

**TRANSLATION FOR REFERENCE PURPOSE ONLY**

*This notice has been translated from the original Japanese text of the timely disclose statement and is for reference purpose only. In the event of any discrepancy between the original Japanese and this translation, the Japanese text shall prevail.*

January 29, 2021

To whom it may concern

Company Name: **Asahi Holdings, Inc.**

Representative: Tomoya Higashiura, President

(Code: 5857, First Section of the Tokyo Stock Exchange)

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Corporate Planning & Communications Department

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**Notice on the Revision of Financial Forecast and Revision of Dividend Forecast (Dividend Increase)**

This is to notify that the Company has revised its consolidated financial forecast and the year-end dividend forecast for the year ending March 31, 2021 (April 1, 2020 - March 31, 2021), which were announced on July 29, 2020, in view of the recent trends in its business performance, as shown in the section below.

1. Revision of Financial Forecast

(1) Revision of the consolidated financial forecast for the year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(Unit: millions of yen, %)

|   | Revenue | Operating profit | Profit before tax | Profit attributable to owners of parent | Basic earnings per share |
|---|---------|------------------|-------------------|---|--------------------------|
| Previous forecast (A)<br>(Announced on July 29, 2020)           | 165,000 | 21,000           | 20,800            | 14,000                                  | Yen Sen<br>355 79        |
| Revised forecast (B)  | 165,000 | 24,000           | 24,900            | 25,000                                  | 635 35                   |
| Change (B-A)  | —       | 3,000            | 4,100             | 11,000                                  | —                        |
| Change (%)  | —       | 14.3             | 19.7              | 78.6                                    | —                        |
| (Ref.) Results for the previous FY<br>(FY ended March 31, 2020) | 135,563 | 18,010           | 17,650            | 9,846                                   | 250 24                   |

(2) Reasons for the revision of financial forecast

In addition to precious metal prices trending above forecasts, in the precious metal recycling business, a stable volume of precious metal collection has been realized. In the precious metal refining business in North America, the increase in product processing, sales, and financial transactions led to operating profit and profit before tax that are expected to exceed the previously announced forecasts.

Additionally, following the introduction of a consolidated taxation system and organizational restructuring of the Group as well as a detailed evaluation of the recoverability of deferred tax assets for tax losses carried forward, we decided to record deferred tax assets. As a result, in the fourth quarter of the fiscal year ending March 31, 2021, we expect to record income taxes-deferred (profit) of 8,200 million yen and to see a large increase in profit attributable to owners of parent.

## 2. Revision of Dividend Forecast

### (1) Revision of dividend forecast for the year ending March 31, 2021

|  | Annual Dividend       |           |         |
|--|-----------------------|-----------|---------|
|  | End of second quarter | End of FY | Total   |
| Previous forecast<br>(Announced on July 29, 2020)        | 80 yen                | 80 yen    | 160 yen |
| Revised forecast   |                       | 90 yen    | 170 yen |
| Results for the current FY                               | 80 yen                |           |         |
| Results for the previous FY<br>(FY ended March 31, 2020) | 60 yen                | 70 yen    | 130 yen |

(Note) As described in the “Notice on Stock Split, Partial Amendment of Articles of Incorporation, and Abolishment of Shareholder Special Benefit Plan,” separately made public today, the Company plans to institute a 2-for-1 stock split for common shares which will become effective on April 1, 2021. The year-end dividend for the fiscal year ending March 31, 2021, which has the record date of March 31, 2021, will be based on the number of shares prior to the stock split.

### (2) Reasons for the revision of dividend forecast

In our current revisions to the financial forecast for the fiscal year, revenue, operating profit, profit before tax, and profit attributable to owners of parent all recorded all-time highs. Based on this decision, the Company plans to increase its dividend payment at the end of fiscal year by 10 yen from 80 yen in the previous forecast, and the total annual dividend of the year is planned to be 170 yen.

The above forecasts have been prepared based on the information available at the time of issuance of this announcement. Actual results may differ from the aforementioned forecasts due to a variety of factors including domestic and international industrial activities, financial trends, transition of precious metal prices and others, which are affected by the spread of COVID-19 infections.