



PRESS RELEASE, 2 July 2024

MTI Investment AB Announces Zanrec's Strategic Pivot to Plastic Recycling in Zanzibar

Danderyd, Sweden – MTI Investment SE (ticker: MTI) announces a strategic move for its portfolio company, Zanrec Plastic Company Limited. Zanrec is transitioning from waste collection to plastic recycling by launching a state-of-the-art recycling facility in Zanzibar, supported by an initial investment of USD 55,000. This move underscores our commitment to sustainability and innovation in addressing the global plastic waste crisis, transforming waste into valuable products, and meeting the growing demand for sustainable materials. The USD 55,000 investment will enable Zanrec to introduce advanced recycling technologies and significantly expand its operations.

- **Strategic Pivot to Recycling:** Zanrec is shifting from waste collection to plastic recycling, addressing Tanzania's acute plastic waste problem with advanced technologies.
- **Innovative Facility:** The new USD 55,000 facility will produce high-quality plastic flakes for packaging and textiles and durable plastic poles for construction and other uses.
- **Market Demand and Growth:** Zanrec aims to meet local and international demand, particularly in the tourism and construction sectors, backed by strong financial projections and expected multifold revenue growth.

From Waste Collection to Plastic Recycling

Recognizing the acute plastic waste problem and limited recycling infrastructure in Tanzania, Zanrec is shifting its focus from mere waste collection to advanced plastic recycling. This strategic pivot will enable us to transform plastic waste into valuable, eco-friendly products, thus addressing environmental challenges more effectively.



The new recycling facility will leverage two cutting-edge technologies, thereby adding more sources of revenue to Zanrec:

1. **Plastic Flake Production:** Producing high-quality plastic flakes for the packaging and textile industries.
2. **Durable Plastic Pole Manufacturing:** Creating durable plastic poles suitable for construction, fencing, and furniture applications.

Meeting Market Demands

Zanrec is poised to meet the growing demand for sustainable and recycled products both locally and internationally. Our primary target markets include the tourism sector, where we will supply eco-friendly plastic timbers to hotels, resorts, and lodges in Zanzibar and mainland Tanzania. The construction and infrastructure sectors will also benefit from our durable plastic poles.

Zanrec CEO's Vision

Noah Amri Mwakanyamale, CEO of Zanrec, shared his vision: *"This strategic pivot represents a significant milestone for Zanrec which includes a diversification of our revenue stream while continuing our waste collection. By transitioning from waste collection to advanced recycling technologies, we are addressing the critical issue of plastic waste while creating valuable products that support both the local and global economy. Our commitment to sustainability and innovation is unwavering, and we are excited about the positive impact this facility will have on the environment and our business."*

Strengthening of company's operations

Zanrec's expansion is backed by confidence in multifold growth of revenues with the setting up of the productions units, contributing to improved financial health.

MTI Investment AB's Support

Pontus Engström, CEO of MTI Investment AB, states: *"We are proud to support Zanrec's strategic pivot. This project represents a unique opportunity to contribute to a cleaner environment while generating significant financial returns. We are confident that this investment will position Zanrec as a leader in the sustainable plastics recycling industry in the region, and also complements the recently awarded [major NORAD grant with a focus on marine litter.](#)"*

For additional information

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About MTI Investment AB

MTI operates at the intersection of venture capital and impact investing. Our goal is to become a leading investment company active in one of the foremost growth markets in the world, East Africa. With a diversified team rooted in both the Nordic region and East Africa, we have forged a unique position with capital and expertise from the Nordics, and a strong network and trust capital from local entrepreneurs in Africa. Founded in the Nordic financial industry, backed by capital-rich and experienced investors, as well as foundations owned by industrial families, MTI Investment brings significant competitive advantages to portfolio companies, sustainable transformation in the region, and high returns to our investors.

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

Certified Adviser to MTI Investment is Mangold Fondkommission AB.

Read more on: www.mti-investment.com