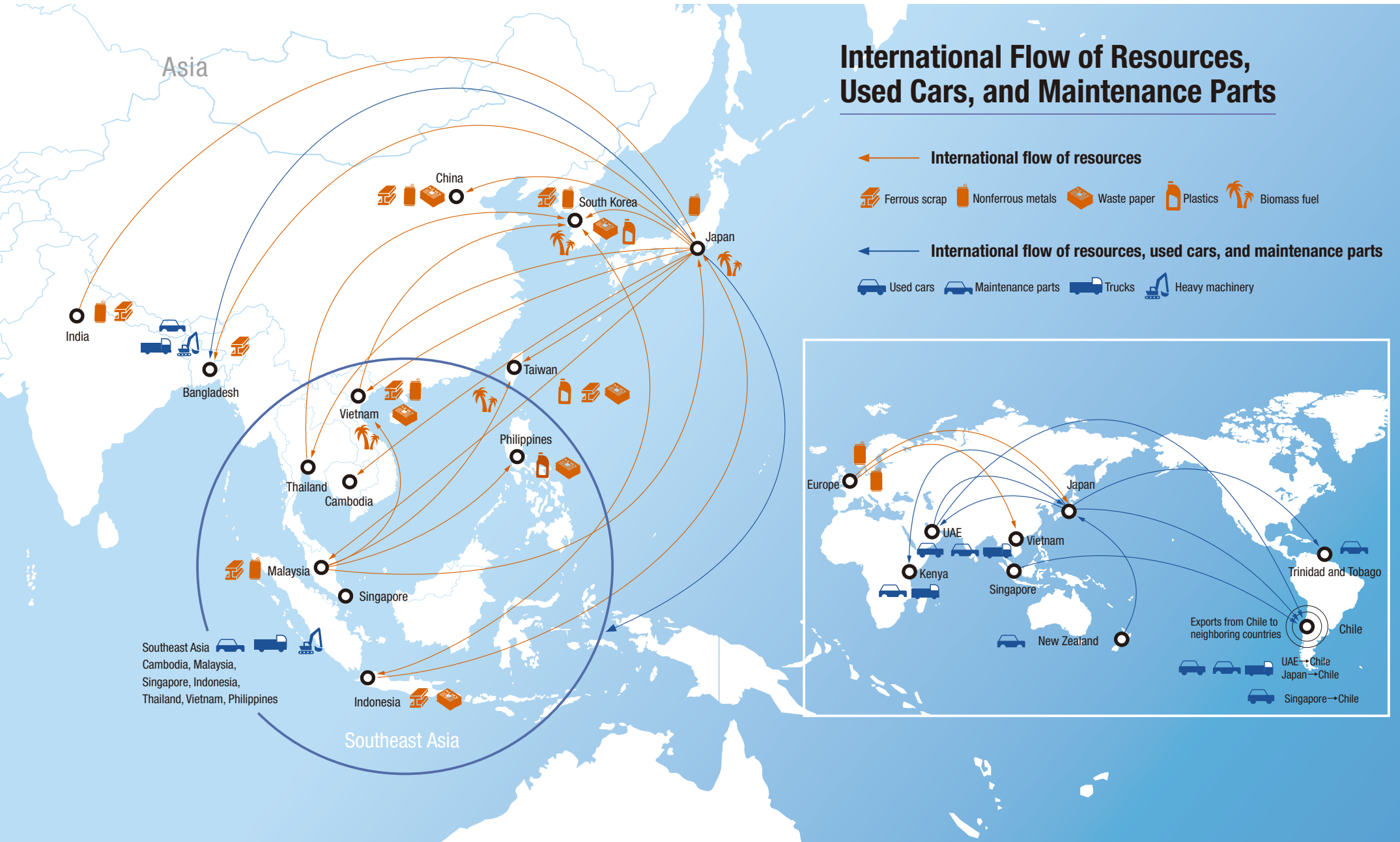


Global Trading Business





Business

- Import/export of recycled resources (ferrous scrap and nonferrous metals, gold, silver, and copper sediment sludge, waste paper, used clothes)
- Export and sale of miscellaneous items
- Import and sale of biomass fuel

For more detailed company information



Value & Vision

Contributing to Global Resource Recycling by Helping the Group Expand its Overseas Business

NEWSCON functions as an overseas antenna for the ENVIPRO Group. The company helps the Group optimize the recycling of resources by facilitating the global flow of recycled resources such as ferrous scrap, nonferrous metals, waste paper, and used clothes produced and collected within and outside the Group.

Domestic and Overseas Sales of Ferrous Scrap, Which Is Used in Steelmaking

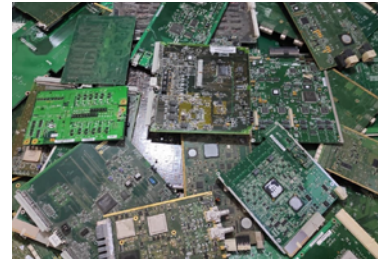
Ferrous scrap is an important recycled resource in Japan, which is poor in natural resources. The global trend toward decarbonization is leading to plans to expand electric furnaces that melt ferrous scrap. This approach is said to generate less CO₂ than blast furnaces that use iron ore and coal. Demand for ferrous scrap is thus slated to increase. NEWSCON conducts quality control in accordance with customer needs and sells ferrous scrap to (blast furnace and electric furnace) steelmakers in Japan and overseas. In response to the growing demand for steel in Vietnam and other countries in Southeast and Southwest Asia, we have established new and expanded collection bases in Japan to increase the amount of steel we can collect. The company has earned plaudits for its quality control and delivery system, which have helped it to sustain long-term contracts. In addition, as transportation logistics grow more diverse, we have been making active use of bulk shipping (small and large vessels) and container transportation to sell iron and steel resources on a global scale.



Ferrous scrap

Processing and Supply of Nonferrous Metals

NEWSCON processes and supplies a variety of nonferrous scrap that has been shredded and sorted by ENVIPRO Group and domestic waste disposal companies to meet the needs of domestic and international customers. NEWSCON also uses its domestic yards and overseas network to efficiently collect and supply various types of nonferrous scrap. The company is working to expand global resource recycling by importing e-scrap (such as circuit boards and gold, silver, and copper sediment sludge) from Europe and selling it to third countries.



E-scrap (waste circuit boards)

International Flow of Waste paper, Used Clothes, and Other Recycled Goods

The company exports waste paper (as a raw material for papermaking) and used clothes (reused commercial materials). We have dedicated warehouses for waste paper in the city of Niigata and in Imari, Saga Prefecture. From these locations, we provide fine-grained export services starting with small lots. The company is also addressing the growing cross-border market for



Waste paper



e-commerce, selling Japanese apparel and general merchandise such as hygienic products. Recently, we have expanded sales channels into Taiwan and Vietnam and other countries. In addition, the company is actively engaged in the distribution of recycled resources, including waste plastics, both in Japan and overseas.



Rubber tubes (raw materials for recycled rubber)

International Trade in Biomass Fuel

The company deals in palm kernel shells (PKS), which it sells mainly in Japan as fuel for biomass power plants. PKS have been gaining attention as a renewable fuel. Going forward, in addition to PKS the company plans to expand its product line to include wood pellets, new fuels and others.



NEWSCON Inc.

Business

- Import/export of recycled resources (ferrous scrap and nonferrous metals, gold, silver, and copper sediment sludge, waste paper, used clothes)
- Export and sale of miscellaneous items
- Import and sale of biomass fuel

For more detailed company information



Ferrous scrap:
504,000 tons

Nonferrous metals:
13,000 tons



Export Volume in the Year ended June 2022



Biomass fuel:
9,000 tons



Waste paper:
8,000 tons



Used clothes:
2,000 tons

Invigorating Global Business

NEWSCON Inc. is responsible for developing new cross-border and overseas business for the ENVIPRO Group. Currently, we are strengthening trilateral trade that bridges the European and Asian markets. We are also developing bases to collect the recycled resources generated from electronic devices and EVs, which are increasing in number as electrification progresses. The company is also promoting collaboration and synergy with various scrap processors, manufacturers, and other suppliers.

In line with the Group's strategy, NEWSCON is constantly seeking out new ways to optimize the reuse of energy and resources through business investments and partnerships with other companies in the industry, generating value from the recycling of goods. Invoking the Japanese concept of "mottainai" (which encourages us not to unnecessarily waste materials, and to recycle products wherever possible), we recycle used products through the ENVIPRO Group network. By finding recycling contact points



that invigorate the industry, we will contribute to the realization of a more sustainable world.

Introducing Our Overseas Bases

NEWSCON Vietnam Representative Office

Recycling requires overseas involvement. Recycled resources from Japan are circulated around with the world. As Japan is unable to fully absorb the recycled resources it generates, these resources are passed on to customers overseas, where the raw materials gain a new lease on life.

The company delivers such valuable resources to people around the world who need them, when they need them. For example, ferrous scrap is an important recycled resource. This scrap is exported to Vietnam and used by local steelmakers, where it is transformed into new steel products. In addition to ferrous scrap, the



NEWSCON Vietnam Representative Office

company provides nonferrous metals, waste paper, plastics, and various other Japanese recyclable resources to recipients overseas. The company established a representative office in Ho Chi Minh City in 2015 to meet the needs of the times, and the volume handled in Vietnam has grown steadily. To meet the needs of our customers, in addition to Japan we aim to export to Vietnam from Europe, North America, and a wide range of other regions.

NEWSCON Europe Representative Office

Our representative office in the United Kingdom collects and sells nonferrous metals, precious and other mixed metals, and electronic circuit boards. Resources collected in Europe are sold to customers within Europe and in Asia. We are expanding our lineup of products and cultivating new customers and distributors. The European Representative Office collects, analyzes and disseminates to the ENVIPRO Group and its stakeholders information on European environmental policies, recycling business models, and various decarbonization-related topics, as well as on trading activities. We are also working to implement our medium- to long-term business strategy of collaborating with recycling and environmental businesses in Europe.



NEWSCON Europe Representative Office

Comment

NEWSCON, leading "One Envi"

Hideki Yoshimi, Representative Director NEWSCON Inc.

We serve as an antenna for the ENVIPRO Group and a bridgehead for its overseas strategy. The global trend toward carbon neutrality is leading to the rise of resource nationalism, and lifestyles are changing as a result of the COVID-19 pandemic. As a result, we may find ourselves in a world where conventional wisdom no longer applies. In preparation for the new status quo, the ENVIPRO Group hopes to help realize a sustainable society by building recycling schemes that match the right people and the right places, leveraging a recycling network with a global perspective.





3WM Co., Ltd.

Business

- Export of and trilateral trade in used cars, trucks, heavy machinery, and maintenance parts
- Logistics agency business

For more detailed company information



Value & Vision

Transnational recycling of resources through reuse of used cars, heavy equipment, and maintenance parts

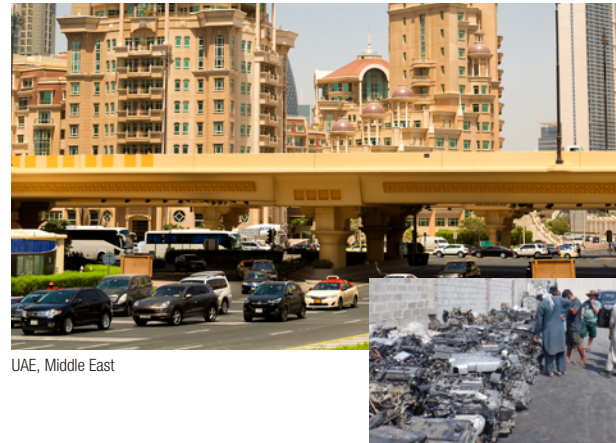
We supply high-quality Japanese used cars and maintenance parts to the world through our overseas bases in the UAE and Chile. The company also promotes the reuse of used cars and maintenance parts on a global scale through the trilateral distribution of used maintenance parts.

International Distribution of Used Cars and Maintenance Parts

The corporate mission of 3WM Co., Ltd. is to “provide things that people consider unnecessary to the people who need them.” Under this mantra, 3WM sends used cars, auto parts, trucks, and heavy equipment from Japan and overseas locations to countries in need. The recycling rate has been increasing in recent years, but a first step toward reducing environmental impact is to reuse items that still have a useful life.

Electric and hybrid vehicles that feature low environmental impact are becoming increasingly popular. Even so, gasoline and diesel vehicles are still the mainstream in many countries where suitable infrastructure is not yet in place. Japanese cars are particularly popular around the world because of their high durability and environmental performance. Even though cars are an essential part of daily life and logistics for many, high prices make it difficult to purchase new vehicles in many countries.

We help improve people's lives by providing usable vehicles to such countries at low prices.



UAE, Middle East



Chile, South America

we have also begun removing and reexporting maintenance parts from cars that started out in Japan and were later exported and spent the remainder of their useful life in other countries.

As the quantity of used maintenance parts generated in Japan is expected to decrease, we will focus on this trilateral distribution.

In particular, we are working to export parts to Latin America from New Zealand, Australia, Singapore, Chile, and other countries.

We also have overseas subsidiaries in the UAE and Chile. Although the hurdles to overseas expansion are high, we did so ahead of our competitors, and we are developing our business by working directly with local people.

By expanding into overseas markets directly, we have cleared the first barrier to trade—earning trust—and created an environment that makes it easier for customers to buy from us.

Focusing on the Trilateral Distribution of Reused Maintenance Parts

In the past, the company mainly exported items from Japan. More recently,



Expanding the still usable to the world

Mototsugu Kuze, Representative Director 3WM Co., Ltd.

Worldwide, EV sales are growing due to expectations of lower environmental impact. However, demand remains strong for vehicles with internal combustion engines in developing countries with underdeveloped infrastructures.

We use our proprietary technology to sort engines removed from end-of-life vehicles in countries around the world and redistribute them as usable products in countries where they are still needed.

We play a role in realizing a sustainable society by recycling end-of-life vehicles. In addition, we help reduce environmental impact and promote economic development other countries through our reuse business, through which we distribute maintenance parts that can still be used.

