

Other Resources Recycling Business

Business description	<ul style="list-style-type: none"> ● Collection and transportation of general waste, collection, transportation, and disposal of industrial waste such as waste plastics, collection of used paper and cardboard, utilization of waste cooking oil, and manufacturing and sales of biodiesel fuel
Review of FY2024	<ul style="list-style-type: none"> ● Although the initial acceptance of industrial waste including waste plastics was suspended by factories conducting maintenance work, other businesses such as recycled paper and PET bottle recycling and the contract repair business remained strong ● Volume of biodiesel fuel production fell short of the plan due to insufficient acquisition of waste cooking oil as a raw material and lack of development of new customers to ship products to
Basic strategy	<ul style="list-style-type: none"> ● Contribute to resource conservation, waste reduction, air pollution prevention, and global warming prevention through recycling by engaging in energy and resource conservation activities as a recycler and processor ● Diversify waste cooking oil acquisition channels and increase biodiesel fuel production volume to reduce CO₂ emissions separately from SAF (Sustainable Aviation Fuel) use
Market Environment	<ul style="list-style-type: none"> ● Growth of needs for waste plastic recycling due to the new Act on Promotion of Resource Circulation for Plastics, etc. ● Decrease in the market for recovered paper ● Increase in the number of SAF production facilities and expansion of sales channels through development of biodiesel fuel applications

	Positive factors	Negative factors
Internal factors	<p>Strength</p> <ul style="list-style-type: none"> ● Synergies from cooperation with the Daiseiki Group ● Cooperation with general retailers for collection, transportation, and processing ● Product quality control 	<p>Weakness</p> <ul style="list-style-type: none"> ● Loss of opportunity to expand scale of business due to limited waste plastic processing capacity ● Difficulties in continuing the transportation business due to lack of drivers
External factors	<p>Opportunity</p> <ul style="list-style-type: none"> ● Growth of needs for waste plastic recycling due to the new Act on Promotion of Resource Circulation for Plastics, etc. ● Promotion of fuel conversion to reduce CO₂ emissions 	<p>Threat</p> <ul style="list-style-type: none"> ● Contraction in the market for recovered paper due to non-use of paper by ICT ● Decrease in general waste emissions and collection and transportation due to population decline ● Emerging SAF alliances are expanding the acquisition of waste cooking oil

Future growth strategies	<ul style="list-style-type: none"> ● Considering adding more shredders and compressors to increase the processing capacity of the industrial waste treatment plant handling waste plastics. We aim to improve efficiency by coordinating with partner companies to consolidate and modify collection routes to address the driver shortage in collection and transportation ● We will increase the production and sales of high-quality biodiesel fuel, and contribute to CO₂ reduction for companies by utilizing existing internal combustion engines
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