

May 27, 2022

For Immediate Release

TOKAI Holdings Corporation  
Katsuhiko Tokita, President & CEO  
(Code No. 3167 Tokyo Stock Exchange Prime Section)

## Notice Regarding Conclusion of Agreement for Acquisition of Shares of Wood Recycle Co., Ltd.

TOKAI CORPORATION (Headquarters: Shizuoka City, Shizuoka Prefecture; President and Representative Director: Katsuo Oguri; hereinafter referred to as "TOKAI"), a 100% subsidiary of TOKAI Holdings Corporation, announces that it has concluded a share transfer agreement to acquire shares of Wood Recycle Co., Ltd. (Headquarters: Gero City, Gifu Prefecture; Representative Director: Hiroshi Shima; hereinafter referred to as "Wood Recycle").

### Details

#### 1. Reasons for the share acquisition

TOKAI engages mainly in the LP gas and drinking water delivery business with a nationwide customer base of approximately 900,000 customers. It also operates a construction and facility installation business and a real estate brokerage business in Shizuoka Prefecture, in the Chukyo region (Aichi, Gifu and Mie Prefectures) and in Kanagawa Prefecture. Under a corporate philosophy of "For the livelihoods of customers, along with the region, together with the Earth, we will continue to grow and develop," the TOKAI Group has sought to increase the use of clean gas and to increase the use of high efficiency gas equipment.

Wood Recycle engages in the acceptance and intermediate treatment of industrial and domestic waste, including branches, leaves and small trees generated from dismantlement of wooden buildings and road maintenance work, as well as in the manufacturing of woodchips by processing and crushing accepted waste materials. The company is indispensable to local builders as an entity that they commission to treat waste materials generated from forest management and disaster recovery. It receives a large number of inquiries from power producers since its woodchips are used as fuel for wood biomass power generation. Its products are expected to be in increasing demand.

Going forward, Wood Recycle will be part of the TOKAI Group. The bolstering of its management



resources will stabilize its management, and it is therefore expected to have greater capacity to accept waste materials and to increase production and sales of woodchips.

TOKAI has stepped up its actions to realize the Carbon Neutrality Vision formulated by the TOKAI Group in May 2021. With this share acquisition, it will strive to develop its business with an eye towards expanding into the power generation business using woodchip produced by Wood Recycle.

## 2. Overview of Wood Recycle Co., Ltd.

(1)	N a m e	Wood Recycle Co., Ltd.
(2)	A d d r e s s	Gero city, Gifu prefecture
(3)	Name and title of representative	Hiroshi Shima, representative director
(4)	Business description	Manufacturing of woodchips and intermediate treatment of industrial waste (waste wood and waste materials) and domestic waste (waste wood and waste materials)
(5)	S h a r e c a p i t a l	35 million yen (as of January 2022)
(6)	E s t a b l i s h e d	April 1996

[Contact for Inquiries]

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