

**Consolidated Financial Results for the Fiscal Year Ended March 31, 2025**  
**ARE Holdings, Inc. [IFRS]**

April 25, 2025

Stock code: 5857  
Shares listed: Tokyo Stock Exchange - Prime Market  
URL: <https://www.are-holdings.com/english/>  
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The Ordinary General Meeting of Shareholders: June 17, 2025  
Filing date of financial statements: June 18, 2025  
Start of dividend payment: June 3, 2025  
Supplementary materials for the financial results: Yes  
Investor conference for the financial results: Yes (for institutional investors, analysts)

(Rounded down to the nearest million yen)

1. Results of the fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(1) Results of operations

(Percentage: Changes relative to corresponding previous period)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
The fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	506,211	57.1	19,984	61.6	20,483	64.8	14,310	(41.6)	14,319	(41.5)	6,636	(74.7)
March 31, 2024	322,253	17.5	12,367	(24.0)	12,426	(1.8)	24,490	124.1	24,490	124.1	26,275	105.9

	Basic earnings per share	Diluted earnings per share	Profit to equity attributable to owners of parent	Profit before tax to total assets	Operating profit to revenue
The fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	187.13	169.96	11.3	5.1	3.9
March 31, 2024	319.54	287.01	21.0	4.1	3.8

(Reference) Share of profit (loss) of investments accounted for using equity method:

Fiscal year ended March 31, 2025 1,931 million yen;  
Fiscal year ended March 31, 2024 – million yen

(2) Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent ratio	Equity per share attributable to owners of parent
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2025	490,037	126,349	126,301	25.8	1,648.56
March 31, 2024	317,998	126,476	126,476	39.8	1,650.20

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the fiscal year
The fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	14,685	250	(6,207)	17,555
March 31, 2024	12,621	(28,707)	7,050	6,881

## 2. Dividend payments

	Dividends per share					Total dividend payment (annual)	Payout ratio (consolidated)	Dividend to equity attributable to owners of parent (consolidated)
	First quarter	Second quarter	Third quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	—	45.00	—	45.00	90.00	7,011	28.2	5.9
Year ended March 31, 2025	—	40.00	—	40.00	80.00	6,193	42.8	4.9
Year ending March 31, 2026 (Forecast)	—	40.00	—	40.00	80.00		37.9	

(Note) The year-end dividend for the fiscal year ended March 31, 2025 will be finalized at a meeting of the Board of Directors to be held in May.

## 3. Forecast (From April 1, 2025 to March 31, 2026) (Percentage: Changes relative to corresponding previous period)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	219,822	(8.5)	10,706	28.7	10,653	26.9	8,131	23.1	106.13
Year ending March 31, 2026	448,199	(11.5)	22,000	10.1	21,895	6.9	16,179	13.1	211.18

\* Notes

(1) Significant changes in the scope of consolidation during the period: No

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required by IFRS: No

(ii) Changes other than (i) above: No

(iii) Changes in accounting estimates: No

(3) Number of issued shares (common stock)

(i) Number of issued shares at the end of year (including treasury stock)

As of March 31, 2025	79,708,688 shares
As of March 31, 2024	79,708,688 shares

(ii) Number of treasury stock at the end of year

As of March 31, 2025	3,095,284 shares
As of March 31, 2024	3,065,554 shares

(iii) Averaged number of shares during the period

Year ended March 31, 2025	76,519,846 shares
Year ended March 31, 2024	76,643,154 shares

(Reference) Summary of Nonconsolidated Results

1. Nonconsolidated results of the fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(1) Results of operations

(Percentage: Changes relative to corresponding previous period)

	Net sales		Operating profit		Ordinary profit		Profit	
The fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	12,879	22.8	10,345	24.6	10,480	17.3	3,568	(61.7)
March 31, 2024	10,488	69.7	8,303	57.1	8,934	58.2	9,315	86.7

	Earnings per share	Diluted earnings per share
The fiscal year ended	Yen	Yen
March 31, 2025	46.63	—
March 31, 2024	121.55	—

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	119,922	75,283	61.8	967.67
March 31, 2024	110,724	78,459	69.8	1,008.73

(Reference)

Shareholders' equity      As of March 31, 2025: 74,136 million yen      As of March 31, 2024: 77,312 million yen

\* This report is not subject to audit procedures

\* Statement regarding the proper use of financial forecasts and other special remarks

(Notes on forward looking statements, etc.)

These forecast performance figures are based on the information currently available to the Company's management and certain assumptions judged rational. Accordingly, there might be cases in which actual results materially differ from forecasts of this report. Please refer to page 2 "1. Overview of Consolidated Operating Results (1) Consolidated Business Performance for the Year Ended March 31, 2025" for the assumptions used and other notes.

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## 1. Overview of Consolidated Operating Results

### (1) Consolidated Business Performance for the Year Ended March 31, 2025

#### ① Operating results

The financial results for the fiscal year ended March 31, 2025 were as follows.

Revenue	506,211 million yen	(a year-on-year increase of 183,957 million yen, or +57.1 percent)
Operating profit	19,984 million yen	(a year-on-year increase of 7,617 million yen, or +61.6 percent)
Profit before tax	20,483 million yen	(a year-on-year increase of 8,056 million yen, or +64.8 percent)
Profit attributable to owners of parent	14,319 million yen	(a year-on-year decrease of 10,170 million yen, or -41.5 percent)

As for the precious metals recycling business, the volume collected in the jewelry and electronics sectors increased year on year. The volume collected in the dental sector remained at the same level year on year and the volume collected in catalyst-related sector decreased year on year. As a result, the volume of gold collected increased year on year, the volumes of palladium and platinum collected were at the same level year on year, and the volume of rhodium collected decreased year on year. As for the precious metals refining-related business in North America, the refining sector, which is the foundation of the business, was strong, but the market for processed gold and silver products such as 1 oz. coins continued to shrink. Therefore, the Company withdrew from the processing sector and closed Asahi Refining Florida LLC, and recorded an impairment loss on fixed assets, etc. in the same sector. On the other hand, operating profit in the trading sector increased as arbitrage opportunities increased toward the end of the fiscal year due to uncertainty about the future of gold and silver circulation, and operating profit in the products sector, such as 100 oz. gold bars, and the storage sector increased due to increased gold and silver inflows into the United States. As a result, revenue and operating profit in the Precious Metals business segment, which includes the precious metals recycling business and the precious metals refining-related business in North America, increased year on year.

In the Environmental Preservation business, while the revenue and operating profit of Japan Waste Corporation, which was classified as discontinued operations, are not included in the financial results for the fiscal year ended March 31, 2024, the share of profit (loss) of investments accounted for using equity method of Renatus Co., Ltd. is included in operating profit in the financial results for the fiscal year ended March 31, 2025.

#### ② Outlook

The Group will continue to strive to expand earnings and increase corporate value.

Business forecast for the next period is as follows: 448,199 million yen in revenue, 22,000 million yen in operating profit, 21,895 million yen in profit before tax and 16,179 million yen in profit attributable to owners of parent.

### (2) Consolidated Financial Position and Cash Flows for the Year Ended March 31, 2025

As of March 31, 2025, total assets amounted to 490,037 million yen, up 172,038 million yen from the previous fiscal year end. This was mainly due to increases of 10,674 million yen in cash and cash equivalents, 149,038 million yen in trade and other receivables, and 17,299 million yen in inventories.

Total liabilities amounted to 363,688 million yen, up 172,165 million yen from the previous fiscal year end. This was due mainly to increases of 17,916 million yen in trade and other payables and 148,702 million yen in bonds and loans payable.

Total equity amounted to 126,349 million yen, down 127 million yen from the previous fiscal year end. This was due mainly to an increase of 6,636 million yen in comprehensive income, 1,000 million yen used for purchase of treasury stock and a decrease of 6,513 million yen used for dividends.

Net cash provided by operating activities amounted to 14,685 million yen due mainly to 20,483 million yen of profit before tax, 2,764 million yen of depreciation and amortization, as well as factoring in impairment loss,

the increase in inventories, the increase in trade and other receivables, the increase in trade, loans and other payables, and income taxes paid.

Net cash provided by investing activities amounted to 250 million yen due mainly to 19,307 million yen of collection of loans receivable, despite 7,423 million yen of purchase of property, plant and equipment, and 11,442 million yen of payments for loans receivable.

Net cash used in financing activities amounted to 6,207 million yen due mainly to 5,000 million yen of redemption of bonds, 1,000 million yen of purchase of treasury stock and 6,510 million yen of cash dividends paid, despite 6,000 million yen of proceeds from long-term loans payable.

As a result, cash and cash equivalents as of March 31, 2025 increased by 10,674 million yen from March 31, 2024, to 17,555 million yen.

### (3) Dividends

The Group strives to maintain a stable dividend payout ratio of 40%, while enhancing internal reserves necessary for capital investment and M&A activities for growth strategies.

Based on the above basic policy, the year-end dividend for the current fiscal year is planned to be 40 yen per share, and the annual dividend for the current fiscal year combined with the interim dividend is planned to be 80 yen per share. For the next term, we plan to pay an interim dividend of 40 yen and a year-end dividend of 40 yen (annual dividend of 80 yen).

### (4) Business and Other Risks

Major risks that could affect the Group's operating results and financial condition include the following. We believe these matters could have a significant impact on investor decisions, but the categories below are limited to those that the Group is currently aware of; and not necessarily all risks are covered here.

#### ① Precious metals prices and currency exchange rates

Precious metals and rare metals, which are the main products of the Group's Precious Metals business, are traded on international markets, and their prices fluctuate due to various factors worldwide, including international or regional supply and demand, political, economic and social trends, exchange rates and monetary policies, among others. Therefore, the Group basically hedges precious metal prices through forward transactions, etc. However, since rhodium is illiquid and hedging instruments are limited, the Group works to mitigate risk while also utilizing other methods. In addition, the Group provides timely reports on the status of price fluctuations, etc. for the main precious metals to management. The size of fluctuation in precious metals prices and currency exchange rates, the conditions of forward transactions and other factors could affect the Group's operating results and financial condition.

#### ② Laws and regulations

In the countries and regions where the Group operates business, various laws and regulations apply regarding matters such as permission to do business, rules for import/export/transport, commercial transactions, labor, taxation, intellectual property rights, and environmental preservation. Taking the stance that compliance is important, the Group has built a system for centrally managing information about revisions to laws related to all its business fields and ensuring that this knowledge is communicated without fail to the front lines, and carefully follows laws, regulations, and social rules. However, in the unlikely event that a situation arises where laws, regulations, and social rules could not be followed, or if they change such that business is restricted, it could affect the Group's operating results and financial condition.

#### ③ Economic fluctuation

Manufacturing industries, which are among the transacting industries for the Group's two business segments: the Precious Metals business and the Environmental Preservation business, are affected by economic conditions not only in Japan but also in various other countries and regions. When demand from such industries declines due to recession and so on, it could affect the Group's operating results and financial condition. Moreover, in the precious metals recycling business, the Group recycles precious metals contained in end products such as electronics-related equipment and automobiles, and is therefore affected by consumption trends. A decrease in personal consumption caused by a decline in the general level of consumption could therefore affect the Group's operating results and financial condition.

④ Business environment

The Group's two business segments, the Precious Metals business and the Environmental Preservation business, face the possibility of major changes in customer needs due to changes in laws, regulations, and permits that concern a sector or faster-than-expected shifts overseas by corporate customers. Furthermore, industry reorganization and other major changes in the business environment are possible. In addition, management is taking on challenges in new businesses and fields. When implementing a new business, management conducts thorough discussions at executive committee meetings, etc. and puts in place risk management systems as necessary, but risks may materialize if the business environment differs from expectations. The results could affect the Group's operating results and financial condition.

⑤ Intensified competition

The Group's two business segments, the Precious Metals business and the Environmental Preservation business, face competition from various companies. The Group continues to make efforts to secure competitive advantages by accurately meeting customer needs through sales efforts and initiatives on technology, products, and cost responsiveness. Intensified competition from competitor companies, however, can force the Group's products and services into harsh price competition. The results could affect the Group's operating results and financial condition.

⑥ Overseas business deployment

One of the Group's growth strategies is expansion of its overseas business. In this regard, the Group carries out business in countries and regions in North America, Asia, etc. Political or economic phenomena unfavorable to business, including changes in tariff systems, labor disputes due to differences in labor environment, uncertainty in finding suitable local personnel, conflicts, terrorism, and other social disturbances, and unfair intervention by authorities due to underdeveloped business infrastructure in a country or region are inherent risks. In the precious metals refining business in North America, we are also using the refining business as a base from which to expand the precious metal storage business and value-added services, including trading and finance. As well as fully analyzing the risks associated with businesses, we have put in place a robust control structure, such as by involving the Risk Management Department and discussing issues on the Board of Directors, but these risks could crystallize in the event of a deterioration in the economic environment or in the credit status of our counterparties. If such situations occur, it could affect the Group's operating results and financial condition.

⑦ Corporate acquisition

The Group has worked to expand its lines of business and business scale through corporate acquisition and expects to take a forward-looking approach projects that will contribute to further growth in the future. In order to maximize the integration effect with target businesses and companies, the Group will attempt to integrate and unify them with its business strategy and operations. However, if the integration of human resources and assets does not proceed as planned, it is possible that the expected integration and unification effects will not be realized. The results could affect the Group's operating results and financial condition.

⑧ Impairment of goodwill and fixed assets

When the Group acquired a company, it records goodwill arising from the acquisition, as well as various property, plant and equipment and intangible assets for business use. At the time of the acquisition, the Group carries out sufficient surveys from the financial, legal, human resource, and facility perspectives, among others, but if the acquired company and business do not achieve business results as initially expected due to changes in the market environment, etc., and the operating results and profitability deteriorate markedly, these assets may become impaired. If such situations occur, it could affect the Group's operating results and financial condition.

⑨ Natural disasters and infectious diseases

Natural disasters such as large earthquakes or typhoons or the outbreak of new infectious diseases could cause serious damage to the Group's production, distribution, sales, and information management facilities. The Group has implemented countermeasures such as business continuity management (BCM), flood



countermeasures, disaster readiness drills, and building an employee safety confirmation system. However, these are not able to completely eliminate damage due to natural disasters or unknown infectious diseases, etc. Therefore, if these should occur it could affect the Group's operating results and financial condition.

#### ⑩ Health and safety

The Group works to strengthen its safety management system, and regularly carries out disaster/accident prevention activities such as holding Safety Promotion Meetings that are also attended by management and taking necessary measures in order to eliminate occupational and facilities accidents. However, there is no guarantee that they can be completely prevented or mitigated. Therefore, if a serious occupational or facilities accident should occur, it could affect the Group's operating results and financial condition.

#### ⑪ Human resources

The Group believes that its medium- to long-term growth will be achieved by maximizing the productivity of the entire organization through having diverse employees collaborate, respectfully and with care for one another, think independently, actively take on challenges, and pursue innovation. To this end, efforts are focusing on promoting diversity equity and inclusion as well as health management, which enable diverse employees to achieve harmony in their work and overall lives in their own way. Specifically, the Group is promoting the employment of people with disabilities, promoting the empowerment of women, work style reforms such as a three-day work week model, and implementing recruitment activities and various human resource development programs to acquire core human resources over the medium to long term. However, if the Group is unable to secure high quality human resources and prepare the necessary talent for taking on challenges at the right time due to increased speed of business development, it could affect the Group's operating results and financial condition.

#### ⑫ Research and development

The Group conducts independent research and development and analysis technology development aimed at effectively carrying out "precious metals recycling" and "detoxifying and recycling of industrial waste." However, research and development of new technologies is affected by various factors, such as changes in the market environment, competition, and the ability to commercialize development results. Therefore, it is highly uncertain whether the expenses used in research and development can be recovered. For this reason, if the results of research and development are not obtained as initially anticipated, it could affect the Group's operating results and financial condition.

#### ⑬ Key intellectual property rights

In order to protect intellectual property rights important to business deployment, the Group carries out appropriate management. However, unforeseen leaks to outside parties can occur, and complete protection of intellectual property rights may be impossible in certain regions. Therefore, it may not be possible to effectively prevent third parties from using the Group's intellectual property rights to manufacture and sell similar products and services. Moreover, the Group could be embroiled in a dispute if the products and technologies that it is developing for the future infringe unintentionally on the intellectual property rights of another company, or regarding the handling of workplace inventions in its relationships with employees. The results could affect the Group's operating results and financial condition.

#### ⑭ Product quality assurance and product liability

Led by its Quality Assurance Division, the Group has acquired ISO9001 to provide products offering customers greater confidence and satisfaction, and makes continuous improvements to its quality management systems and strives to maintain and improve quality. Through such measures, the Group makes every effort with its product quality assurance system, but if a product produced by the Group causes damages, it could affect the Group's operating results and financial condition.

#### ⑮ Environmental protection

Based on its Environmental Policies, the Group carries out various initiatives to protect the global environment. For example, it has established the Company-wide Environmental Goals (Annual Plan) and an Environmental Committee is set up at every business site. Through these and other efforts, the Group complies

with environmental laws and regulations, revises its plans, deliberates about environmental education and so forth, and reports to management. However, there is no guarantee that all pollution and other environmental risk can be completely prevented or mitigated, so if the Group should cause serious pollution of the environment, it could affect the Group's operating results and financial condition.

⑩ Climate change

The adoption of the Paris Agreement at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 21), which has been ratified by every country, has sparked a global wave of initiatives aimed at reducing greenhouse gases deemed to cause climate change and global warming. The Group has made climate change initiatives one of its business material issues, and has set a target for 2030 of reducing CO<sub>2</sub> emissions by 63% from the 2015 level, and is making efforts toward reduction. In addition to declaring the Group's goal to be carbon neutral by 2050, the Group has measured its CO<sub>2</sub> emissions (Scope 1, 2, and 3) and received third-party verification results. Additionally, we endorsed the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and have carried out actions in line with their recommendations. As a result, the Group's operating results and financial condition could be affected from future climate change impacts if a carbon pricing system that includes a carbon tax were introduced (a transition risk), or if natural disasters were to become so severe due to extreme weather conditions that the Group's facilities and other assets were severely affected and business activities were suspended for a long period of time (a physical risk).

⑪ Information security

PCs and tablets used by the Group use the latest security countermeasures, and we take sufficient measures to ensure that system faults and information theft or loss do not occur during their installation and operation. We also implement regular employee training to enhance their IT literacy. However, there is a possibility that unexpected events could occur such as destruction or tampering of important data or external leaks of information as a result of infection by a computer virus, hacking damage, and system faults due to software defects, or a larger than anticipated external attack. Such an event could affect the Group's operating results and financial condition.

⑫ Lawsuits and other legal procedures

As the Group carries out business in Japan and overseas, it could be subjected to lawsuits and other legal procedures. The Group appropriately monitors major lawsuits that have already been instigated or have the potential to be instigated, and takes countermeasures as needed. However, if the Group becomes a party to such action, it might have to pay large damages, etc. The results could affect the Group's operating results and financial condition.

## 2. Our Group

Our Group comprises of the pure holding company “ARE Holdings, Inc.,” “Asahi Pretec Corp.,” “ASAHI METALFINE, Inc.,” nine other consolidated subsidiaries, and an equity method affiliate. Our main businesses are Precious Metals business and Environmental Preservation business. The details are as follows:

### (1) Precious Metals business

In the Precious Metals business, we sell precious/rare metal products such as gold, silver, palladium, platinum, and rhodium by recycling scrap containing precious metals, etc.

In Japan, Asahi Pretec Corp. and ASAHI METALFINE, Inc. collect scraps containing precious/rare metals from the electronics, dentistry, jewelry manufacturing and distribution, and automotive catalyst sectors. At factories around the country, it collects, separates and refines the scrap and sells high-purity metals to trading companies, jewelry makers, semiconductor/electronic component makers, etc. It also engages in precision cleaning and precious metal delamination of manufacturing equipment parts from semiconductor/electronic component makers, etc.

Overseas, ASAHI G&S SDN. BHD. in the Malaysia/Singapore region and Asahi Pretec Korea Co., Ltd. in South Korea are engaged in the precious metals recycling business. Additionally, Asahi Refining USA Inc. in the United States and Asahi Refining Canada Ltd. in Canada carry out the refining and processing of gold, silver, and other precious metals. Also, Asahi Depository LLC is engaged in the precious metal storage business in the United States.

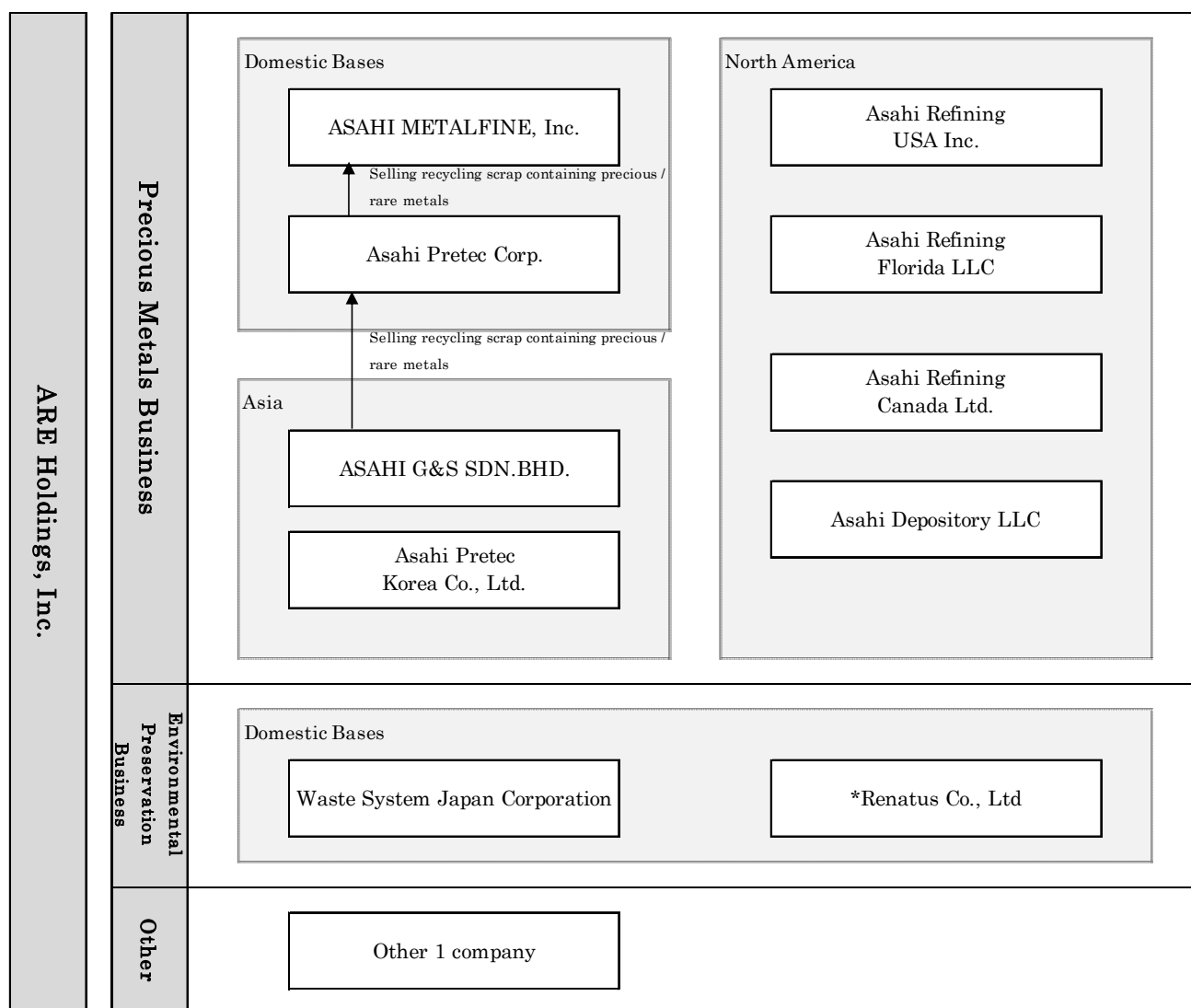
### (2) Environmental Preservation business

The main line of our Environmental Preservation business is the collection, transport, and intermediate treatment of industrial waste.

Waste System Japan Corporation is operated as a holding company for the Environmental Preservation business.

[Group Business Organization Chart]

The aforementioned items are shown in the following group business organization chart.



(Note) Unmarked : Consolidated subsidiary

\* : Affiliates accounted for using the equity method

### 3. Basic Concept Regarding Selection of Accounting Standards

We have applied International Financial Reporting Standards (IFRS) from the first quarter of fiscal year ended March 31, 2017, with the objectives of enhancing our management base for global business development and enabling easier international comparison of financial information in capital markets.

4. Consolidated Financial Statements  
(1) Consolidated Statements of Financial Position

	As of March 31, 2024	As of March 31, 2025
	Millions of yen	Millions of yen
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	6,881	17,555
Trade and other receivables	155,268	304,306
Inventories	33,879	51,178
Income tax receivables	77	—
Other financial assets	17,763	10,568
Other current assets	39,903	36,020
Total current assets	253,773	419,630
Non-current assets		
Property, plant and equipment	33,192	36,464
Goodwill	19	19
Intangible assets	1,580	1,439
Investments accounted for using equity method	27,665	29,610
Deferred tax assets	5	2,007
Net defined benefit asset	186	181
Financial assets	1,506	589
Other non-current assets	68	95
Total non-current assets	64,224	70,407
Total assets	317,998	490,037

	As of March 31, 2024	As of March 31, 2025
	Millions of yen	Millions of yen
<b><u>LIABILITIES and EQUITY</u></b>		
Liabilities		
Current liabilities		
Trade and other payables	27,180	45,096
Bonds and loans payable	69,970	246,400
Income tax payable	2,387	1,784
Other financial liabilities	6,465	13,822
Provisions	1,302	1,467
Other current liabilities	5,694	2,681
Total current liabilities	113,001	311,251
Non-current liabilities		
Bonds and loans payable	71,190	43,462
Deferred tax liabilities	4,432	6,324
Net defined benefit liability	99	108
Other financial liabilities	2,798	2,541
Total non-current liabilities	78,521	52,437
Total liabilities	191,522	363,688
Equity		
Capital stock	7,790	7,790
Capital surplus	12,245	12,080
Treasury stock	(5,925)	(6,066)
Retained earnings	113,837	121,679
Other components of equity	(1,471)	(9,182)
Total equity attributable to owners of parent	126,476	126,301
Non-controlling interests	—	47
Total equity	126,476	126,349
Total liabilities and equity	317,998	490,037

## (2) Consolidated Statements of Income

	The fiscal year ended March 31, 2024	The fiscal year ended March 31, 2025
	Millions of yen	Millions of yen
Continuing operations		
Revenue	322,253	506,211
Cost of sales	(300,895)	(477,267)
Gross profit	21,358	28,943
Selling, general and administrative expenses	(8,165)	(8,585)
Other operating income	107	334
Other operating expenses	(933)	(2,639)
Share of profit (loss) of investments accounted for using equity method	—	1,931
Operating profit	12,367	19,984
Finance income	1,136	692
Finance costs	(1,077)	(194)
Profit before tax	12,426	20,483
Income tax expenses	(3,914)	(6,172)
Profit from continuing operations	8,512	14,310
Discontinued operations		
Profit from discontinued operations	15,977	—
Profit	24,490	14,310
Profit attributable to:		
Owners of parent	24,490	14,319
Non-controlling interests	—	(8)
Profit	24,490	14,310
Earnings per share		
Basic earnings per share (Yen)		
Continuing operations	111.06	187.13
Discontinued operations	208.47	—
Total (Yen)	319.54	187.13
Diluted earnings per share (Yen)		
Continuing operations	101.94	169.96
Discontinued operations	185.07	—
Total (Yen)	287.01	169.96



### (3) Consolidated Statements of Comprehensive Income

	The fiscal year ended March 31, 2024	The fiscal year ended March 31, 2025
	Millions of yen	Millions of yen
Profit	24,490	14,310
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(73)	35
Share of other comprehensive income of investments accounted for using equity method	—	13
Total items that will not be reclassified to profit or loss	(73)	49
Items that may be reclassified to profit or loss		
Cash flow hedges	(1,370)	(5,856)
Translation adjustments of foreign operations	3,228	(1,866)
Total items that may be reclassified to profit or loss	1,858	(7,723)
Other comprehensive income, net of tax	1,784	(7,673)
Comprehensive income	26,275	6,636
Comprehensive income attributable to:		
Owners of parent	26,275	6,644
Non-controlling interests	—	(8)
Comprehensive income	26,275	6,636

#### (4) Consolidated Statements of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent					
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity	
					Translation adjustments of foreign operations	Cash flow hedges
Balance at April 1, 2023	7,790	12,103	(5,925)	96,319	(886)	(2,443)
Profit	—	—	—	24,490	—	—
Other comprehensive income	—	—	—	—	3,228	(1,370)
Total comprehensive income	—	—	—	24,490	3,228	(1,370)
Purchase of treasury stock	—	—	(0)	—	—	—
Dividends	—	—	—	(6,897)	—	—
Reclassified from other components of equity to retained earnings	—	—	—	(73)	—	—
Share-based payment transactions	—	141	—	—	—	—
Total transactions with owners	—	141	(0)	(6,971)	—	—
Balance at March 31, 2024	7,790	12,245	(5,925)	113,837	2,341	(3,813)

(Millions of yen)

	Equity attributable to owners of parent			
	Other components of equity			Total equity
	Remeasurements of defined benefit plans	Total	Total	
Balance at April 1, 2023	—	(3,330)	106,957	106,957
Profit	—	—	24,490	24,490
Other comprehensive income	(73)	1,784	1,784	1,784
Total comprehensive income	(73)	1,784	26,275	26,275
Purchase of treasury stock	—	—	(0)	(0)
Dividends	—	—	(6,897)	(6,897)
Reclassified from other components of equity to retained earnings	73	73	—	—
Share-based payment transactions	—	—	141	141
Total transactions with owners	73	73	(6,756)	(6,756)
Balance at March 31, 2024	—	(1,471)	126,476	126,476

(Millions of yen)

	Equity attributable to owners of parent					
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity	
					Translation adjustments of foreign operations	Cash flow hedges
Balance at April 1, 2024	7,790	12,245	(5,925)	113,837	2,341	(3,813)
Profit	—	—	—	14,319	—	—
Other comprehensive income	—	—	—	—	(1,867)	(5,856)
Total comprehensive income	—	—	—	14,319	(1,867)	(5,856)
Purchase of treasury stock	—	—	(1,000)	—	—	—
Disposal of treasury stock	—	(0)	325	—	—	—
Dividends	—	—	—	(6,513)	—	—
Equity transactions with non-controlling interests	—	—	—	—	—	—
Reclassified from other components of equity to retained earnings	—	—	—	35	—	—
Share-based payment transactions	—	(164)	533	—	—	—
Total transactions with owners	—	(164)	(141)	(6,477)	—	—
Balance at March 31, 2025	7,790	12,080	(6,066)	121,679	474	(9,670)

(Millions of yen)

	Equity attributable to owners of parent					
	Other components of equity					Total equity
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Total	Non-controlling interests	
Balance at April 1, 2024	—	—	(1,471)	126,476	—	126,476
Profit	—	—	—	14,319	(8)	14,310
Other comprehensive income	13	35	(7,674)	(7,674)	0	(7,673)
Total comprehensive income	13	35	(7,674)	6,644	(8)	6,636
Purchase of treasury stock	—	—	—	(1,000)	—	(1,000)
Disposal of treasury stock	—	—	—	325	—	325
Dividends	—	—	—	(6,513)	—	(6,513)
Equity transactions with non-controlling interests	—	—	—	—	55	55
Reclassified from other components of equity to retained earnings	—	(35)	(35)	—	—	—
Share-based payment transactions	—	—	—	369	—	369
Total transactions with owners	—	(35)	(35)	(6,819)	55	(6,763)
Balance at March 31, 2025	13	—	(9,182)	126,301	47	126,349

## (5) Consolidated Statements of Cash Flows

	The fiscal year ended March 31, 2024	The fiscal year ended March 31, 2025
	Millions of yen	Millions of yen
Cash provided by (used in) operating activities		
Profit before tax	12,426	20,483
Profit before tax from discontinued operations	23,635	–
Depreciation and amortization	3,632	2,764
Impairment loss	800	2,038
Finance income and finance cost	2,286	681
Share of loss (profit) of investments accounted for using equity method	–	(1,931)
Share exchange gains	(20,353)	–
Decrease (increase) in inventories	6,555	(17,242)
Decrease (increase) in trade and other receivables	13,587	(183,858)
Increase (decrease) in trade, loans and other payables	(13,607)	178,214
Other, net	(15,015)	1,058
Subtotal	13,949	2,207
Interest and dividend income received	317	17,425
Interest expenses paid	(130)	(220)
Income taxes paid	(3,758)	(4,917)
Income taxes refunded	2,243	190
Net cash provided by (used in) operating activities	12,621	14,685
Cash provided by (used in) investing activities		
Payments into time deposits	(123)	(221)
Proceeds from withdrawal of time deposits	2,851	110
Purchase of property, plant and equipment	(7,585)	(7,423)
Proceeds from sales of property, plant and equipment	86	218
Purchase of intangible assets	(832)	(299)
Payments for loans receivable	(19,616)	(11,442)
Collection of loans receivable	4,608	19,307
Outflow due to loss of control of subsidiaries by share exchange	(7,550)	–
Other, net	(545)	0
Net cash provided by (used in) investing activities	(28,707)	250
Cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	0	72
Proceeds from long-term loans payable	14,281	6,000
Redemption of bonds	–	(5,000)
Proceeds from sales of treasury stock	–	325
Purchase of treasury stock	(0)	(1,000)
Proceeds from share issuance to non-controlling interests	–	55
Cash dividends paid	(6,897)	(6,510)
Other, net	(334)	(151)
Net cash provided by (used in) financing activities	7,050	(6,207)
Effect of exchange rate change on cash and cash equivalents	(2,034)	1,945
Net increase (decrease) in cash and cash equivalents	(11,070)	10,674
Cash and cash equivalents at beginning of period	17,952	6,881
Cash and cash equivalents at end of period	6,881	17,555

(6) Notes on Assumptions for Going Concern

Not applicable

(7) Notes on Consolidated Financial Statements

1. Segment information

(1) Overview of reporting segments

The Group's business segments are those Group constituent units for which separate financial information is obtainable, and which the Board of Directors subjects to regular examination in order to decide the allocation of management resources and evaluate business results.

As a pure holding company, the Company is in charge of overall strategic function for the Group, whereas operating companies of the Group engage in the precious and rare metals recycling business and the refining and processing business, industrial waste management and other environmental preservation business.

Therefore, the Group is composed of product and service segments based on business sectors. The two reporting segments are the Precious Metals business and the Environmental Preservation business.

Meanwhile, these reporting segments are not aggregated.

The Precious Metals business engages mainly in recycling and selling precious and rare metals such as gold, silver, palladium, platinum, and rhodium from scrap containing precious metals, as well as refining and processing of precious metals centered on gold and silver. The main work of the Environmental Preservation business is the collection, transport and intermediate processing of industrial waste.

During the previous fiscal year, the Company conducted a share exchange between Japan Waste Corporation ("Japan Waste"), which was a consolidated subsidiary of the Company, and Renatus Co., Ltd. ("Renatus"), whereby Renatus became the wholly owning parent company, and Japan Waste became the wholly owned subsidiary company. Consequently, the Company reclassified the business of Japan Waste under discontinued operations, and the amounts presented for segment information for the previous fiscal year are amounts from continuing operations from which discontinued operations have been excluded.

(2) Segment revenue and performance

Revenue and other performance of each reporting segment of the Group are as follows.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

	Reporting segment			Other	Total	Adjustments	(Millions of yen) Consolidated
	Precious Metals Business	Environmental Preservation Business	Subtotal				
Revenue							
External revenue	322,218	—	322,218	34	322,253	—	322,253
Intersegment revenue	—	—	—	—	—	—	—
Total	<u>322,218</u>	<u>—</u>	<u>322,218</u>	<u>34</u>	<u>322,253</u>	<u>—</u>	<u>322,253</u>
Operating profit by business segment	<u>12,716</u>	<u>(0)</u>	<u>12,716</u>	<u>(348)</u>	<u>12,367</u>	<u>—</u>	<u>12,367</u>
Finance income							1,136
Finance costs							<u>(1,077)</u>
Profit before tax							<u>12,426</u>
Others:							
Depreciation and amortization	<u>2,598</u>	<u>—</u>	<u>2,598</u>	<u>—</u>	<u>2,598</u>	<u>—</u>	<u>2,598</u>
Impairment loss	<u>800</u>	<u>—</u>	<u>800</u>	<u>—</u>	<u>800</u>	<u>—</u>	<u>800</u>

(Note) Please refer to Note “2. Impairment loss” for details on impairment loss.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

	Reporting segment			Other	Total	(Millions of yen)	
	Precious Metals Business	Environmental Preservation Business	Subtotal			Adjustments	Consolidated
Revenue							
External revenue	506,130	—	506,130	80	506,211	—	506,211
Intersegment revenue	—	—	—	—	—	—	—
Total	<u>506,130</u>	<u>—</u>	<u>506,130</u>	<u>80</u>	<u>506,211</u>	<u>—</u>	<u>506,211</u>
Operating profit by business segment	<u>18,339</u>	<u>1,919</u>	<u>20,258</u>	<u>(273)</u>	<u>19,984</u>	<u>—</u>	<u>19,984</u>
Finance income							692
Finance costs							(194)
Profit before tax							<u>20,483</u>
Others:							
Depreciation and amortization	2,764	—	2,764	0	2,764	—	2,764
Impairment loss	<u>2,038</u>	<u>—</u>	<u>2,038</u>	<u>—</u>	<u>2,038</u>	<u>—</u>	<u>2,038</u>
Share of profit (loss) of investments accounted for using equity method	<u>—</u>	<u>1,931</u>	<u>1,931</u>	<u>—</u>	<u>1,931</u>	<u>—</u>	<u>1,931</u>

(Note) Please refer to Note “2. Impairment loss” for details on impairment loss.

## 2. Impairment loss

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

The impairment loss of 800 million yen on property, plant and equipment recognized during the fiscal year ended March 31, 2024 is recorded in “Other operating expenses” in the Consolidated Statements of Income. This impairment loss mainly relates to reduction of the book value of land and buildings, etc. of ARE Holdings, Inc. in the Precious Metals Segment, which are scheduled for disposal or retirement due to the closure of the Ehime Plant and Shikoku sales office following the relocation and consolidation of the catalyst treatment processes at the Ehime Plant to the new plant in Bando-shi, Ibaraki Prefecture, with book value reduced to the recoverable amount, and the amount of reduction recorded as a loss.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

The impairment loss of 2,038 million yen on property, plant and equipment, intangible assets, etc. recognized during the fiscal year ended March 31, 2025 is recorded in “Other operating expenses” in the Consolidated Statements of Income. This impairment loss mainly relates to reduction of the book value of property, plant and equipment, etc., which are scheduled for retirement due to the closure of Asahi Refining Florida LLC in the Precious Metals Segment, with book value reduced to the recoverable amount, and the amount of reduction recorded as a loss (1,994 million yen).

### 3. Per share information

#### (1) Basic and diluted earnings per share

(Yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Continuing operations	111.06	187.13
Discontinued operations	208.47	—
Total basic earnings per share	319.54	187.13
Continuing operations	101.94	169.96
Discontinued operations	185.07	—
Total diluted earnings per share	287.01	169.96

#### (2) The basis for calculating basic earnings per share

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Profit attributable to owners of parent	24,490	14,319
Profit from discontinued operations attributable to owners of parent	15,977	—
Profit from continuing operations used for calculation of the basic earnings per share	8,512	14,319

#### (3) The basis for calculating diluted earnings per share

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Profit from continuing operations used for calculation of the basic earnings per share	8,512	14,319
Adjustments of profit for the year	288	307
Profit from continuing operations used for calculation of the diluted earnings per share	8,800	14,626
Profit from discontinued operations used for calculation of the diluted earnings per share	15,977	—
Profit used for calculation of the diluted earnings per share	24,778	14,626

#### (4) Weighted average number of common stock

(Shares)

	Year ended March 31, 2024	Year ended March 31, 2025
Weighted average number of common stock	76,643,154	76,519,846
Increase in number of common stock		
Share acquisition rights	9,689,567	9,542,161
Weighted average number of diluted common stock	86,332,721	86,062,007

### 4. Subsequent events

Not applicable



## 5. Others

### (1) Amounts of sales

	Year ended March 31, 2024		Year ended March 31, 2025	
	Amount (Millions of yen)	Year-on-Year (%)	Amount (Millions of yen)	Year-on-Year (%)
Gold	233,562	137.8	424,852	181.9
Silver	6,824	113.6	6,973	102.2
Palladium	24,921	51.1	21,077	84.6
Platinum	16,730	107.1	17,200	102.8
Other	40,214	116.9	36,107	89.8
Total	322,253	117.5	506,211	157.1