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Non-consolidated Financial Results for the Six Months Ended August 20, 2025 [Japanese GAAP]



September 22, 2025

Company name: ASAHI CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 3333

URL: <https://www.cb-asahi.co.jp/>

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Scheduled date of filing semi-annual securities report: September 29, 2025

Scheduled date of commencing dividend payments: November 12, 2025

Availability of supplementary explanatory materials on financial results: Available

Schedule of financial results briefing session: Scheduled (for analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Non-consolidated Financial Results for the Six Months Ended August 20, 2025 (February 21, 2025–August 20, 2025)

(1) Non-consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|------------------|-------------|-------|------------------|--------|-----------------|--------|-------------|--------|
| Six months ended | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| August 20, 2025 | 45,900 | (1.1) | 3,756 | (21.1) | 3,923 | (19.0) | 2,630 | (19.4) |
| August 20, 2024 | 46,420 | 6.1 | 4,763 | 12.9 | 4,843 | 11.0 | 3,265 | 11.8 |

| | Basic earnings per share | Diluted earnings per share |
|------------------|-----------------------------|-------------------------------|
| Six months ended | Yen | Yen |
| August 20, 2025 | 101.01 | — |
| August 20, 2024 | 125.31 | — |

(2) Non-consolidated Financial Position

| | Total assets | Net assets | Equity ratio |
|-------------------------|--------------|-------------|--------------|
| | Million yen | Million yen | % |
| As of August 20, 2025 | 56,361 | 41,121 | 73.0 |
| As of February 20, 2025 | 54,452 | 39,116 | 71.8 |

(Reference) Equity: As of August 20, 2025: ¥41,121 million

As of February 20, 2025: ¥39,116 million

2. Dividends

| | Annual dividends | | | | |
|-------------------------------------------------|------------------|-----------------|-----------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended February 20, 2025 | — | 25.00 | — | 25.00 | 50.00 |
| Fiscal year ending February 20, 2026 | — | 25.00 | | | |
| Fiscal year ending February 20, 2026 (Forecast) | | | — | 25.00 | 50.00 |

(Note) Revisions to the most recently announced dividend forecast: None

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending February 20, 2026 (February 21, 2025–February 20, 2026)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | | Basic earnings per share |
|-----------|-------------|-----|------------------|-----|-----------------|-----|-------------|-----|--------------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 85,800 | 5.2 | 5,620 | 2.4 | 5,750 | 2.2 | 3,650 | 2.6 | 140.16 |

(Note) Revisions to the most recently announced financial results forecast: None

*** Notes:**

- (1) Adoption of special accounting methods for the preparation of semi-annual non-consolidated financial statements:
None
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (3) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):

| | |
|--------------------|-------------------|
| August 20, 2025: | 26,240,800 shares |
| February 20, 2025: | 26,240,800 shares |
 - 2) Total number of treasury shares at the end of the period:

| | |
|--------------------|----------------|
| August 20, 2025: | 198,881 shares |
| February 20, 2025: | 200,681 shares |
 - 3) Average number of shares outstanding during the period:

| | |
|-----------------------------------|-------------------|
| Six months ended August 20, 2025: | 26,040,765 shares |
| Six months ended August 20, 2024: | 26,056,951 shares |

(Note) The Company has adopted the Executive Remuneration BIP Trust since June 19, 2014.

The number of treasury shares at the end of the period includes the Company's shares held by the trust (198,370 shares as of August 20, 2025, and 200,170 shares as of February 20, 2025). In addition, the Company's shares held by the trust are included in the treasury shares to be deducted in the calculation of the average number of shares outstanding during the period (199,524 shares as of August 20, 2025, and 183,434 shares as of August 20, 2024).

* These semi-annual non-consolidated financial results are outside the scope of review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

(Cautions regarding forward-looking statements, etc.)

The financial results forecast and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that are deemed reasonable, and do not constitute a promise that the Company will achieve them. Actual results may differ materially from these statements due to various factors. For the assumptions on which the financial results forecast is based, cautions on the use of the forecast, and other information, please refer to 1. Qualitative Information on Semi-annual Financial Results for the Period under Review, (3) Explanation of Financial Results Forecast and Other Forward-looking Information on page 4 of the Attachment.

(Access to supplementary explanatory materials on financial results and details of financial results briefing session)

The supplementary explanatory materials on financial results are disclosed on TDnet today and are also available on the Company's website.

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1. Qualitative Information on Semi-annual Financial Results for the Period under Review

(1) Explanation of Operating Results

The Japanese economy during the six months ended August 20, 2025 saw an increase in the burden on household finances due to prolonged rise in prices although the income environment was on a recovery trend. Uncertainty in the international economic environment including U.S. tariff policies also remained. As a result, concerns about the future outlook persisted, and consumers became more saving-oriented and cautious about their spending.

In the bicycle retail business, although replacement of old bicycles for new ones decreased due to a longer replacement cycle resulting from switching to merchandise with enhanced performance features such as electric-assist bicycles and a decline in consumers' willingness to spend due to high prices, the trend of repairing and maintaining, and using the same bicycle for a long time has further strengthened.

As a company that creates new value for flourishing bicycle lifestyles, aiming at “achieving a sustainable society” and “realizing sustainable growth for the Company,” the Company has promoted the creation of an environment where bicycles can be used safely and with peace of mind by all, while supporting the better bicycle lifestyles for customers. Firstly, as part of strengthening OMO^(Note), focusing on strengthening the foundation of our “online order for store pickup” service, the Company has implemented measures such as ensuring the availability of popular products, setting competitive prices, and conducting effective campaigns. In addition, the Company was able to respond to the increased demand for repair and maintenance services by establishing a personnel structure to provide optimal services. The Company has continued its efforts and further reinforced its earnings base, including its nationwide store network and e-commerce sales system that are the Company's strengths, a system of purchase and resale of reused bicycles, the strengthening and optimization of its logistics infrastructure, and the development of specialists with repair skills. As a result, the Company has established a system that can meet customers' needs even under the severe business environment.

Demand for reused products has been rising, as a result of consumers' growing interest in saving money influenced by prices increase. In the reuse business, the Company expanded the West Japan Support Center to promote a more efficient commercialization process, such as repair, maintenance, and cleaning of bicycles. The Company will continue these initiatives, thereby aiming to contribute to the effective use of resources and a recycling-oriented economy.

Regarding store openings and closures, the Company opened one new store in the Hokkaido region, two new stores in the Kanto region, one new store in the Chubu region and one new store in the Kinki region while closing one store in the Kinki region due to the expiration of its agreement. As a result, the total number of stores at the end of the semi-annual period under review was 549, consisting of 532 directly operated stores and 17 franchise stores.

As a result of the above activities, net sales for the six months ended August 20, 2025 were ¥45,900,919 thousand (down 1.1% year-on-year). Operating profit was ¥3,756,599 thousand (down 21.1% year-on-year), ordinary profit was ¥3,923,570 thousand (down 19.0% year-on-year), and profit was ¥2,630,381 thousand (down 19.4% year-on-year).

Since the Company has only one segment of the bicycle business, information by segment category has been omitted.

(Note) OMO (Online Merges with Offline) is a marketing approach that integrates e-commerce and retail stores to provide customers with experiential value at each stage from gathering information to purchasing and using the products.

(2) Explanation of Financial Position

1) Status of assets, liabilities, and net assets

(Assets)

Current assets at the end of the semi-annual period under review were ¥32,433,674 thousand, an increase of ¥1,872,333 thousand (6.1%) from the end of the previous fiscal year. This was due mainly to an increase in cash

and deposits of ¥5,062,074 thousand, which was partially offset by decreases in merchandise of ¥2,295,484 thousand and goods in transit of ¥639,479 thousand. Non-current assets were ¥23,927,994 thousand, an increase of ¥37,002 thousand (0.2%) from the end of the previous fiscal year. This was due mainly to increases in construction in progress of ¥105,196 thousand and guarantee deposits of ¥57,463 thousand, which were partially offset by a decrease in software of ¥102,191 thousand.

As a result, total assets were ¥56,361,669 thousand, an increase of ¥1,909,336 thousand (3.5%) from the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the semi-annual period under review were ¥14,029,398 thousand, a decrease of ¥112,002 thousand (0.8%) from the end of the previous fiscal year. This was due mainly to increases in accrued consumption taxes of ¥1,063,326 thousand and accrued expenses of ¥286,397 thousand, which were partially offset by a decrease in accounts payable - trade of ¥1,776,928 thousand. Non-current liabilities were ¥1,210,433 thousand, an increase of ¥15,812 thousand (1.3%) from the end of the previous fiscal year. This was due mainly to increases in asset retirement obligations of ¥9,240 thousand and provision for share-based payments of ¥6,572 thousand.

As a result, total liabilities were ¥15,239,832 thousand, a decrease of ¥96,189 thousand (0.6%) from the end of the previous fiscal year.

(Net assets)

Total net assets at the end of the semi-annual period under review were ¥41,121,837 thousand, an increase of ¥2,005,525 thousand (5.1%) from the end of the previous fiscal year. This was due mainly to an increase of ¥2,630,381 thousand due to the posting of profit, which was partially offset by a decrease due to dividends of surplus of ¥656,007 thousand.

As a result, the equity ratio stood at 73.0% (71.8% at the end of the previous fiscal year).

2) Status of cash flows

Cash and cash equivalents (hereinafter referred to as “net cash”) at the end of the semi-annual period under review increased by ¥5,058,632 thousand from the end of the previous fiscal year (an increase of ¥5,489,010 thousand in the same period of the previous fiscal year) to ¥14,496,708 thousand.

The details for cash flows in each area of activity and their contributing factors for the six months ended August 20, 2025 are as follows:

(Cash Flows from Operating Activities)

Net cash provided by operating activities was ¥6,800,014 thousand (¥7,458,212 thousand provided for the same period of the previous fiscal year). The principal cash inflow factors included profit before income taxes of ¥3,893,816 thousand, a decrease in inventories of ¥2,957,754 thousand, an increase in accrued consumption taxes of ¥1,063,326 thousand, and depreciation of ¥884,987 thousand. The principal cash outflow factors included a decrease in trade payables of ¥1,776,928 thousand and income taxes paid of ¥1,157,984 thousand.

(Cash Flows from Investing Activities)

Net cash used in investing activities was ¥1,085,151 thousand (¥1,265,949 thousand used for the same period of the previous fiscal year). The principal cash outflow factors included purchase of property, plant and equipment of ¥867,325 thousand for new store openings, payments of guarantee deposits of ¥146,505 thousand, and purchase of intangible assets of ¥67,103 thousand.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥656,230 thousand (¥703,252 thousand used for the same period of the previous fiscal year). This was for dividends paid.

(3) Explanation of Financial Results Forecast and Other Forward-looking Information

Our financial results forecast remains unchanged from the full year forecast published in the “Non-consolidated Financial Results for the Fiscal Year Ended February 20, 2025 [Japanese GAAP]” dated April 4, 2025.

2. Semi-annual Non-consolidated Financial Statements and Principal Notes

(1) Semi-annual Non-consolidated Balance Sheets

(Thousand yen)

| | As of February 20, 2025 | As of August 20, 2025 |
|------------------------------------------|-------------------------|-----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 9,463,652 | 14,525,726 |
| Accounts receivable - trade | 4,000,917 | 3,789,221 |
| Merchandise | 14,785,310 | 12,489,825 |
| Goods in transit | 1,443,089 | 803,610 |
| Supplies | 193,385 | 155,272 |
| Other | 675,945 | 670,976 |
| Allowance for doubtful accounts | (960) | (960) |
| Total current assets | 30,561,340 | 32,433,674 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings, net | 9,478,308 | 9,532,625 |
| Land | 3,163,012 | 3,163,012 |
| Other, net | 2,202,831 | 2,330,002 |
| Total property, plant and equipment | 14,844,152 | 15,025,640 |
| Intangible assets | 1,058,211 | 950,476 |
| Investments and other assets | | |
| Guarantee deposits | 5,252,535 | 5,309,999 |
| Construction assistance fund receivables | 654,859 | 606,820 |
| Other | 2,087,162 | 2,040,524 |
| Allowance for doubtful accounts | (5,930) | (5,467) |
| Total investments and other assets | 7,988,628 | 7,951,877 |
| Total non-current assets | 23,890,991 | 23,927,994 |
| Total assets | 54,452,332 | 56,361,669 |

(Thousand yen)

| | As of February 20, 2025 | As of August 20, 2025 |
|---------------------------------------------|-------------------------|-----------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 4,753,334 | 2,976,405 |
| Income taxes payable | 1,328,005 | 1,434,691 |
| Contract liabilities | 4,131,311 | 4,183,020 |
| Provision for bonuses | 1,034,927 | 1,105,314 |
| Other | 2,893,821 | 4,329,966 |
| Total current liabilities | 14,141,400 | 14,029,398 |
| Non-current liabilities | | |
| Provision for share-based payments | 164,300 | 170,872 |
| Asset retirement obligations | 793,292 | 802,532 |
| Other | 237,028 | 237,028 |
| Total non-current liabilities | 1,194,621 | 1,210,433 |
| Total liabilities | 15,336,021 | 15,239,832 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,061,356 | 2,061,356 |
| Capital surplus | 2,165,171 | 2,165,171 |
| Retained earnings | 35,198,193 | 37,172,567 |
| Treasury shares | (287,144) | (284,566) |
| Total shareholders' equity | 39,137,576 | 41,114,527 |
| Valuation and translation adjustments | | |
| Deferred gains or losses on hedges | (21,265) | 7,309 |
| Total valuation and translation adjustments | (21,265) | 7,309 |
| Total net assets | 39,116,311 | 41,121,837 |
| Total liabilities and net assets | 54,452,332 | 56,361,669 |

(2) Semi-annual Non-consolidated Statements of Income

(Thousand yen)

| | For the six months ended August 20, 2024 | For the six months ended August 20, 2025 |
|---------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Net sales | 46,420,805 | 45,900,919 |
| Cost of sales | 24,711,108 | 24,414,150 |
| Gross profit | 21,709,697 | 21,486,768 |
| Selling, general and administrative expenses | 16,945,805 | 17,730,168 |
| Operating profit | 4,763,891 | 3,756,599 |
| Non-operating income | | |
| Interest income | 18,347 | 19,014 |
| Rental income from buildings | 53,980 | 53,477 |
| Foreign exchange gains | — | 37,814 |
| Commission income | 44,751 | 52,606 |
| Other | 59,540 | 60,817 |
| Total non-operating income | 176,619 | 223,730 |
| Non-operating expenses | | |
| Foreign exchange losses | 12,587 | — |
| Rental costs on real estate | 41,859 | 41,902 |
| Provision of allowance for doubtful accounts | 36,464 | 17 |
| Other | 6,375 | 14,840 |
| Total non-operating expenses | 97,286 | 56,759 |
| Ordinary profit | 4,843,224 | 3,923,570 |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 5,296 | 4,702 |
| Impairment losses | 7,797 | — |
| Loss on disaster | — | 25,051 |
| Total extraordinary losses | 13,093 | 29,753 |
| Profit before income taxes | 4,830,131 | 3,893,816 |
| Income taxes - current | 1,540,034 | 1,258,056 |
| Income taxes - deferred | 24,980 | 5,378 |
| Total income taxes | 1,565,014 | 1,263,435 |
| Profit | 3,265,116 | 2,630,381 |

(3) Semi-annual Non-consolidated Statements of Cash Flows

(Thousand yen)

| | For the six months ended August 20, 2024 | For the six months ended August 20, 2025 |
|-----------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 4,830,131 | 3,893,816 |
| Depreciation | 776,021 | 884,987 |
| Impairment losses | 7,797 | — |
| Amortization of long-term prepaid expenses | 11,127 | 19,520 |
| The amount of rent offset of construction assistance fund receivables | 151,963 | 146,525 |
| Increase (decrease) in allowance for doubtful accounts | 35,984 | (463) |
| Increase (decrease) in provision for bonuses | 41,629 | 70,386 |
| Increase (decrease) in provision for shareholder benefit program | (60,765) | — |
| Increase (decrease) in provision for share-based compensation | 5,850 | 6,572 |
| Interest and dividend income | (18,347) | (19,014) |
| Loss on disaster | — | 25,051 |
| Loss (gain) on sale and retirement of non-current assets | 5,296 | 4,702 |
| Decrease (increase) in trade receivables | (106,728) | 211,695 |
| Decrease (increase) in inventories | 3,046,661 | 2,957,754 |
| Decrease (increase) in accounts receivable – other | 10,141 | 17,445 |
| Increase (decrease) in trade payables | (800,929) | (1,776,928) |
| Increase (decrease) in contract liabilities | 76,016 | 51,709 |
| Increase (decrease) in accrued consumption taxes | (52,815) | 1,063,326 |
| Increase (decrease) in accounts payable – other | (247,360) | (92,668) |
| Increase (decrease) in accrued expenses | 264,628 | 285,952 |
| Other, net | 232,430 | 204,915 |
| Subtotal | 8,208,733 | 7,955,285 |
| Interest and dividends received | 265 | 2,268 |
| Payments associated with disaster loss | — | 445 |
| Income taxes paid | (750,786) | (1,157,984) |
| Net cash provided by (used in) operating activities | 7,458,212 | 6,800,014 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (993,302) | (867,325) |
| Purchase of intangible assets | (171,506) | (67,103) |
| Loan advances | (800) | — |
| Proceeds from collection of loans receivable | 1,702 | 770 |
| Purchase of long-term prepaid expenses | (12,669) | (17,767) |
| Payments for asset retirement obligations | (8,280) | (3,350) |
| Payments of guarantee deposits | (113,780) | (146,505) |
| Proceeds from refund of guarantee deposits | 32,687 | 16,130 |
| Net cash provided by (used in) investing activities | (1,265,949) | (1,085,151) |
| Cash flows from financing activities | | |
| Purchase of treasury shares | (113,045) | — |
| Dividends paid | (590,206) | (656,230) |
| Net cash provided by (used in) financing activities | (703,252) | (656,230) |
| Net increase (decrease) in cash and cash equivalents | 5,489,010 | 5,058,632 |
| Cash and cash equivalents at beginning of period | 9,501,065 | 9,438,076 |
| Cash and cash equivalents at end of period | 14,990,076 | 14,496,708 |

(4) Notes to the Semi-annual Non-consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on segment information, etc.)

Segment information is omitted as the Company has only one segment of the bicycle business.

(Matters related to revenue recognition)

Disaggregation of revenue from contracts with customers

Six months ended August 20, 2024 (February 21, 2024–August 20, 2024)

(Thousand yen)

| | Items | | | | |
|---------------------------------------------------|------------|-----------------------|-----------|-----------|------------|
| | Bicycles | Parts and accessories | Royalties | Other | Total |
| Goods and services transferred at a point in time | 33,725,523 | 7,684,769 | – | 3,585,973 | 44,996,266 |
| Goods and services transferred over a period | – | – | 79,638 | 1,344,901 | 1,424,539 |
| Revenue from contracts with customers | 33,725,523 | 7,684,769 | 79,638 | 4,930,874 | 46,420,805 |
| Revenue from other sources | – | – | – | – | – |
| Sales to external customers | 33,725,523 | 7,684,769 | 79,638 | 4,930,874 | 46,420,805 |

- (Notes) 1. Since the Company has only one segment of the bicycle business, breakdown by segment is not provided.
2. “Other” includes incidental services, such as maintenance and repair works, and long-term warranty service.

Six months ended August 20, 2025 (February 21, 2025–August 20, 2025)

(Thousand yen)

| | Items | | | | |
|---------------------------------------------------|------------|-----------------------|-----------|-----------|------------|
| | Bicycles | Parts and accessories | Royalties | Other | Total |
| Goods and services transferred at a point in time | 33,159,814 | 7,638,520 | – | 3,688,545 | 44,486,880 |
| Goods and services transferred over a period | – | – | 73,934 | 1,340,105 | 1,414,039 |
| Revenue from contracts with customers | 33,159,814 | 7,638,520 | 73,934 | 5,028,650 | 45,900,919 |
| Revenue from other sources | – | – | – | – | – |
| Sales to external customers | 33,159,814 | 7,638,520 | 73,934 | 5,028,650 | 45,900,919 |

- (Notes) 1. Since the Company has only one segment of the bicycle business, breakdown by segment is not provided.
2. “Other” includes incidental services, such as maintenance and repair works, and long-term warranty service.