

## Enviro signs MoU for recycling plant with Chinese tyre manufacturer

The Chinese, state-owned Vanlead Group, Southern China's largest tyre manufacturer and a major international tyre industry player has signed a memorandum of understanding (MoU) with Enviro. The agreement is the first step in the process of creating a turn-key recycling plant in China – construction is slated to start in 2017.

**“Vanlead wants to take the initiative in the industry and use Enviro's reclaimed carbon black material in its tyre production on a massive scale. A first plant is currently on the drawing board. This plant will have the capacity to handle 30,000 tonnes of tyres every year and will supply Vanlead's various production units across China,”** says Enviro CEO Thomas Sörensson.

Enviro has signed an MoU with the Vanlead Group as a first step towards creating a new recycling facility in Guangdong in Southern China. The agreement is the outcome of positive results from demanding tests of rubber mixtures intended for tyres that the Vanlead Group performed on Enviro's materials over a period.

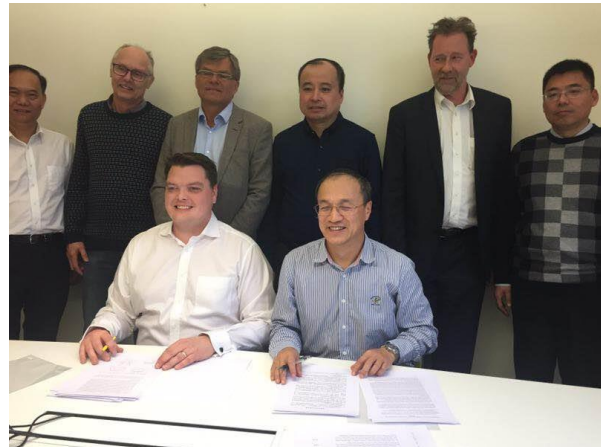
“The intention of both parties is to start building a turn-key recycling plant already in 2017. Our ambition is to conclude the negotiations over the summer. The plant will follow the basic design that we developed with ÅF and that is now ready,” Sörensson says.

“I'm convinced that Enviro's unique production technology for sustainable materials is the future for the tyre industry,” says Mr Fu Shoujie, Vanlead Group Chairman.

The Vanlead Group's activities span multiple business areas, where tyre production represents a strategic area both domestically and internationally. The company is one of the world's largest tyre manufacturers and exports tyres to both Europe, the United States, and other parts of the world. Enviro recently reported that yet another major, internationally leading tyre producer had achieved positive results from their tyre rubber materials tests.

“Lately, we've received positive feedback from several international tyre producers that have performed tests on our reclaimed carbon black material. China is the world's largest market for tyres, rubber, and carbon black; there is great awareness that raw materials are limited; and state-owned Vanlead is the first to exhibit this high level of ambition. These are all positive indicators,” says Sörensson, CEO of Enviro.

**Vanlead Group:** [http://www.vanlead.com/gw\\_en/](http://www.vanlead.com/gw_en/)



*Enviro's CEO Thomas Sörensson and Mr. Fu, Chairman of Vanlead Group signs MoU for a new recycling plant.*

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**For more information, please contact:**

Thomas Sörensson, CEO, Tel.: +46 (0)735-10 53 43, [thomas.sorensen@envirosystems.se](mailto:thomas.sorensen@envirosystems.se)  
Stig-Arne Blom, Board Chairman, Tel.: +46 (0)705-25 16 15, [stigarne@blom.pp.se](mailto:stigarne@blom.pp.se)

**Scandinavian Enviro Systems AB**

Regnbågsgatan 8C  
417 55 Gothenburg  
[info@envirosystems.se](mailto:info@envirosystems.se)  
[www.envirosystems.se/en/](http://www.envirosystems.se/en/)

*During the term of the above mentioned MOU, except for Scandinavian Enviro Systems, only Vanlead Group and Gudinna Investment Consulting has the authority to release news and information on behalf of Enviro regarding Enviro's affairs in China, this in accordance with agreements between Enviro and the parties.*

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**Enviro is an environmental company** that offers profitable recycling of tyres and processed materials primarily for the rubber industry. The company sells turn-key environmental facilities to industrial investors and operate their own plant for end-of-service 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](http://www.envirosystems.se)