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May 15, 2024

To whom it may concern,

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Representative: Representative Director, President/CEO
Tomikazu Sano
(Securities code: 5698, TSE Prime Market)
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**Business Briefing Material on Reorganization of Consolidated Subsidiaries
(Merger between Wholly Owned Subsidiaries)**

As announced in the "Notice of Reorganization of Consolidated Subsidiaries (Merger between Wholly Owned Subsidiaries)" dated April 12, 2024, Envipro Holdings, Inc. (hereafter, the "Company") is scheduled to implement an absorption-type merger wherein ECONECOL Inc. (Head Office: Fujinomiya, Shizuoka Prefecture; President/CEO: Fumikatsu Sano), which is a consolidated subsidiary of the Company, is to be the surviving company and KURODA Recycle Co., Ltd. (Head Office: Hakodate, Hokkaido; President & Representative Director: Koji Nara) and SYN ECO Inc. (Head Office: Matsumoto, Nagano Prefecture; President & Representative Director: Shigeto Komatsu), which are also consolidated subsidiaries of the Company, are to be the absorbed companies, and to implement an absorption-type merger wherein NITTO KAKO CO., LTD. (Head Office: Samukawa-machi, Koza-gun, Kanagawa Prefecture; President & Representative Director: Kozo Haruyama), which is a consolidated subsidiary of the Company, is to be the surviving company and TOYO RUBBER CHIP Co., Ltd (Head Office: Maebashi, Gunma Prefecture; President & Representative Director: Kozo Haruyama), which is also a consolidated subsidiary of the Company, is to be the absorbed company. The effective date of both mergers is to be July 1, 2024.

We hereby provide the attached "Business Briefing Material on Group Reorganization" which describes the outline of the reorganization.

Attachment: Business Briefing Material on Group Reorganization

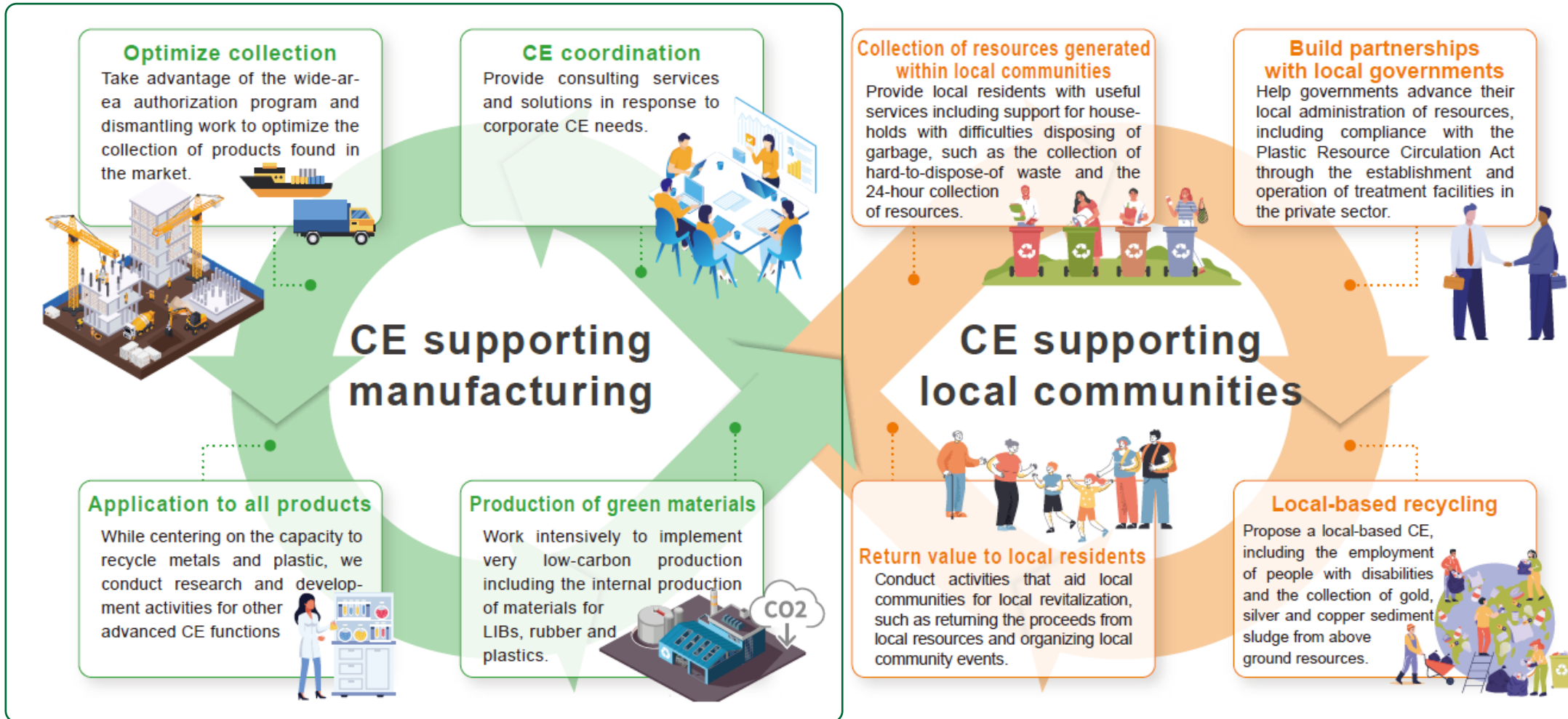
Business Briefing Material on Group Reorganization

~ Strategies to Promote the Circular Economy (CE) Business ~

May 15, 2024

Strategy Concept ► **Lead a circular economy**

Achieve a number of specific examples of “CE supporting manufacturing” and “CE supporting local communities” ahead of competitors. Take the initiative to increase the momentum of the circular economy across the country and contribute to a sustainable society.



► **Promotion of "CE supporting manufacturing" through integration and reorganization**

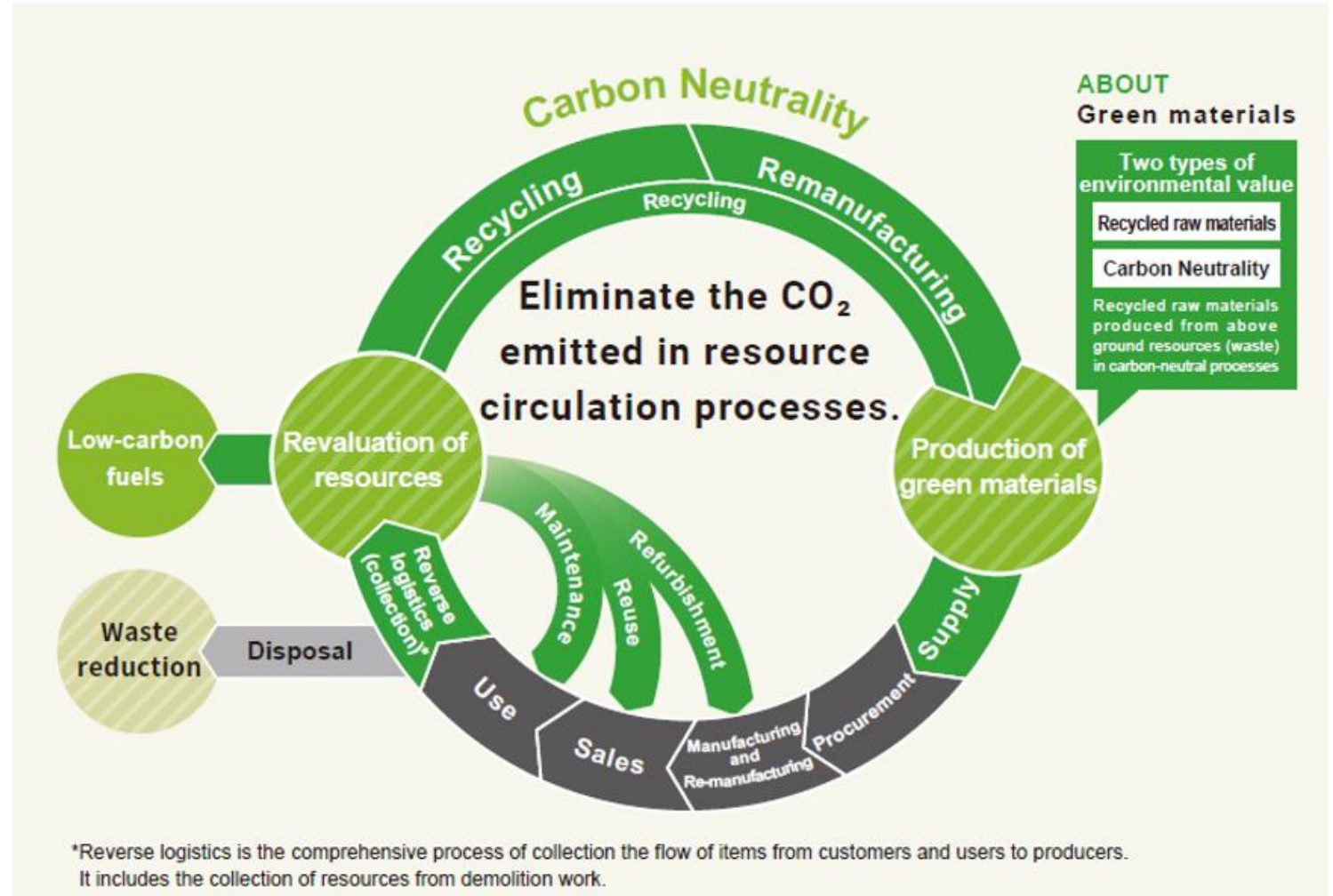
CE Supporting Manufacturing

Transformation into a manufacturer of recycled materials obtained from aboveground resources through low-carbon processes (QCDC)

Manufacturer of Recycled Materials

- Q (quality)
- C (cost)
- D (delivery time) and
- C (carbon neutrality)

We aim to establish a high standard manufacturing process that reflects these factors.



Produce recycled materials of the quality required by manufacturers, etc. for the following target materials

Base metal

Fe Al Cu

Ferrous, Aluminum, Copper

Precious metal

Au Ag Pt Pd

Gold, silver, platinum, palladium

Minor metal

Li Ni Co

Lithium, Nickel, Cobalt

Rare Earth

Nd Dy

Neodymium, Dysprosium

Polymer

C

Plastics, Rubber

- | | | | | | |
|--------------|--|---|---|--|--|
| Our Business | <ul style="list-style-type: none"> ■ Ferrous and nonferrous metals CE ■ Small home appliances and home appliances CE ■ Dismantling CE | <ul style="list-style-type: none"> ■ Collection of gold, silver and copper sediment sludge from incineration ash ■ Electrical and electronic equipment CE | <ul style="list-style-type: none"> ■ LIB to LIB (Lithium-ion battery CE) | <ul style="list-style-type: none"> ■ Wind power generation motors CE ■ High magnetic motors CE | <ul style="list-style-type: none"> ■ Tire to Tire (Tire CE) ■ Rubber CE ■ Plastics CE |
|--------------|--|---|---|--|--|

Home appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cars	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Incineration ash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Semi-conductors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Packaging materials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Building materials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resources Circulation Business



- Metal and waste recycling
- Small home appliances and home appliances CE
- Electrical and electronic equipment CE



- Collection of gold, silver and copper sediment sludge from incineration ash
- Production of low-carbon fuels (RPF)



- Wind power generation motors CE
- High magnetic motors CE



- Circulation of Local Resources

NITTO KAKO CO., LTD.
日東化工



- Manufacture of polymer products
- Plastics CE



- Tire to Tire
- Rubber CE



- Polymer Circular Lab

ECODEMO Inc.



- Cleanup and Dismantling
- Dismantling CE



Lithium-ion Battery Recycling Business

VOLTA



- LIB to LIB
(Lithium-ion battery CE)



- Recycling of electrode materials and battery cases



Global Trading Business

NEWSON



- International Distribution of Resources



- Logistics agency services



Environment management consulting Business

Bi Bright Innovation



- Consulting for carbon neutrality and circular economy

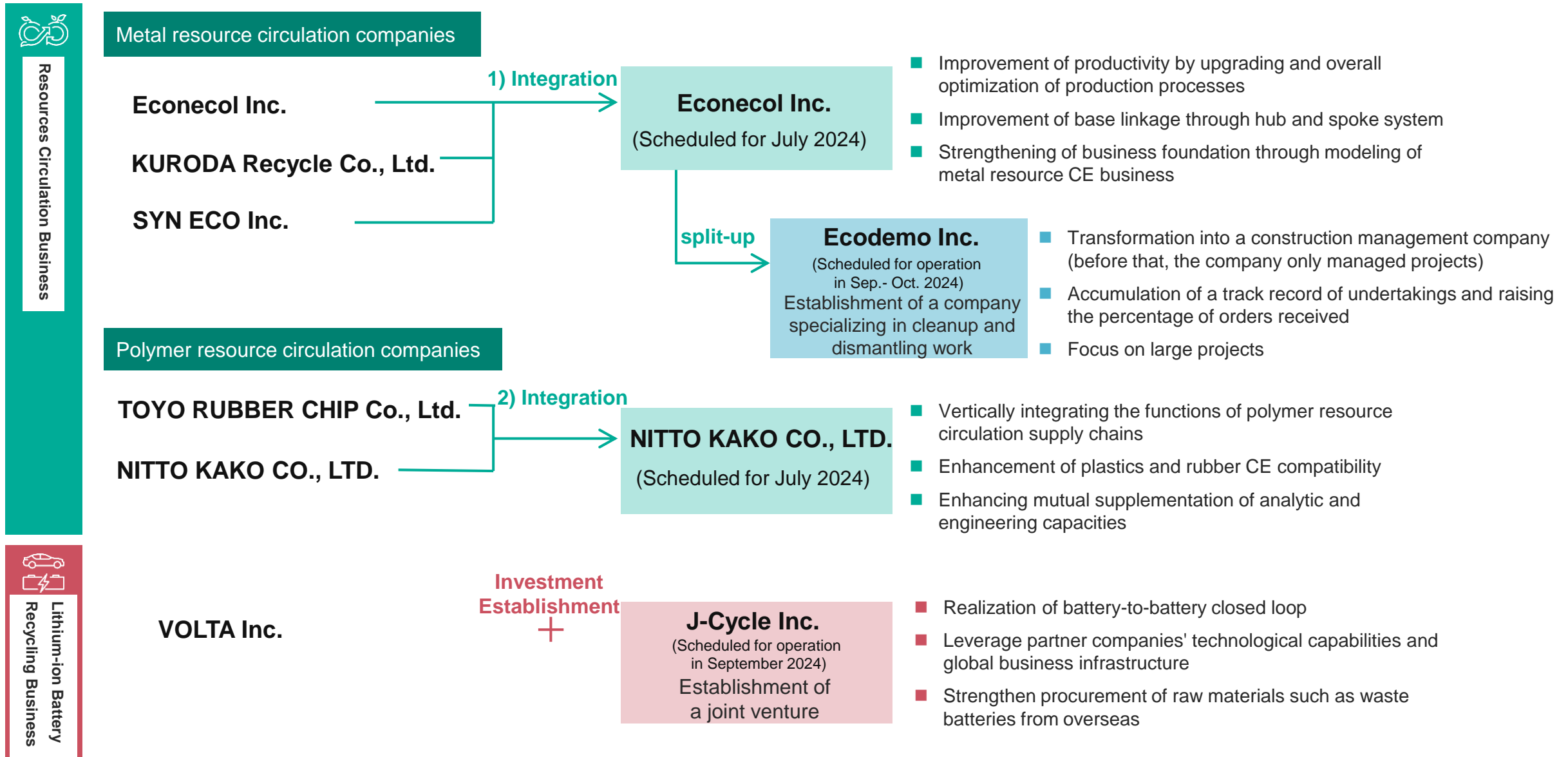


Welfare Service Business for People with Disabilities

As toco
明日が「かがやく」ところをつくる



- Cooperation between environment and welfare
(Welfare Service Business for People with Disabilities)



Reorganization ▶ ① Integration of three metal resource circulation companies

Econecol Inc.

KURODA Recycle Co., Ltd.

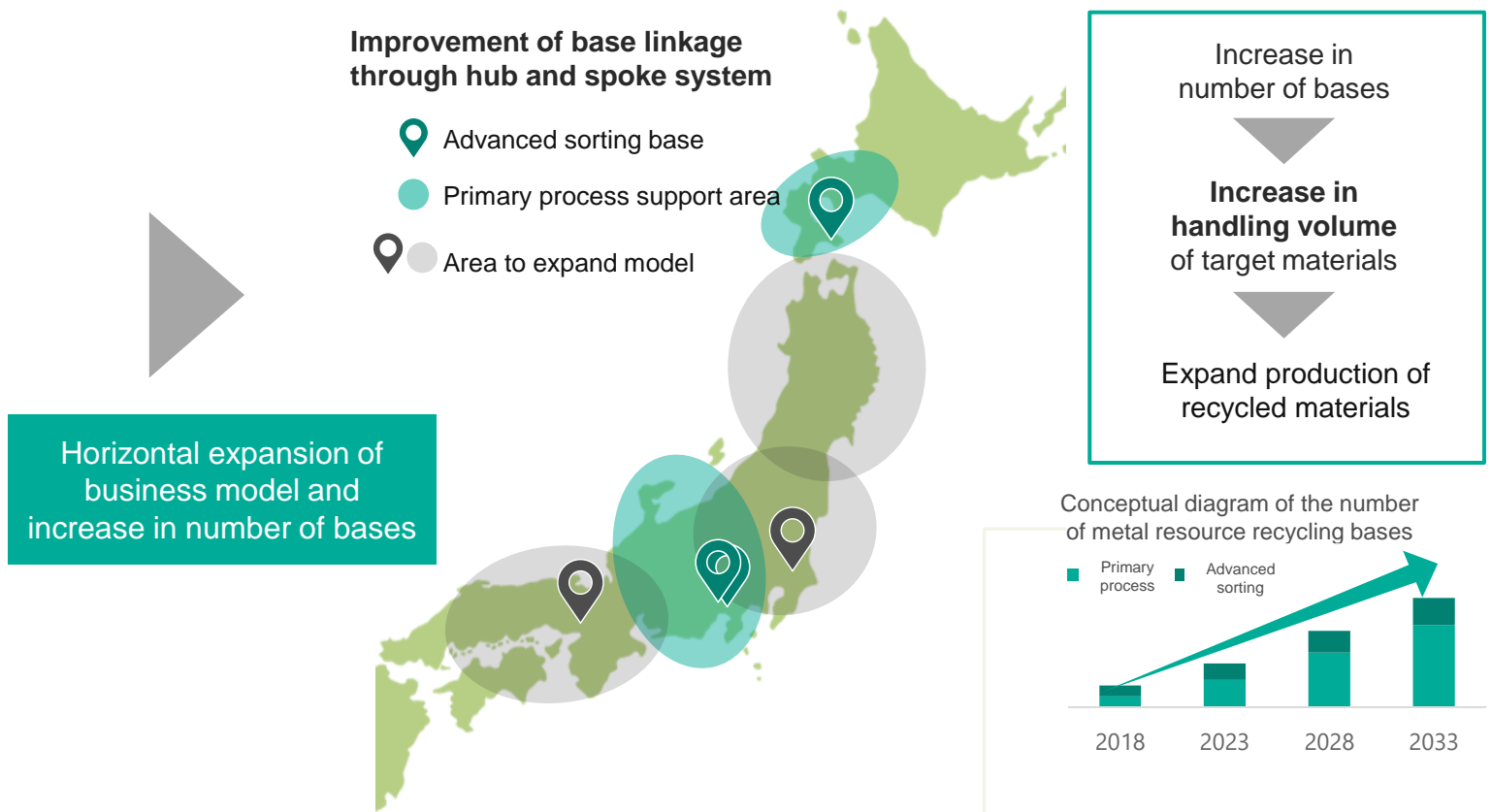
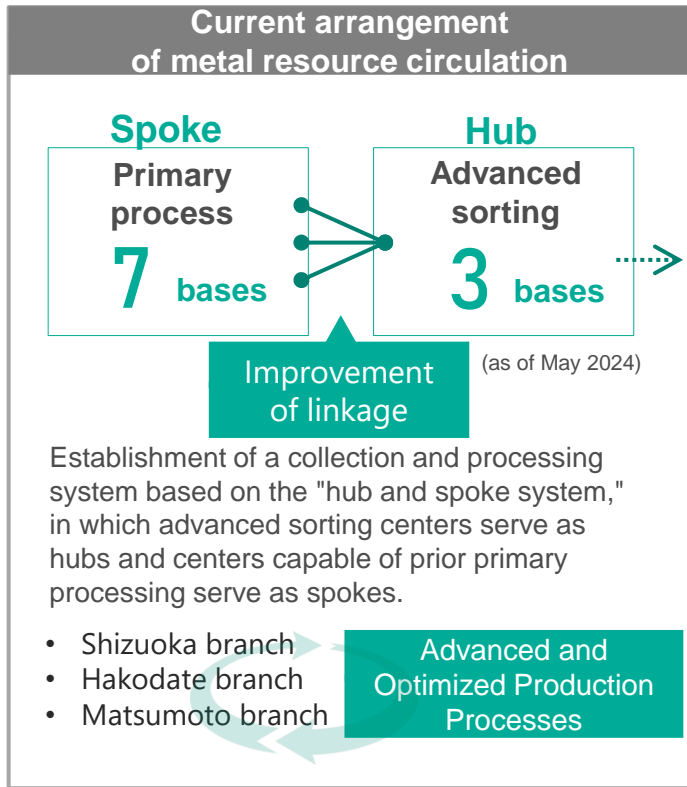
SYN ECO Inc.

Econecol Inc.



(To be integrated in July 2024)

- Improvement of productivity by upgrading and overall optimization of production processes
- Improvement of base linkage through hub and spoke system
- Strengthening of business foundation through modeling of metal resource CE business



Further expand our ability to respond to wide-area needs through the establishment of new plants and the leveraging of M&A

Advanced sorting of waste incineration ash collected from wide areas at Shizuoka and Hakodate bases



Example of local government introduction in 2024: Fujinomiya City, Shizuoka Prefecture

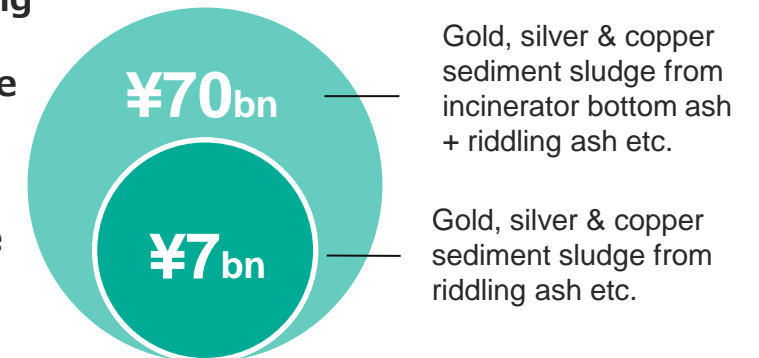
Econecol began purchasing approximately 100 tons/year of ridding ash* out of incineration ash that had previously been cemented, calcined, etc.

Expected to reduce costs by approximately ¥5.1 million/year

Ridding ash disposal cost
Reduction of approx. ¥4 million

Gain on sale of ridding ash + approx. ¥1.1 million

Gold, silver & copper sediment sludge market from waste incineration ash



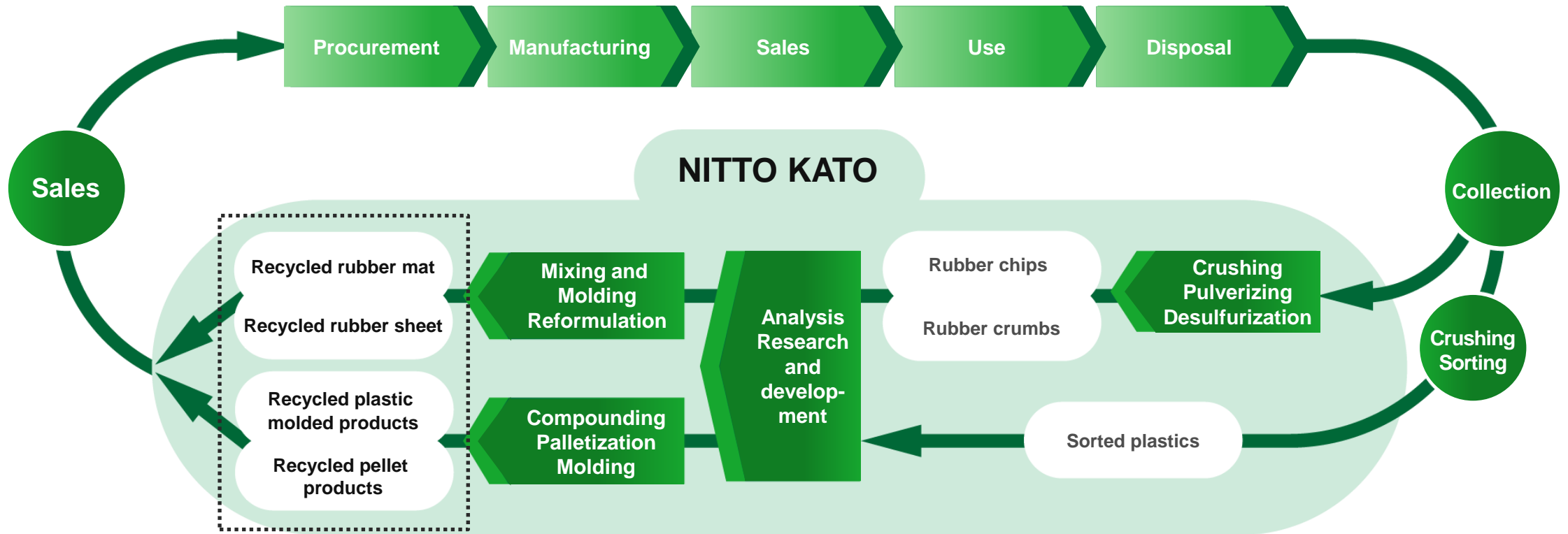
1. Increase in recycling rate
2. Increase in revenue and decrease in expenditure
3. Extension of disposal facility life

*According to our research

*Gold, silver and copper sediment sludge: A mix of gold, silver, copper, platinum, and palladium

*Riddling ash is ash that falls through the grate of a stoker furnace when waste is incinerated

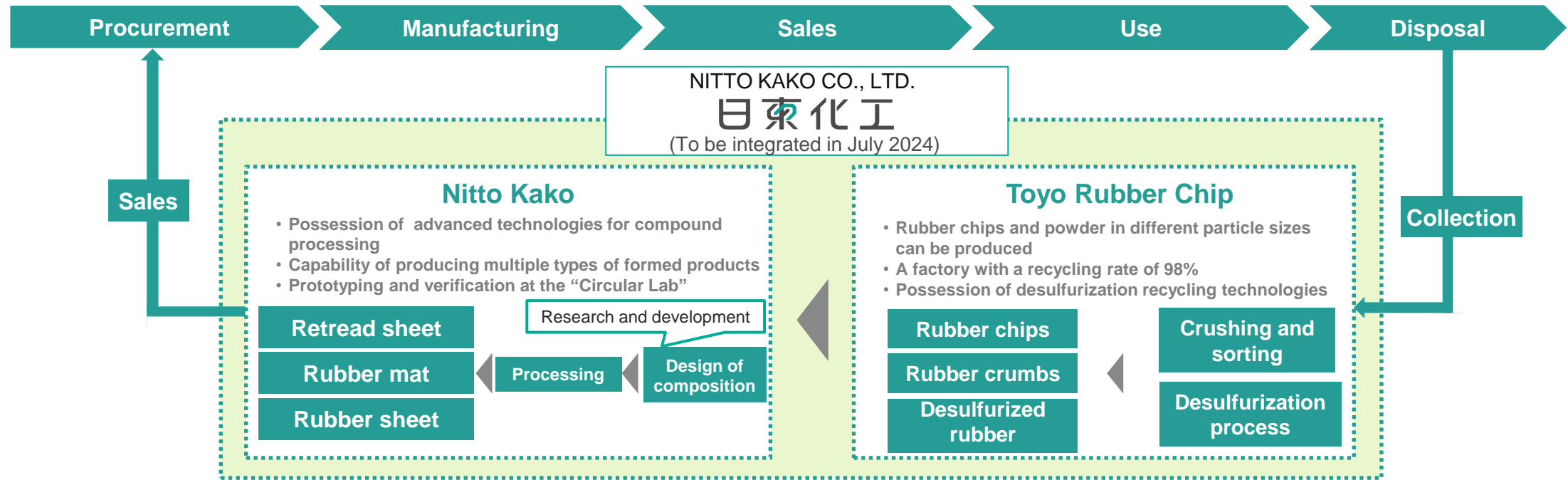
Reorganizing ▶ ② Two Polymer Resource Recycling Companies Integrated



Making rubber and plastics more compatible with CE.

* Polymer: Plastics, rubber and others

One-stop production of recycled materials and products through vertical integration of functions

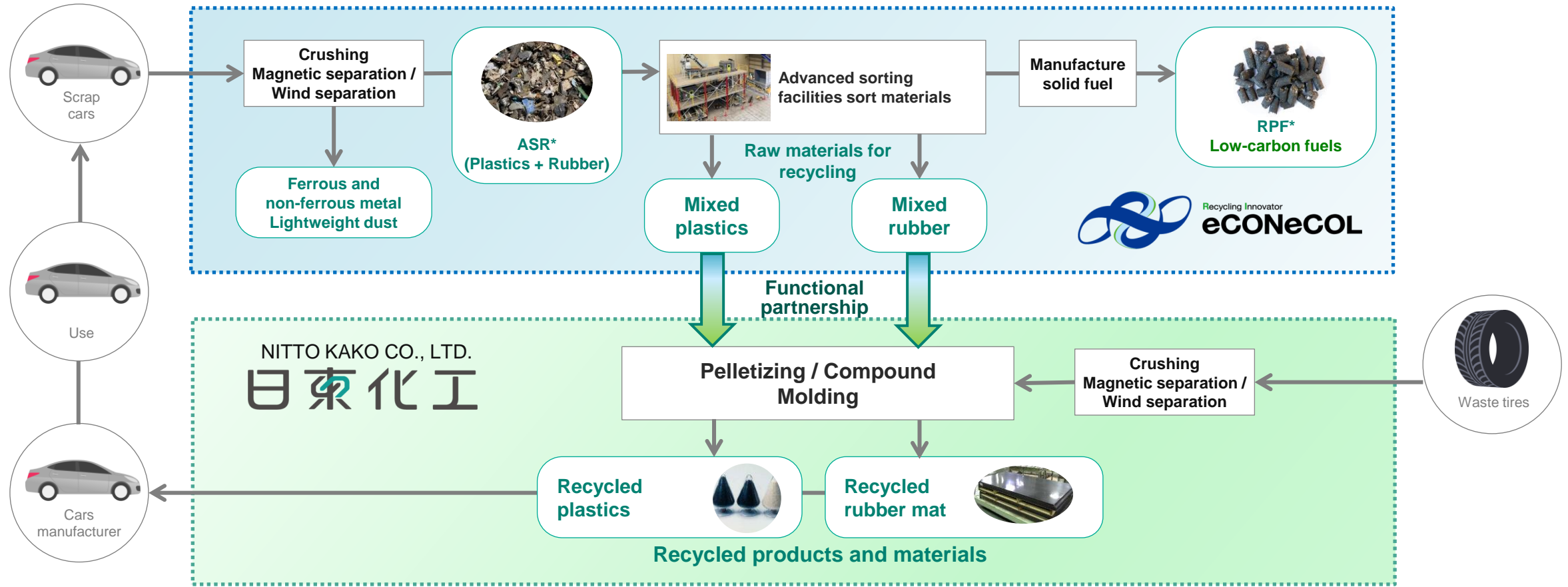


Examples of circular models for manufacturing solid mat products with the use of materials such as defective rubber waste



Combining advanced sorting of ECONECOL with NITTO KAKO's processing technologies realizes CE in many different products

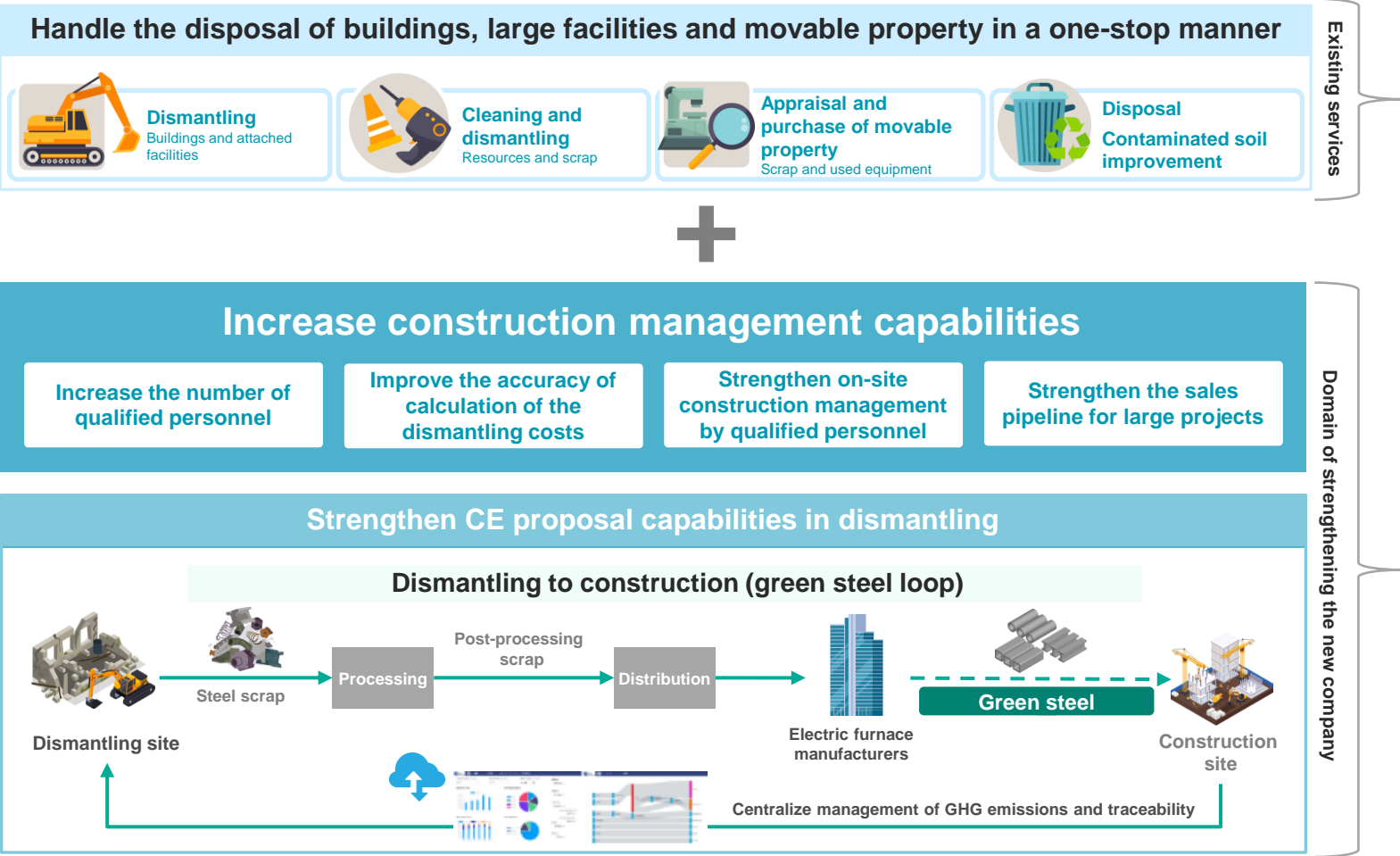
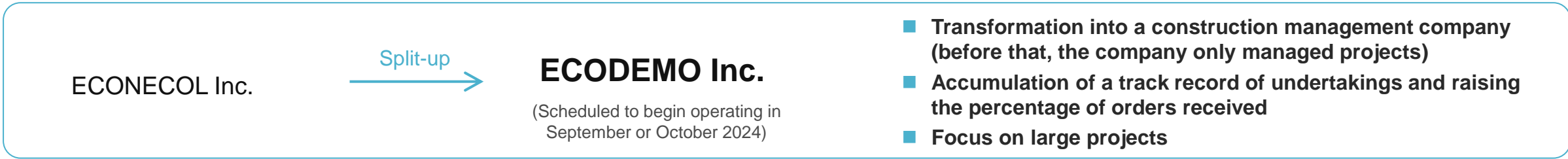
Examples of circular economy of cars



* ASR: Automobile shredder residue. Automobile-derived shredder residue that forms after the collection of items to be sorted and processed in advance in accordance with recycling standards for dismantling and crushing companies

* RPF: Refuse derived paper and plastics densified fuel. An eco-friendly fuel that is made by compressing plastic and paper waste as the main ingredients and that can reduce CO2 emissions

Reorganizing ► A New Company Dedicated to Cleaning and Dismantling Established

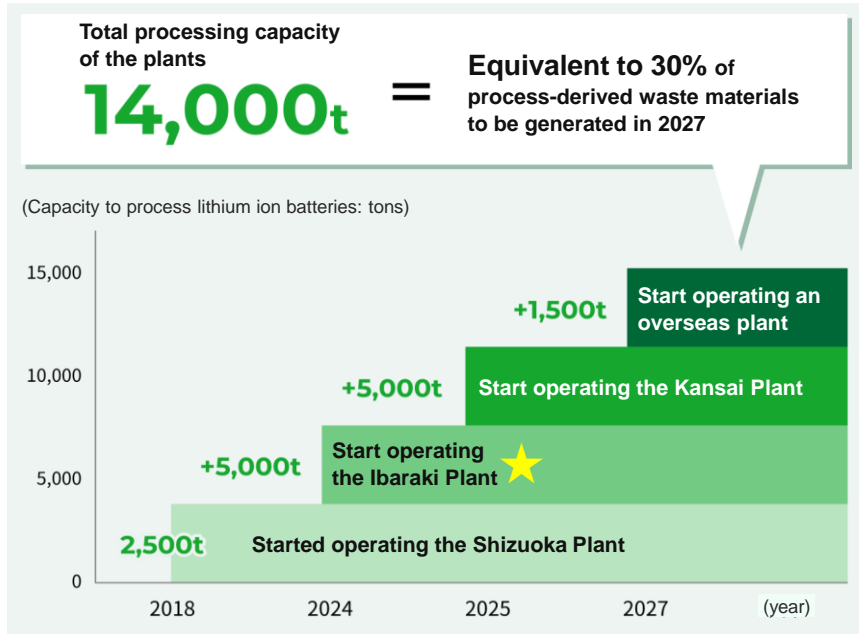


Expanding business scale



■ VOLTA Inc. Ibaraki Plant is scheduled to start operating in June 2024.

* Source: Information disclosed on March 27, 2023



A plan to extend the LIB recycling plant

Address	43 Yamazaki, Hitachinaka City, Ibaraki
Site area	Site area: 15,326 m ² (Total floor area of the main building: 8,560 m ²)
Processing capacity	5,000 tons of lithium ion battery can be processed per year



Exterior of the Ibaraki Plant



Plant installation work

■ Establishing J-Cycle Inc. a joint venture

The J-Cycle is established in May 2024 and will start operating in September 2024 (within the VOLTA Ibaraki Plant).

The new company's business operations include the collection, processing, smelting, sale and analysis of batteries and other materials, among others.

Companies	Investment ratio	Main roles
VOLTA Inc.	51%	Recycling of lithium-Ion batteries and electrode materials etc.
Miracle Eternal PTE LTD.	27%	Procurement of raw materials such as battery waste from overseas
Mitsui & Co., Ltd.	22%	Utilizing the global base of operations

Speed up efforts to realize a LIB to LIB closed loop

Important notes about this material

This material is intended to provide investors with information to understand the current status of ENVIPRO HOLDINGS Inc.

Although the contents in this material are described based on generally recognized socio-economic situations, etc., and certain assumptions that our company regarded as reasonable, they may change without prior notice of any kind because of the change in the business environment.



Inquiry desk about this material and IR

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