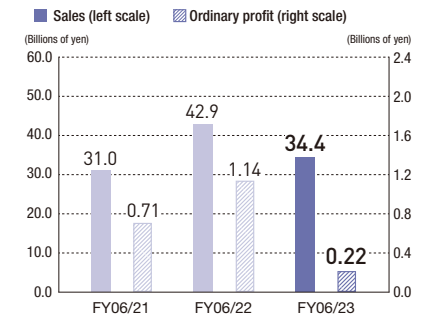




Global Trading Business

The push for carbon neutrality has been gaining momentum, both in Japan and overseas.

The ENVIPRO Group aims to deliver recycled resources in the most optimal manner to the countries that need them. Going forward, we will increase our handling volume of ferrous and non-ferrous metals and explore new products, thereby expanding the circular economy worldwide.



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 coke. Demand for ferrous scrap is thus slated to increase. NEWSCON Inc. 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 ferrous scrap on a global scale.



Ferrous scrap

Processing and Supply of Nonferrous Metal Scrap

NEWSCON processes and supplies a variety of nonferrous scrap that has been shredded and sorted by the ENVIPRO Group and domestic waste disposal companies to meet the needs of domestic and international customers. In August 2023, we commenced operations at a branch in the Netherlands, using it as a base for export-import and trilateral trade between Europe and Asia. Through



Aluminum shredder scrap

these activities, we aim to expand our overseas network and promote the global circulation of recycled resources, actively contributing to global efforts towards a low-carbon society.

International Flow of Waste Paper, Used Clothes, Rubber, 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. Since fiscal 2022, in addition to waste plastics, we have also begun handling recycled rubber raw materials, importing and selling rubber tubes and selling non-vulcanized rubber in Japan and overseas.



Waste paper



Used clothes



Rubber tubes



PET flakes

Promotion of New Business and the Discovery of New Commercial Products

We are actively engaged in discovering new products with a focus on the keyword "recycling" and developing new businesses with partners nationwide. In addition to having expertise in handling palm kernel shells (PKS) and wood pellets, which fuel biomass power plants, we handle difficult-to-process scrap and other materials.

Interviews at Overseas Bases

NEWSCON Inc., which creates new business opportunities on the global stage, commenced operations at a new branch in the Netherlands in August 2023.

Below are messages from the representatives of our three overseas locations, including existing offices in Vietnam and the United Kingdom.



Branch in the Netherlands

Interview 01 Branch in the Netherlands

NEWSCON Inc. is expanding its recycling activities worldwide. Recently, we have been collaborating with recyclers in Europe, and we continue to maintain those partnerships. August 2023 marked the establishment of NEWSCON Netherlands in Rotterdam, bringing us closer to our recycling partners in Europe. Leveraging our over 73 years of expertise in recycling and strong customer relationships throughout Asia, we aim to be a reliable partner for sustainable raw materials in Europe.

We are prepared to address the increasing demand for the recycling of e-waste, batteries, and metals, driven by the digital transformation and the widespread adoption of electric vehicles.

Our mission is to expand the circularity of reusable materials in Europe through collaborative partnerships, supported by specialized knowledge in recycling and innovative solutions. We invite you to join us on this journey towards a carbon-neutral society.



George Harris
Deputy General Manager,
Recycling Raw Materials
Division
General Manager, Global
Business Development Division
General Manager, NEWSCON
Netherlands

Interview 02 Vietnam Representative Office

I feel that the recycling expertise and technologies developed in Japan are now needed in Vietnam, as the country has been rapidly establishing environmental laws and systems, including the implementation of a new environmental law starting in 2022. Companies are beginning to work earnestly toward achieving these goals.

Amid a changing environment, we are no longer seeing Vietnam merely as the endpoint for Japan's resource circulation but also as a starting point to establish environmental businesses. Going forward, we aim to become more deeply involved in Vietnam by actively collaborating with local companies.



Shinji Imabayashi
Branch Manager, Vietnam
Representative Office

Interview 03 UK Representative Office

The UK Representative Office supports the collection and sales of mixed metals, including non-ferrous and precious metals, as well as electronic substrates handled by NEWSCON. In addition to the trading business, the office also collects, analyzes, and disseminates various information related to European environmental policies, recycling technologies, recycling business models, and decarbonization. The office is working to collaborate with recycling companies and environment-related businesses in Europe and implementing medium- to long-term business strategies.



Shinobu Tachibana
Branch Manager, UK
Representative Office

The New Cyterrace Commences Operation

September 2022 marked the establishment of Cyterrace Co., Ltd. The new company took over the logistics agency business from 3WM Co., Ltd., which spearheads the reuse of used automobiles and parts. Below is a message from Kenro Suzuki, the new company's president.



We were spun off from ENVIPRO Group company 3WM in September 2022 and established as a specialized logistics company. We began operations in January 2023. We handle a wide range of import and export cargoes across various industries, with a particular focus on logistics arrangements for the export of reusable products such as used cars and used parts. We deliver cargoes to destinations worldwide, including Dubai in the Middle East and various countries in Africa.



In this regard, our company embraces the "one-stop logistics service" approach. We offer comprehensive services spanning customs clearance and export procedures to container booking, land transportation arrangements, vehicle management at the receiving yard, and container bundling. For the export of vehicles and parts, we leverage our extensive experience to arrange the best transportation methods and deliver items to the desired port quickly and cost-effectively. With our unique network service that covers every corner of Japan and the world, we prioritize the desires and sensibilities of our customers, ensuring reliable delivery to our customers across the seas. We have earned plaudits from numerous customers for the dedicated plans we offer in such reuse industry categories as used cars and parts, and for the provision of services tailored to their specific needs and circumstances.

In addition, we have obtained a customs clearance license from Yokohama Customs starting from July 2023 and have begun in-house customs clearance operations. This allows us to not only broaden our range of services but also to directly reflect customer feedback in our business, enabling us to further improve our services.

Looking ahead, we plan to establish a branch in Dubai, United Arab Emirates, in 2024. Dubai serves as a hub port connecting Asia, Africa, and Europe, and our goal is to handle not only import procedures for cargo from Japan and re-export procedures to third countries but also to handle the arrangement of cargoes from around the world.



Kenro Suzuki
President, Cyterrace Co., Ltd.