

Enviro signs HoA with DHF Development regarding one or more recycling plants in the Middle East

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

Scandinavian Enviro Systems (publ) ("Enviro") has signed a HoA (Heads of Agreement) with the German company DHF Development to facilitate the establishment of one or more recycling plants in The Middle East together with Industrial Development and Renovation Organisation of Iran (IDRO). The agreement is valid for a period of three months.

"We're getting closer to a partnership in the Middle East with IDRO. The dialogue has been ongoing for a year regarding a recycling plant in Iran. IDRO has now also shown interest in establishing plants in the neighbouring region," says Thomas Sörensson, Enviro CEO.

The financial partner of IDRO (www.idro.ir), as well as the signatory part, is DHF Development (www.dhf-dev.com). The ambition is to facilitate the establishment of one or more plants in the Middle East. The HoA is a non-binding letter of intent to define collaborative forms and project details over the next three months. There is the possibility of extension if needed. Construction capacity will be defined during the three-month period, with a volume of 30,000 tonnes up to 60,000 tonnes of tyres per year.

"Iran is a growing market for both vehicle- and tyre production, driven by the establishment of international companies in cooperation with local interests. This means that the need for a long-term and sustainable solution for the recovery of tyres and tyre materials increases," says Thomas Sörensson.

The delegation from Iran: Dr. Mansour Moazami, Chairman of IDRO & Deputy of Minister, Dr. Fardad Daliri, Senior Adviser IDRO, Dr. Ali Araqchi Director, General for International Affairs IDRO and S.M. Reza Adelli Managing Director of DHF Development.

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Enviro is an environmental technology company that offers profitable recycling of tyres and processed materials primarily for the rubber industry. The company sells turn-key environmental plants to industrial investors and operate their own plant for end-of-life tyres in Åsensbruk, Sweden. Enviro, headquartered in Gothenburg, was founded in 2001, has 20 employees, and is listed on the Nasdaq First North securities exchange with Mangold Fondkommission AB, tel. +46 (0)8 5030 1550, as its Certified Advisor. www.envirosystems.se



Thomas Sörensson, CEO Enviro, Reza Adelli, Managing Director of DHF Development and Stefan Tilk, Member of the Board Enviro.

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