

# Enviro only finalist in Chinese tender process

*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.*

**Today, Enviro was informed that it is the only final candidate in the tender process of a tyre-recycling plant for the Chinese tyre manufacturer Vanlead Group. The two parties have 30 days, from when the official tender certificate is issued, to agree on a final contract for the construction of a 30,000-tonne plant in Guangzhou, China. The order has a potential value of more than SEK 200 million.**

**'This proves the strong position of our technology in the international tyre-recycling market. Vanlead is one of China's largest, and one of the world's most progressive tyre producers, and has chosen Enviro's technology to integrate tyre recycling with their own tyre production', says Thomas Sörensson, CEO of Enviro.**

Enviro will commence final negotiations for a tyre-recycling plant in China, after being the only finalist in the mandatory tender process for state-owned companies. This was announced today by the neutral tender agency, Guangdong Province Electrical and Mechanical Equipment Tendering Co., Ltd. The tender decision was received today, the parties now have 30 days to agree on a final contract and the deadline commences when the official certificate is issued, a formality which is expected to take a couple of days.

'The plant will recycle 30,000 tonnes of end-of-life tyres and produce 9,000 tonnes of carbon black per year. The potential order value more than SEK 200 million, and the plant is scheduled for construction at Vanlead's industrial site in Guangzhou. As far as we know, the plant will be the first in the world of its kind to be owned and operated by a tyre producer with the purpose to recover carbon black for its own manufacturing process. China is the world's largest tyre market, and new, circular solutions for the handling of end-of-life tyres are a necessity, both environmentally and in terms of resources. Vanlead wants to be a leader in this development', says Thomas Sörensson.

Vanlead Group is a state-owned industrial enterprise based in Guangzhou. The group was founded in 2001 and in addition to tyre manufacturing, they are also specializing in the manufacturing of salt chemicals and fine chemicals. The company currently has two tyre factories in China, with an annual capacity of 16 million tyres, and plan to build another in the USA.

'Vanlead has chosen this strategy to show that it is possible to create a profitable circular economy with end-of-life tyres, while at the same time maintaining a high and stable quality in recovered materials such as carbon black. It is an important signal to the entire rubber industry that end-of-life tyres really are a resource for the tyre- and rubber production of the future', says Thomas Sörensson.

'We have delivered recovered, high-quality carbon black to Volvo for nearly two years, and shown that Enviro's technology is able to provide a high and stable quality to the rubber industry. Our

**Enviro is an environmental company** offering cost-effective recycling of tyres and processed material, primarily for the rubber industry. The company sells complete environmental plants to industrial investors, and also runs its own plant in Åsensbruk, Sweden, for tyres that have reached the end of their life cycle. Enviro, which has its headquarters in Gothenburg, was founded in 2001, employs 20 people, and is listed on Nasdaq First North, with Mangold Fondkommission, 08 5030 1550, as the Certified Adviser. [www.envirosystems.se](http://www.envirosystems.se)

primary focus now is to establish a first plant in China which will then open the door to additional plant sales all over the world', says Thomas Sörensson.

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*This information is the information that Scandinavian Enviro Systems AB (publ) is required to make public under the EU's Market Abuse Regulation. The information was submitted for publication by the above-mentioned contact person on 26 October 2017, at 15.20 CET.*