

9th Medium-term Business Plan

(April 2021 – March 2024)

Asahi Holdings, Inc.



“Building a global company that pursues originality and growth”

Basic Policy

- (1) Reinforce the foundation for global growth
- (2) Promote new human resource policies
- (3) Strengthen Group risk management
- (4) Contribute to the SDGs

(1) Reinforce the foundation for global growth

Precious Metals

- Strengthening cost competitiveness by utilizing the state-of-the-art technology and know-how
- Establishing an IT-enabled sales system and increasing our market share
- Establishing new business model of Refining Business in North America and improving profitability
- Worldwide deployment by M&A

Environmental Preservation

- Making full use of our wide-ranging and diverse network
- Enhancing greening in line with digitalization and decarbonization
- Improving profitability in both industrial waste treatment and management

Continuous promotion of scrap & build

Strengthening domestic efficiency and promoting global strategy

Sustainable growth and attempts to globalization



(2) Promote new human resource policies



Renewed emphasis on competence-based and performance-based management

- Implementing clear and easy-to-understand qualification requirements that determine evaluation and treatment based on achievements and abilities
- Giving talented employees the opportunity to play an active role in higher positions and boosting engagement throughout the entire organization and driving business growth.



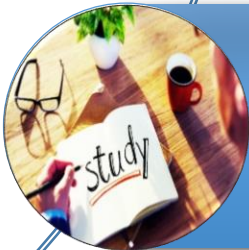
Promoting diversity & inclusion

- Creating an environment that accepts diversity and creating new value that contributes to the growth of the company
- Supporting women's career advancement by putting more effort into supporting work-life balance



Further promotion of employment of the elderly

- Setting up opportunities for high-performance employees to play an active role even after retirement
- Introducing a performance-based system in areas where the knowledge and experience of veteran employees can be utilized



Providing opportunities for learning and challenge

- Strengthening human resource development for challenges for global business
- Introducing an "in-house venture system" to provide opportunities to take on the challenge of commercialization and develop human resources who will be responsible for future management



(3) Strengthen Group risk management

Establishing a framework to continue to be a corporate brand trusted as a global company, and realizing the function of bundling risk management globally



Establishing “Group Risk Management Department”	<ul style="list-style-type: none">• Managing compliance risks cross sectionally for the entire group, and implementing detailed risk management from a standpoint independent of the business division• Establishing a system for further global growth, including contributions to SDGs
Strengthening risk management in North American Business	<ul style="list-style-type: none">• Strengthening credit risk management of the clients• Further promoting “Responsible Precious Metal Management” and enhancing the quality of the Asahi brand globally by taking into consideration human rights and environmental concerns in the course of providing precious metal products

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Strengthening risk management in North American Business

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(4) Contribute to the SDGs

With a core mission of “Totally Committed to Protecting the Natural Environment and Preserving Resources”, we aim to achieve both business growth and solutions for the issues our societies face

Make effective
use of limited
global
recourses

- Expanding our core businesses of recycling precious metals and proper disposal of industrial waste
- Working to address climate change by reviewing electricity contracts at existing facilities, and switching to hydrogen and electric vehicles for our business vehicles

Enhance the
basis of work-
life balance

- Achieving the targets of “Percentage of women in managerial position” and “Percentage of employees with disabilities” in 2030
- Achieving the targets of thorough implementation of rest interval system and 100% of usage rate of Holidays for Refreshment
- Expanding care support system

SUSTAINABLE
DEVELOPMENT
GOALS





Consolidated Performance Targets

[Unit: ¥ billion]

	FY2021.3 Results	FY2022.3 Forecast	FY2023.3 Plan	FY2024.3 Plan
Revenue	164.8	190.0	200.0	210.0
Operating profit	25.1	26.0	24.0	27.5
ROE	31%	18%	15%	16%
Shareholders' equity ratio	40%	35%	38%	40%



Performance Targets by Business Segment

[Unit: ¥ billion]

Precious Metals	FY2021.3 Results	FY2022.3 Forecast	FY2023.3 Plan	FY2024.3 Plan
Revenue	144.8	171.0	180.6	188.9
Operating profit	24.0	24.7	23.1	25.1
Ratio	16.6%	14.4%	12.8%	13.3%

Environmental Preservation	FY2021.3 Results	FY2022.3 Forecast	FY2023.3 Plan	FY2024.3 Plan
Revenue	20.0	19.0	19.4	21.1
Operating profit	3.8	4.3	3.8	5.4
Ratio	19.2%	22.6%	19.7%	25.6%



Capital Investment

[Unit: ¥ billion]

		FY2022.3 Forecast	FY2023.3 Plan	FY2024.3 Plan	Total	(Ref) 8 th Mid- term
Precious Metals		6.3	3.2	3.4	12.9	9.2
	Domestic	4.7	1.9	0.9	7.5	4.4
	Overseas	1.6	1.3	2.5	5.4	4.8
Environmental Preservation		0.8	2.2	6.8	9.8	5.6
Total		7.1	5.4	10.2	22.7	※15.1

※including ¥0.3 billion in Life & Health Segment



Shareholder Returns

Basic Policy:

We will strive to consistently pay dividends without decreasing the annual dividend level from the current level. Moreover, we aim to maintain a dividend payout ratio of 40%, while retaining sufficient internal reserves for capital investment and M&A for future growth.

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	FY2017.3	FY2018.3	FY2019.3	FY2020.3	FY2021.3	FY2022.3 (Forecast)
Earnings per share (yen) *	(18.62)	135.39	114.07	125.12	326.90	231.27
Annual dividend (yen) *	30	31.5	60	65	85	90
Dividend payout ratio (%)	-	23.3	52.6	52.0	26.0	38.9

* The Company conducted a stock split with a ratio of two-for-one on April 1, 2021. Earnings per share and annual dividend until FY2021.3 are converted to the figures reflecting the stock split.