

**Financial Results**  
**for**  
**Q1 FY2021.3**  
(April 1, 2020 ~ June 30, 2020)

**Asahi Holdings, Inc.**

These forecast performance figures are based on information currently available to the company's management and certain assumptions judged rationally. Accordingly, there might be cases in which actual results materially differ from forecasts of this report.

# Business Performance



## Key Points of Q1 FY2021.3 Financial Results

### Business Performance

Q1 FY2021.3 Financial results	Operating income: ¥5.3 billion (year on year increase of ¥1.9 billion)
First half / full year FY2021.3 upward revision of forecast	<b>1H Forecast: Operating income ¥10.8 billion</b> * Significant upward revision of ¥4.1 billion from initial forecast of ¥6.7 billion <b>Full-year Forecast: Operating income ¥21.0 billion</b> * Significant upward revision of ¥5.0 billion from initial forecast of ¥16.0 billion * Expected to <b>reach record high</b> for four consecutive years

### Management Policies and Topics

Shareholder returns	FY2021.3: <b>Annual dividend ¥140 -&gt; ¥160</b> * Increase of 20 yen/year from previous forecast
Upgrading the incinerator at Kitakyushu Office	Upgrading the incinerator at Kitakyushu Office of Asahi Pretec Corp. * Processing capacity: 90 ton/day * Contributing to the preservation of global environment and creation of recycling society through thermal recycling.
Change in accounting policy *From FY2021.3 financial results	Change in the classification for recording interest on borrowing for metal procurement in North American business * Financial expenses→Cost of sales * The figures in FY2020.3 financial results are changed for comparison purpose

2

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- Operating income for the first quarter of FY2021.3 was ¥5.3 billion, increased substantially by ¥1.9 billion over the same period of the previous year.
- Based on the fact that the results for the first quarter exceeded the plan at the beginning of the period, the forecast for the first half and full year of 2020 will be revised significantly. Operating income for the first half is expected to exceed the initial forecast by ¥4.1 billion, to ¥10.8 billion, and full-year earnings forecast is ¥21.0 billion, exceeding the initial forecast by ¥5.0 billion. It is expected to be a record high profit for the fourth consecutive year.
- Plan to increase the annual dividend for FY2021.3 by ¥20 from the previous forecast of ¥140 to ¥160 per year.
- Updated the incinerator at the Asahi Pretec Corp. Kitakyushu Office. Processing capacity per day of the new incinerator is 90 tons. By installing power generation facility which utilizes waste heat generated through industrial waste incineration, contribute to the preservation of global environment and creation of recycling society through thermal recycling.
- Starting with the FY2021.3 financial results, the classification for recording interest on borrowing for metal procurement in North American business will be changed from financial expenses to cost of sales. The figures before the accounting policy change are shown here for reference to improve comparability with the FY2020.3 financial results.

# AW Consolidated Results

<Results for Q1 FY2021.3>

Precious metals business is strong, driving results → Significant increase in sales and profit

<Forecast for 1H and full-year FY2021.3>

Operating performance is expected to remain solid, centered on the Precious Metals Business

--> **1H and full-year forecast revised significantly**

Expected to be record high profit for the fourth consecutive year

[Unit: ¥ billion]

	FY2020.3	FY2021.3		FY2021.3			FY2021.3		
	Q1	Q1		1H			Full-year (forecast)		
	Results *1	Results	Change	Forecast as of 4/30	Revised forecast	Change	Forecast as of 4/30	Revised forecast	Change
Revenue	30.3	39.2	8.9	69.0	79.0	10.0	150.0	165.0	15.0
Operating income	3.4	5.3	1.9	6.7	10.8	4.1	16.0	21.0	5.0
Operating income ratio	11.1%	13.4%	2.3%	9.7%	13.7%	4.0%	10.7%	12.7%	2.1%
Profit before tax	3.3	5.3	2.1	6.6	10.7	4.1	15.8	20.8	5.0
Current profit *2	2.0	3.6	1.6	4.4	7.3	2.9	10.6	14.0	3.4
Capital investment	0.8	1.0	0.2						
Depreciation	0.7	0.6	(0.1)						

\*1 Starting with the FY2021.3 financial results, the classification for recording interest on borrowing for metal procurement in North American business will be changed from financial expenses to cost of sales, which decreases operating income for FY2021.3 by ¥2.1 billion. The figures before the accounting policy change are shown here for reference to improve comparability with the FY2020.3 financial results.

\*2 Current profit attributable to parent companies.

3

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- In Q1 FY2021.3, the Precious Metals Business was strong and drove consolidated results, resulting in a significant increase in revenue and operating income compared to the same period of the previous year.
- Operating income increased ¥1.9 billion year on year to ¥5.3 billion.
- Significantly revised our forecasts for the first half and full year of FY2021.3. The revised operating income is ¥10.8 billion in the first half (¥4.1 billion increase from the initial forecast of ¥6.7 billion) and ¥21.0 billion for the full year (¥5.0 billion increase from the initial forecast of ¥16.0 billion).
- This revision far exceeds the forecast for the beginning of the FY2021.3, and the full-year forecast is expected to reach a record high for the fourth consecutive year.



## Consolidated Results (by Business Segment)

<Results for Q1 FY2021.3>

**Precious Metals Business:** Significant increase in revenue and operating income

**Environmental Preservation Business:** Decrease in revenue and operating income due to reduction in industrial waste processing volume

<Forecast for 1H and full-year FY2021.3>

**Precious Metals Business:** Operating performance is expected to remain solid.

**Environmental Preservation Business:** Gradually recovering, but operating income is expected to decrease year on year

[Unit: ¥ billion]

		FY2020.3	FY2021.3		FY2021.3			FY2021.3		
		Q1	Q1	Change	1H			Full-year (forecast)		
		Results	Results	Change	Forecast as of 4/30	Revised forecast	Change	Forecast as of 4/30	Revised forecast	Change
Precious Metals	Revenue	24.6	35.0	10.4	60.5	69.8	9.3	130.0	143.3	13.3
	Operating income	3.0	5.3	2.3	7.0	10.5	3.5	15.7	19.9	4.2
	Income ratio	12.2%	15.1%	3.0%	11.6%	15.0%	3.5%	12.1%	13.9%	1.8%
Environmental Preservation	Revenue	4.6	4.2	(0.4)	8.5	9.2	0.7	20.0	21.7	1.7
	Operating income	0.9	0.7	(0.2)	1.1	1.6	0.5	3.3	4.0	0.7
	Income ratio	18.6%	16.1%	(2.5%)	12.9%	17.4%	4.5%	16.5%	18.4%	1.9%
Consolidated	Revenue	30.3	39.2	8.9	69.0	79.0	10.0	150.0	165.0	15.0
	Operating income	3.4	5.3	1.9	6.7	10.8	4.1	16.0	21.0	5.0
	Income ratio	11.1%	13.4%	2.3%	9.7%	13.7%	4.0%	10.7%	12.7%	2.1%

\* Starting with the FY2020 financial results, the classification for recording interest on borrowing for metal procurement in North American business will be changed from financial expenses to cost of sales. The figures before the accounting policy change are shown here for reference to improve comparability with the FY2019 financial results.

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<Results for Q1 FY2021.3>

- Looking at the performance by business segment, revenue and operating income increased significantly in the Precious Metals Business, while revenue and operating income decreased in the Environmental Preservation Business.
- In Precious Metals Business, both the precious metal recycling business in Japan and Asia and the refining business in North America performed well, resulting in a significant increase in revenue and operating income.
- In Environmental Preservation Business, Revenue and operating income decreased due to a decrease in industrial waste disposal caused by sluggish business activities and disruption of the supply chain.

<Forecast for 1H and full-year FY2021.3>

- Both business segments are expected to greatly exceed the initial forecasts, thus the forecasts have been revised upwards.
- In Precious Metals Business, Operating performance is expected to remain solid from 2Q 2021.3 onwards. The first half and full-year earnings forecast are for higher revenue and operating income compared to the previous year.
- In Environmental Preservation Business, although the economy is gradually recovering because of the restart of industrial production, operating income is expected to decline year on year.

# Precious Metals Business

## Precious Metals Recycling Business (Japan and Asia):

<Results for Q1 FY2021.3>

- Revenue and operating income increased due to securing the amount of precious metal recovered and rising precious metal prices.

<Forecast for 1H and full-year FY2021.3>

- Operating performance is expected to remain solid.

## Refining Business in North America:

<Results for Q1 FY2021.3>

- Although incoming raw materials decreased due to disturbances in the public transportation network, revenue and operating income increased thanks to the increase of product processing/sales and financial transactions.

<Forecast for 1H and full-year FY2021.3>

- Operating performance is expected to remain solid.

[Unit: ¥ billion]

	FY2020.3 Q1	FY2021.3 Q1		FY2021.3 1H			FY2021.3 Full-year (forecast)		
	Results	Results	Change	Forecast as of 4/30	Revised forecast	Change	Forecast as of 4/30	Revised forecast	Change
Revenue	24.6	35.0	10.4	60.5	69.8	9.3	130.0	143.3	13.3
Operating income	3.0	5.3	2.3	7.0	10.5	3.5	15.7	19.9	4.2
Operating income ratio	12.2%	15.1%	3.0%	11.6%	15.0%	3.5%	12.1%	13.9%	1.8%

\* Starting with the FY2021.3 financial results, the classification for recording interest on borrowing for metal procurement in North American business will be changed from financial expenses to cost of sales. The figures before the accounting policy change are shown here for reference to improve comparability with the FY2020.3 financial results.

5

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## Precious Metals Recycling Business (Japan and Asia):

- In reference to the performance of precious metals recycling business in Japan and Asia in Q1 FY2021.3, as a result of sluggish economic and social activities, the amount of palladium recovered decreased slightly from the same period of the previous year, but the amount of gold recovered increased significantly. As for precious metal prices, gold and palladium rose significantly. Therefore, revenue and operating income increased significantly.
- As for 2Q 2021.3 onwards, the operating performance is expected to remain strong.

## Refining Business in North America:

- In reference to the performance for refining business in North America in Q1 FY2021.3, incoming raw materials decreased due to disturbances in the public transportation network. However, product processing/sales and financial transactions increased. As a result, revenue and operating income increased.
- As for 2Q 2021.3 onwards, the operating performance is expected to remain strong.



Reference: Changes in the Volume of Precious Metals Collected and Precious Metal Prices

[Amount Collected for Precious Metal Recycling]

[Unit: kg]

	FY2020.3	FY2021.3		FY2021.3	
	Q1 Results	Q1 Results	Change	Forecast	Change
Gold	4,077	4,447	370	8,754	514
Palladium	1,683	1,605	(78)	3,240	(212)
Silver	17,556	17,145	(411)	31,767	(3,051)
Platinum	939	967	28	1,950	4

[Precious Metal Prices (per gram) ]

[Unit: Yen]

	FY2020.3	FY2021.3		Reference: July 29, 2020	
	Q1 Mid-term average price	Q1 Mid-term average price	Change	Actual price	Change
Gold	4,652	5,950	1,298	6,645	695
Palladium	4,960	6,986	2,026	7,680	694
Silver	54.0	58.1	4.1	83.7	25.6
Platinum	3,075	2,839	(236)	3,267	428

6

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- The table shows changes in the price of precious metals and amount of precious metals collected by precious metals recycling business.
- The amount collected in Q1 FY2021.3 increased for gold and platinum, while reduced for palladium and silver.
- Prices of gold, palladium and silver rose in Q1 FY2021.3, with a significant increase for gold and palladium compared with Q1 FY2020.3.



## Environmental Preservation Business

<Results for Q1 FY2021.3>

- Revenue and operating income decreased due to a decrease in industrial waste disposal caused by sluggish business activities and disruption of the supply chain.

<Forecast for 1H and full-year FY2021.3>

- Although the economy is gradually recovering because of the restart of industrial production, operating income is expected to decline year on year.

[Unit: ¥ billion]

	FY2020.3 Q1	FY2021.3 Q1		FY2021.3 1H			FY2021.3 Full year (forecast)		
	Results	Results	Change	Forecast as of 4/30	Revised forecast	Change	Forecast as of 4/30	Revised forecast	Change
Revenue	4.6	4.2	(0.4)	8.5	9.2	0.7	20.0	21.7	1.7
Operating income	0.9	0.7	(0.2)	1.1	1.6	0.5	3.3	4.0	0.7
Operating income ratio	18.6%	16.1%	△2.5%	12.9%	17.4%	4.5%	16.5%	18.4%	1.9%

7

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- In reference to Q1 FY2021.3 performance of Environmental Preservation Business, revenue and operating income decreased due to a decrease in industrial waste disposal caused by sluggish business activities and disruption of the supply chain.
- Regarding 2Q FY2021.3 onwards, the economy is gradually recovering due to the restart of industrial production. However, operating income is expected to decline year on year.





## Financial Position

[Unit: ¥ billion]

	March 31, 2020	June 30, 2020	Change	Remarks
Current Assets	187.6	194.0	6.4	
Trade receivables	119.8	131.5	11.8	Most of the balance and increase of trade receivables are <b>receivables that constitute borrowings to match metal procurement in North American business</b> . For details, see the remarks column in "Borrowings."
Inventories	37.7	39.5	1.8	Most of the inventories are <b>collected raw materials that contain precious materials, works-in-progress and finished products</b> in the precious metal recycling business. <b>Risks associated with price fluctuations and quality degradation remain minimal</b> because the precious metal content is analyzed before making a purchase and the precious metal prices are hedged on the futures market at the time of purchase.
Others	30.1	22.9	(7.2)	
Non-current assets	42.4	42.1	(0.2)	
<b>Total Assets</b>	<b>230.0</b>	<b>236.1</b>	<b>6.1</b>	
Liabilities	160.8	164.3	3.5	
Bonds and loans	126.8	125.2	(1.6)	Approx. 80% of balance and most increase of bonds and loans are <b>loans for metal procurement in North American business</b> . <b>Risks associated with price fluctuations and bad debts remain minimal</b> because, in principle, loans are taken out within the scope of the precious metal content analysis conducted on incoming raw materials and precious metal prices are hedged on the futures market at the time of loan.
Others	34.0	39.1	5.1	
Capital	69.2	71.8	2.6	
<b>Total Equity</b>	<b>230.0</b>	<b>236.1</b>	<b>6.1</b>	

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- Total assets as of June 30, 2020 increased ¥6.1 billion from the end of the previous fiscal year to ¥236 billion. Among assets, trade receivables and inventories increased, and among liabilities, loans increased.
- Approx. 80% of the balance of bonds and loans is attributed to loans for metal procurement in North American refining business. Approx. 90% of the balance of trade receivables stems from a matching increase in loans.
- Aggressive efforts are being made to promote financial transactions, which constitute one of the pillars of earnings for North American business. A typical example of financial transactions is the "advanced delivery transaction," shown in slide number 15 of the reference material. While it generally takes about a week for raw materials for refining received from mining customers are finished in the product form, some clients prefer to have the products returned in the product form before they are finished. In such cases, precious metal is purchased with loans from a bank and the return is made in exchange for interest payment based on the term of advanced delivery shortened.
- The precious metal content of raw materials received is analyzed before making an advanced delivery so that deliveries would not exceed the content. This means that the transactions are substantially free from bad-debt risks. They are also free from risks associated with price fluctuations because precious metal prices are hedged on the futures market at the time of the borrowing.
- Most of the Group's inventory is raw materials, works-in-progress, and products in the precious metal recycling business. The precious metal content of these items are analyzed at the time of collection. Regarding fluctuations in precious metal prices, hedging in the futures market is employed to eliminate risks. In addition, since the inventory assets are precious metals or materials that contain precious metal, they are free from the risk of quality degradation, and they can be cashed in the market once they are converted into products.
- The increase in borrowings, matching claims and inventories has inflated the balance sheet but that has not necessarily compromised the integrity of finance.



## Cash Flow

[Unit: ¥ billion]

	Q1 FY2021.3	Remarks
Operating CF	(2.5)	
Change in inventories	(1.8)	Of the changes, ¥1.6 billion are attributable to changes in the collected raw materials that contain precious materials, works-in-progress and finished products in precious metal recycling business. Risks associated with price fluctuations and quality degradation remain minimal because the precious metal content is analyzed before making a purchase and the precious metal prices are hedged on the futures market at the time of purchase.
Change in trade receivables, etc.	(8.8)	Of the changes, ¥11.0 billion are matching claims for loans for metal procurement in North American business. Regarding loans, risks associated with price fluctuations and bad debts remain minimal because, in principle, loans are taken out within the scope of the analysis of precious metal content conducted on incoming raw materials and precious metal prices are hedged on the futures market at the time of loan.
Others	8.1	
Investment CF	(0.9)	
Financing CF	(3.5)	
Changes in short-term loans	(0.7)	Of the changes, loans for metal procurement in North American business constitute ¥1.5 billion. Risks associated with price fluctuations and bad debts remain minimal.
Dividends	(2.7)	
Others	(0.1)	
Changes in cash deposits	(7.1)	

9

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- The operating cash flow ended in the deficit of ¥2.5 billion. This is primarily attributed to an increase in inventories and trade receivables.
- Most of the inventories are collected raw materials that contain precious materials, works-in-progress and finished products from precious metal recycling business and are free from risks associated with price fluctuations and quality degradation. Raw materials and works-in-progress can be cashed in the market once they are finished. In this sense, these items are something akin to cash.
- Trade receivables are mainly composed of claims that match the borrowing for metal procurement in North American business and are extremely low-risk assets free from the risks associated with bad-debts or price fluctuations.
- The operating cash flow excluding the increase in safe assets is in the positive.

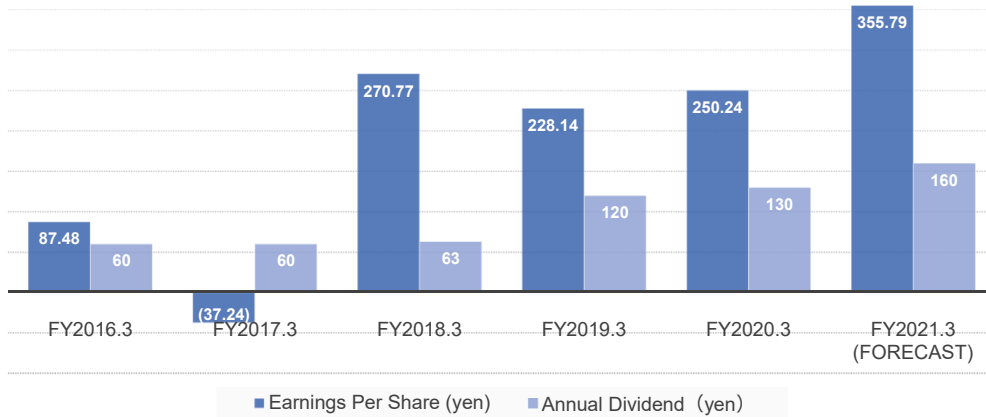
## Dividend

**Basic policy: Approximately 50% or more of the consolidated net income**

**FY2021.3: Annual dividend of ¥160**

\*Increased by ¥20 from the previous forecast of ¥140

	FY2016.3	FY2017.3	FY2018.3	FY2019.3	FY2020.3	FY2021.3 (Forecast)
Earnings Per Share (yen)	87.48	(37.24)	270.77	228.14	250.24	355.79
Annual Dividend (yen)	60	60	63	120	130	160
Dividend Payout Ratio (%)	68.6	-	23.3	52.6	52.0	45.0



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- The annual dividend for FY2021.3 will be ¥160 per year, increased by ¥20 from the previous forecast of ¥140.
- The company seeks to realize a stable dividend payment as shareholder returns based on its basic policy of "paying a stable dividend with the target payout ratio of 50% or higher."

# Reference Materials



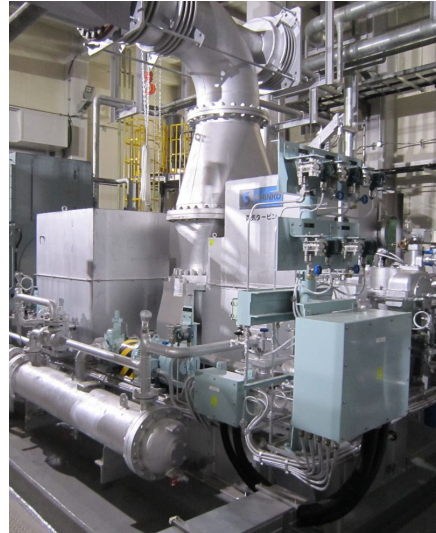
## Upgrading the Incinerator / Constructing a New Power Generation Facility

- Asahi Pretec Corp. upgraded incinerator at Kitakyushu Office (processing capacity: 90 ton/day)
- By installing power generation facility which utilizes waste heat generated through industrial waste incineration, we contribute to the preservation of global environment and creation of recycling society through thermal recycling.

Incinerator



Power generation facility (Steam turbine)



12

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- Asahi Pretec Corp. upgraded incinerator at Kitakyushu Office (processing capacity: 90 ton/day)
- The updated incinerator will perform high-efficiency power generation utilizing the waste heat generated through industrial waste incineration, taking into account the recent energy situation in the low-carbon era.
- As part of the Group's sustainability management initiatives, the Company issued a Green Bond to raise funds to introduce them. A Green Bond is a bond used to finance projects that have an environmental improvement impact (green projects) including measures to combat global warming and promote renewable energy.



## Changes in Accounting Policy (From FY2021.3 Financial Statements)

- Starting with the financial statements for FY2021.3, interest on borrowing for metal procurement in North American business will be recorded as “cost of sales” instead of “financial expenses” as has been done until FY2020.3.
- As a result, expenses for income from financial transactions in North America will be appropriately processed so that the operating profit will be more reflective of the actual conditions.

[Unit: ¥ billion]

	Q1 2020.3			Q1 2021.3		
	Before change	Change in accounting policy	After change	Before change	Change in accounting policy	After change
Revenue	30.3		30.3	39.2		39.2
Cost of sales	△24.8	△0.5	△25.2	△32.0	△0.3	△32.2
Gross operating profit	5.5		5.0	7.3		7.0
Selling, general and administrative expenses	△1.7		△1.7	△1.7		△1.7
Operating income	3.8		3.4	5.5		5.3
Financial income	0		0	0.1		0.1
Financial expenses	△0.6	+0.5	△0.1	△0.2	+0.2	0
Profit before tax	3.3		3.3	5.3		5.3
Corporate income tax	△1.2		△1.2	△1.7		△1.7
Current profit	2.0		2.0	3.6		3.6

13

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## The SDGs at Asahi Holdings

- From the 17 goals in the SDGs (Sustainable Development Goals), we set 6 themes and goals for the issues that we should contribute toward solutions. We are proactively working to achieve those goal.

Priority	SDG - Related Goals	Contents	Key Indicator		
			Items	Targets	FY20.3 Results
1	Expand precious metal recycling	We will expand and promote precious metal recycling globally in order to make more effective use of limited global resources.	① Recycling Volume	410 tons in FY2031.3	367 tons
			② Effective reduction of CO2	1.465million tons in FY2031.3	103,100 tons
2	Supply precious metals in ways that are friendly to people, society, and the environment	We will contribute to responsible management of precious metals by expanding the supply of precious metal products while protecting the environment and human rights.	Acquire certifications from major organizations (LBMA, LPPM, etc.)		
3	Expand proper industrial waste disposal	We will strive to ensure proper treatment of waste as a waste disposal expert and work to help build a world of sustainable recycling.	Amount of proper industrial waste disposal	500,000 tons in FY2031.3	358,000 tons
4	Reduce CO2 emissions	We will work to reduce CO2 emissions group-wide.	CO2 emissions	Reduce 26% compared to FY2016.3	9% reduction compared to FY2016.3
5	Enhance Work-Life Balance and Employee Diversity	We will strive to enhance job satisfaction by improving the system to help diverse human resources to succeed within the Group by reforming working styles, etc.	① Rest intervals of at least 11 hours	100% in FY2021.3	98.3%
			② Holidays for Refreshment (three consecutive days or more)	100% in FY2021.3	98.2%
			③ women in managerial positions to all woman employees	Equal to men in FY2031.3	3.88% (Men 18.6%)
			④ employees with disabilities	2.5%	2.07%
6	Encourage and support SDG-related activities	We will encourage and support employee activities outside the Group's main business areas that contribute to SDG achievement, including individual and group volunteer activities.	(Total number of reporting: 68 (2018/2019))		

14

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- Here is our approach to SDGs (Sustainable Development Goals).
- From the 17 goals in the SDGs, we set 6 themes and goals for the issues that we should contribute toward solutions. We are proactively working to achieve those goal.



## Main Revenue Elements of Precious Metals Business

### Precious Metals Recycling Business:

- Income from yield differential is added to refining fees, which is a stable source of fixed income.

### Refining Business in North America:

- Refining fees are a stable source of income. In financial revenue, earning opportunities increase in line with the growth in incoming raw materials.

Business Segment	Category	Impact on Revenue
Precious Metals Recycling	Refining fees	<ul style="list-style-type: none"> <li>Refining fees increase in line with the expansion of the amount collected.</li> <li>The unit price for refining fees is higher for those that require difficult pre-processing, which means the average unit price rises when the proportion of items that require difficult processing is higher.</li> </ul>
	Yield differential (differential between actual yield and contracted yield = free metal)	<ul style="list-style-type: none"> <li>The volume of free metal expands when the actual yield climbs on account of improvements in technical capabilities and processes.</li> <li>Income from free metal increases in line with a hike in prices.</li> </ul>
Refining in North America	Refining fees	<ul style="list-style-type: none"> <li>The amount of fees expands when the volume of incoming raw materials (dore) increases.</li> <li>The unit fee cost does not change over short term because contracts are long-term.</li> </ul>
	Yield differential (differential between actual yield and contracted yield = free metal)	<ul style="list-style-type: none"> <li>The volume of free metal expands when the actual yield climbs on account of improvements in technical capabilities and processes.</li> <li>Income from free metal increases in line with a hike in prices.</li> </ul>
	Financial revenue	<ul style="list-style-type: none"> <li>Income opportunities for financial transactions increase when a larger amount of raw materials is received.</li> <li>Income increases when the interest rate for advanced delivery is improved in contracts with mines.</li> <li>Income increases when the period of advanced delivery is extended.</li> <li>Financial revenue increases when metal procurement costs fall, and the interest rate spread expands.</li> </ul>

15

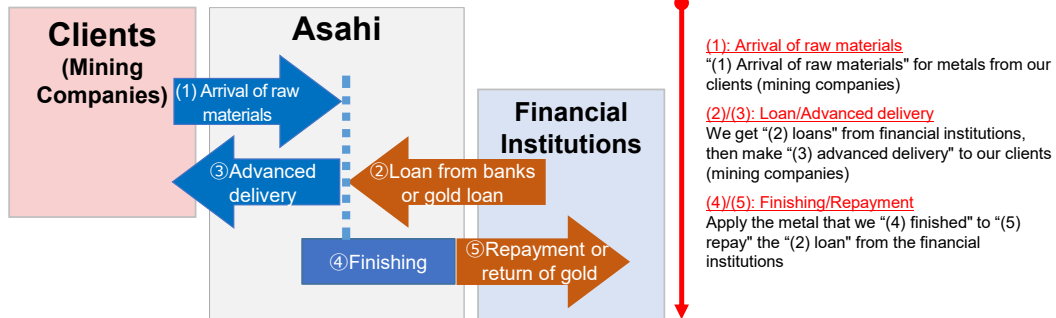
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## Advanced Trading in North America

Advanced Trading: Some clients of refining business in North America (mainly mining companies) desire early return of gold, while it generally takes approx. one week to return after arrival of dore (raw material). In order to meet such demands, we conduct trade that clients can promptly receive the gold in exchange for interest payment based on the shortened term. The risk of becoming bad debts is very limited as we basically return the gold after receiving raw materials.

### ■ Flow diagram: Receipt of raw materials~Advanced delivery~Repayment



In order to conduct advanced delivery to clients before finishing, procuring gold from outside is needed. There are two financing instruments as described below and we choose either one of them based on the financial market situation at the time of financing.

Financing instruments	Accounting treatment	Impact on operating income
Loan from Japanese banks and procurement of gold	Finance costs	No (Impact on profit before tax)
Gold loan from bullion banks	Operating expenses	Yes

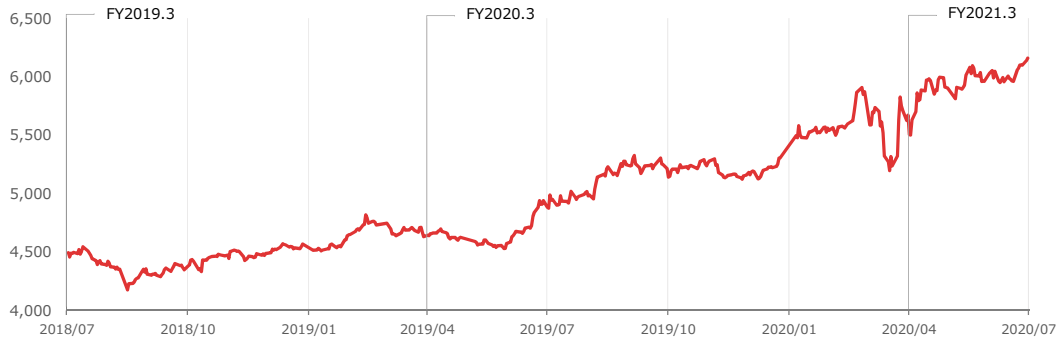
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# Trend in Metal Prices (Au, Ag)

(Unit: JPY per gram)

## Gold



## Silver



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# AW Trend in Metal Prices (Pd, Pt)

(Unit: JPY per gram)

## Palladium



## Platinum

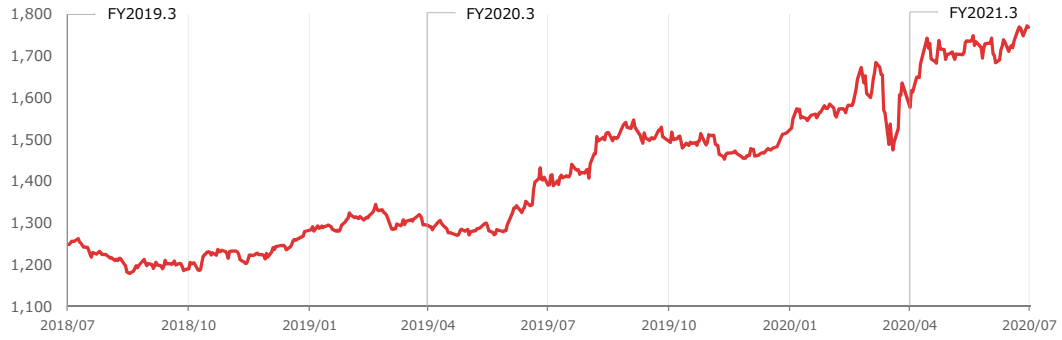


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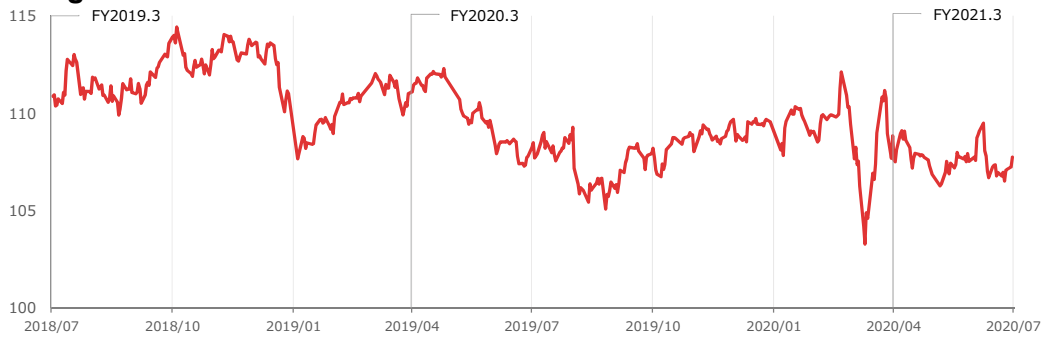


## Trend in Prices (Gold <USD/Toz>, EXC <USD/JPY>)

### Gold USD/Toz



### Exchange Rate USD/JPY



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