

29 November 2019

Gregory Hara, Representative Director
J-STAR Co., Ltd.

Capital Participation in Shin nihon kaihatsu Co., Ltd.

We are pleased to inform you that a holding company, for which we provides investment-related services, has acquired equity stakes in Shin nihon kaihatsu Co., Ltd. (Head Office: Himeji, Hyogo; Representatives: Keiji Yoshida; URL: <http://www.eco-snk.jp/>; hereinafter referred to as "Shin nihon kaihatsu").¹

Shin nihon kaihatsu was founded in 1972 by Masahide Eikawa as a waste oil treatment business. It has been contributing to the creation of a recycling society as a major incineration operator in the Kansai region by expanding the business through the eras of oil crisis and rapid economic growth. The capacity to run five incinerators simultaneously in one location, with the organization of 40 years business experiences in incineration and waste management operation, distinguish Shin nihon kaihatsu from the peers in the industry. The five incinerators are built for different purposes enabling the company to process a wide variety of industrial wastes. The maximum process capacity of the five units is approximately 400 tons per day, and the company can accommodate industrial waste not only from the Kansai region but also from all over the country. Utilizing these capabilities to the fullest extent, Shin nihon kaihatsu dealt with debris and waste from large-scale natural disasters including the 1997 Nakhodka oil spill. The company will keep contributing to the creation of a recycling-oriented society as an essential infrastructure by responding to the growing environmental need such as for waste plastics treatment.

We support the founder's desire to pass on the business to the next generation while shifting from family dependent to organizational management. We will strive to contribute to the further stabilization of the management foundation and business development of Shin nihon kaihatsu in cooperation with all executives and employees, local communities, and business partners.

We obtained the cooperation of Stand by C Co., Ltd. and the law office of Mori, Hamada Matsumoto.

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¹We provide individual investment-related services to J-STAR No.3 SS, LP, etc., through our own or our subsidiaries, such as investigating and introducing investment opportunities and fostering investment destinations.