024. Conditional awards approved by the Board of Directors are recorded when the recipient organizations meet the conditions of the awards.

The Institute had commitments to fund awards at June 30, if recipients meet certain milestones, as follows:

	<u>2025</u>	<u>2024</u>
Range 1	\$ 3,000	\$ 74,000
Range 2	115,000	82,000
Range 3	409,000	355,000
Range 4	955,000	1,450,000
Special Opportunity	-	1,000,000
Seed grants	8,000	8,000
TechStart grants	1,000	1,000
Development loan awards	322,000	322,000
Cluster initiative awards	19,000	85,000
Business Accelerator grants	8,000	8,000
	<u>\$ 1,840,000</u>	<u>\$ 3,385,000</u>

The Institute had approved awards to recipients pending executed award contracts at June 30 as follows:

	<u>2025</u>	<u>2024</u>
Range 1	\$ 25,500	\$ 25,500
Range 2	-	50,000
Range 3	150,000	250,000
Range 4	<u>850,000</u>	<u>-</u>
	<u>\$ 1,025,500</u>	<u>\$ 325,500</u>

**8. Contingencies**

The Institute is involved in potential investigations and claims arising in the normal course of business. Management estimates that any potential liabilities arising from these investigations and claims are within insurance coverage limits and the outcomes will be resolved without a material adverse effect on the Institution's financial position or results of operations. Management has not recorded any liabilities or insurance recovery receivables related to these investigations.

# MAINE TECHNOLOGY INSTITUTE

## Notes to Financial Statements

June 30, 2025 and 2024

### 9. Fiduciary Funds

The Institute holds the assets and has direct administrative involvement for two custodial fiduciary funds, MTAF and MMEJBF (collectively, the Funds). In November 2007, State of Maine voters approved a \$50 million bond issue for research, development, and commercialization of projects in certain technology sectors. These funds are administered and awarded by the Institute under a program called MTAF. In June 2010, voters approved an additional \$3 million under the program. The \$3 million bond fund was received in full during fiscal year 2015.

In June 2017, State of Maine voters approved another \$50 million bond issue for research, development, and commercialization equipment, infrastructure and technology upgrades to drive innovation and produce nationally and globally competitive products and services in Maine. The amount of \$45 million was earmarked for awards to be made by MTI. In 2018, the Institute launched the program (MTAF 2.0) and awarded the funds. In April of 2018, \$25 million in bond funds were received from the State of Maine, with the remainder to be transmitted at a later date.

During 2021, MMEJBF was funded after approval by voters to facilitate the growth of marine businesses and commercial enterprises. The significant accounting policies related to the Funds are outlined below.

#### *Basis of Accounting*

The Institute follows the accrual basis of accounting as set forth by GASB.

#### *Cash and Cash Equivalents*

All highly liquid savings deposits and investments with maturities of three months or less when purchased are considered to be cash equivalents. Cash and cash equivalents are held with banks as outlined in Note 1 for the Institute.

#### *Refundable Advances*

The fiduciary fund programs are funded by the State of Maine bond funds. The program support amounts received are classified as refundable advances until the related qualifying grants are made or expenses have been incurred to match other grants.

#### *Grant Commitments*

The Funds have commitments to fund awards at June 30, if recipients meet certain milestones, as follows:

	<u>2025</u>	<u>2024</u>
MTAF Awards	\$ 781,000	\$ 781,000
Marine Jobs Bond	<u>33,000</u>	<u>61,000</u>
	<u>\$ 814,000</u>	<u>\$ 842,000</u>

**MAINE TECHNOLOGY INSTITUTE**

**Notes to Financial Statements**

**June 30, 2025 and 2024**

**10. Subscription-Based Information Technology Arrangements (SBITA)**

The Institute entered into a three-year subscription-based lease, effective June 1, 2023.

The following table presents the lease related asset and liability as of June 30:

	<u>2025</u>	<u>2024</u>
Right-of-use asset	\$ 275,288	\$ 275,288
Accumulated amortization on right-of-use asset	<u>(191,179)</u>	<u>(91,756)</u>
Right-of-use asset, net	<u>\$ 84,109</u>	<u>\$ 183,532</u>
Lease obligation – current portion	\$ 96,674	\$ 92,444
Lease obligation – long-term portion	<u>-</u>	<u>96,674</u>
Total lease obligation	<u>\$ 96,674</u>	<u>\$ 189,118</u>

The following is a schedule by year of future minimum SBITA payments as of June 30, 2025:

<u>Year</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>
2026	\$ <u>96,674</u>	\$ -	\$ <u>96,674</u>
Total minimum lease payments	\$ <u>96,674</u>		\$ <u>96,674</u>

**11. Related Party Transactions**

The Institute provided donor-restricted grant support to two companies of which the Chief Executive Officer and Chief Development Officer serve on the Board of Directors of the Institute. Grants paid to these organizations, which are included in program services in the statements of revenues, expenses, and changes in net position, were \$1,754,628 for 2025 and \$1,484,214 for 2024, respectively. The Institute followed their Conflict of Interest policy when awarding these grants.

**SUPPLEMENTARY SCHEDULE**

**Schedule 1**

**MAINE TECHNOLOGY INSTITUTE**

**Statement of Activities**

**Year Ended June 30, 2025**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Expense and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants</u>	
Business-type activities	\$ 30,151,773	\$ 546,626	\$ 29,081,658	\$ (523,489)
Total	<u>\$ 30,151,773</u>	<u>\$ 546,626</u>	<u>\$ 29,081,658</u>	<u>(523,489)</u>
General revenues				
Unrestricted interest and investment earnings				<u>1,066,675</u>
Total general revenues				<u>1,066,675</u>
Change in net position				543,186
Net position, beginning of year				<u>3,076,913</u>
Net position, end of year				<u>\$ 3,620,099</u>

MTI is committed to serving the wide-ranging innovation needs of Maine businesses and entrepreneurs. MTI plans to continue as a leading-edge organization known throughout Maine as the driving force behind our state's thriving private-sector innovation economy. MTI is pleased to play a pivotal role in helping to bolster and support Maine's innovation economy and looks forward to building on past commitments and launching new initiatives to help foster a more robust economic climate across the state of Maine.



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