

FY2026.3 Full-Year

Financial Results

ARE Holdings, Inc.

May 1, 2026

Prime Market of Tokyo Stock Exchange (5857)

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.

FY2025 refers to the fiscal year ended March 2026 (FY2026.3), and FY2030 refers to the fiscal year ending March 2031 (FY2031.3). This convention applies throughout this material.



ARE
Think Circular

| | Revenue | Operating Profit | | | |
|---|--|------------------------------------|----------------------------------|------------------------------------|--------------------|
| | | Precious Metals Recycling Business | North American Refining Business | Environmental and Other Businesses | |
| FY2026.3 Full-Year Results vs FY2025.3 | ➤ Achieved a record-high operating profit. 570.0 bn yen | 37.1 bn yen | 19.9 bn yen | 16.2 bn yen | 1.7 bn yen |
| | +63.8 bn yen | +17.1 bn yen | +5.6 bn yen | +9.9 bn yen | -0.0 bn yen |
| FY2027.3 Full-Year Plan vs FY2026.3 | ➤ Expecting a third consecutive year of revenue and operating profit growth, with new record highs. 680.0 bn yen | 41.0 bn yen | 27.4 bn yen | 13.3 bn yen | 1.5 bn yen |
| | +110.0 bn yen | +3.9 bn yen | +7.6 bn yen | -3.0 bn yen | -0.1 bn yen |
| FY2031.3 Medium- to Long-Term Plan & Aspiration* vs initial Apr 2024 plan | ➤ Revised upward the initial plan announced in 2024. 750.0 bn yen | 50.0 bn yen | 31.0 bn yen | 17.0 bn yen | 2.0 bn yen |
| | +210.0 bn yen | +12.0 bn yen | | | |

*excludes M&A

A graphic on the left side of the slide, consisting of a blue vertical bar and a circular shape made of three light blue curved segments. The word "Agenda" is written in white text across the center of the circular shape.

Agenda

1. FY2026.3 Full-Year Financial Results
2. FY2027.3 Full-Year Financial Plan
3. Update on Medium- to Long-Term Plan & Aspiration
4. Action to Implement Management that is Conscious of Cost of Capital and Stock Price
5. Appendix



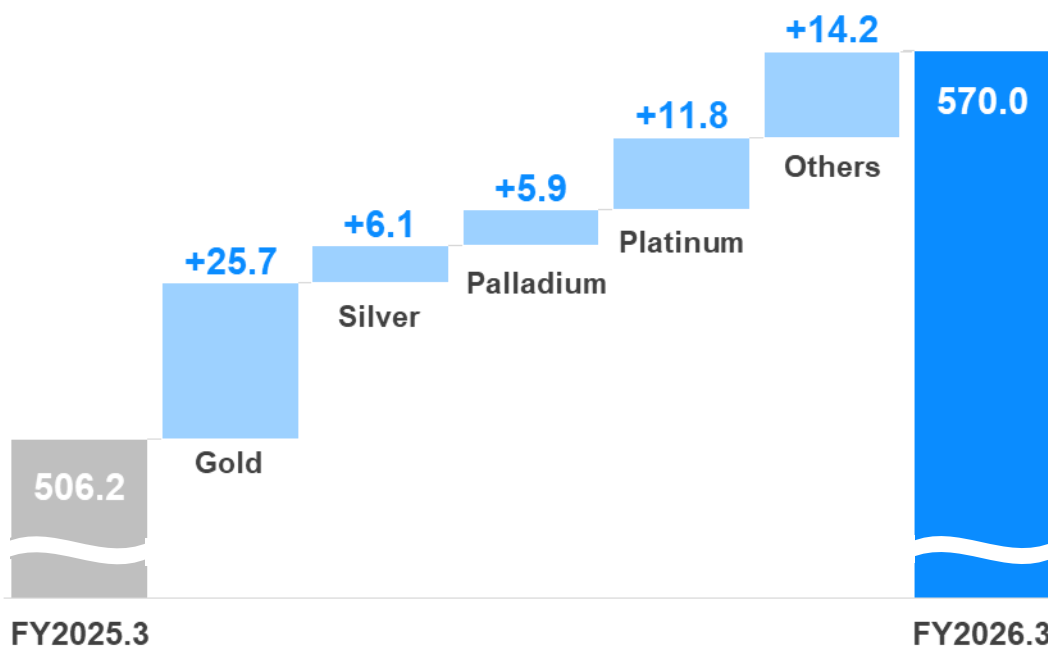
Revenue Breakdown and Changes

| Revenue | FY2025.3 | FY2026.3 | |
|---------------------------|---------------------|---------------------|---------------------|
| | Results | Results | YoY |
| | 506.2 bn yen | 570.0 bn yen | +63.8 bn yen |
| Precious Metals Recycling | 481.9 bn yen | 535.1 bn yen | +53.3 bn yen |
| North American Refining | 24.2 bn yen | 34.7 bn yen | +10.5 bn yen |

Note: The figures do not add up to the total because data for the Environmental and other businesses is excluded.

Revenue Change Analysis (YoY)

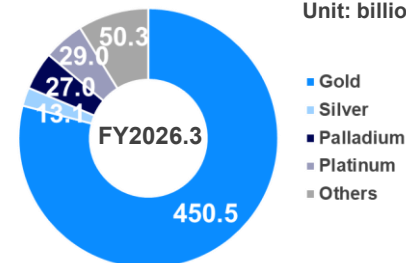
Unit: billion yen



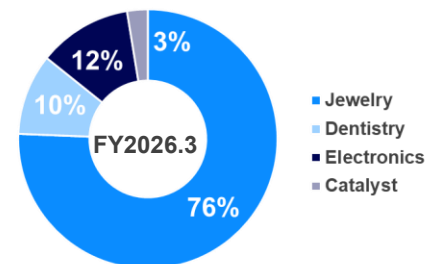
Breakdown of Revenue

Breakdown of Revenue by Metal

Unit: billion yen



Breakdown of Revenue by Business Sector

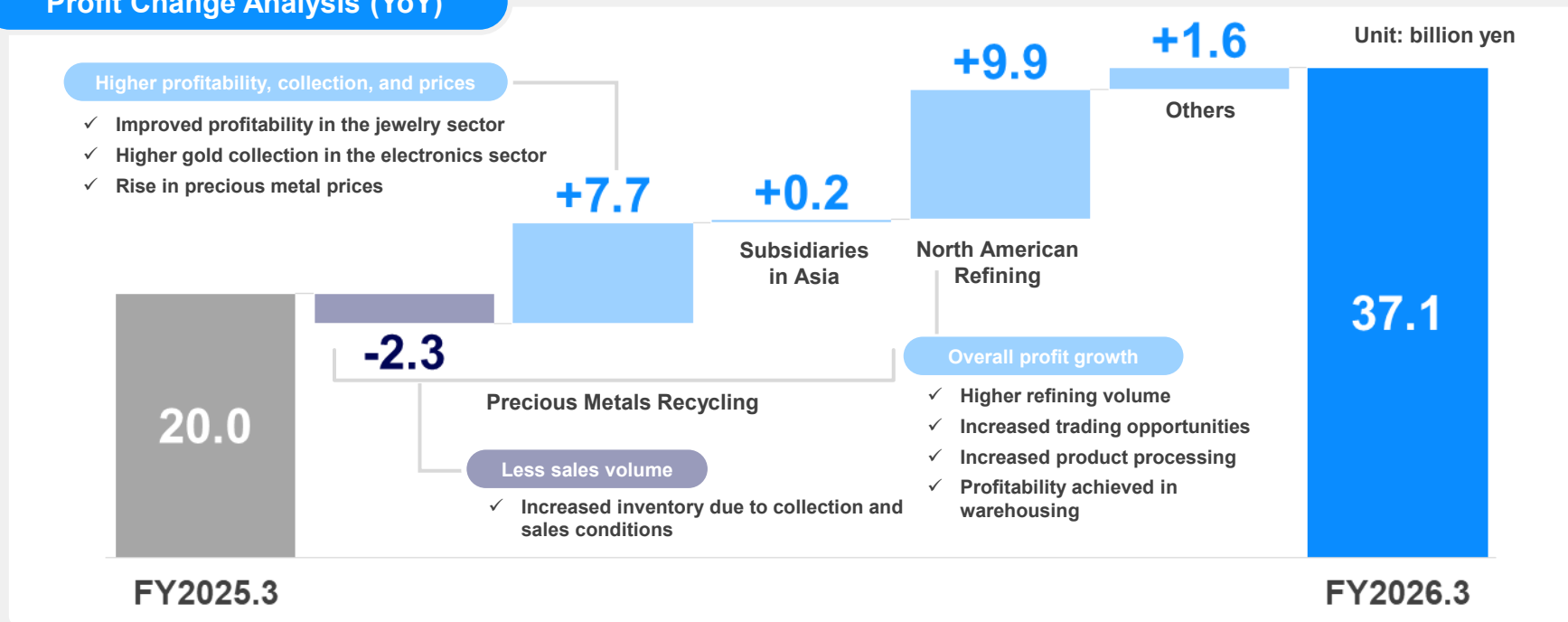




| | FY2025.3 | FY2026.3 | |
|---------------------------|--------------------|--------------------|---------------------|
| | Results | Results | YoY |
| Operating Profit | 20.0 bn yen | 37.1 bn yen | +17.1 bn yen |
| Precious Metals Recycling | 14.3 bn yen | 19.9 bn yen | +5.6 bn yen |
| North American Refining | 6.3 bn yen | 16.2 bn yen | +9.9 bn yen |
| Environmental | 1.7 bn yen | 1.7 bn yen | -0.0 bn yen |
| Other Adjustments | -2.3 bn yen | -0.7 bn yen | +1.6 bn yen |

Note: "Other Adjustments" for FY2025.3 includes an impairment loss related to the minting business in North America (2.0 bn yen).

Profit Change Analysis (YoY)





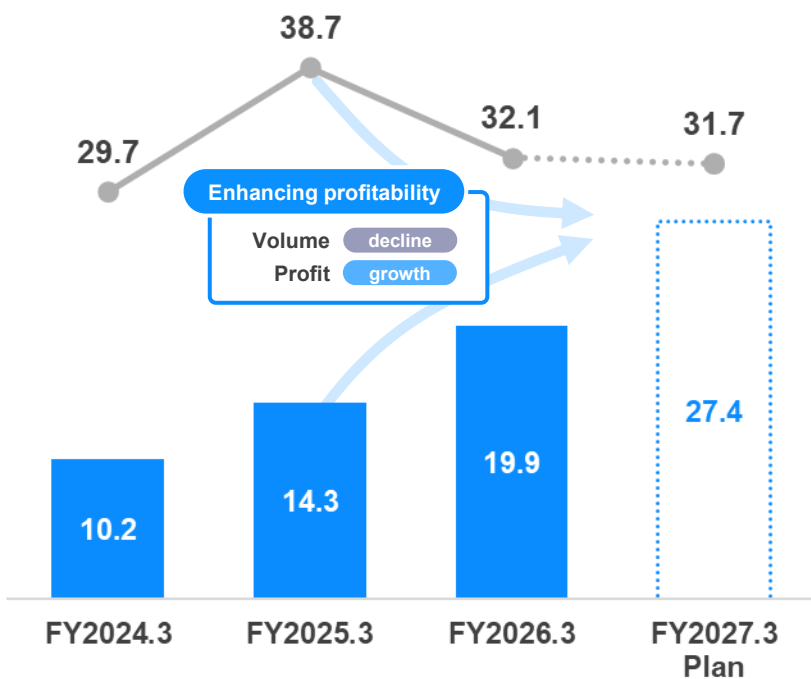
- Primary KPIs: collection volume, operating profit, and ROE
- In FY2026.3, **profitability steadily improved despite lower collection volume.**

1 Precious Metals Recycling Profit and Gold Collection

Unit: billion yen, ton

Operating Profit of Precious Metals Recycling Business

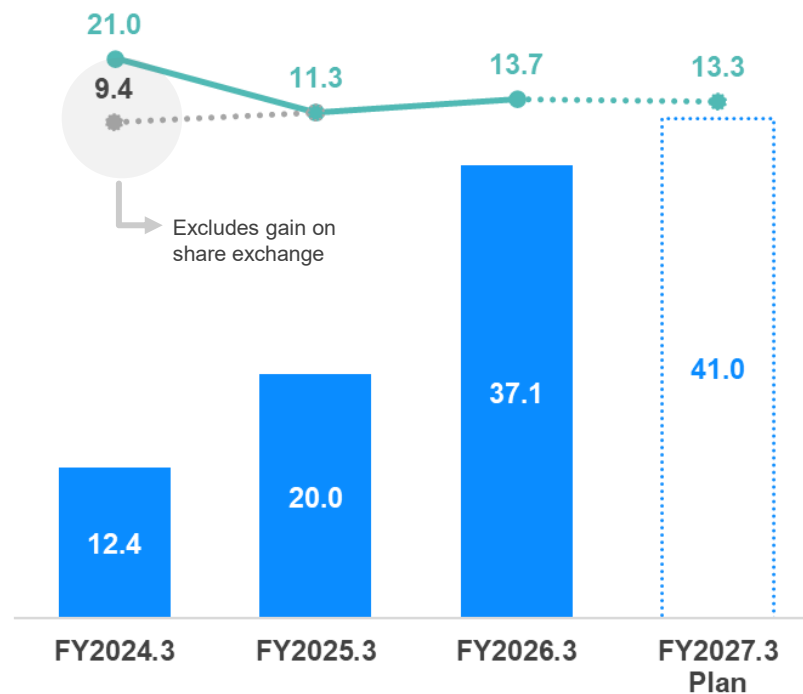
Gold Collection Volume



2 Operating Profit and ROE

Unit: billion yen, %

Operating Profit ROE

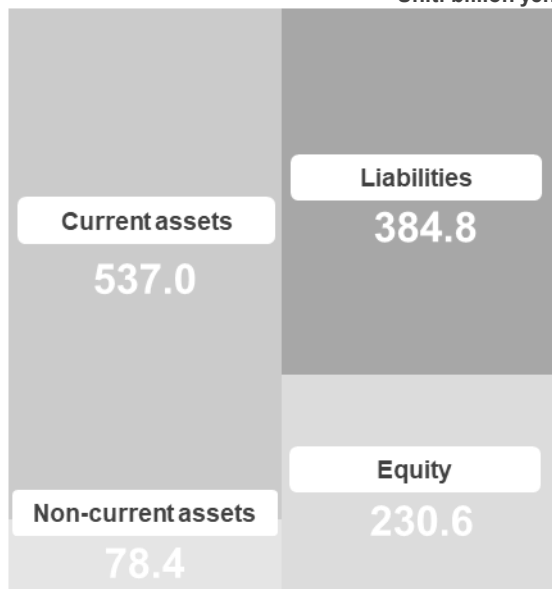




- Our balance sheet is largely composed of highly liquid assets such as precious metal raw materials, along with corresponding short-term interest-bearing liabilities. (This includes assets and liabilities related to prepayment transactions in the North American Refining Business. For details on prepayment transactions, see p.47.)
- We assess financial soundness using **an equity ratio that excludes highly liquid assets**.
- The conversion of convertible bonds and a review of prepayment transaction management have resulted in a smaller balance sheet and an improved equity ratio.

Consolidated Balance Sheet of ARE Holdings

Unit: billion yen



Equity Ratio
(ratio of equity attributable to owners of the parent)

37.5%

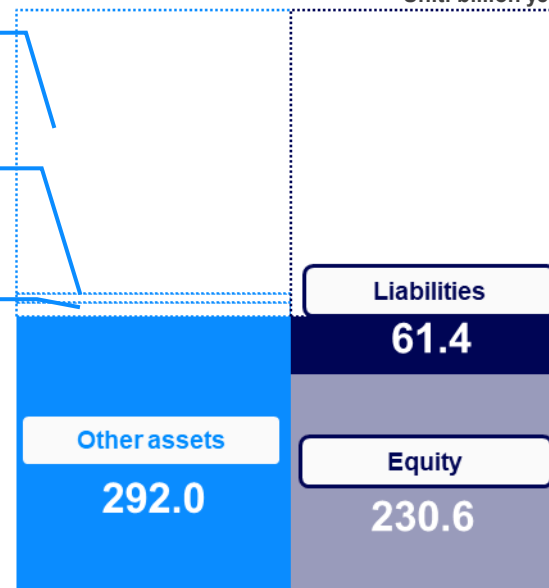
Balance Sheet without Highly Liquid Assets

Unit: billion yen

Trade receivables in North America, etc.
299.2 billion yen

Cash and cash equivalents
10.3 billion yen

Jewelry sector advance payments in Japan
13.9 billion yen



Equity Ratio
(ratio of equity attributable to owners of the parent)

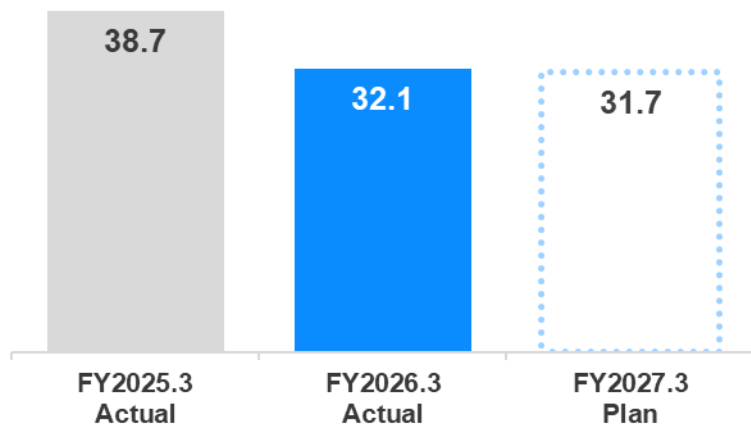
79.0%





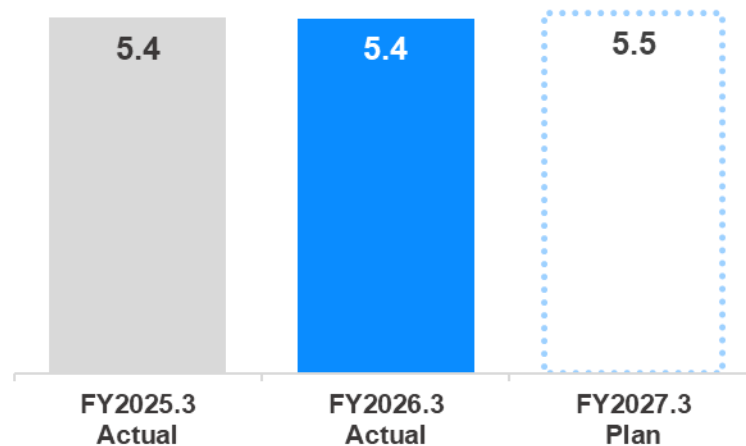
Gold

Unit: ton



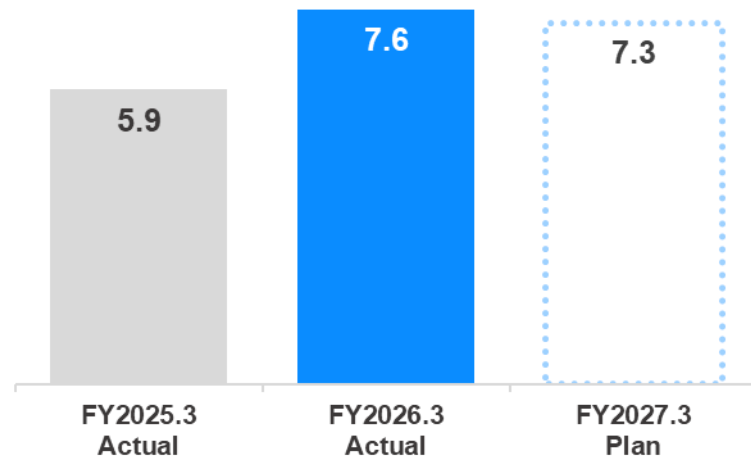
Palladium

Unit: ton



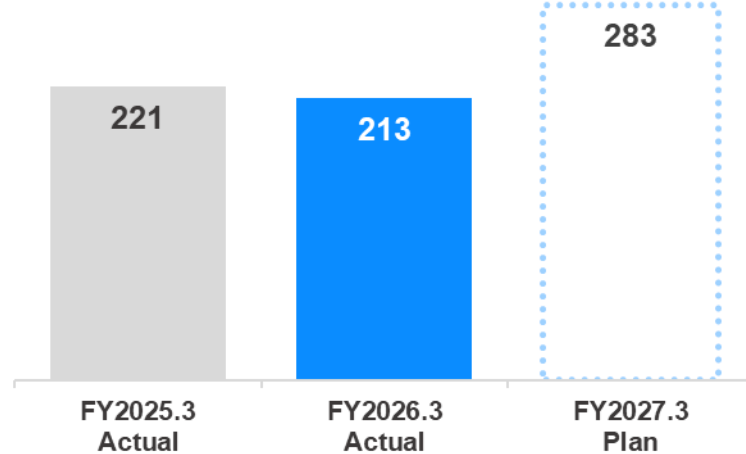
Platinum

Unit: ton



Rhodium

Unit: kg





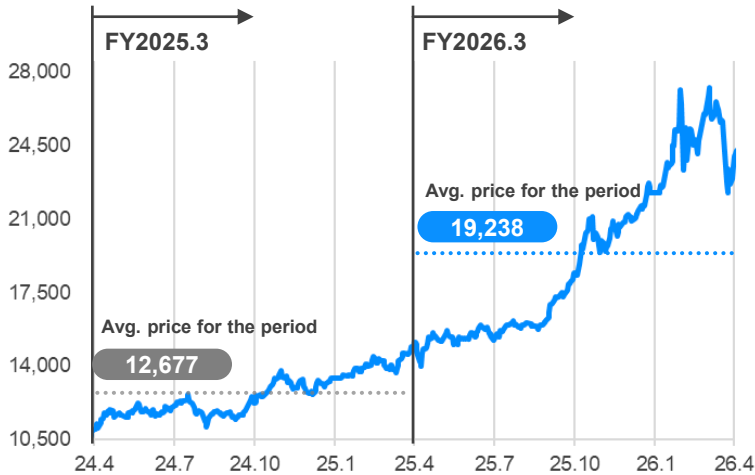
| | Profit (YoY) | Collection Volume (FY26.3 / FY25.3) | Business Environment |
|-------------|--------------|-------------------------------------|---|
| Dentistry | Growth | Gold 95% | <ul style="list-style-type: none"> ➤ Profit grew YoY, supported by an improved cost structure and rising gold and palladium prices. ➤ Although material shifts continue to shrink the market, collection volumes were maintained through new client acquisition and an increase in the overall number of clients. |
| Jewelry | Growth | Gold 78% | <ul style="list-style-type: none"> ➤ Profit grew YoY, supported by improved margins and new client acquisition. ➤ Platinum handling volumes increased amid an active purchasing market. |
| Electronics | Growth | Gold 103% | <ul style="list-style-type: none"> ➤ Both collection volumes and profit exceeded the previous year, driven by a rapid increase in demand from AI data center-related applications. ➤ Weakness in the Chinese market and BEV-related demand had negative impacts throughout the year. |
| Catalyst | Decline | Palladium 100% | <ul style="list-style-type: none"> ➤ Higher collections from the chemical catalyst segment helped maintain collection volumes at the prior-year level. ➤ Profit declined YoY due to intensified price competition in the end-of-life vehicle catalyst segment, exacerbated by the weak yen. |

Note: Business environment commentary for each sector is compared with last year.



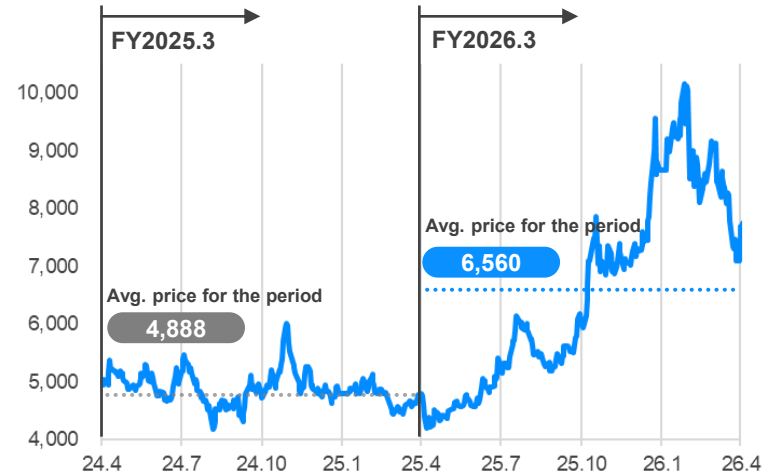
Gold

Unit: ¥/g



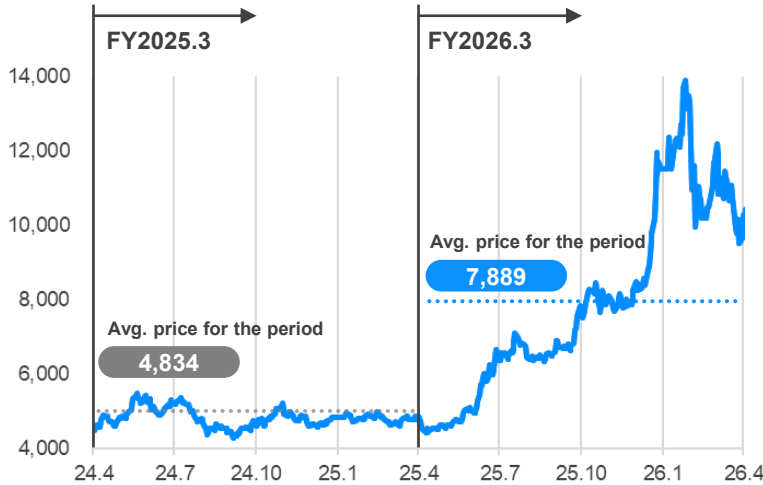
Palladium

Unit: ¥/g



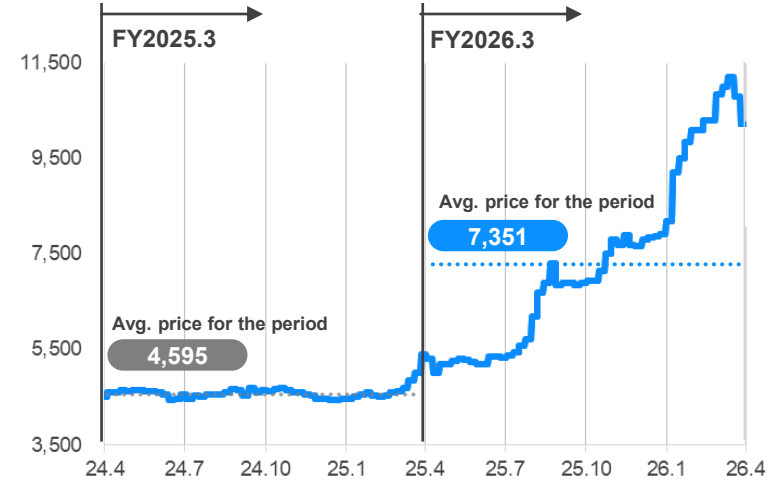
Platinum

Unit: ¥/g



Rhodium

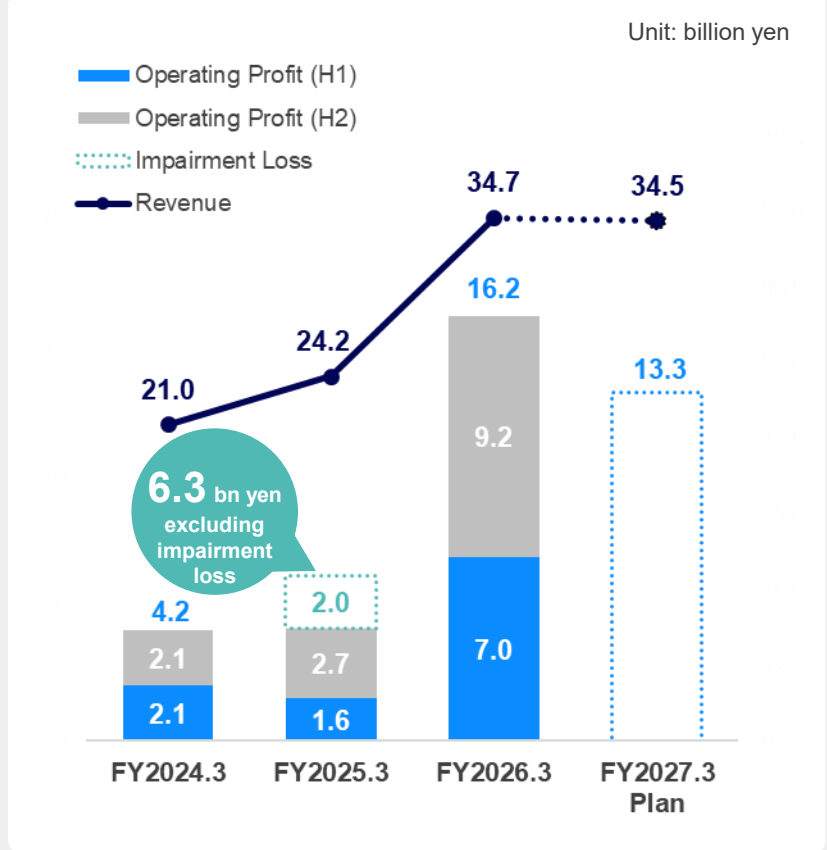
Unit: \$/toz



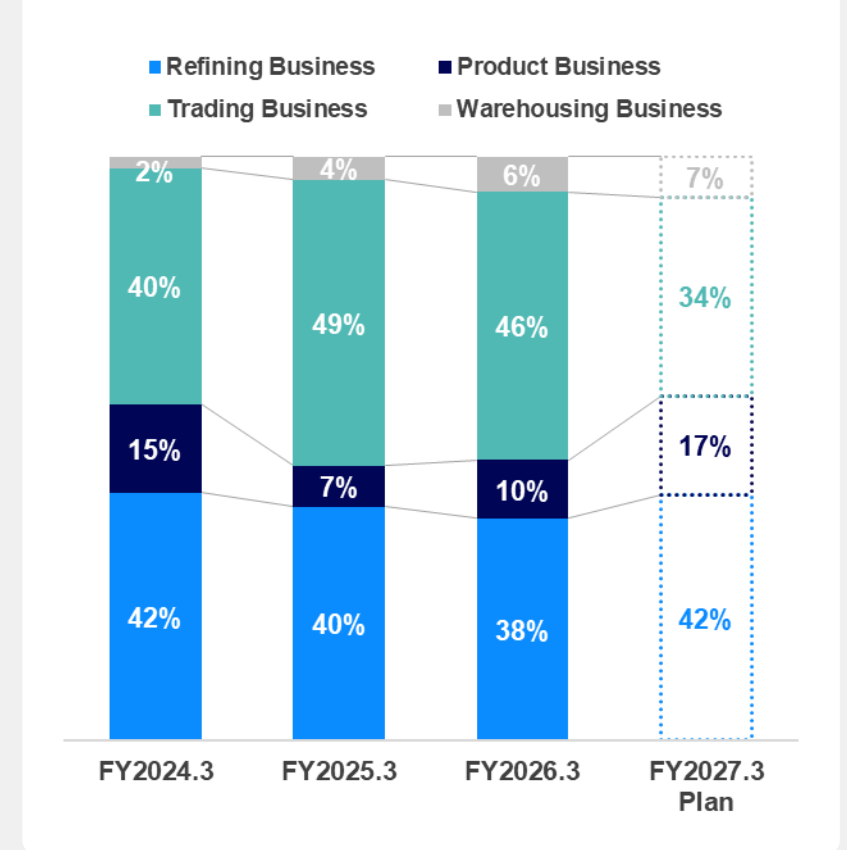
Note: Gold (mining company quotes); Palladium (Nikkei low price); Platinum (retail price, excluding tax); Rhodium (Metals Week NY Dealer Prices).

- Operating profit increased significantly YoY, partly due to contributions from the trading and product businesses, which benefited from profitable opportunities arising from U.S. tariff policy.
- The core refining business expanded in scale**, driven by increased intake volumes of both scrap and mined raw materials amid rising precious metal prices.
- Although projections for the trading business in the next fiscal year are deliberately conservative, **other businesses are expected to grow strongly**.

1 Performance Trends

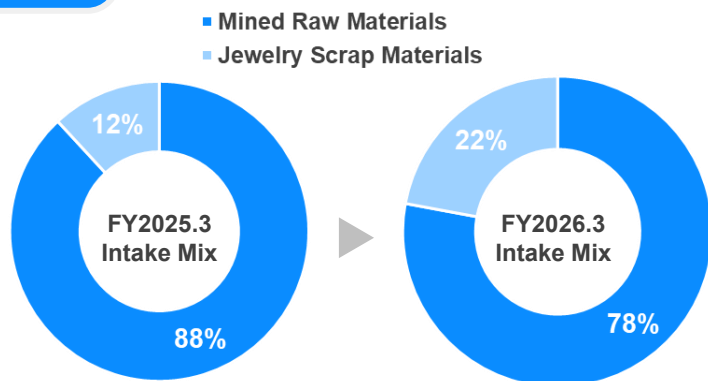


2 Breakdown of Sales

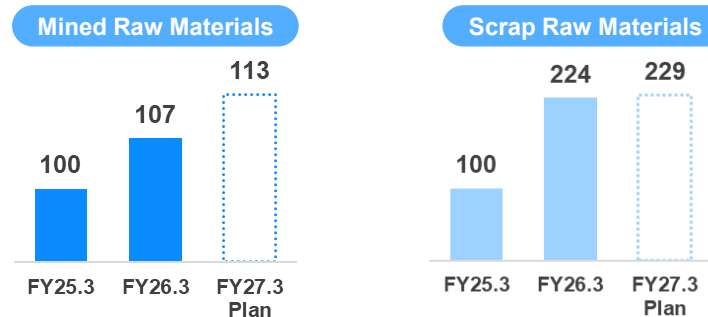


- We place emphasis on intake volumes as a preliminary KPI to assess performance trends in North America.
- In the first half, **we strategically increased the handling volume of jewelry scrap raw materials** by capitalizing on market changes triggered by U.S. tariff policy.
- In the second half, **we shifted our focus to increasing the handling volume of mined raw materials** to expand our refining share, amid rising precious metal prices and silver lease rates and the growing importance of financing capabilities related to prepayment transactions.

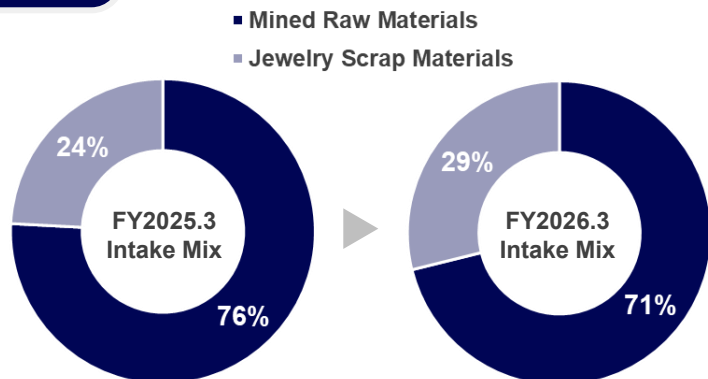
Gold



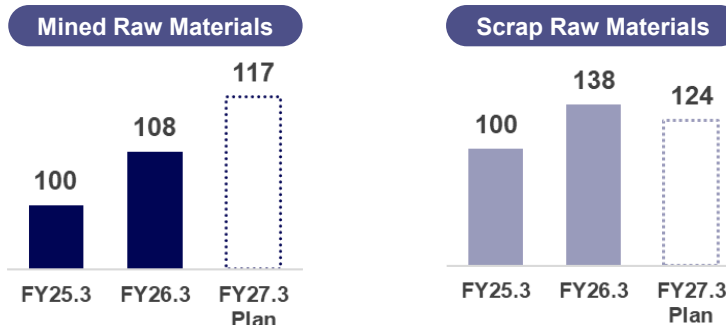
Mined and Scrap Raw Materials Intake Volume Trends (FY2025.3 = 100)



Silver

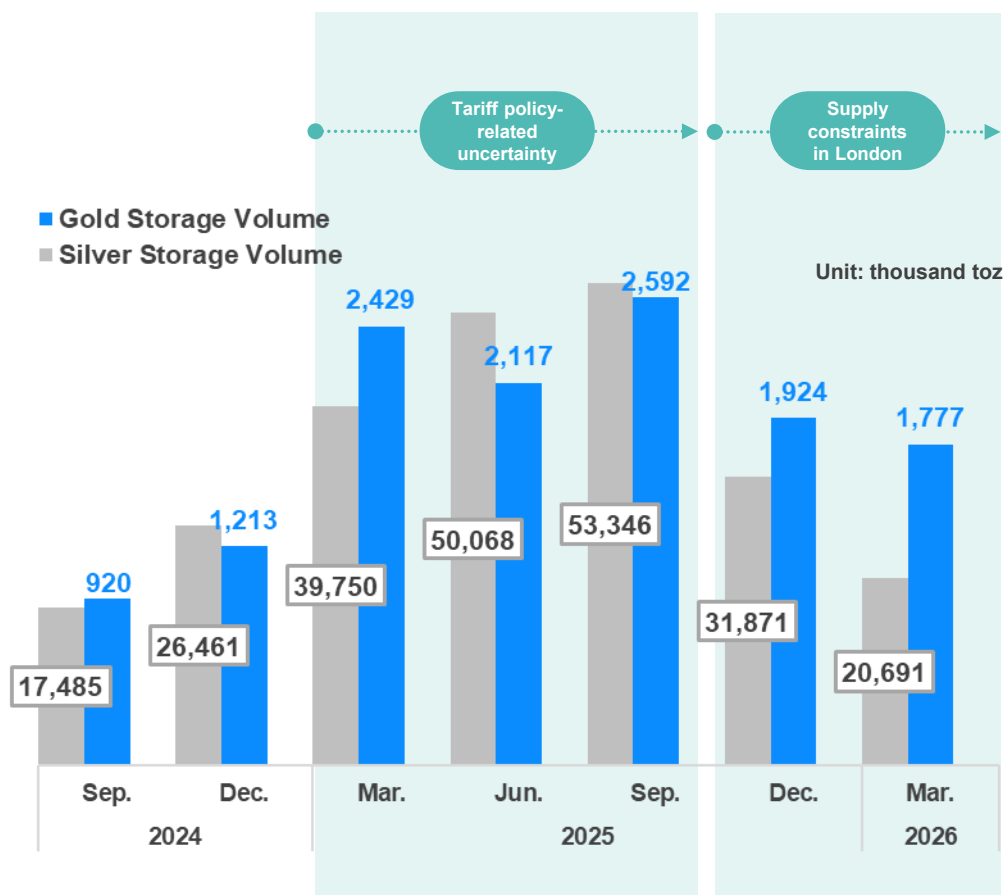


Mined and Scrap Raw Materials Intake Volume Trends (FY2025.3 = 100)



- **The business model delivers self-sustaining growth** through higher intake volumes, while storage volumes fluctuate with market conditions.
- Storage volumes decreased after Q3 of FY2026.3 as **we prioritized transportation and sales to London, where profitability improved** amid rising silver lease rates.
- We expect storage volumes to increase in the next fiscal year as silver lease rates wind down.

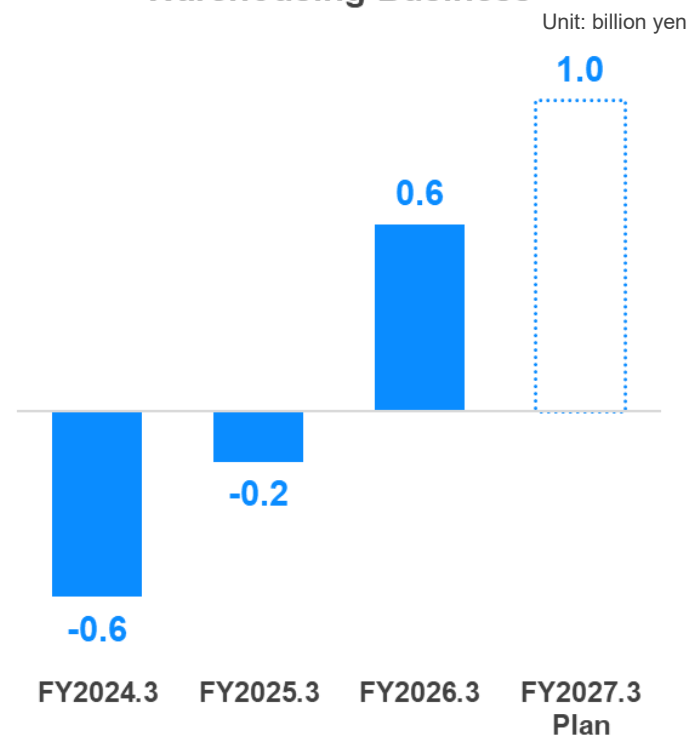
1 Storage Volume Trends



Note: Created based on data from Daily Metal Stocks Report by COMEX and reflects Registered (deliverable) amount.

2 Performance Trends

Operating Profit of Warehousing Business



Unit: billion yen

| | Mar 31, 2025 | Mar 31, 2026 | Change | Main Changes | |
|-------------------------------------|-----------------|-----------------|---------------|--|-------|
| Current assets | 419.6 | 537.0 | +117.4 | Trade and other receivables | +14.5 |
| | | | | Inventories | +71.2 |
| Non-current assets | 70.4 | 78.4 | +8.0 | | |
| Total assets | 490.0 | 615.4 | +125.4 | | |
| Current liabilities | 311.3 | 276.9 | -34.4 | | |
| Non-current liabilities | 52.4 | 108.0 | +55.5 | Bonds and loans payable | +41.2 |
| Equity | 126.3 | 230.6 | +104.3 | Conversion of convertible bonds | +31.4 |
| | | | | Income for the year attributable to owners of the parent | +24.4 |
| | | | | Deferred hedge gain/loss | +49.6 |
| Total equity and liabilities | 490.0 | 615.4 | +125.4 | | |

Point

- Domestic Precious Metals Recycling Business: Hedged inventory increased due to higher precious metal prices and higher plant inventory volumes resulting from collection and sales conditions.
- The conversion of convertible bonds reduced current liabilities and increased equity.
- Non-current bonds and loans payable increased following two domestic bond issuance.
- The increase in equity of +104.3 bn yen includes +49.6 bn yen in deferred hedge gains.



Unit: billion yen

| | FY2026.3 | Main Changes | |
|--|--------------|---|-------|
| Cash flow from operating activities | -99.4 | Profit before tax | +34.7 |
| | | Changes in inventories | -71.2 |
| | | Other increases and decreases in receivables and payables | -62.9 |
| Cash flow from investing activities | -0.3 | Purchase of property, plant and equipment (PP&E) | -8.3 |
| | | Changes in prepayment transactions, etc. in North America | +8.0 |
| Cash flow from financing activities | 91.9 | Loans payable | +59.9 |
| | | Corporate bond issuance | +39.8 |
| | | Cash dividends paid | -7.7 |
| Effect of exchange rate change on cash and cash equivalents | 0.6 | | |
| Net change in cash and cash equivalents | -7.2 | | |
| Cash and cash equivalents at end of period | 10.3 | | |

Point

- The increase in inventory assets is due to higher plant inventory volumes and precious metal prices.
- Financing activities mainly involved funding and dividend payments.

- Financing demand, mainly for North American operations, increased due to a surge in precious metal prices and the expansion of prepayment transactions.
- By diversifying our financing options, we secured the necessary funds in a stable and flexible manner, supporting business expansion.

1 Maintaining and Obtaining Credit Ratings

| Rating Agency | Rating Target | Rating | Rating Outlook | Obtained/Renewed |
|---------------|------------------|--------|----------------|--|
| | Issuer Rating | A- | Stable | January 2026 (First obtained: January 2025) |
| | Commercial Paper | a-1 | — | February 2026 |

2 Initiatives to Secure Funds

Issuance of the Public Bonds

| | 1 st | 2 nd |
|----------------------|---|------------------|
| Issue Date | October 23, 2025 | March 5, 2026 |
| Issue Amount | 20 billion yen | 20 billion yen |
| Maturity | 3 years | 3 years |
| Interest Rate | 1.554% per annum | 1.923% per annum |
| Credit Rating | A- (Rating and Investment Information, Inc.(R&I)) | |

Purpose of Issuance

Working Capital for North America

Allocate funds for working capital for North American Refining Business to support prepayment transactions and reduce group-wide financial costs.



Expand precious metals recycling

Total volume of recycled precious metals

FY2025

Total **573 tons**

vs FY2024 **+34%**

Gold **93 tons**

vs FY2024 **+39%**

CO₂ reduction effect

FY2025

1,210
thousand tons

vs FY2024 **+37%**

Equivalent to...

86.43 million trees



Reduce CO₂ emissions

CO₂ emissions: Scope1 and 2*



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

➤ Steady progress toward SBTi-certified greenhouse gas emissions reduction targets.

Q2 FY2025
(CO₂ emissions)

7.2
thousand tons

(vs Q2 FY2024)

-6%

FY2030 Target
(CO₂ emissions)

11.9
thousand tons

(vs FY2023)

-42%



Enhance work-life balance and employee diversity

Paid leave utilization rate

| FY2025 | FY2030 Target |
|--------------|---------------|
| 60.8% | 70.0% |

Percentage of women in managerial positions

| FY2025 | FY2030 Target |
|-------------|---------------|
| 5.4% | 7.0% |

Percentage of employees with disabilities

| FY2025 | FY2030 Target |
|-------------|---------------|
| 3.0% | 2.5% |

Achievement rate for rest intervals of at least 11 hours

| FY2025 | FY2030 Target |
|--------------|---------------|
| 99.9% | 100% |

Percentage of male parental leave childcare leave usage

| FY2025 | FY2030 Target |
|-------------|---------------|
| 100% | 100% |



Encourage and support SDG-related activities

Asahi Clean Project

Local Cleanup Activities during FY2025

52 initiatives
(total of **438** participants)



*Figures exclude businesses that were newly added or discontinued after FY2015.

Note: FY2025 refers to the fiscal year ending March 2026 (FY2026.3). This convention applies throughout this page.



Supply precious metals in ways that are friendly to people, society, and the environment

Evaluations by Third-Parties

Good Delivery Accreditations



As a Good Delivery refiner, our group companies have passed stringent assessments conducted by international accreditation organizations such as the LBMA and LPPM, covering product quality, precious metal assaying capabilities, and responsible sourcing system.

Note: LBMA = London Bullion Market Association; LPPM = London Platinum & Palladium Market

Acquisition of COP and COC Certifications



As a responsible member of the precious metals supply chain, we hold COP and COC certifications granted by the Responsible Jewellery Council (RJC).

Note: COP = Code of Practices; COC = Chain of Custody

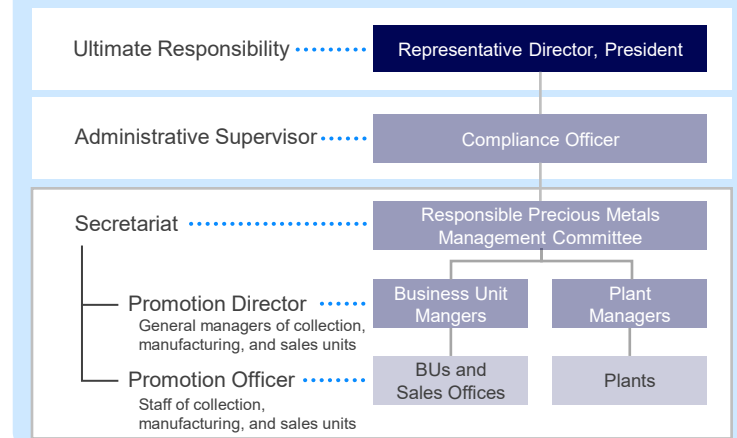
Our Initiatives for Responsible Management of Precious Metals

1 Responsible Precious Metals Management Policy

Objective

- Mitigate risks related to human rights abuses, terrorist financing, money laundering, and conflict
- Prevent sourcing associated with ESG risks
- Fulfill responsibilities for sustainability and environmental protection

2 Responsible Precious Metals Management System



1 Inclusion in Stock Indices

JPX-NIKKEI 400

Selected for FY2020 - 2025

A stock index composed of 400 companies considered highly attractive to investors, meeting key requirements of global investment standards such as efficient use of capital and management perspectives focused on investor interests.

JPX-NIKKEI Mid Small

A stock index composed of 200 companies applying the concept of JPX Nikkei Index 400 to small- and mid-cap stocks—companies that efficiently utilize capital and practice investor-focused management.

2 ESG-Related Evaluations

MSCI
ESG RATINGS

BBB

| | | | | | | |
|-----|---|----|------------|---|----|-----|
| CCC | B | BB | BBB | A | AA | AAA |
|-----|---|----|------------|---|----|-----|

SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

Climate
CDP
A List
2025

FTSE Blossom
Japan Sector
Relative Index

S&P/JPX
Carbon
Efficient
Index



2026
健康経営優良法人
KENKO Investment for Health
大規模法人部門

DISCLAIMER

THE INCLUSION OF ARE HOLDINGS IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF ARE HOLDINGS BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

A graphic consisting of two light blue curved segments forming a partial circle, with the word "Agenda" written in white text across the center.

Agenda

1. FY2026.3 Full-Year Financial Results
2. **FY2027.3 Full-Year Financial Plan**
3. Update on Medium- to Long-Term Plan & Aspiration
4. Action to Implement Management that is Conscious of Cost of Capital and Stock Price
5. Appendix



Unit: billion yen

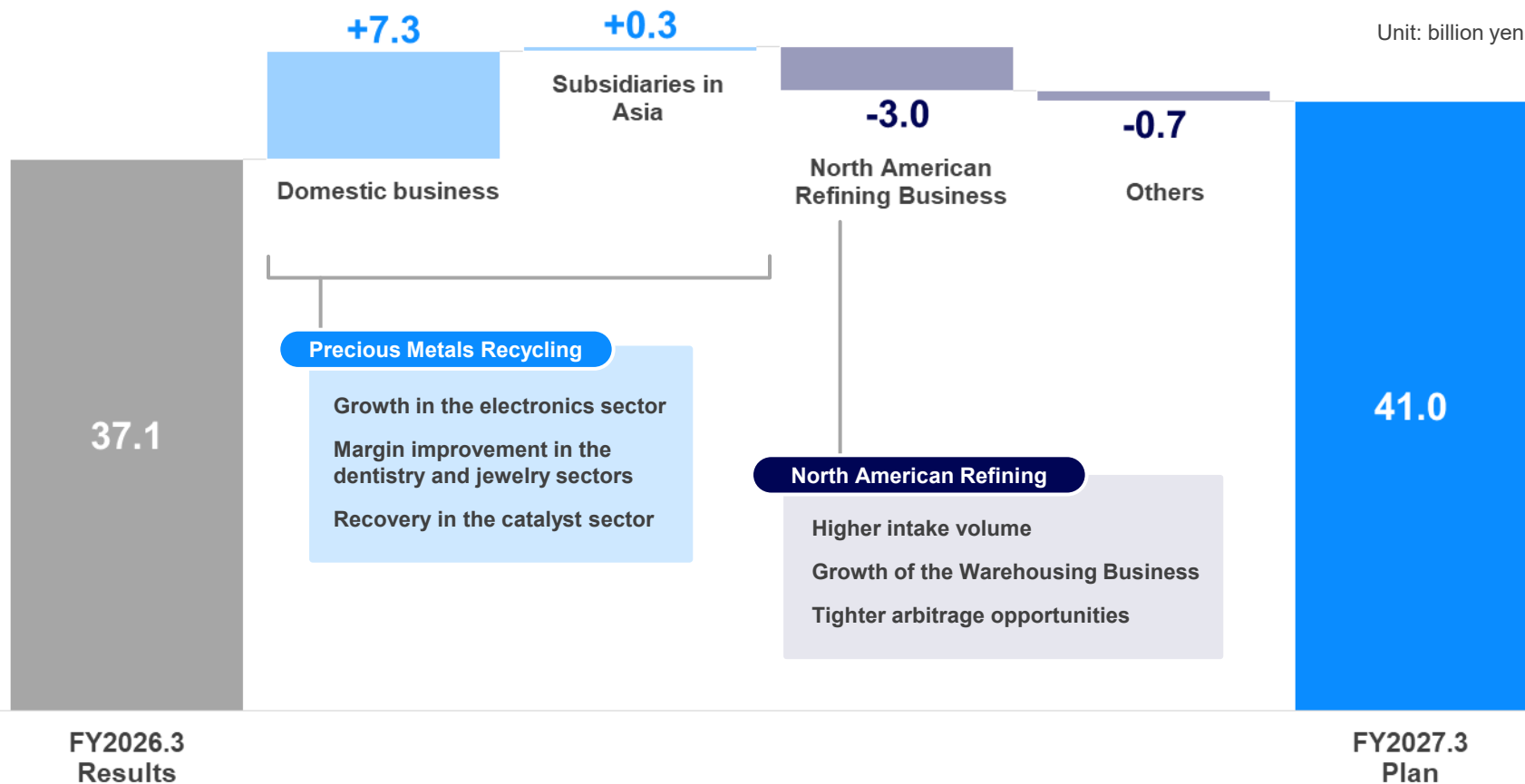
| | FY2026.3 Results | FY2027.3 | |
|---------------------------|---------------------|--------------|---------------|
| | | Plan | YoY |
| Revenue | 570.0 | 680.0 | +110.0 |
| Precious Metals Recycling | 535.1 | 645.3 | +110.2 |
| North American Refining | 34.7 | 34.5 | -0.2 |
| Operating Profit | 37.1 | 41.0 | +3.9 |
| Precious Metals Recycling | 19.9 | 27.4 | +7.6 |
| North American Refining | 16.2 | 13.3 | -3.0 |
| Environmental | 1.7 | 1.5 | -0.1 |
| Other Adjustments | -0.7 | -1.2 | -0.6 |

Note: The figures for revenue do not add up to the total because data for the Environmental and other businesses is excluded.



Drivers of Change in Operating Profit

- **Domestic Precious Metals Recycling:** Profit is expected to increase, mainly driven by growth in the electronics sector due to **stronger demand from AI data centers**, as well as growth in the catalyst sector following the **successful launch of the Bando Plant**, which is expected to enhance margins and competitiveness.
- **North American Refining:** The refining business is expected to maintain solid performance, supported by **higher intake of both mined and scrap raw materials**, while the outlook remains conservative due to a decline in arbitrage opportunities.





Shareholder Return Policy

Targeting a **40% payout ratio**
and **stable returns**

Dividend for FY2027.3

Interim Dividend **65 yen**
Year-end Dividend **70 yen**

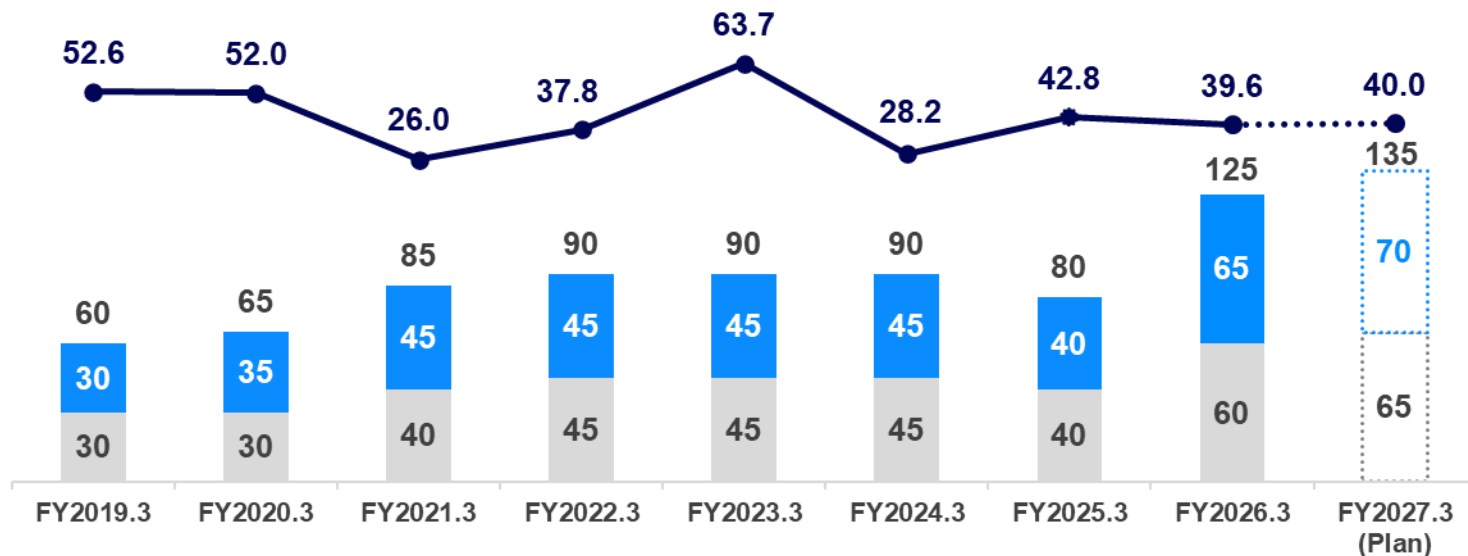
Total Dividend

135 yen

YoY
+10 yen

Dividends Per Share

■ Interim dividend (yen) ■ Year-end dividend (yen) ● Dividend payout ratio (%)



A graphic consisting of two overlapping light blue curved segments forming a partial circle, with the word "Agenda" in white text centered over them.

Agenda

1. FY2026.3 Full-Year Financial Results
2. FY2027.3 Full-Year Financial Plan
3. Update on Medium- to Long-Term Plan & Aspiration
4. Action to Implement Management that is Conscious of Cost of Capital and Stock Price
5. Appendix



Totally Committed to Protecting the Natural Environment and Preserving Resources

1

Growth

- Acquisition of new markets
- Geographic expansion
- Enhancement of retail business

2

Financial

- Growth investments
- Shareholder returns
- Financial soundness

3

Human Capital

- Enhancement of organizational capabilities
- Human capital development

| | Sales Revenue | Operating Profit | ROE | EPS |
|---------------------------------|--|--|------------|----------------|
| FY2030 Financial Targets | 750.0 bn yen (vs initial plan +210.0 bn yen) | 50.0 bn yen (vs initial plan +12.0 bn yen) | 13% | 420 yen |

Strategies updated to reflect the current business environment

Growth Strategy 1

Expand into new areas through technology development

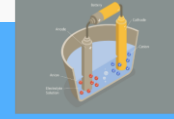
Aim for **expansion of collections from new areas** through precious metals recycling-related R&D.



AI semiconductors
(gold, palladium, etc.)



Synthetic pharmaceuticals
(palladium, etc.)



Hydrogen & ammonia production
(iridium, ruthenium, etc.)

Growth Strategy 2

Geographic expansion of businesses



Precious Metals Recycling Business

Expand sourcing and recycling areas by accelerating expansion in Asia.

North American Refining Business

Drive further diversification and global expansion.

Current Business Scale

Strengthened production foundation



Bando Plant (1st)



Bando Plant (2nd)

- Strengthen the production foundation through phased operation of the Bando Plant (2nd).
- Serve as a business base supporting three growth strategies.

Growth Strategy 3

Enhancement of retail business

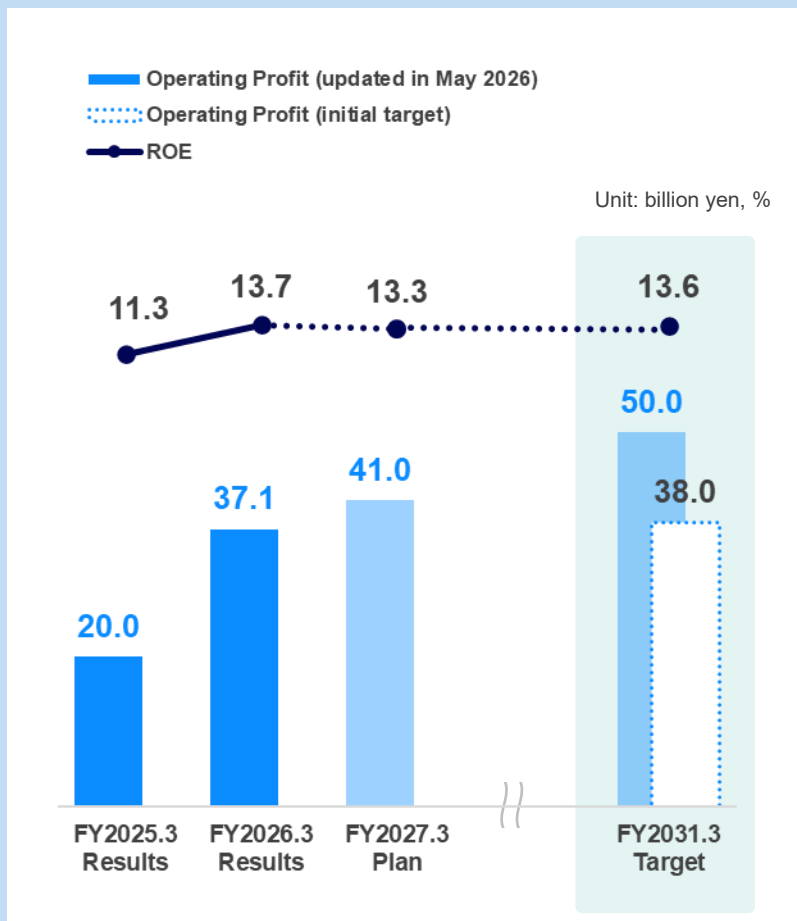


- Strengthen customer retention through new product development.
- Expand into new markets through collaboration with local governments.
- Acquire new clients by offering new services.

Accelerated growth through M&A

Accelerate business growth and expand business areas through M&A that deliver strong synergies with existing businesses.

Operating Profit & ROE (excludes M&A)



Main Growth Drivers for FY2030

1 Electronics Sector Expansion

- Enhance collections in domestic and overseas **AI-related areas**
- Improve productivity through new and automated facilities

2 Catalyst Sector Recovery

- Drive profit growth through **operation of the Bando Plant**
- Expand collections from the chemical and pharmaceutical sectors

3 Expansion into Asia

- Enhance collections in **the ASEAN region and India**
- Improve margins through the operation of the Thailand plant

4 Increased Handling of Iridium and Ruthenium

- Strengthen collection systems and technological foundations

5 Margin Improvement in North America

- Enhance productivity through the strengthening of silver refining facilities
- Improve margins through more favorable contract terms

6 Expansion of Precious Metal Premium Sales

- Expand the retail business through the launch of new products and services
- Increase global sales of green metals

Unit: billion yen

| | FY2025.3 | FY2026.3 | FY2027.3 | ..... | FY2031.3 |
|---------------------------|--------------|--------------|--------------|-------|--------------|
| | Results | Results | Plan | ..... | Target |
| Revenue | 506.2 | 570.0 | 680.0 | ..... | 750.0 |
| Precious Metals Recycling | 481.9 | 535.1 | 645.3 | ..... | 719.0 |
| North American Refining | 24.2 | 34.7 | 34.5 | ..... | 30.0 |
| Operating Profit | 20.0 | 37.1 | 41.0 | ..... | 50.0 |
| Precious Metals Recycling | 14.3 | 19.9 | 27.4 | ..... | 31.0 |
| North American Refining | 6.3 | 16.2 | 13.3 | ..... | 17.0 |
| Environmental | 1.7 | 1.7 | 1.5 | ..... | 2.0 |
| Other Adjustments | -2.3 | -0.7 | -1.2 | ..... | — |

Note: The figures of revenue do not add up to the total because data for the Environmental and other businesses is excluded.
 Note: "Other Adjustments" for FY2025.3 includes an impairment loss related to the minting business in North America (2.0 bn yen).

Budget Price

Budget price for FY2027.3 through FY2031.3

Unit: ¥/g

| | Average Price during FY2026.3 | Budget Price for FY2027.3 – 2031.3 | Change |
|------------------|-------------------------------|------------------------------------|----------------|
| Gold | 19,238 | 23,000 | +3,762 |
| Palladium | 6,560 | 7,000 | +440 |
| Platinum | 7,889 | 9,000 | +1,111 |
| Rhodium | 35,955 | 48,000 | +12,045 |

- If the gold price fluctuates by 100 yen/g from the budget price, the impact on operating profit is estimated to be approx. ±100 million yen.
- This sensitivity may vary depending on market conditions and other factors.

Basic Financial Strategy Policy

- Promote management mindful of both business growth and capital efficiency.
- Balance growth investments and shareholder returns, underpinned by stable cash generation and financial soundness.

Growth Investments

- Margin improvements in existing businesses and new investments, including M&A

Shareholder Returns

- Stable shareholder returns with a target payout ratio of 40%

Financial Soundness

- Sustainable maintenance of financial soundness aligned with business characteristics
- Diversification of financing options and enhancement of financing efficiency

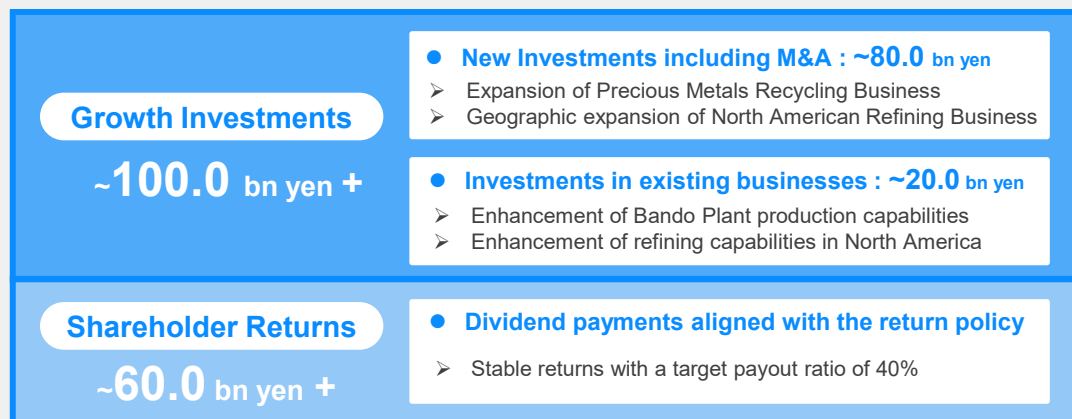
Cash Allocation

- Focus on new business investments, including M&A, as CAPEX for existing businesses is expected to peak in FY2027.3.
- Continue to provide stable shareholder returns aligned with performance, while targeting a payout ratio of 40%.
- For excess funds, consider measures to improve capital efficiency while maintaining financial soundness.

Total Cash Inflow Over 5 Years



Total Cash Outflow Over 5 Years

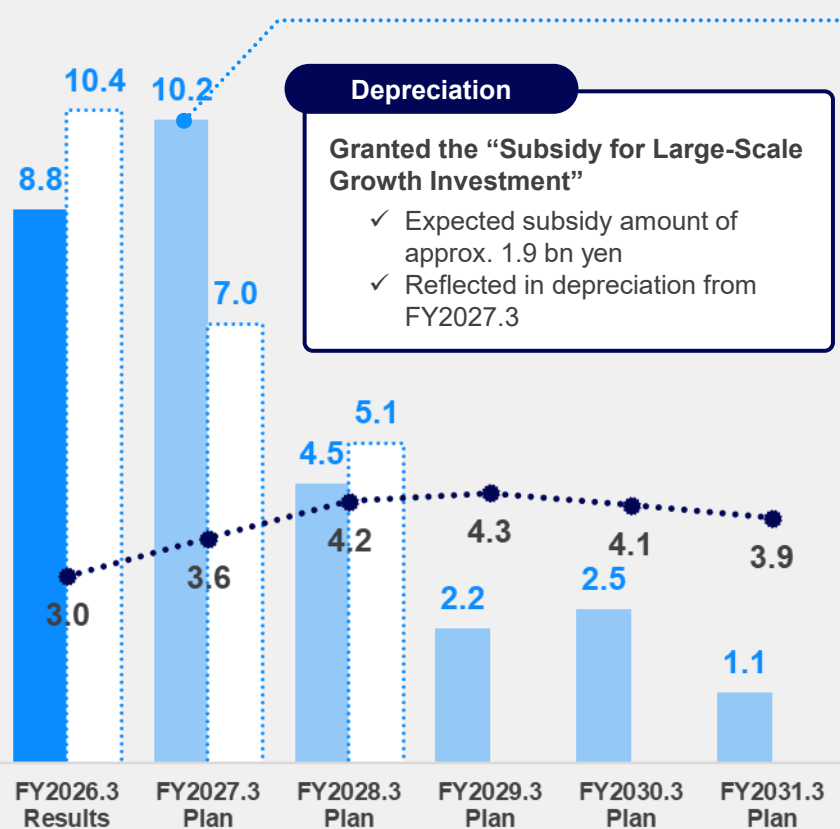




Capital Investment & Depreciation

- Medium- to Long-Term Plan & Aspiration (Updated May 2026)
- Medium- to Long-Term Plan & Aspiration (Rolling Vision as of April 2025)
- Depreciation

Unit: billion yen



Major CAPEX of FY2027.3

Precious Metals Recycling

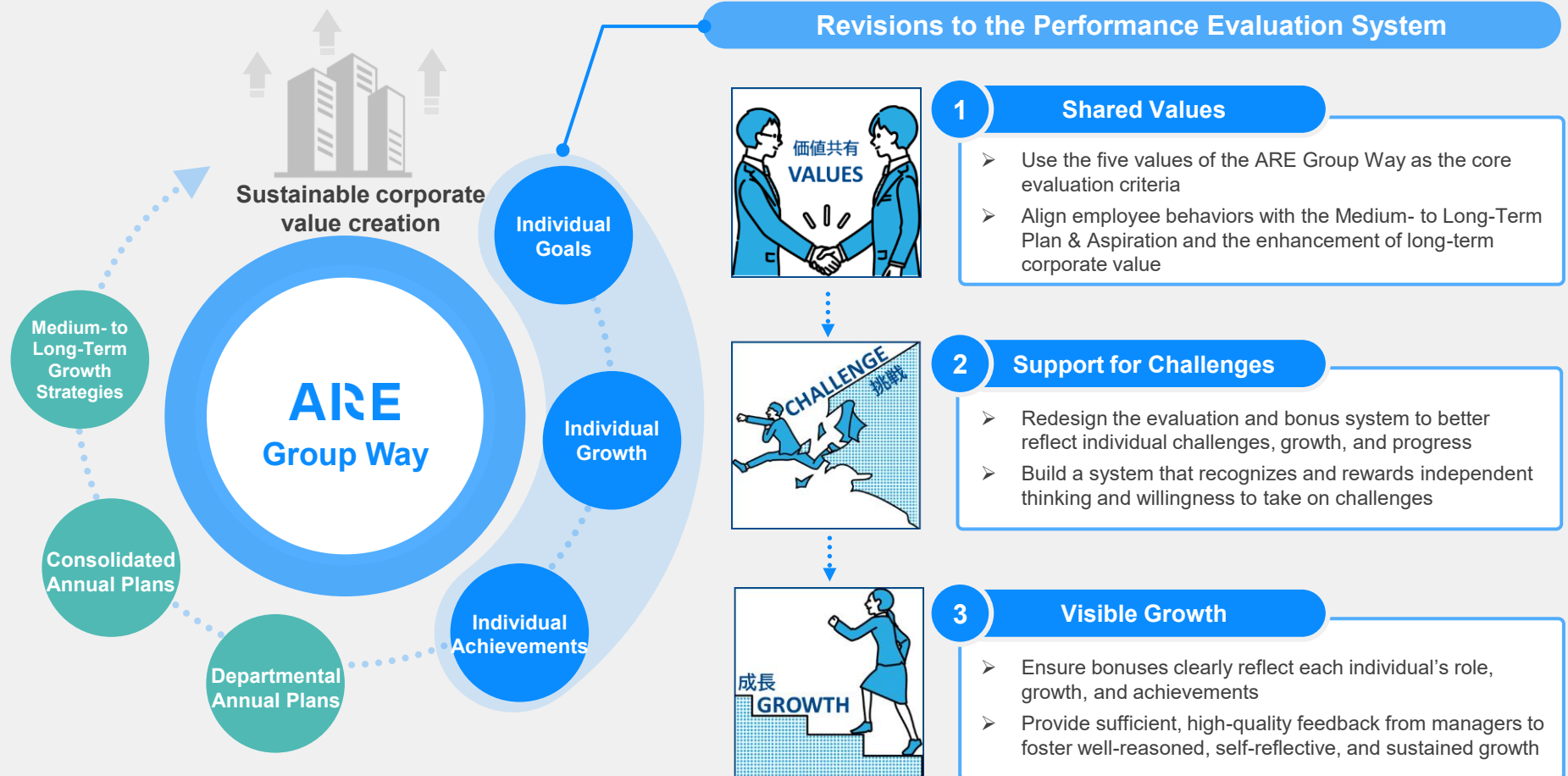
- Improve electronics and catalyst margins **2.8** bn yen
 - Enhance production capacity at the Bando Plant **2.4** bn yen
 - Enhance production capacity at the Amagasaki & Fukuoka plants **0.4** bn yen
- Improve dentistry and jewelry margins **0.3** bn yen
- Establish Thailand Plant **0.9** bn yen
- Technology development **0.7** bn yen

North American Refining

- Improve refining margins **2.9** bn yen
- Automate silver product processing **0.7** bn yen
- Expand gold warehouse capacity **0.4** bn yen

Rationale for Revisions

Align each employee's actions with the ARE Group Way to ensure steady execution of medium- to long-term growth strategies and sustainable corporate value creation.



A graphic consisting of two overlapping light blue curved segments forming a partial circle, with the word "Agenda" in white text centered over them.

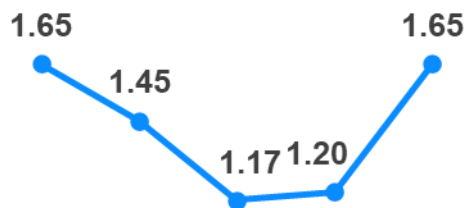
Agenda

1. FY2026.3 Full-Year Financial Results
2. FY2027.3 Full-Year Financial Plan
3. Update on Medium- to Long-Term Plan & Aspiration
- 4. Action to Implement Management that is Conscious of Cost of Capital and Stock Price**
5. Appendix

Situation Analysis

- ROE in FY2026.3 has improved at a faster pace than in the past three years.
- Against this backdrop, the P/B ratio, which had been on a downward trend since FY2022.3, has recently turned upward.

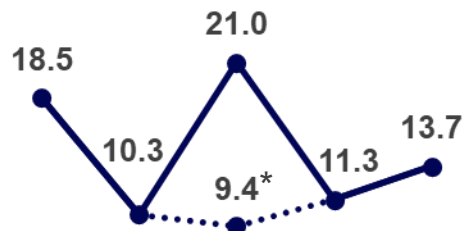
P/B Ratio



P/B ratio = 1.0

FY22.3 FY23.3 FY24.3 FY25.3 FY26.3

ROE

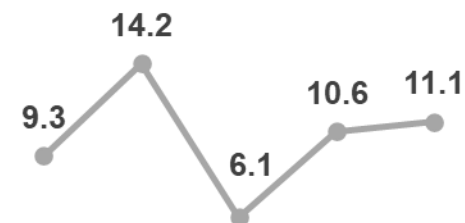


Cost of Equity = 7.0-9.0%

FY22.3 FY23.3 FY24.3 FY25.3 FY26.3

*excludes gain on share exchange

P/E Ratio



FY22.3 FY23.3 FY24.3 FY25.3 FY26.3

Issue Identification

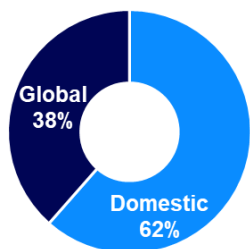
- While P/B ratio and ROE have remained solid, we recognize that **there is still room for improvement in market valuation with respect to the P/E ratio.**
- To enhance market understanding and valuation, it is necessary to **ensure sufficient information disclosure, expand dialogue with shareholders and investors, and further strengthen communication of our ESG strategy.**

- Through proactive dialogue with shareholders and investors, we aim to enhance market understanding and valuation.
- Feedback and insights from investors are regularly shared with management and leveraged for continuous improvement.

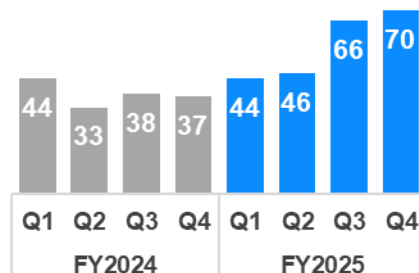
Status of Investor Engagement

| Dialogue Method | FY2024 | FY2025 |
|--|------------------|------------------|
| Financial Results Briefings | 2 | 2 |
| Small-Group Meetings for Institutional Investors | 2 | 6 |
| One-on-One Meetings | 152 | 226 |
| Domestic Institutional Investors | 92 | 139 |
| Global Institutional Investors | 60 | 87 |
| Attendance at Broker-Hosted IR Conferences | 2 | 2 |
| Overseas Roadshows | 1 (11 investors) | 2 (18 investors) |
| Briefing Sessions for Individual Investors | - | 1 |

One-on-One Meeting Participants



One-on-One Meeting Trends



Main Topics Discussed and Issues Identified Through Dialogue

Main Topics Discussed

- Earnings model of the Precious Metals Business
- Key drivers of profit growth in North America
- Factors behind balance sheet expansion and financial soundness
- Business impact of the U.S. tariff policy
- Business impact of the surge in precious metal prices
- Approach to shareholder returns

Issues

- Performance of North American Refining Business is not yet fully understood.
- The relationship between precious metal price fluctuations and business performance is not clearly understood.



Feedback Shared with Management

Main Actions

- Semiannual performance disclosure for the North American refining business
- Hold briefing sessions to deepen understanding of our earnings model
- Disclosure of our business's sensitivity to precious metal price fluctuations



Environment



Social



Governance



Key Targets and Benchmarks

- **Expand Precious Metals Recycling**

 - Total volume of recycled precious metals
 - CO₂ reduction effect

- **Supply Precious Metals in Ways That Are Friendly to People, Society, and the Environment**

 - Certifications from various institutions

- **Reduce CO₂ Emissions**

 - Scope 1 and 2

: Key SDG Targets

- **Enhance Work-Life Balance and Employee Diversity**

 - Achievement rate for rest intervals of at least 11 hours
 - Percentage of women in managerial positions
 - Percentage of employees with disabilities
 - Paid leave utilization rate
 - Percentage of male parental and childcare leave usage

- **Encourage and Support SDG-Related Activities**

 - Promote and support Asahi Clean Project (cleaning initiatives)

- **Enhance Risk Management**

 - Enhance risk management for overseas expansion
 - Enhance risk management in North America

- **Enhance Corporate Governance**

 - Evaluation of the effectiveness of the Audit and Supervisory Committee

Achievements

- **Addressing climate change**
 - SBT certifications
 - CDP A list
 - Reduction of emissions through fuel switches at the Bando Plant
- **Certifications from various institutions**
 - Renewal of COP of RJC

- **Human resource development**
 - Level-specific training
 - Overseas trainee program
- **Organizational development**
 - Adoption of ARE Group Way
 - Engagement survey

- **Enhancing corporate governance**
 - Review of director remuneration system
 - Evaluation of the effectiveness of the Board of Directors
- **Sufficient disclosure**
 - Active disclosure of information essential for investment decisions

Environment

- Addressing climate change remains one of our top priorities, and we will continue to proactively disclose relevant information.
- Our greenhouse gas emissions reduction targets were certified by SBTi and our group was selected on the prestigious A List in the Climate Change category of CDP for the first time.

Major Achievements of FY2026.3

- Our GHG emissions reduction targets were certified by SBTi

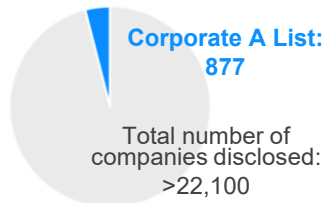


SCIENCE
BASED
TARGETS

Scope 1&2 Reduce **42%** by FY2030 (vs FY2023)

Scope 3 Reduce **25%** by FY2030 (vs FY2023)

- Selected for the CDP Climate Change A List



- ✓ ARE Group was selected on the prestigious A List for the first time.
- ✓ Companies that made the A List are among the top 4% of all 22,000 corporate disclosers.

Major Future Initiatives

Improvement of External Evaluations through Enhanced ESG Disclosures



- Enhance disclosures aligned with SSBJ standards and TCFD recommendations.
- Continuously improve disclosures by incorporating external reviews and feedback.

1

Measures to Align with SSBJ Standards



- Prepare disclosures in anticipation of future SSBJ requirements.
- Enhance disclosure quality through phased improvements to internal systems and data.

2

Review of TCFD Disclosures



- Establish a company-wide TCFD taskforce reflecting changes in the business environment.
- Update disclosure content by identifying climate-related risks and opportunities and their impacts on businesses.

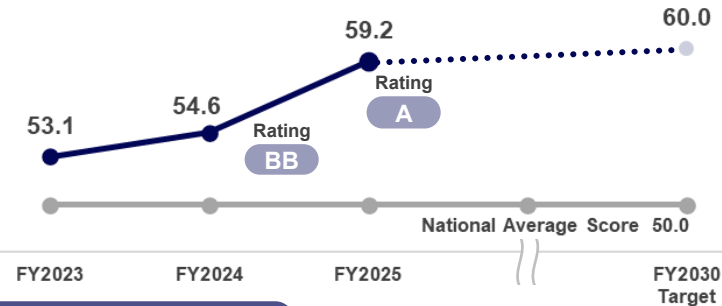
Social

- Under our human capital management framework, we place a strong emphasis on the development of talent and organizational capabilities.
- While our engagement score remains at a solid level, we are working to further strengthen organizational capabilities by addressing identified issues.



Measures to Improve Employee Engagement

Engagement Score Trends



FY2026.3 Initiatives

- Senior management conducted employee hearings in organizations with low or declining engagement scores.
- Office-level dialogues were held to identify issues, followed by improvement initiatives implemented by organizational leaders.

Survey Analysis

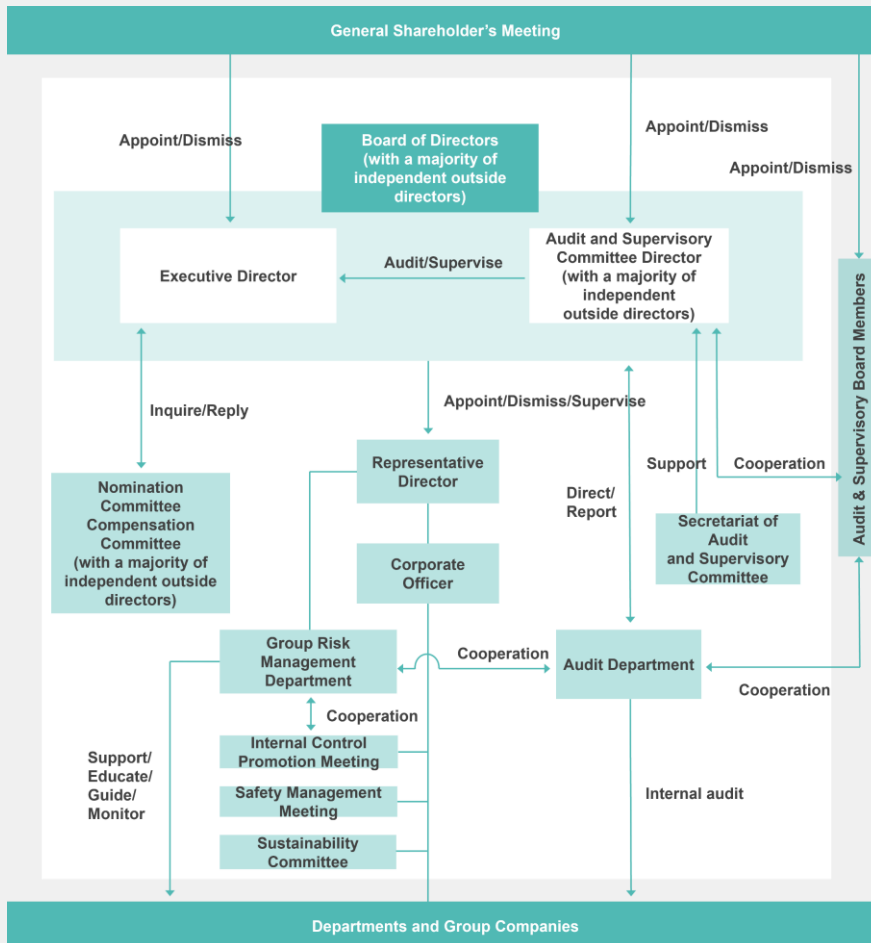
- A high correlation has been identified between employee engagement and management communication, including role clarity, managerial support, and dialogue.

Future Actions

- Enhance the quality of dialogue-based goal management meetings.
- Utilize the new, sustainable HR system to improve employee engagement.

Governance

- We place emphasis on strengthening risk management and governance effectiveness as foundations for sustainable growth and enhanced corporate value.
- We promote highly transparent management through effectiveness evaluations of the Board of Directors and the Audit and Supervisory Committee, as well as proactive information disclosure.



Key Points Identified through the Board of Directors' Effectiveness Evaluation



Outside Directors' Perspective

- Site visits and dialogue with employees are important for gaining a deeper understanding of on-site conditions.

Initiatives to Enhance the Effectiveness of the Board of Directors



Domestic Production Site Visit (Bando Plant)



North American Production Site Visit (Salt Lake City Refinery)

Enhance Board effectiveness through site visits to further strengthen corporate governance.

A graphic on the left side of the slide, consisting of a blue vertical bar. Overlaid on this bar is a large, light blue circular arrow pointing clockwise. The word "Agenda" is written in white, bold, sans-serif font across the center of the circular arrow.

Agenda

1. FY2026.3 Full-Year Financial Results
2. FY2027.3 Full-Year Financial Plan
3. Update on Medium- to Long-Term Plan & Aspiration
4. Action to Implement Management that is Conscious of Cost of Capital and Stock Price
5. Appendix



Extensive nationwide collection network built on long-standing technology and expertise

Extensive Nationwide Collection Network



Our in-house employees engage clients directly through a customer-centric, face-to-face sales model.

Long-Standing Technology and Expertise

Assay Techniques



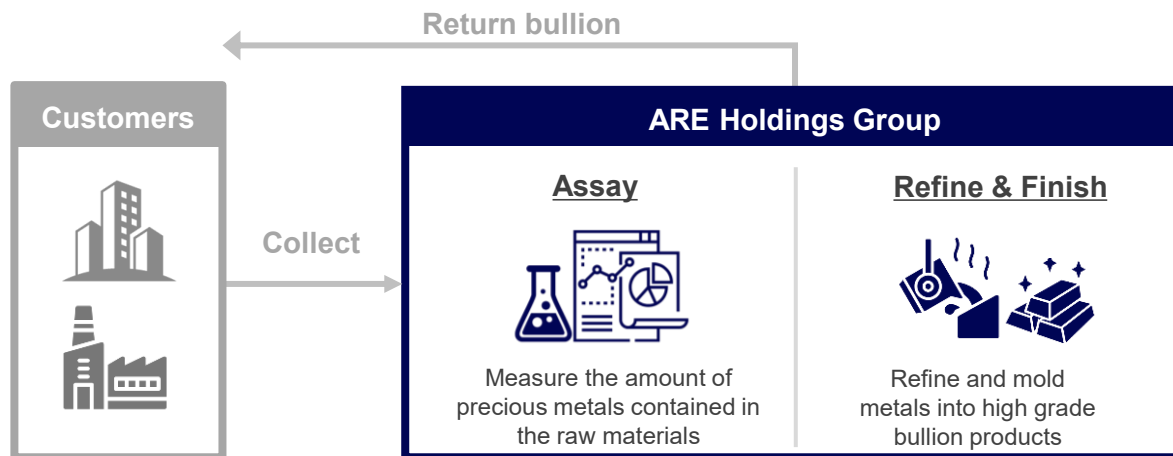
- ✓ Representative samples are extracted by homogenizing collected materials through multiple processes.
- ✓ High assay accuracy is ensured through instruments and methods optimized for each raw material and composition.

Refining Techniques



- ✓ Precious metals are efficiently refined using processing methods optimized for each collected material.
- ✓ High recovery efficiency is achieved through long-standing expertise and automated, labor-saving facilities.

Return Type



Since there is no purchase of precious metals, only the refining fees will be included in revenue.

Purchase Type

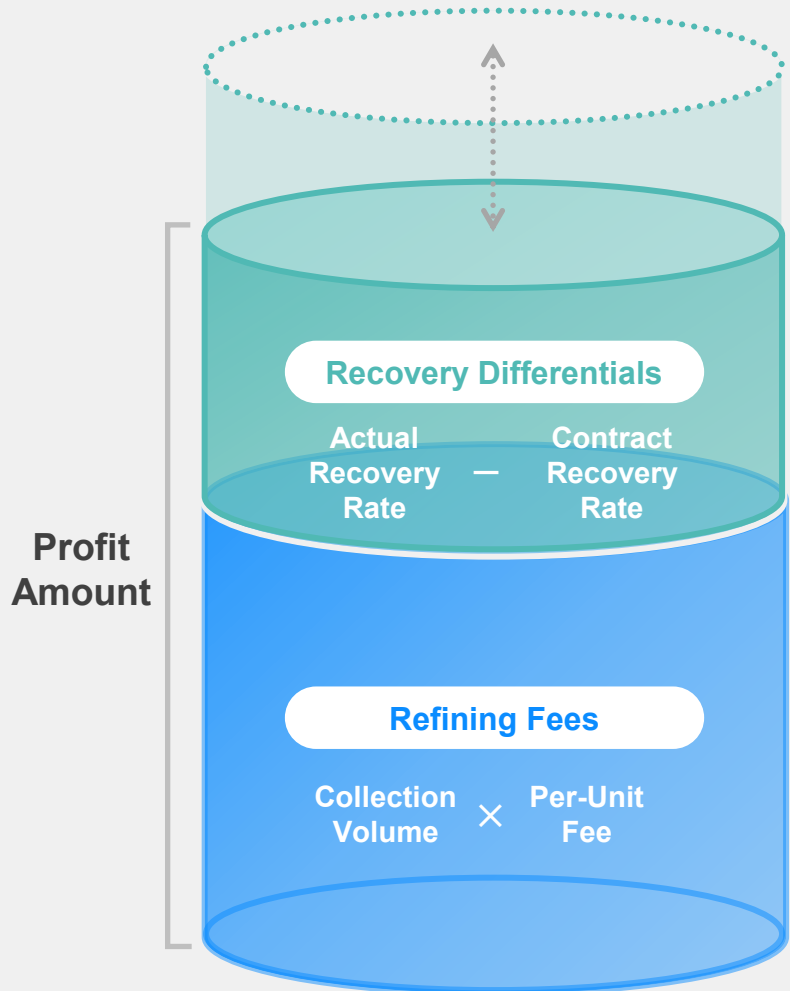


The purchases of collected recyclable materials becomes the cost of sales. Then, the sales of the refined bullion generate revenue.



- Income of the Precious Metals Business comprises **refining fees**, which provide stable earnings, and **recovery differentials**, which are impacted by precious metal price levels.
- As precious metal prices are largely hedged, exposure to price fluctuations is limited.**

Illustrative Diagram of the Earnings Structure















Variable Profit

- The second source of profit arises from the difference between the actual recovery rate and the contract recovery rate, which represents the amount paid to or returned to clients.
- As recovery differentials are sold when payment is finalized, **profit increases if the spot price at the time of sale is higher.**
- Profit is maximized when a higher actual recovery rate increases the volume of free metal and when precious metal prices are at elevated levels.

Stable Profit

- Stable profit is generated from collection volumes across each sector and per-unit fee set for each contract.
- Per-unit fees are higher for raw materials that require more complex processing.
- **This profit source is not impacted by precious metal price fluctuations.**



| | Composition Ratio of Metal Element | | | |
|--------------------|---|---|--|--|
| | Gold | Palladium | Platinum | Rhodium |
| Dentistry |  30 - 50% |  50 - 70% |  Less than 10% | — |
| Jewelry |  Over 70% |  Less than 10% |  10 - 30% | — |
| Electronics |  Over 70% |  Less than 10% |  Less than 10% | — |
| Catalyst | — |  50 - 70% |  30 - 50% |  Less than 10% |

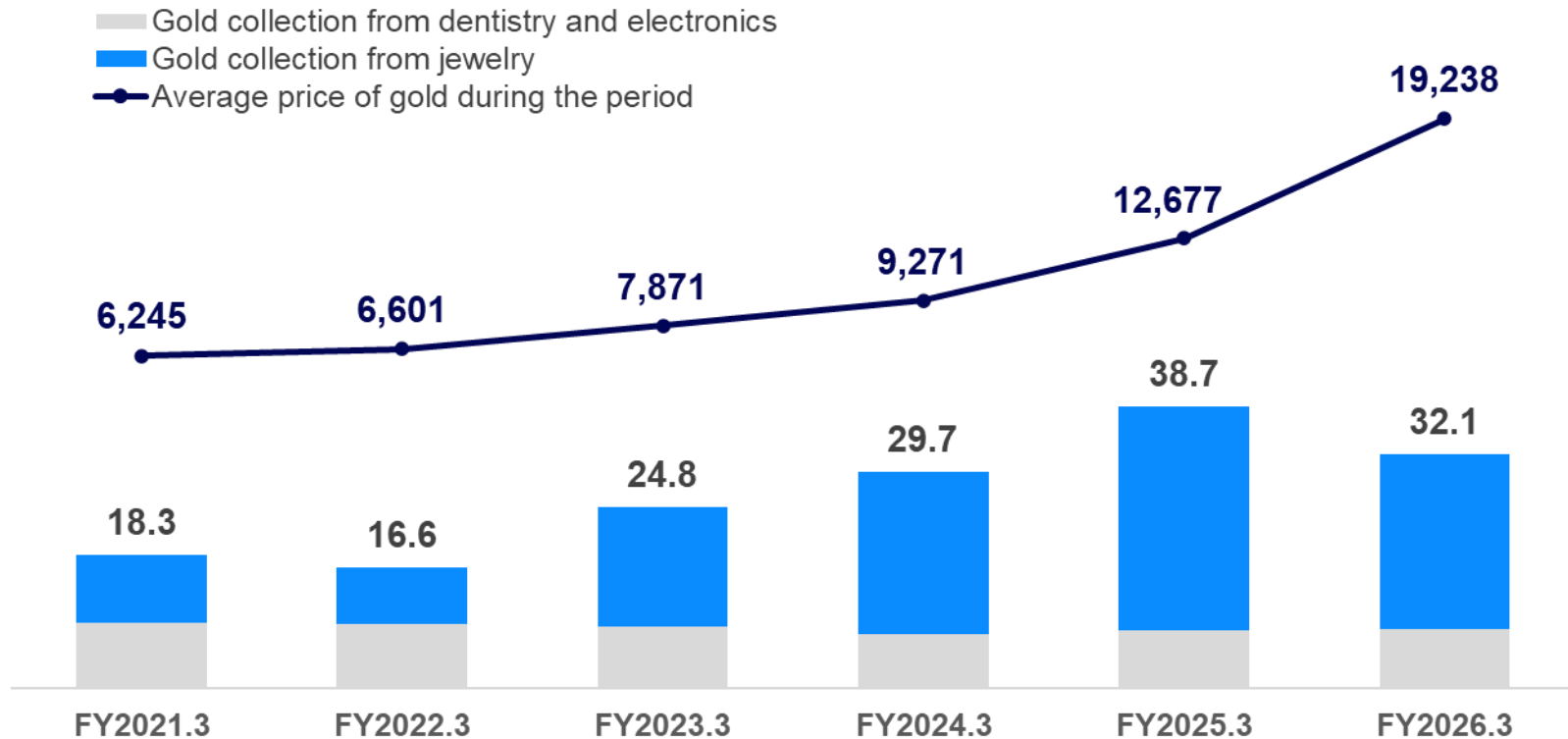
Note: The figures in the table indicate the percentage of each element in the total collection volume of each sector (excluding silver and copper).



- Gold collection volume has increased every year since FY2022.3, mainly in the jewelry sector amid rising gold prices.
- Collection volume in FY2026.3 decreased YoY as a result of prioritizing profitability.

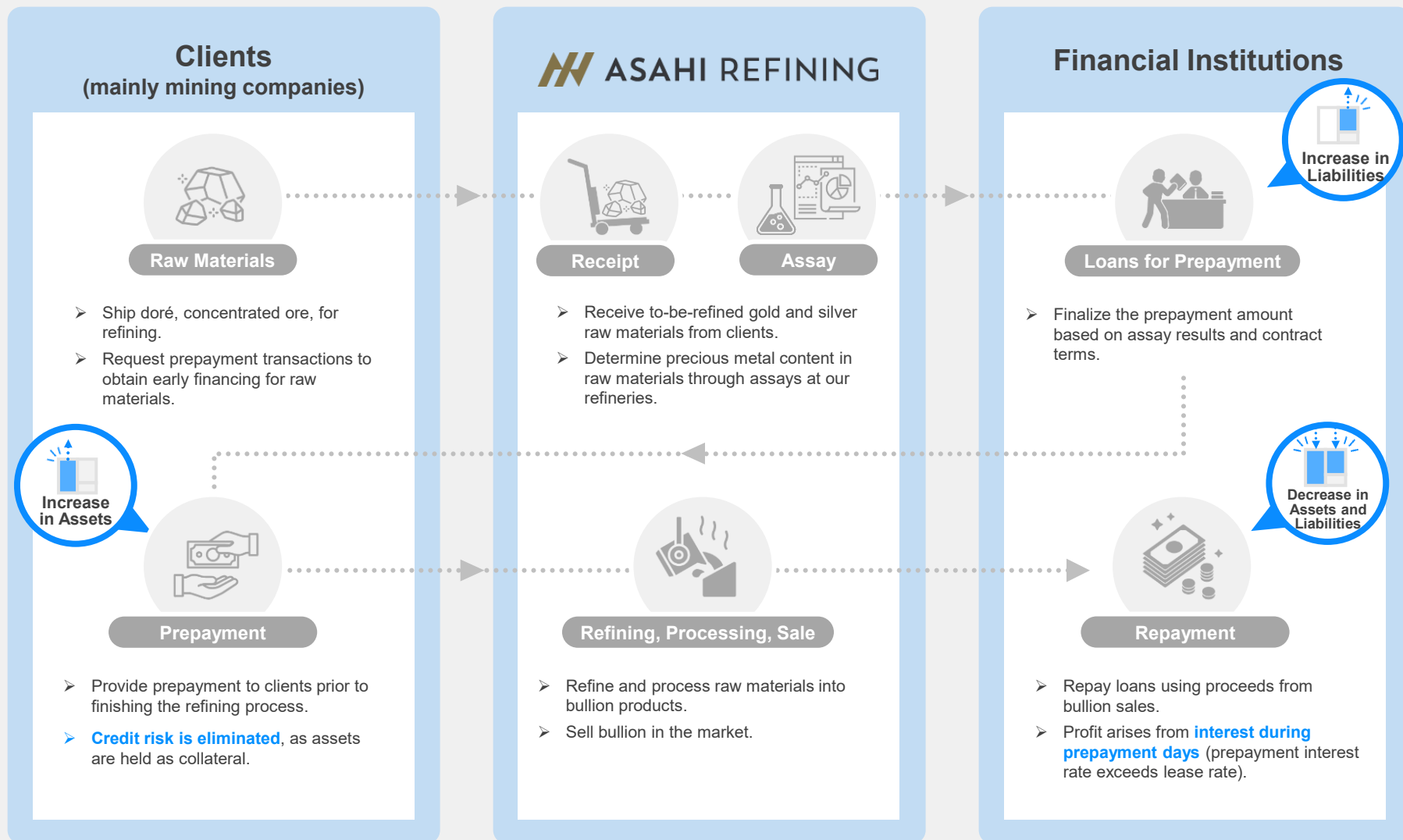
Gold Price and Collection Volume Trends

Unit: ¥/g, ton



Note: Gold prices represent period averages based on mining company quotes.

- Prepayment transactions are incorporated into refining contracts and help securing refining transactions.
- While prepayment transactions temporarily increase assets and liabilities, **they contribute to profit through interest income and also help strengthen long-term relationships with clients.**



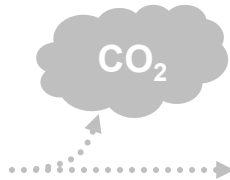
- Our products made from recycled materials can reduce CO₂ emissions during the manufacturing process by 98% compared to mined raw materials.
- We reduce environmental impact by absorbing NO_x generated during the manufacturing process into water and reusing it as nitric acid.

Manufacturing Process with Reduced CO₂ Emissions

Pyrometallurgy (Thermal Processing)



Mined Raw Materials

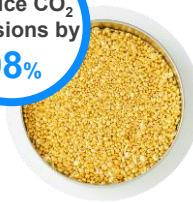
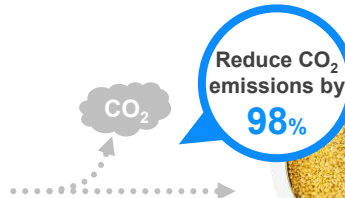


Bullion

Hydrometallurgy (Acid- and Alkali-Based Processing)



Recyclable Materials



Granules

Reuse of NO_x Generated During Manufacturing

Precious Metals Recycling Process

