



# EXPLANATORY MATERIAL ON FINANCIAL RESULTS FOR THE NINE MONTHS ENDED NOVEMBER 20, 2025

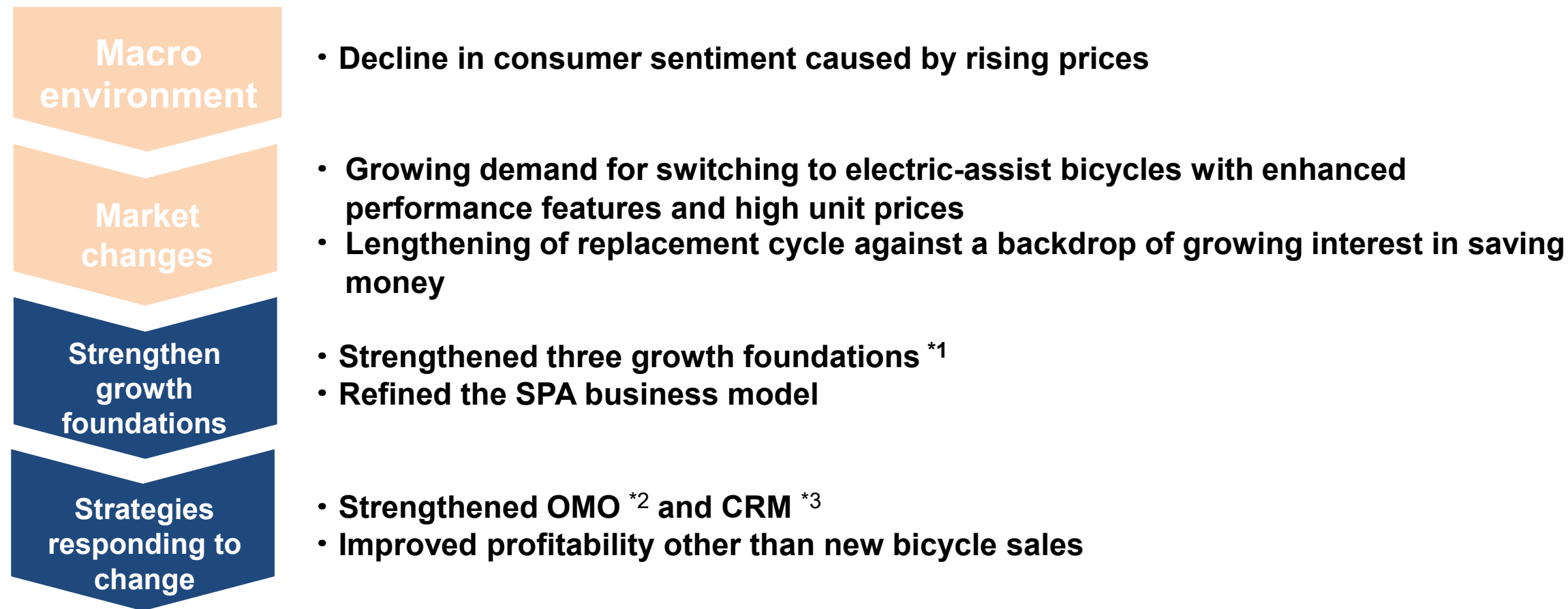
December 22, 2025

**ASAHI CO., LTD.**  
**TSE Prime Market (Securities code: 3333)**

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- 1 Financial Results for the Nine Months Ended November 20, 2025**
- 2 Progress of Initiatives in the Second Half of the Fiscal Year Ending Feb. 20, 2026
- 3 Supplementary Materials (Details of the Plan for the Fiscal Year Ending Feb. 20, 2026)

# Recognition of Environment and Initiatives for the Final Year of the Medium-Term Management Plan “VISION 2025”



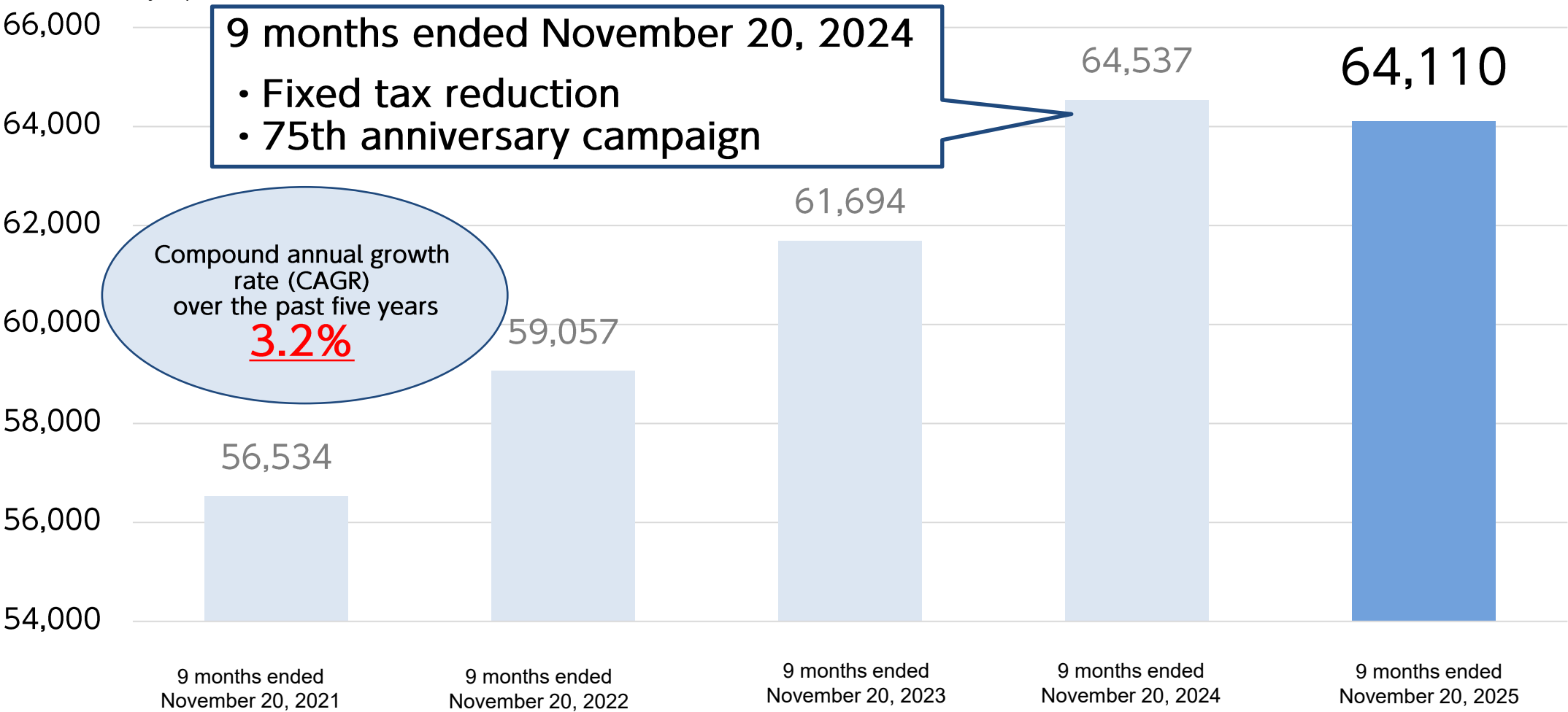
<sup>\*1</sup> Three foundations of “enhancement and optimization of supply chain management,” “enhancement of digital and IT platforms,” and “enhancement of brand management” to be focused on in realizing the achievement of the Medium-Term Management Plan “VISION 2025.”

<sup>\*2</sup> OMO is the abbreviation for Online Merges with Offline. OMO is an approach that merges e-commerce and stores to offer customer experience value, enabling customers to obtain information, shop, and use such channels.

<sup>\*3</sup> CRM is the abbreviation for Customer Relationship Management. We are strengthening our customer relations by providing information via the official Cycle Base Asahi smartphone application to make their bicycle life more convenient and comfortable.

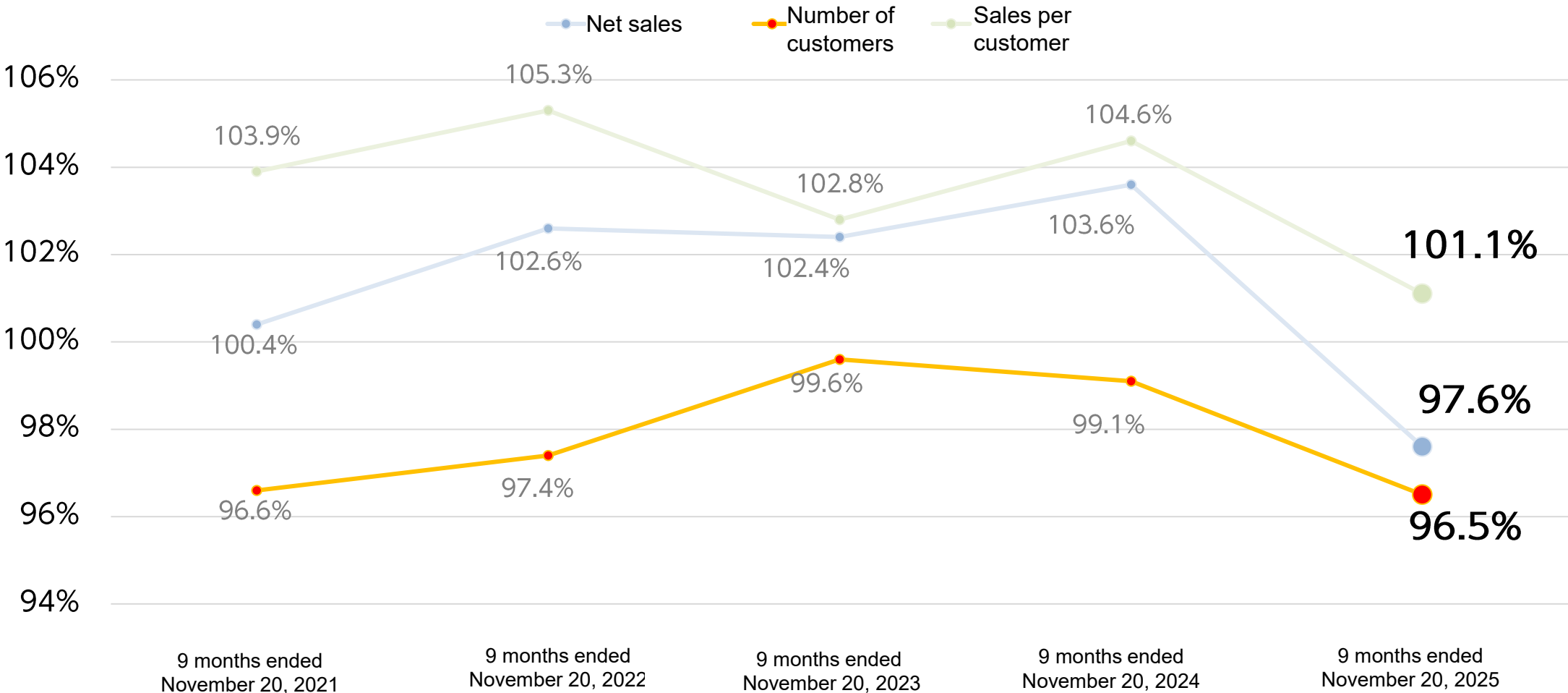
# Changes in Net Sales of the Entire Company (9M)

(Net sales: millions of yen)



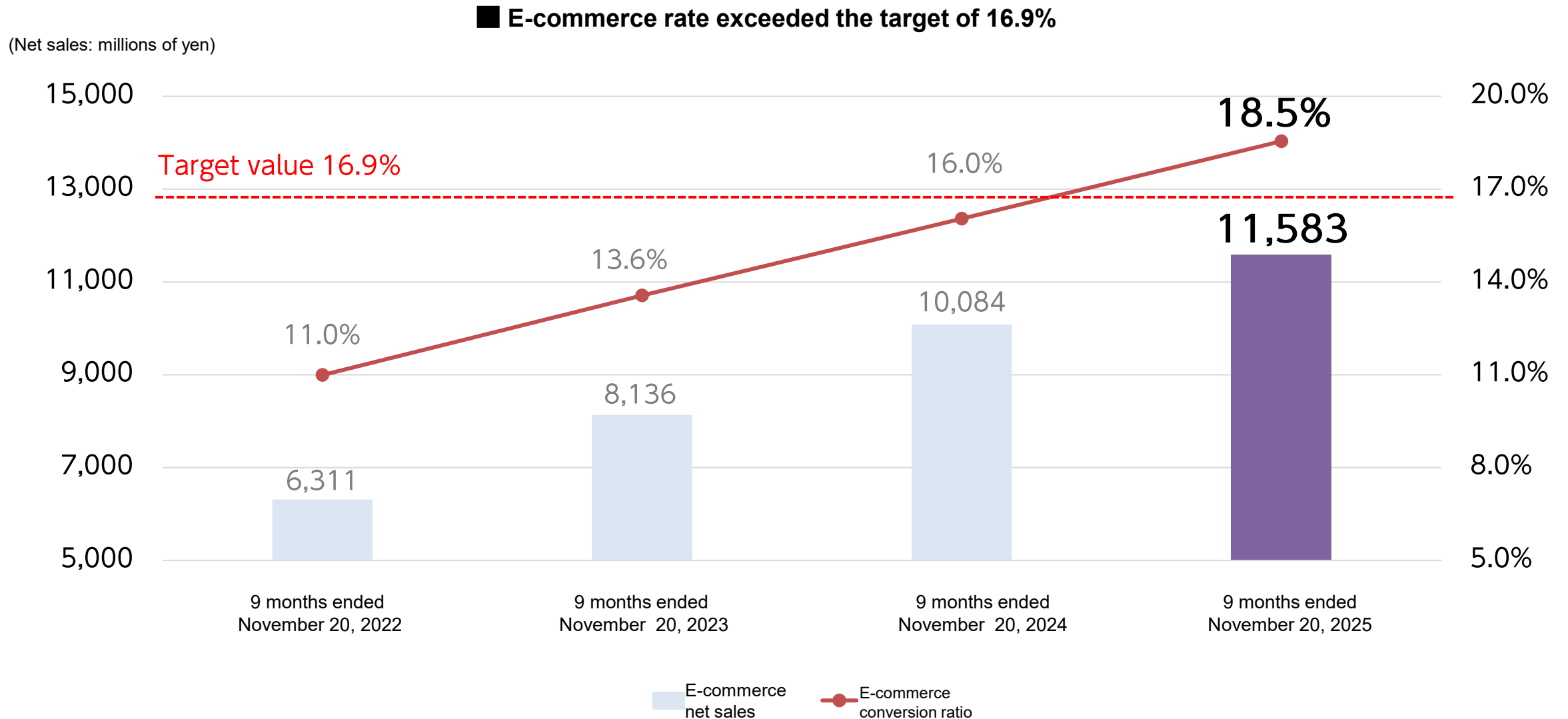
(Note) “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) has been applied since the beginning of the fiscal year ended Feb. 20, 2023.

# Changes (Y/Y) in Net Sales, Number of Customers, and Sales per Customer of Existing Stores (9M)



(Note) “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) has been applied since the beginning of the fiscal year ended Feb. 20, 2023.

# Results from Strengthening OMO (E-commerce Conversion Ratio) (9M)



(Note) "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) has been applied since the beginning of the fiscal year ended Feb. 20, 2023.

# Financial Results for the Nine Months Ended November 20, 2025

(Millions of yen, %)

	Nine Months Ended November 20, 2024 Results		Nine Months Ended November 20, 2025 Results			
	Amount	Ratio to net sales	Amount	Ratio to net sales	Y/Y change	factors
Net sales	64,537	100.0	64,110	100.0	99.3	While new bicycle sales are sluggish, e-commerce sales are increasing due to strengthened OMO  Sales of electric-assist bicycles was strong
Gross profit	30,649	47.5	30,649	47.8	100.0	
Operating profit	5,584	8.7	4,320	6.7	77.4	Decline in Net sales
Ordinary profit	5,651	8.8	4,510	7.0	79.8	
Profit	3,774	5.8	2,927	4.6	77.6	

# Results of SG&A Expenses and Capital Expenditures (9M)

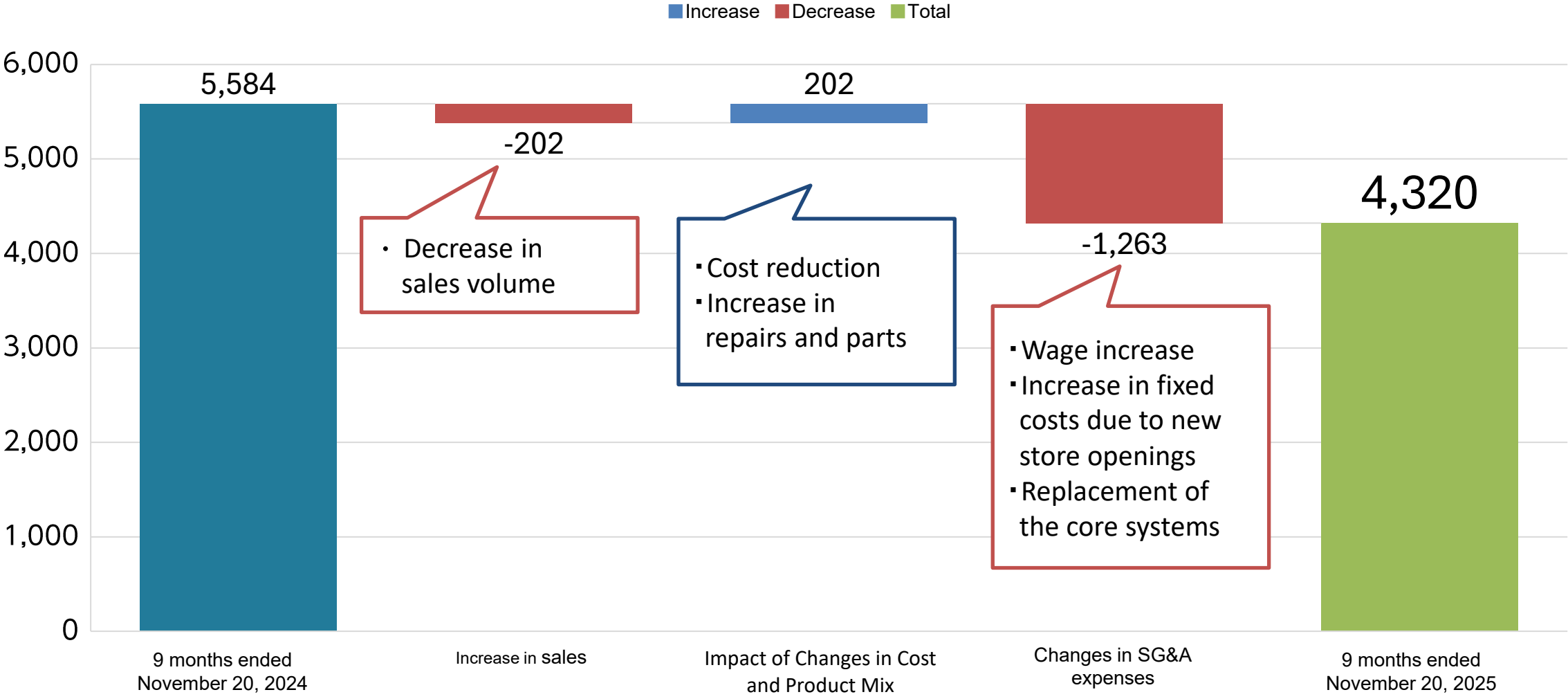
(Millions of yen, %)

		Nine Months Ended November 20, 2024 Results		Nine Months Ended November 20, 2025 Results			
		Amount	Ratio to net sales	Amount	Ratio to net sales	Y/Y change	Factors
SG&A expenses		25,064	38.8	26,328	41.1	105.0	
Breakdown	Personnel expenses	11,970	18.5	12,504	19.5	104.5	Due to wage increases and business expansion
	Advertising expenses	606	0.9	594	0.9	98.0	
	Transport + Storage expenses*	1,716	2.7	1,720	2.7	100.2	
	Depreciation	1,210	1.9	1,353	2.1	111.8	Replacing core systems
	Other	9,561	14.8	10,155	15.8	106.2	Increased the number of stores Core systems running costs
Capital expenditures		2,348		1,798		76.6	Decrease in system-related investment

\* From the fiscal year ending February 20, 2026, the term “Logistics expenses” has been replaced with “Transport + Storage expenses.”

# Analysis of Changes in Operating Profit (9M)

(Operating profit: millions of yen)



# Net Sales by Division (9M)

(Millions of yen, %)

		Nine Months Ended November 20, 2024 Results		Nine Months Ended November 20, 2025 Results			
		Amount	Retail share*1	Amount	Retail share*1	Y/Y change	Factors
	Stores	52,763	84.0	50,867	81.5	96.4	E-commerce share grew significantly due to strengthened OMO platform
	E-commerce	10,084	16.0	11,583	18.5	114.9	
Retail (subtotal)		62,848	100.0	62,451	100.0	99.4	
Other*2		1,688	-	1,658	-	98.2	
Total		64,537		64,110	-	99.3	

\*1 Ratio of stores and e-commerce in retail.  
 \*2 Royalty income, product sales to franchise stores and wholesale customers, out-of-store sales, etc.

# Net Sales by Item (9M)

(Millions of yen, %)

	Nine Months Ended November 20, 2024 Results		Nine Months Ended November 20, 2025 Results			
	Amount	Share	Amount	Share	Y/Y change	Factors
Ordinary bicycles	10,464	16.2	9,783	15.3	93.5	Postponing replacement purchases due to rising prices
Sports bicycles	8,299	12.9	8,050	12.6	97.0	
Children's bicycles	6,592	10.2	6,178	9.6	93.7	
Electric-assist bicycles	18,331	28.4	19,250	30.0	105.0	Strong sales of Asahi brand's ENERSYS
Other bicycles	2,017	3.1	1,845	2.9	91.5	
Parts/Other	18,832	29.2	19,001	29.7	100.9	Strengthening maintenance and inspection campaign activities
Total	64,537	100.0	64,110	100.0	99.3	
Asahi brand net sales	30,863	47.8	30,525	47.6	98.9	A highly competitive lineup that meets customer needs. Maintaining high standards.

# Store Openings and Closures (9M)



	As of Feb. 21, 2025	Number of stores opened	Number of stores closed <sup>*2</sup>	As of Nov. 20, 2025
Number of stores <sup>*1</sup>	545	+9	-2	552
Of which, urban stores	11	+2	0	13

<sup>\*1</sup> Includes 17 franchise stores  
<sup>\*2</sup> Rakusaiguchi store ・ Sendagaya DEPT. (expiration of the lease contract)

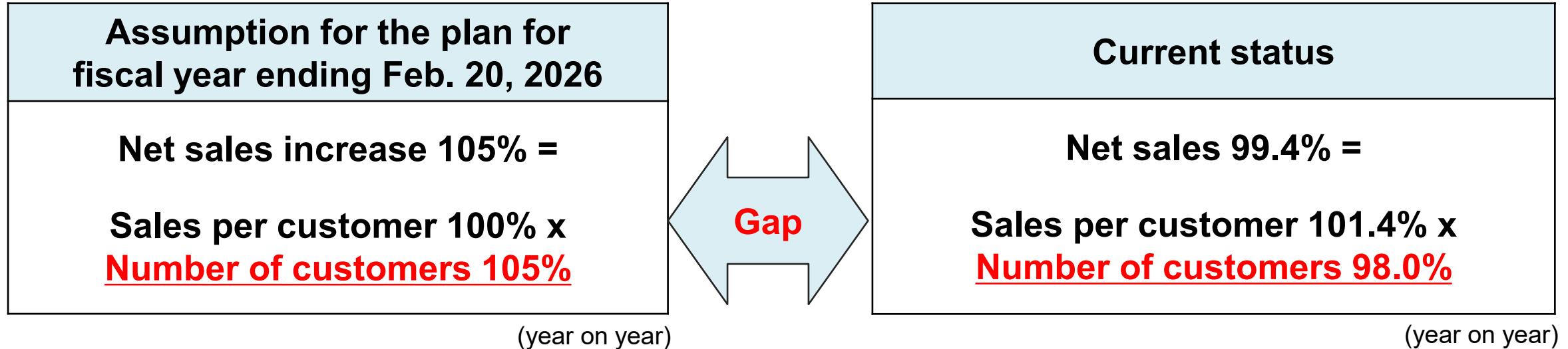


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# Current Status of Strengthening of OMO and CRM

## ■ Assumption at the beginning of the period and current status (the entire Company)



## ■ Analysis

1. Consumer trends focused on protecting livelihoods due to continued high prices, particularly noticeable in durable consumer goods from autumn onwards  
→ Decrease in the number of bicycle purchasers and increase in repair and maintenance cases among store visitors
2. Mitigation of decline in the number of customers through the introduction of new services leading to store visits along with strengthened OMO and CRM  
→ Increase in the proportion of electric vehicles not directly linked to a rise in sales per customer

# Key Initiatives for Achieving Plan for the Fiscal Year Ending Feb. 20, 2026 [Net Sales]

As consumer frugality intensifies, our sales growth continues to stagnate. Although we are continuing to focus on key initiatives, we have not yet fully recovered due to stronger-than-expected headwinds.

## ■Progress in 1H

	Results (1H) (a)	Plan (b)	Difference (a)-(b)
Net sales	¥45,900M	¥48,100M	-¥2,199M
Operating profit	¥3,756M	¥4,570M	-¥813M

## ■ Initiatives for securing net sales

### 1. Strengthen CRM

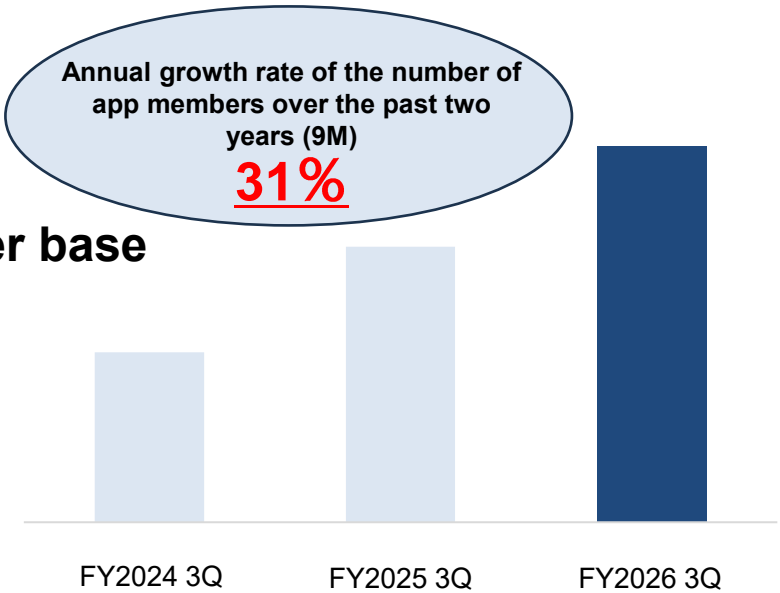
- Strengthening communication by leveraging our member base

### 2. Implement additional measures and campaigns

- Thank you campaign for achieving 550 stores!

### 3. Strengthen the structure of the reuse business

### 4. Expansion of new services leading to store visits



## Key Initiatives for Achieving Plan for the Fiscal Year Ending Feb. 20, 2026 [Profits]

### ■ Progress in 1H

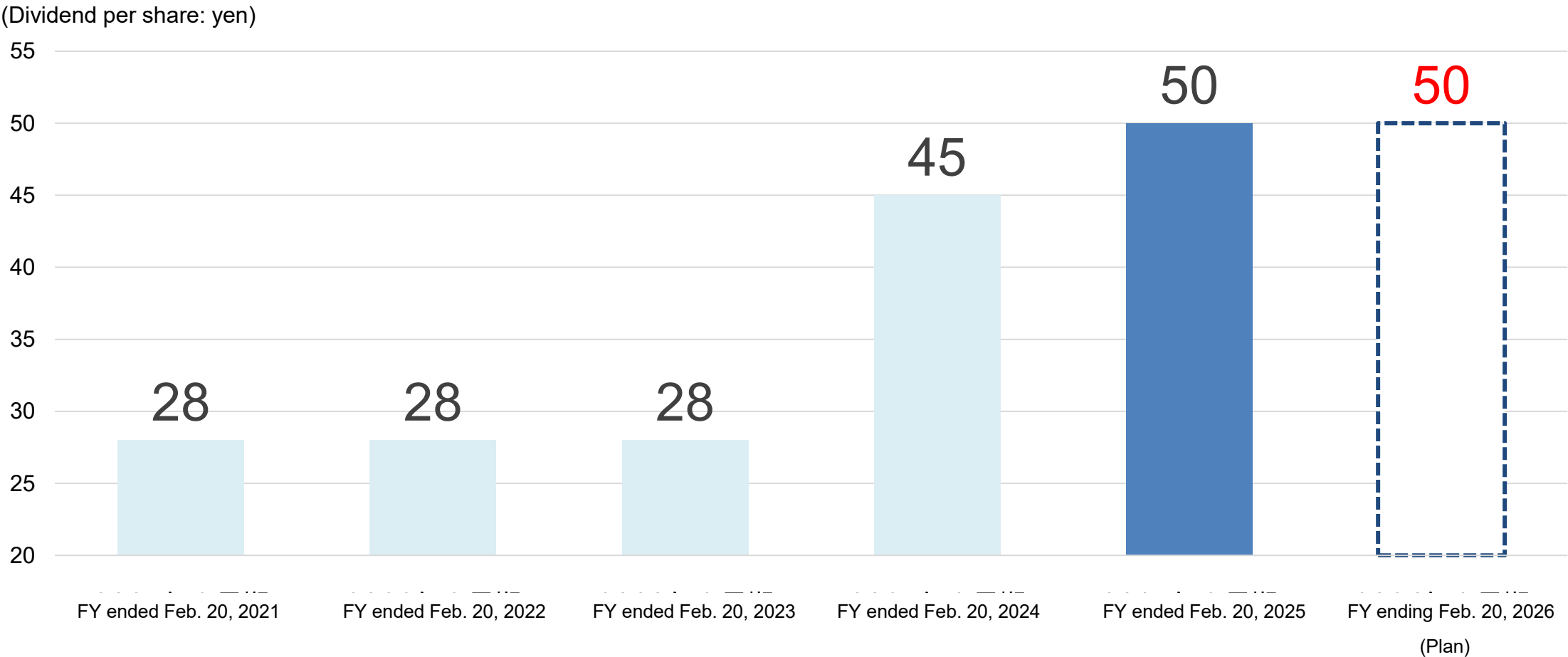
	Results (1H) (a)	Plan (b)	Difference (a)-(b)
Net sales	¥45,900M	¥48,100M	-¥2,199M
Operating profit	¥3,756M	¥4,570M	-¥813M

### ■ Initiatives for securing profits

1. Review procurement costs (increase gross profit of “ENERSYS”)
2. Review and reallocate SG&A expenses from scratch (excluding growth investments)
3. Strengthening of sales expansion measures considering 4Q seasonality  
(Christmas and early demand for school bicycles)
4. Expansion of new services linked to store visit motivation  
(bicycle wash and maintenance packages plus more)
5. Development of additional proposal menus in the recycling-oriented business model

# Management That is Conscious of Cost of Capital and Stock Price

- Dividend per share will be 50 yen (Plan)
- Continue proactive investments in foundations that support profitability and future growth
- Continue a stable shareholder return policy with a target dividend payout ratio of 35%





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# Revision of Full-year Financial Results Forecast for the Fiscal Year Ending Feb. 20, 2026

On December 22, 2025, we revised the full-year financial results forecast announced on April 4, 2025.

■ Consumer sentiment has further deteriorated, with a noticeable decline in demand, particularly for durable consumer goods. As a result, sales related to bicycles have continued to fall short of expectations.

■ We have managed to somewhat curb the decline in customer traffic through the introduction of new services and the expansion of proposal menus. However, the recovery in demand remains limited, and the challenging environment is expected to persist into the fourth quarter.

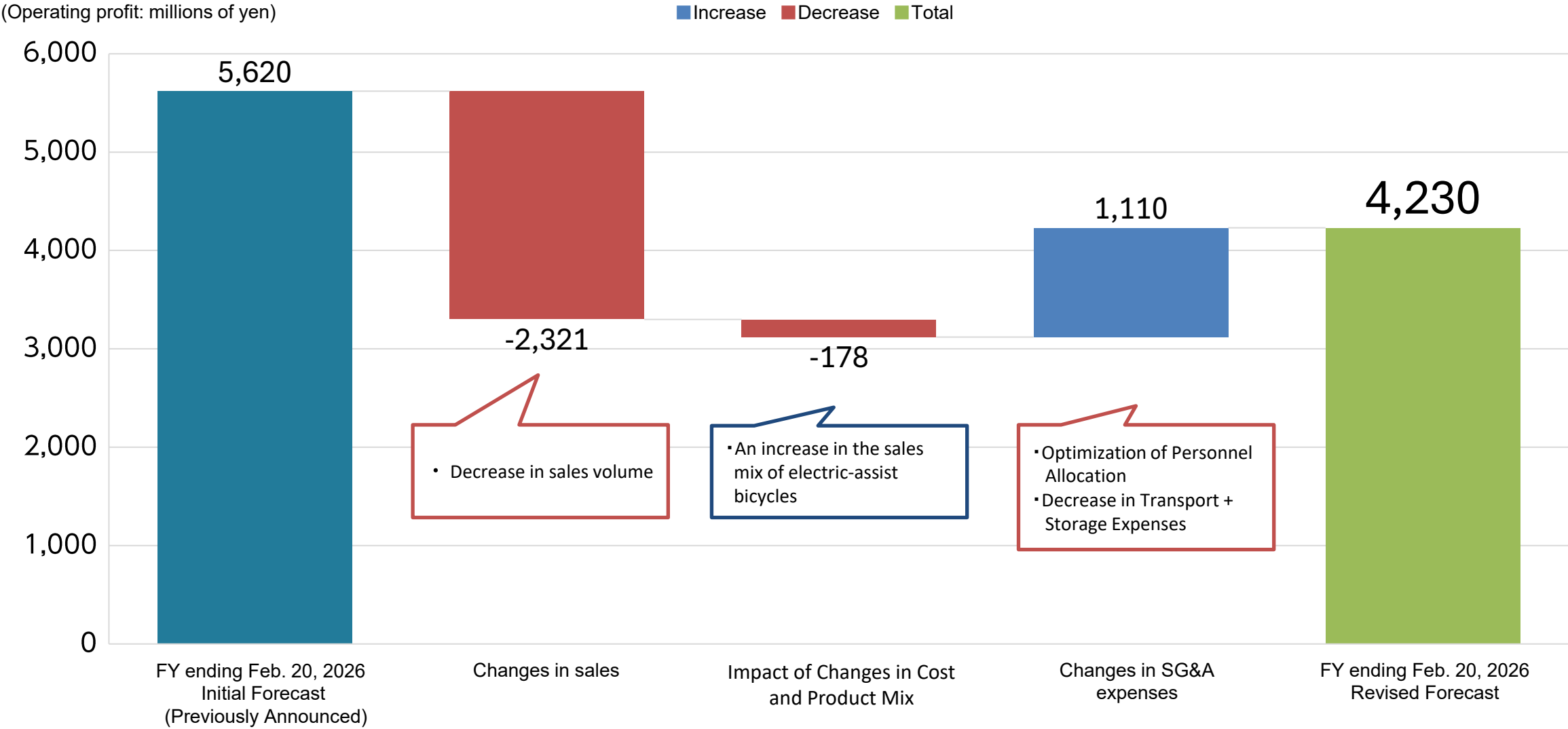
(Millions of yen, %)

	FY ended Feb. 20, 2025 Results		FY ending Feb. 20, 2026 Initial Forecast (Previously Announced)		
	Amount	Ratio to net sales	Amount	Ratio to net sales	Y/Y change
Net sales	81,593	100.0	85,800	100.0	105.2
Gross profit	38,739	47.5	41,500	48.4	107.1
Operating profit	5,485	6.7	5,620	6.6	102.4
Ordinary profit	5,626	6.9	5,750	6.7	102.2
Profit	3,555	4.4	3,650	4.3	102.6

FY ending Feb. 20, 2026 Revised Forecast				
Amount	Ratio to net sales	Y/Y change	Change from Initial Forecast	Change (%) from Initial Forecast
81,000	100.0	99.3	▲4,800	94.4
39,000	48.1	100.7	▲2,500	94.0
4,230	5.2	77.1	▲1,390	75.3
4,410	5.4	78.4	▲1,340	76.7
2,640	3.3	74.2	▲1,010	72.3

# Revision of Full-year Financial Results Forecast for the Fiscal Year Ending Feb. 20, 2026

## Analysis of Changes in Operating Profit



# Net Sales by Division

- In stores, promote the expansion of business domain with high customer needs other than new bicycle sales
  - In e-commerce sales, further promote OMO strategy by building a highly convenient website and using the store and logistics network
- (Millions of yen, %)

		FY ended Feb. 20, 2025 Results		FY ending Feb. 20, 2026 Initial Forecast (Previously Announced)			FY ending Feb. 20, 2026 Revised Forecast				
		Amount	Retail share*1	Amount	Retail share*1	Y/Y change	Amount	Retail share*1	Y/Y change	Change from Initial Forecast	Change (%) from Initial Forecast
Retail (subtotal)	Stores	66,643	84.0	69,400	83.1	104.1	64,370	81.8	96.6	▲5,030	92.8
	E-commerce	12,705	16.0	14,100	16.9	111.0	14,370	18.2	113.1	270	101.9
		79,348	100.0	83,500	100.0	105.2	78,740	100.0	99.2	▲4,760	94.3
Other*2		2,244	-	2,300	-	102.5	2,260	-	100.7	▲40	98.3
Total		81,593	-	85,800	-	105.2	81,000	-	99.3	▲4,800	94.4
Market share*3		25%	-	27%	-	-	27%	-	-	-	-

\*1 Ratio of stores and e-commerce in retail.

\*2 Royalty income, product sales to franchise stores and wholesale customers, out-of-store sales, etc.

\*3 Our own estimate: Market share = Asahi bicycles sold ÷ bicycles sold on the domestic market (sources: Trade Statistics of Japan and Current Survey of Production by the Ministry of Economy, Trade and Industry)

# Net Sales by Item

■ Number of bicycles sold will increase as the competitiveness of Asahi brand will improve in each item, particularly electric-assist bicycles

■ Sales of parts/other will increase by strengthening repair and maintenance systems (Millions of yen, %)

	FY ended Feb. 20, 2025 Results		FY ending Feb. 20, 2026 Initial Forecast (Previously Announced)			FY ending Feb. 20, 2026 Revised Forecast				
	Amount	Retail share	Amount	Retail share	Y/Y change	Amount	Retail share	Y/Y change	Change from Initial Forecast	Change (%) from Initial Forecast
Ordinary bicycles	13,312	16.3	13,800	16.1	103.7	12,500	15.4	93.9	▲1,300	90.6
Sports bicycles	10,076	12.4	10,800	12.6	107.2	9,800	12.1	97.3	▲1,000	90.7
Children's bicycles	8,632	10.6	9,000	10.5	104.3	8,100	10.0	93.8	▲900	90.0
Electric-assist bicycles	23,278	28.5	24,500	28.6	105.2	24,100	29.8	103.5	▲400	98.4
Other bicycles	2,487	3.0	2,600	3.0	104.5	2,200	2.7	88.5	▲400	84.6
Parts/Other	23,805	29.2	25,100	29.3	105.4	24,300	30.0	102.1	▲800	96.8
Total	81,593	100.0	85,800	100.0	105.2	81,000	100.0	99.3	▲4,800	94.4

# SG&A Expenses and Capital Expenditures

- Although personnel expenses will increase due to wage increases for the second consecutive fiscal year, they will be optimized through proper personnel allocation and improved human productivity
- The amount of other items will increase due to the impact of increased number of stores and reduction in subsidies for utility expenses

(Millions of yen, %)

		FY ended Feb. 20, 2025 Results		FY ending Feb. 20, 2026 Initial Forecast (Previously Announced)			FY ending Feb. 20, 2026 Revised Forecast				
		Amount	Retail share*1	Amount	Retail share*1	Y/Y change	Amount	Retail share*1	Y/Y change	Change from Initial Forecast	Change (%) from Initial Forecast
SG&A expenses		33,253	40.8	35,880	41.8	107.9	34,770	42.9	104.6	▲1,110	96.9
Breakdown	Personnel expenses	15,880	19.5	17,223	20.1	108.5	16,320	20.1	102.8	▲903	94.8
	Advertising expenses	794	1.0	805	0.9	101.4	740	0.9	93.2	▲65	91.9
	Transport and storage expenses*	2,234	2.7	2,336	2.7	104.6	2,220	2.7	99.4	▲116	95.0
	Depreciation	1,688	2.1	1,880	2.2	111.4	1,860	2.3	110.2	▲20	98.9
	Other	12,655	15.5	13,635	15.9	107.7	13,630	16.8	107.7	▲5	100.0
Capital expenditures		2,774		3,504		126.3	3,504		126.3	-	-

\* From the fiscal year ending Feb. 20, 2026, “logistics expenses” will be changed to “transport and storage expenses” due to a change in the standard of account item.

# Investment Plan

■ Accelerate investment in foundations that support future growth (digital and IT platforms, logistics infrastructure, stores)

◎ Breakdown of major capital investments

- Investment in growth foundations: DX, infrastructure development, system investment (logistics, CRM)
- Investment in maintenance and renewal: Store renewal and relocation for revitalization of existing stores (18 stores, 1 store increase from the previous fiscal year)
- Investment in increasing profits: 16 new store openings per year, including 4 urban stores

	As of Feb. 21, 2025	Number of stores to open	As of Feb. 20, 2026
Number of stores*	545	+16	561
Of which, urban stores	11	+4	15

\* Includes 17 franchise stores (as of Feb. 20, 2026) (6 stores in Osaka, 1 store in Hyogo, 4 stores in Kyoto, 4 stores in Mie, and 2 stores in Kagoshima)

# Medium-Term Management Plan “VISION 2025”

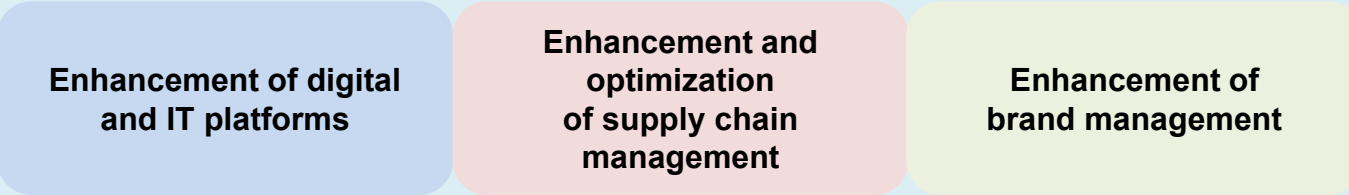
As the most reliable partner for everyone’s bicycle lifestyle,  
we will support the happiness of people

**Our Vision**  
Bicycles for vibrant lives—  
everywhere together for a lifetime

## Four Key Strategies



## Three Growth Foundations

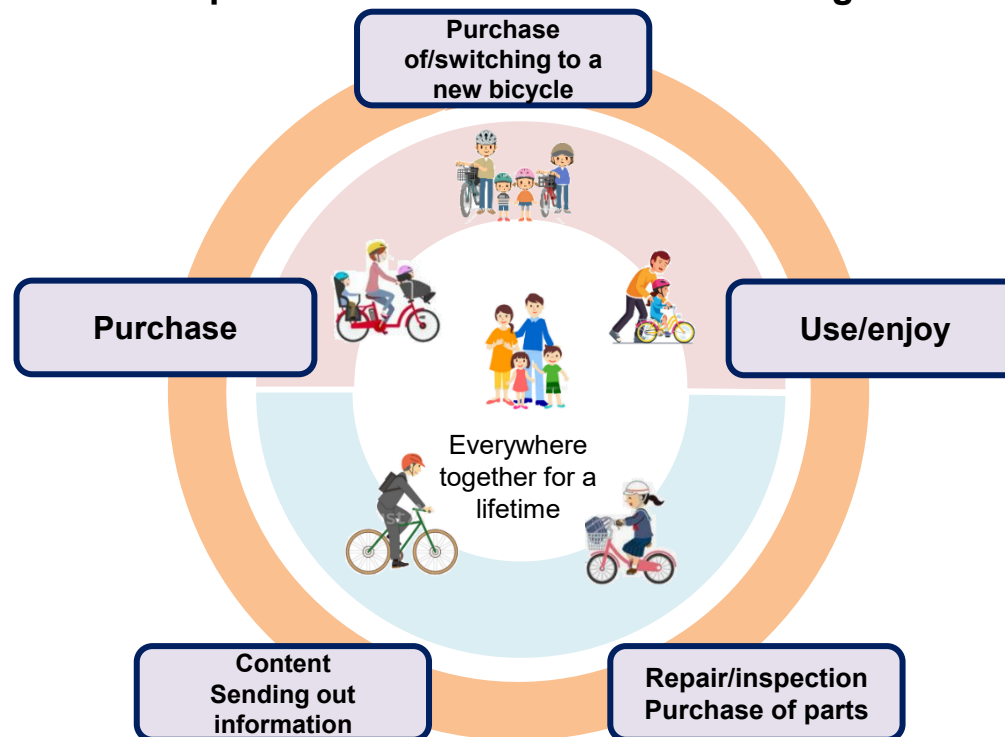


Strengthen “Three Growth Foundations”  
in promoting “Four Key Strategies”

Toward achieving  
VISION 2025,  
implement “Four Key Strategies”

# Management Vision of the Medium-Term Management Plan “VISION 2025”

**Bicycles for vibrant lives—everywhere together for a lifetime**  
**Proposal tailored to customers' life stages**



**[Initiative 1]**  
**Balance “safety and peace of mind” and “recycling-oriented society”**



**[Initiative 2]**  
**System of purchase and sale of bicycles (reuse business)**



**[Initiative 4]**  
**Expand customer base (Asahi membership)**



**[Initiative 5]**  
**Provide information on special offers and services (official app)**



**[Initiative 3]**  
**Sending out information on goods, services, and experience\* through comprehensive bicycle ride information website “Chiririn,” which proposes fun of bicycle life**



**[Initiative 6]**  
**Strengthen service structure to respond to customer issues**



\* Concept of our service type

- Goods: Consumption of goods. A form of offering products and services such as bicycles, parts, accessories, and repair services.
- Services: Consumption of services. A form of experiential services such as travel business and touring that use bicycles.
- Experience: Consumption of experience. A form of services that allow people to share the excitement that can only be experienced at that time and place, referring to bicycle events such as bicycle riding instructional sessions and kids' schools.

## Disclaimer

- **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.**
- **The reader should note that internal factors in the Company and external factors such as changes in the business environment surrounding the Company may have a direct or indirect impact on the Company's performance and that the forecasts contained in this document may change.**
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