



December 15, 2025

Company name:	TRE HOLDINGS CORPORATION
Representative:	Mitsuo Abe, President and COO (Code: 9247)
Contact:	Prime Market of Tokyo Stock Exchange Yoshimitsu Oshima, Executive Officer, Head of Corporate Planning Division (TEL. 03-6327-2622)

**Notice of Basic Agreement Regarding Development of
Business Schemes for the Circular Economy Between
TRE HOLDINGS CORPORATION and Terrarem Group Co., Ltd.**

TRE HOLDINGS CORPORATION (“TRE HOLDINGS”) and Terrarem Group Co., Ltd. (“Terrarem Group”) hereby announce that they have concluded a business alliance agreement as of today (December 15), based on a basic agreement to build business schemes for the circular economy to realize an efficient-recycling society and a carbon-neutral society.

1. Summary

With rapid economic growth, serious environmental problems are imminent throughout the world, including climate change, environmental destruction, and depletion of natural resources. To solve these difficult problems, the transition to a circular economy (recycling society) is being strongly demanded worldwide.

TRE HOLDINGS and Terrarem Group have concluded a business alliance agreement, having agreed to raise the corporate value of both their companies by advancing collaboration aimed at promoting initiatives that contribute to decarbonization, raising waste recycling efficiency, and expanding into new businesses and new fields. The companies intend to accommodate mounting recycling needs by supplementing and expanding the functions, business fields, and operating areas of both companies' groups. In addition, by promoting the building of new business models through collaboration between the recycling industry and other industries, the companies will contribute to the realization of an efficient-recycling society and a carbon-neutral society.

1) Overview of the business alliance

- i. Coordination and cooperation in business that works to promote decarbonization and raise recycling efficiency for waste (including waste plastic)
- ii. Coordination and cooperation aimed at advancing into new businesses and new fields
- iii. Coordination and cooperation in fields where the business know-how and infrastructure of both companies can be utilized

2. TRE HOLDINGS

TRE HOLDINGS carries out environmental businesses, including waste treatment and recycling, resource recycling, and renewable energy. In its Second Medium-Term Business Plan (FY2024 – FY2028), the company set forth the long-term vision of becoming a WX environmental company. It is promoting Waste Transformation (WX) to overcome the technological and economic challenges associated with waste treatment, and transform traditionally difficult-to-recycle waste and end-of-life products into resources and energy. Through this initiative, the company fosters co-creation that transcends the traditional boundaries between waste management and other industries, as it contributes to the circular economy by realizing an efficient-recycling and a carbon-neutral society.

3. Terrarem Group

Since its founding in 1971, Terrarem Group has pioneered resource-recycling facilities, including waste treatment, fuel recovery and product manufacturing from waste, and has been developing new recycling-based business models to contribute to building a sustainable society. In addition, in 2021, marking its 50th anniversary, the company built a new management system for the realization of a resource recycling society with the capital participation of Kubota Corporation and Chubu Electric Power Co., Inc. The new system fuses the extensive management resources of the two companies with the performance history and knowledge of Terrarem Group in the recycling business. As a corporate group that contributes to the global environment, Terrarem Group is engaged in creating new recycling-based business models by deepening collaborations with partner companies that transcend government and industry frameworks.

4. Future prospects

The alliance is expected to have a minimal impact on the financial results for the current fiscal period. By combining the two groups' functions and capabilities, we will expand its business fields and accelerate its initiatives for decarbonization and the transition to a circular economy.

Synergies between Terrarem Group and TRE HOLDINGS Group

By combining the two groups' capabilities, we will broaden our business scope and accelerate decarbonization and the transition to a circular economy.

■ Forestry/agriculture business

Promote reforestation based on forest conservation, create and utilize credits, secure resources for biomass power generation, and promote commercialization of aviation fuel. Develop agriculture using residual heat and fallow fields.



TAKEEI Forestry Co., Ltd.,
Tsugaru Eneveg Co., Ltd.,
Izumiyama Forestry Co., Ltd.,
Hanamaki Biomass Chip Co., Ltd.



■ Resource recycling business / cross-industry collaborations

To promote recycling, securing volume and advanced sorting systems are essential. Expand and enhance the two groups' functions to ensure a stable supply system for manufacturers amid rising demand for recycled materials.



Ichikawa: General/industrial waste advanced sorting, RPF production



Kawasaki: Construction-related advanced sorting, RPF production



REVER
Nasu: Advanced material sorting



Futtsu: Advanced plastic sorting and recycling



REVER
Kawajima: Automobile disassembly and shredding



REVER
Mibu: Advanced dust sorting, RPF production

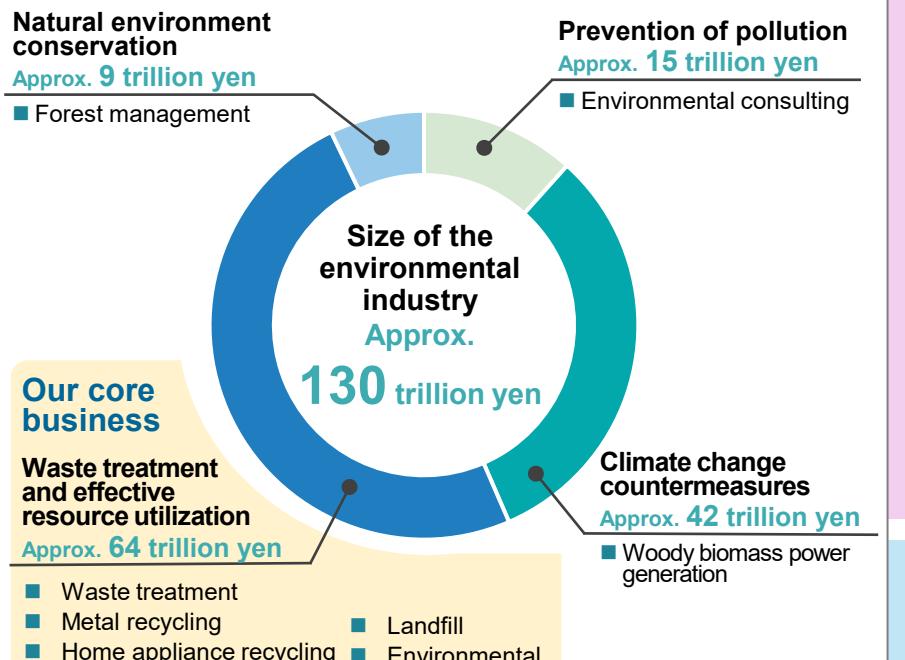


REVER
Higashimatsuyama: Advanced e-scrap sorting



■ Market size of Japan's environmental industry

Approx. 130 trillion yen



■ Building a platform for the waste management industry

Building a platform that makes possible efficient collection of waste, the raw material for recycled materials



Collection and transportation of general waste from businesses



REVER
Integrated waste management



■ Public-private partnership / Solving local challenges

Amid declining populations, local governments are increasingly outsourcing infrastructure to the private sector. Leverage both companies' capabilities to promote local resource recycling.



Yokkaichi, Shima:
General waste PFI business



Ichihara: Advanced plastic sorting and recycling
Basic agreement with Ichihara City



■ Renewable energy business

Based on the total of seven biomass power plants that utilize waste materials by the two companies, the companies will expand renewable energy supply systems to meet growing future demand.



Food biomass power generation



Green Power Ichihara Co., Ltd.
Ichihara: Woody biomass power generation

