

Overview of the Daiseki Group's Performance

Plasterboard Recycling Business

Business description	<ul style="list-style-type: none"> ● Promotion of recycling of waste plasterboard through an integrated system from discharge to intermediate treatment and delivery to manufacturers ● Manufacture of soil solidifiers using recycled gypsum powder
Review of FY2024	<ul style="list-style-type: none"> ● Net sales and profits remained steady
Basic strategy	<ul style="list-style-type: none"> ● Establish low-cost and reliable recycling routes, produce high-quality recycled raw materials, observe compliance, and take advantage of one of the largest waste plasterboard recycling facilities in Japan and good access
Market Environment	<ul style="list-style-type: none"> ● Waste plasterboard emissions expected to continue to increase ● Decreased generation of desulfurized gypsum due to a decrease in thermal power plants. Increased need for recycled gypsum powder from waste plasterboard

	Positive factors	Negative factors
Internal factors	<p>Strength</p> <ul style="list-style-type: none"> ● High recycling rate ● A consortium formed through joint investment by the Company, a major general contractor, and a plasterboard manufacturer has formed a large resource recycling system 	<p>Weakness</p> <ul style="list-style-type: none"> ● Loss of opportunity to expand scale of business due to limited processing capacity ● Need to improve working environment such as dust control in factories to secure human resources
External factors	<p>Opportunity</p> <ul style="list-style-type: none"> ● Rising prices of cement modifiers due to rising prices of raw materials for cement and growing needs for soil solidifiers using waste gypsum powder ● Increase in the volume of received by plasterboard manufacturers 	<p>Threat</p> <ul style="list-style-type: none"> ● Soaring labor and utility costs, rising cement material prices ● Limited area for plant expansion due to distance of delivery to plasterboard manufacturers

Future growth strategies	<ul style="list-style-type: none"> ● Green Arrows Chubu is considering establishing a new plant to expand its business, despite fluctuations in the construction market ● Green Arrows Kyushu aims to further expand its market share in Kyushu, Chugoku, and Shikoku by implementing initiatives for processing difficult-to-process materials to differentiate itself from its competitors
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