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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	286,397
Other, net	232,430	205,361
Subtotal	8,208,733	7,956,176
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.