

# **FY2025 Q2 Financial Results**

CUBE CO., LTD

Stock Code: 7112

01

## Q2 Financial Report

[FY2025]

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## Business Progress

[FY2025]

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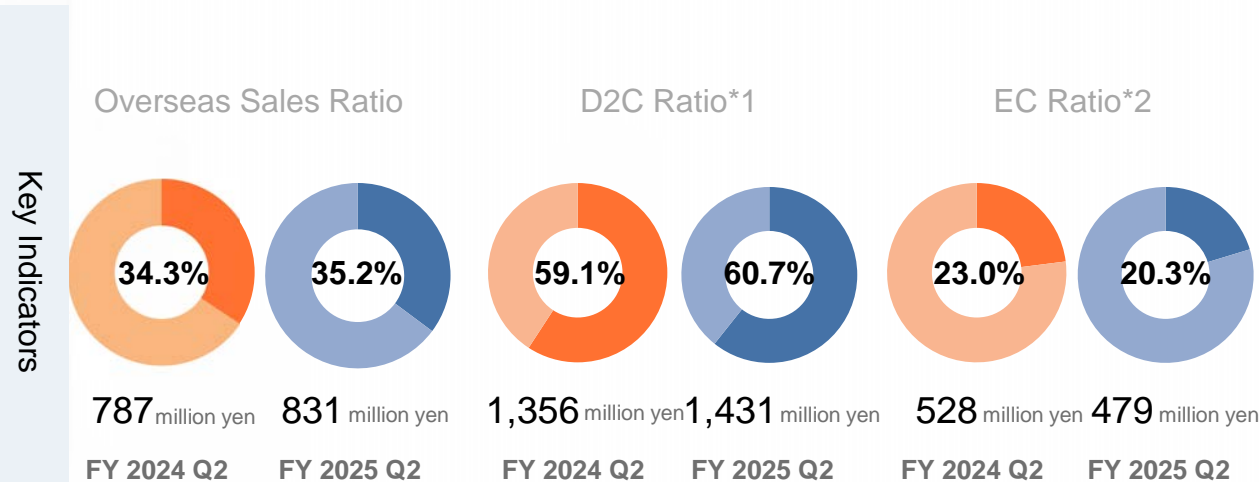
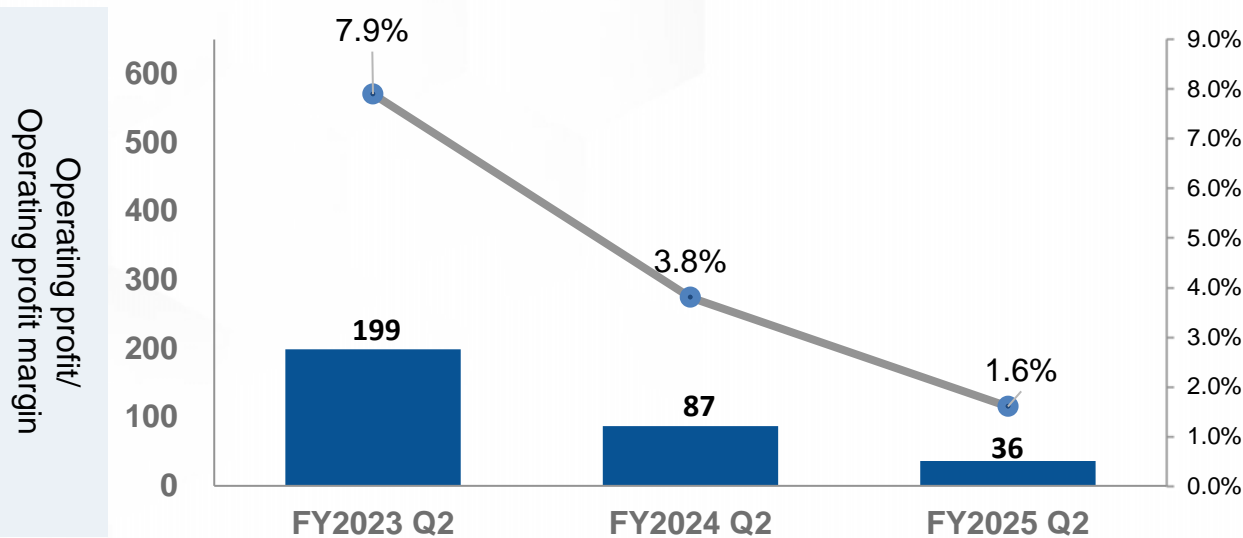
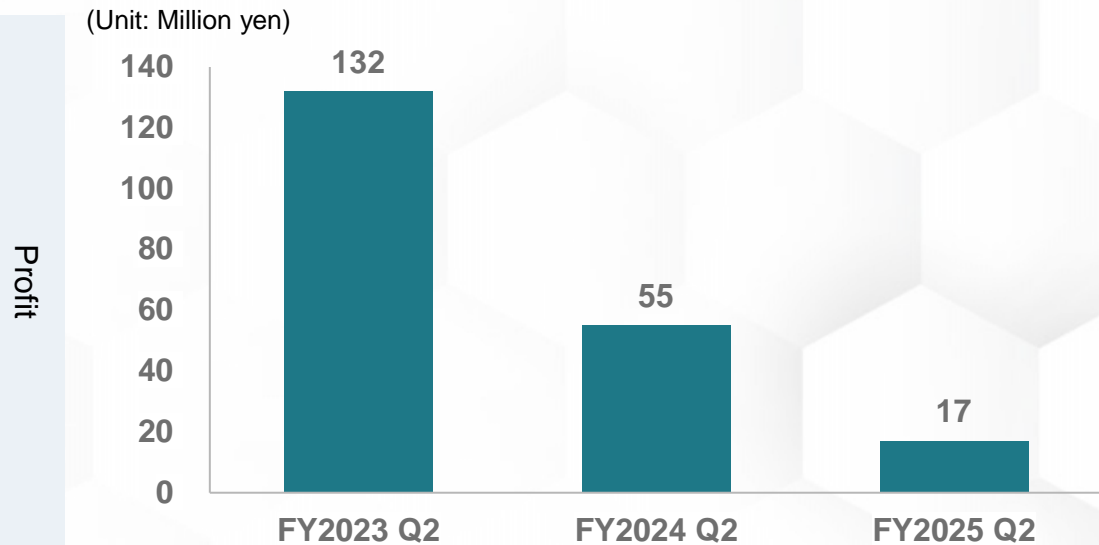
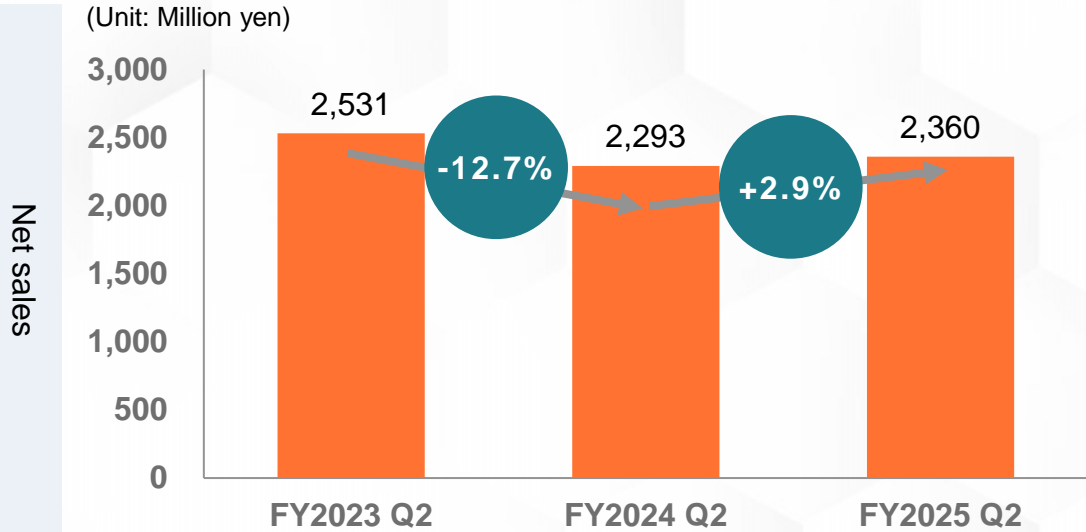
## APPENDIX

- Corporate Profile & Business Overview
- Product & Growth Strategy
- Sales Trends by Sales Channel

# **FY2025 Q2 Financial Report**

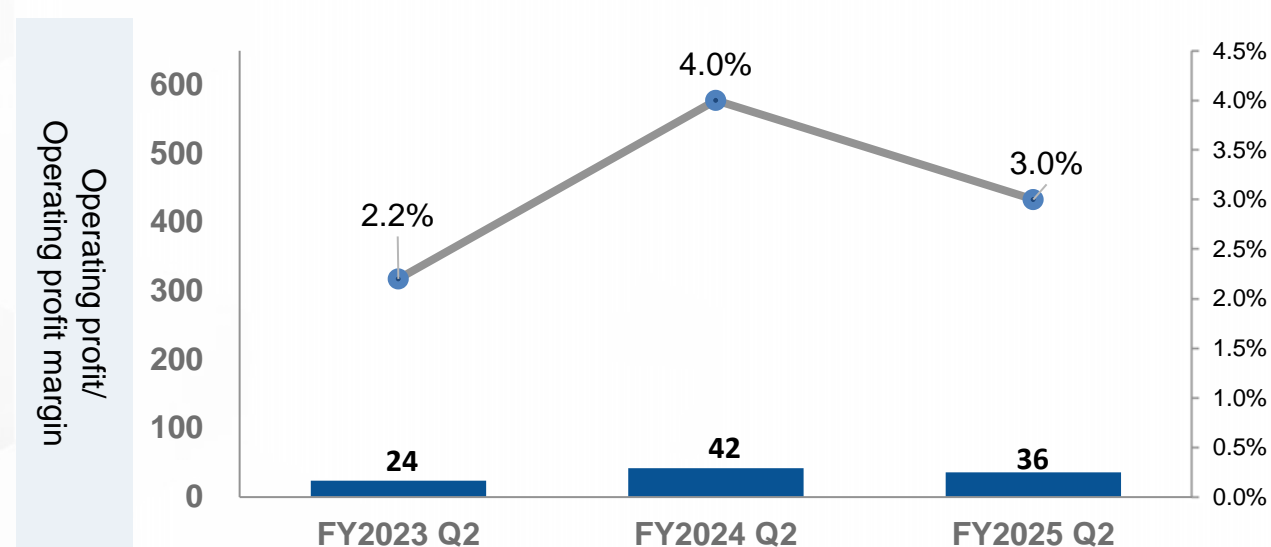
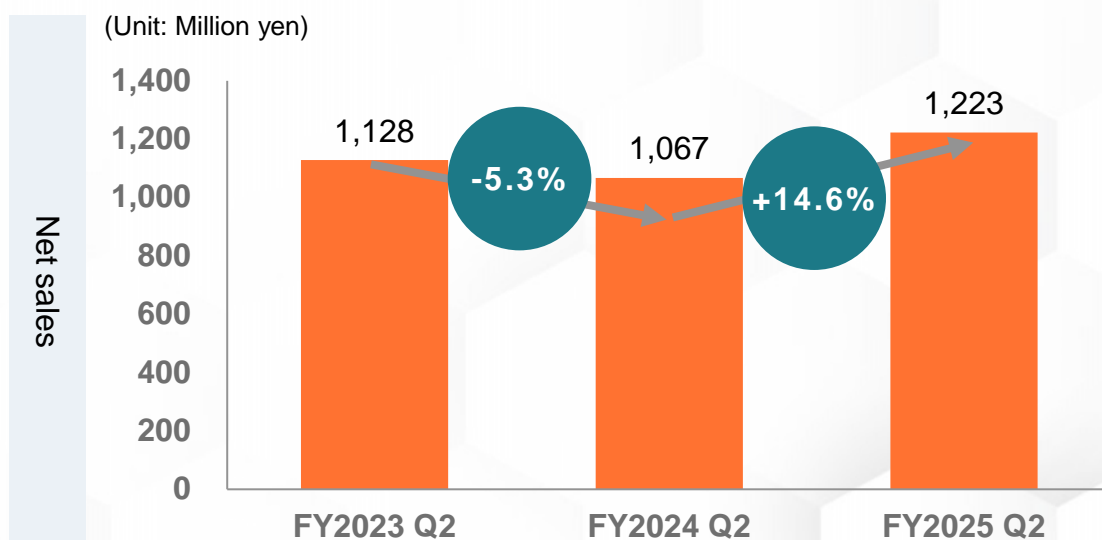
# FY2025 Q2 Financial Summary (Six Months)

CUBE CO.,LTD.

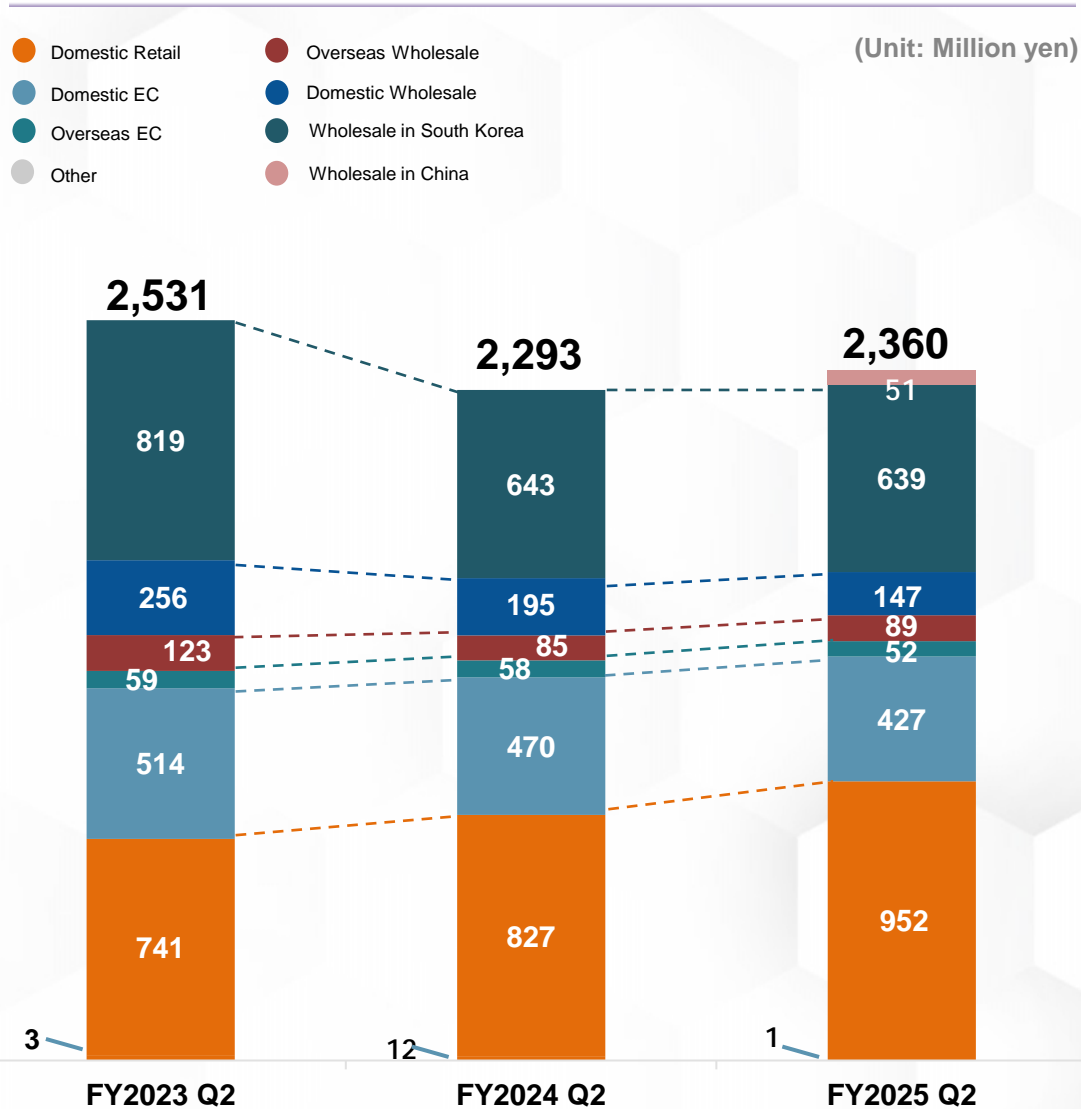


\*1 D2C Ratio = (Domestic Retail Sales + Domestic E-commerce Sales + Overseas E-commerce Sales) ÷ Net Sales  
\*2 EC Ratio = (Domestic E-commerce Sales + Overseas E-commerce Sales) ÷ Net Sales

Net sales for Q2 significantly increased YoY by 14.6% to 1,223 million yen. Operating profit declined slightly YoY owing to increased growth investments, but recovered to a growth trend compared with Q1 results (+0 million yen).



## Sales Trends by Sales Channel



## Financial Highlights

- The golf market, which expanded rapidly during the COVID-19 pandemic, has been gradually returning to pre-pandemic conditions since 2023.
- Domestic retail remained strong, posting double-digit growth of +15% YoY.** Growth was supported by the renewal openings of the Ginza and Daimaru Shinsaibashi stores in 2024, as well as the opening of a permanent store at Gotemba Premium Outlets in June.
- As a new initiative, sales from **wholesale in China** were recorded for the first time. **A flagship store opened in Beijing in June** and has seen a favorable start. Overseas wholesale continued to expand, particularly in ASEAN and East Asian markets.
- Wholesale in South Korea** remained roughly flat YoY. While the Korean golf market has returned to pre-pandemic conditions, the decline in wholesale sales has shown signs of bottoming out.
- Domestic e-commerce and domestic wholesale posted YoY declines, reflecting both a reaction to the post-pandemic golf boom and a shift back to in-person shopping. Overseas e-commerce remained nearly flat.

# Quarterly Sales Trends by Sales Channel

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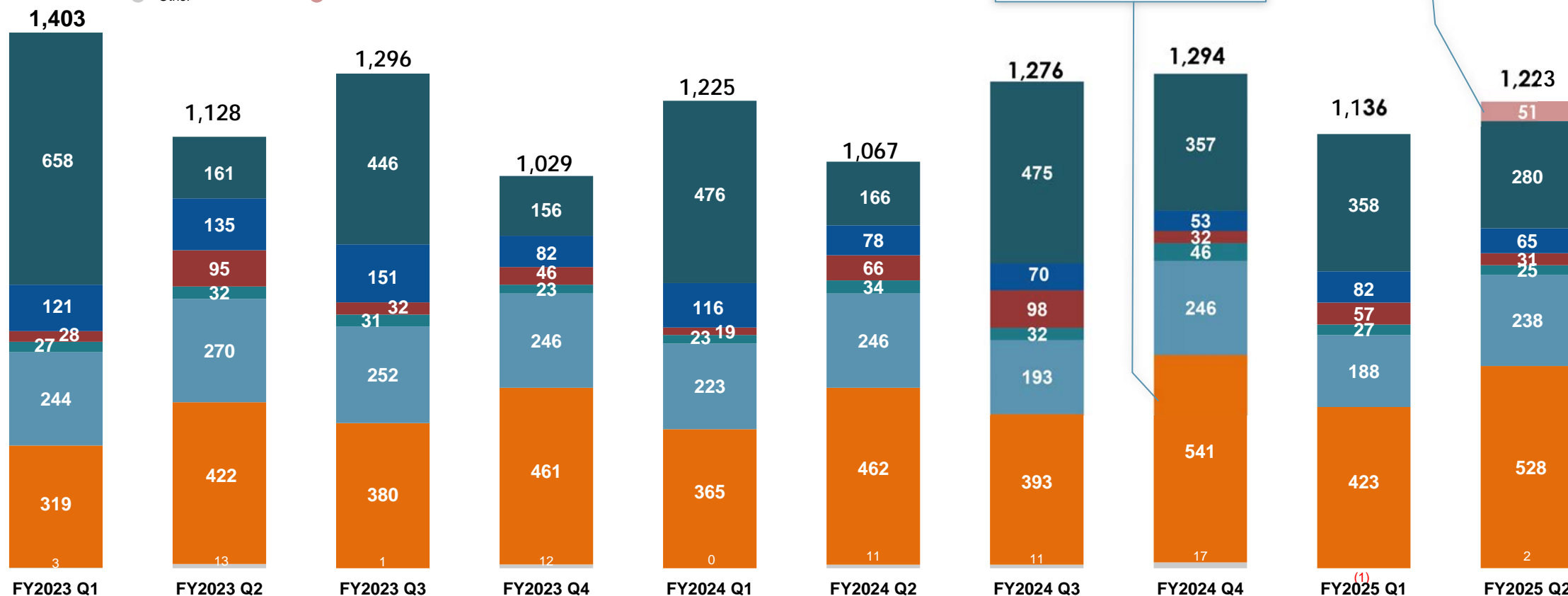
Net sales for the Q2 were 1,223 million yen, surpassing the 1,141 million yen recorded in FY2022 Q2 during the pandemic-driven golf boom, marking the highest-ever Q2 net sales.

(Unit: Million yen)

- Domestic Retail
- Domestic EC
- Overseas EC
- Other
- Overseas Wholesale
- Domestic Wholesale
- Wholesale in South Korea
- Wholesale in China

Actively expanded pop-up store openings and outlet store openings, achieving the highest quarterly sales ever.

Launched wholesale business in China



\*Q1 and Q3 tend to record higher sales compared to Q2 and Q4, driven by the timing of domestic and overseas wholesale shipments. Similarly, Q3 and Q4 tend to see higher sales compared to Q1 and Q2, as these periods align with the sales of heavy clothing and other autumn and winter items.

# Outline of Financial Results (YoY Results and Forecasts)

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Sales increased, driven by domestic retail expansion and the start of operations in China. Gross profit margin also improved. However, with upfront increases in expenses associated with business expansion, all profit indicators below operating profit declined YoY. At the end of Q2, results were largely in line with internal plans.

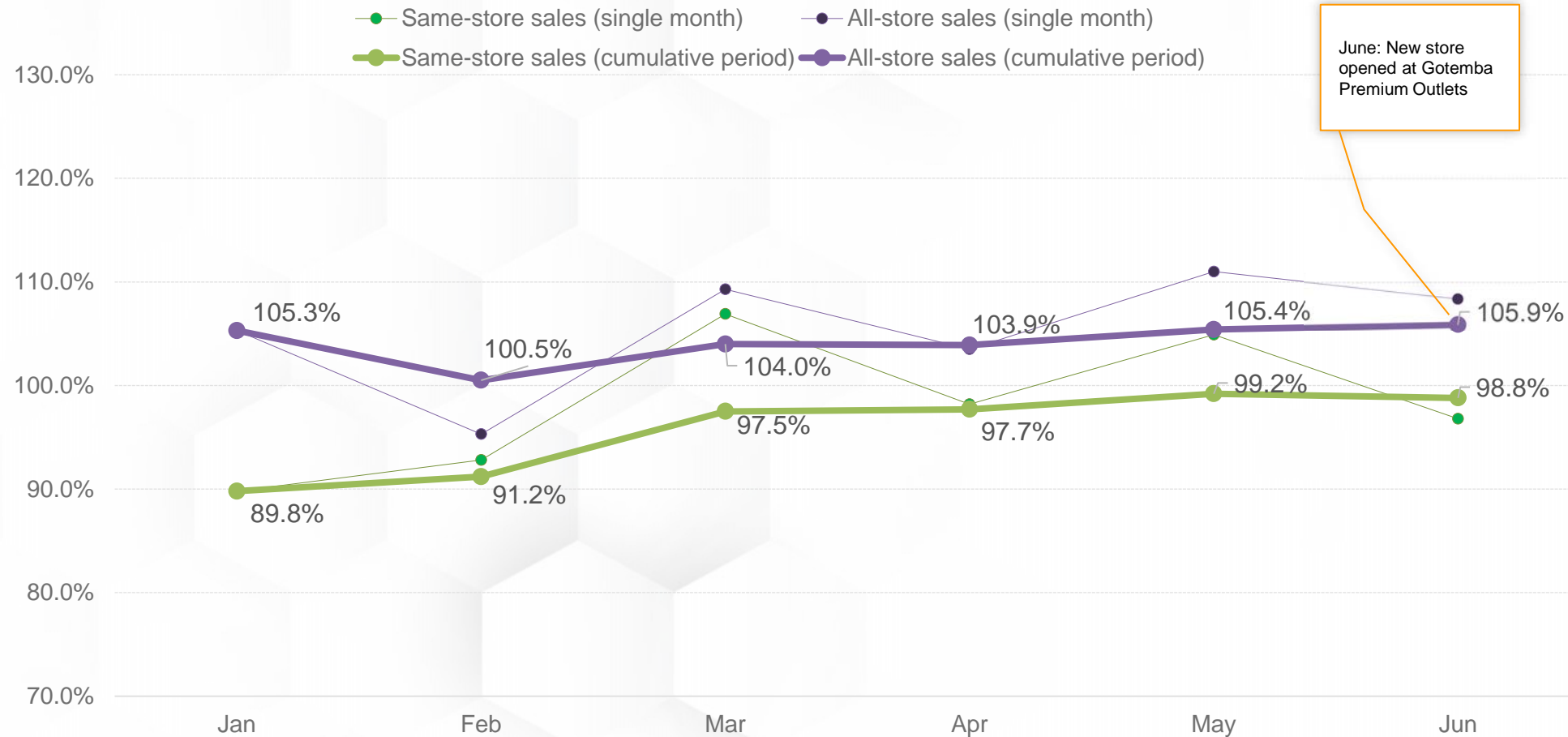
(Unit: Million yen)	FY2024 Q2	FY2025 Q2 (current period)	YoY (pct. change)	Forecasts	Achievement rate	Progress Status, etc.
Net sales	2,293	2,360	67 (2.9%)	5,200	45.4%	<ul style="list-style-type: none"> <li>Sales grew due to new retail store openings and the start of business in China. From Q3 onward, we plan to continue opening new retail stores and expand our business in China to drive further growth.</li> </ul>
Gross profit (Gross profit margin)	1,350 (58.9%)	1,420 (60.2%)	70 (5.2%)	—	—	<ul style="list-style-type: none"> <li>A portion of cost of sales was reclassified to SG&amp;A (approximately 36 million yen), resulting in higher gross profit.</li> <li>The D2C ratio, which contributes to improving gross margin, continued to rise (+1.5pt YoY).</li> </ul>
Operating profit (Operating profit margin)	87 (3.8%)	36 (1.6%)	-50 (-57.9%)	206 (4.0%)	17.8%	<ul style="list-style-type: none"> <li>Operating profit declined YoY due to increased costs associated with business expansion.</li> <li>We will pursue stricter cost control across SG&amp;A expenses to achieve our earnings forecasts.</li> </ul>
Ordinary profit (Ordinary profit margin)	91 (4.0%)	37 (1.6%)	-53 (-58.4%)	206 (4.0%)	18.4%	<ul style="list-style-type: none"> <li>Same as above</li> </ul>
Profit (Profit margin)	55 (2.4%)	17 (0.7%)	-37 (-69.2%)	125 (2.4%)	14.1%	<ul style="list-style-type: none"> <li>Same as above</li> </ul>



# FY2025 Q2 Monthly Sales of Directly-managed Stores

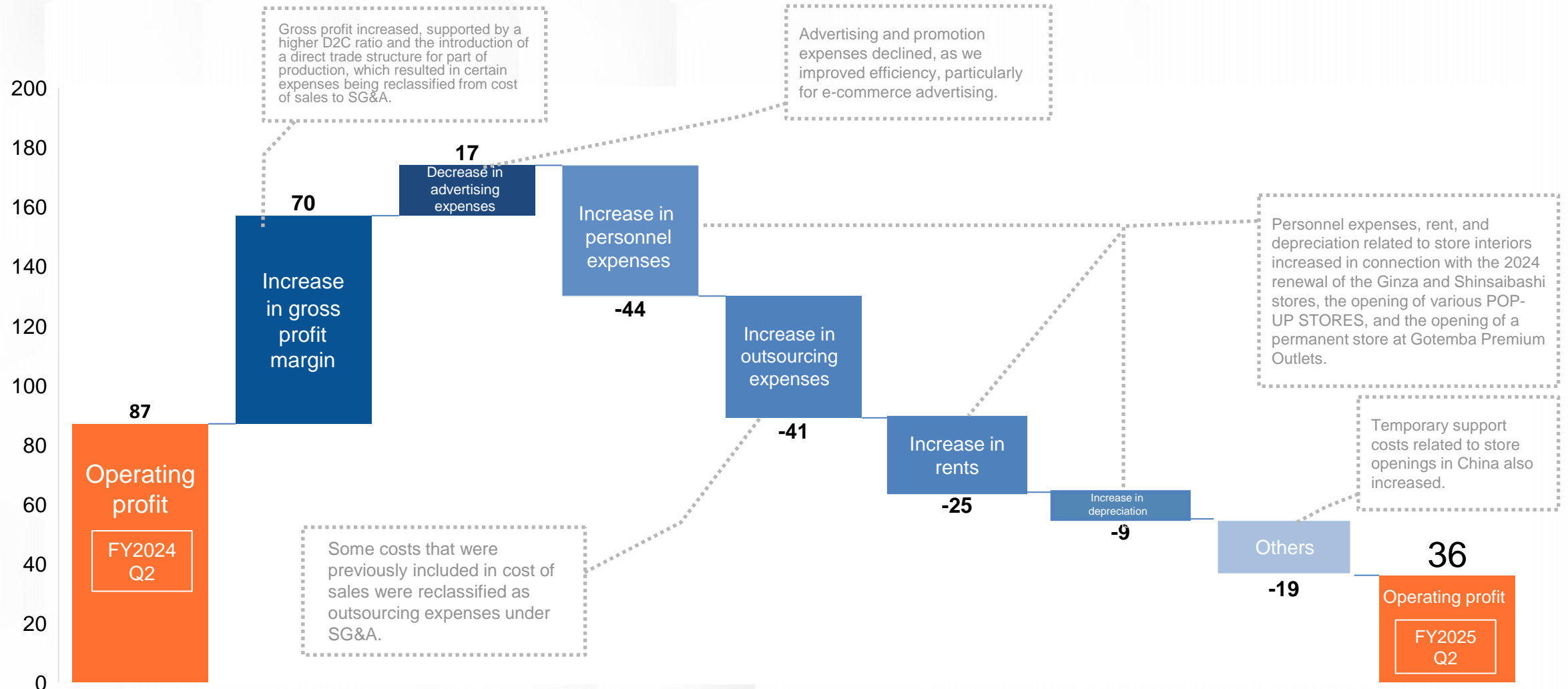
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In February, sales were slightly down YoY as we narrowed new product launches compared to the prior year. However, from March onward, sales have been trending well. Initiatives such as the active rollout of pop-up stores at physical locations and opening of permanent stores starting from June, including a store at Gotemba Premium Outlets, have produced favorable results.



# Factors behind Changes in Operating Profit

With regard to SG&A expenses, a portion of costs previously recorded in cost of sales was reclassified as outsourcing expenses following improvements in the production structure. In addition, temporary support costs related to store openings in China, as well as higher personnel expenses, rent, and other costs associated with domestic business expansion, led to a YoY decline in operating profit.



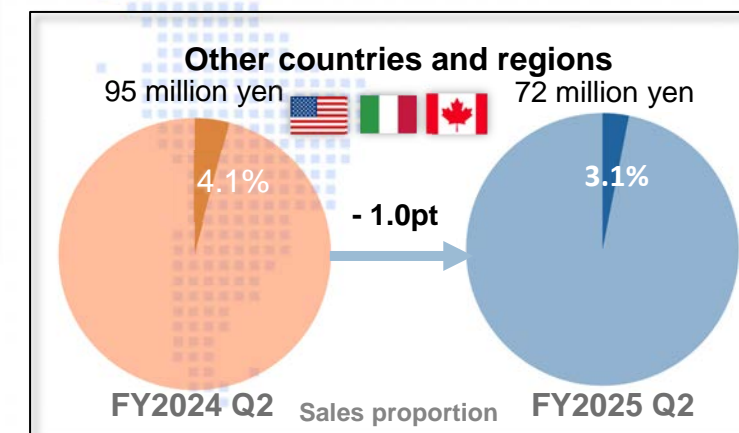
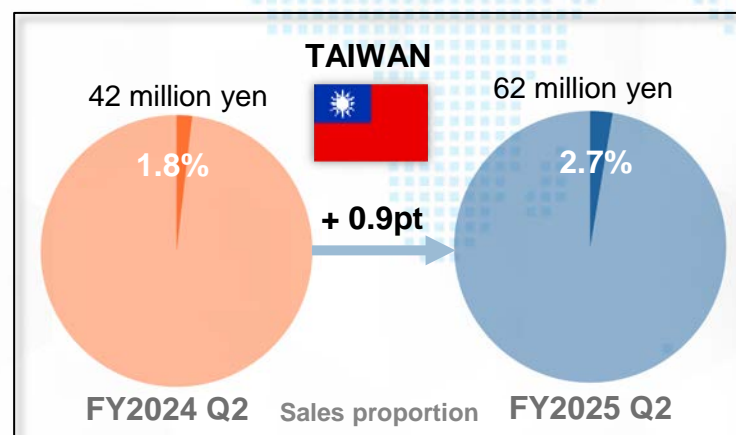
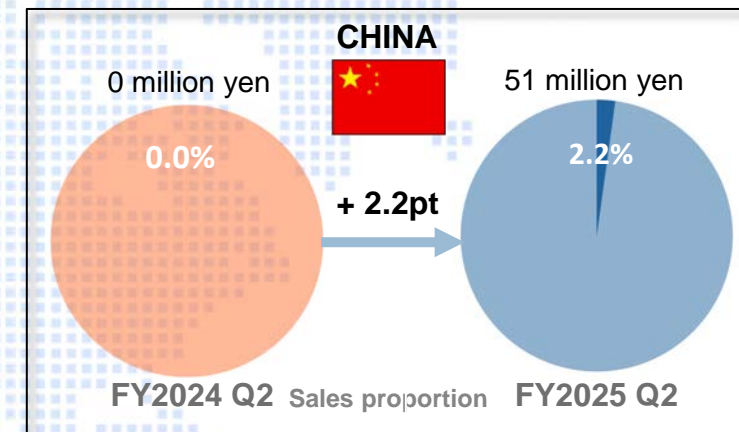
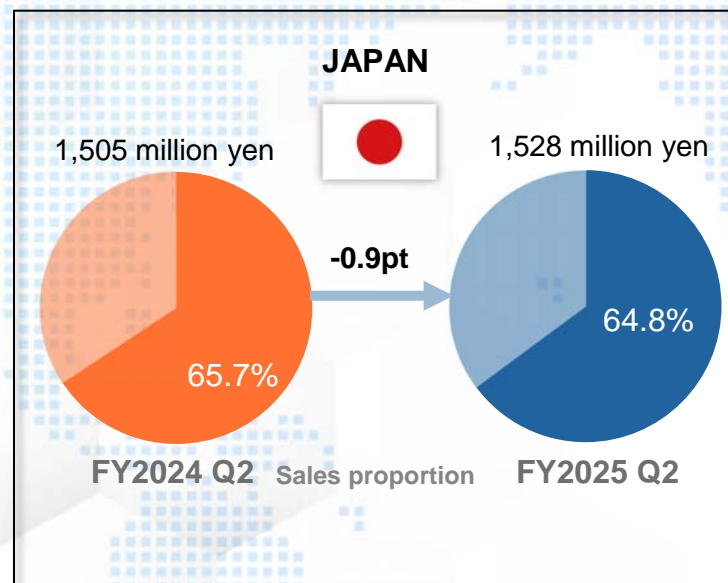
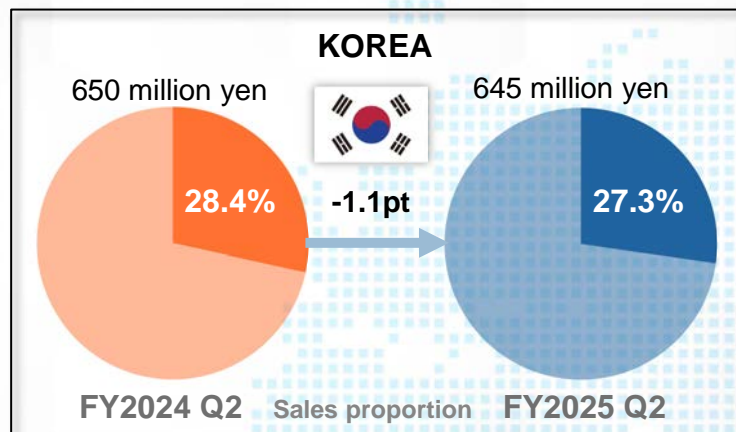
We continued to make proactive investments, including the establishment of a joint venture for business expansion in China and the opening of a store at Gotemba Premium Outlets in June.

(Unit: Million yen)	FY2024 Q4	FY2025 Q1	FY2025 Q2	Composition ratio	QoQ	Main change factors (QoQ)
<b>Total assets</b>	4,791	4,697	4,674	100.0%	-23	
<b>Current assets</b>	3,882	3,614	3,380	72.3%	-233	<ul style="list-style-type: none"> <li>Cash and deposits decreased, reflecting capital contributions for the establishment of the joint venture in China, as well as increased payments for corporate taxes payable at the end of the previous fiscal year and for merchandise procurement.</li> </ul>
<b>Noncurrent assets</b>	909	1,083	1,293	27.7%	+210	<ul style="list-style-type: none"> <li>Shares of affiliated companies increased as a result of establishing a joint venture for business expansion in China.</li> <li>Buildings and structures increased in line with the opening of the Gotemba Outlet store.</li> </ul>
<b>Current liabilities</b>	667	583	509	10.9%	-73	<ul style="list-style-type: none"> <li>Contract liabilities decreased, reflecting a decline in advance payments for merchandise for the spring/summer season.</li> </ul>
<b>Noncurrent liabilities</b>	142	141	151	3.2%	+9	
<b>Net assets</b>	3,982	3,972	4,013	85.9%	+40	<ul style="list-style-type: none"> <li>Retained earnings increased.</li> </ul>

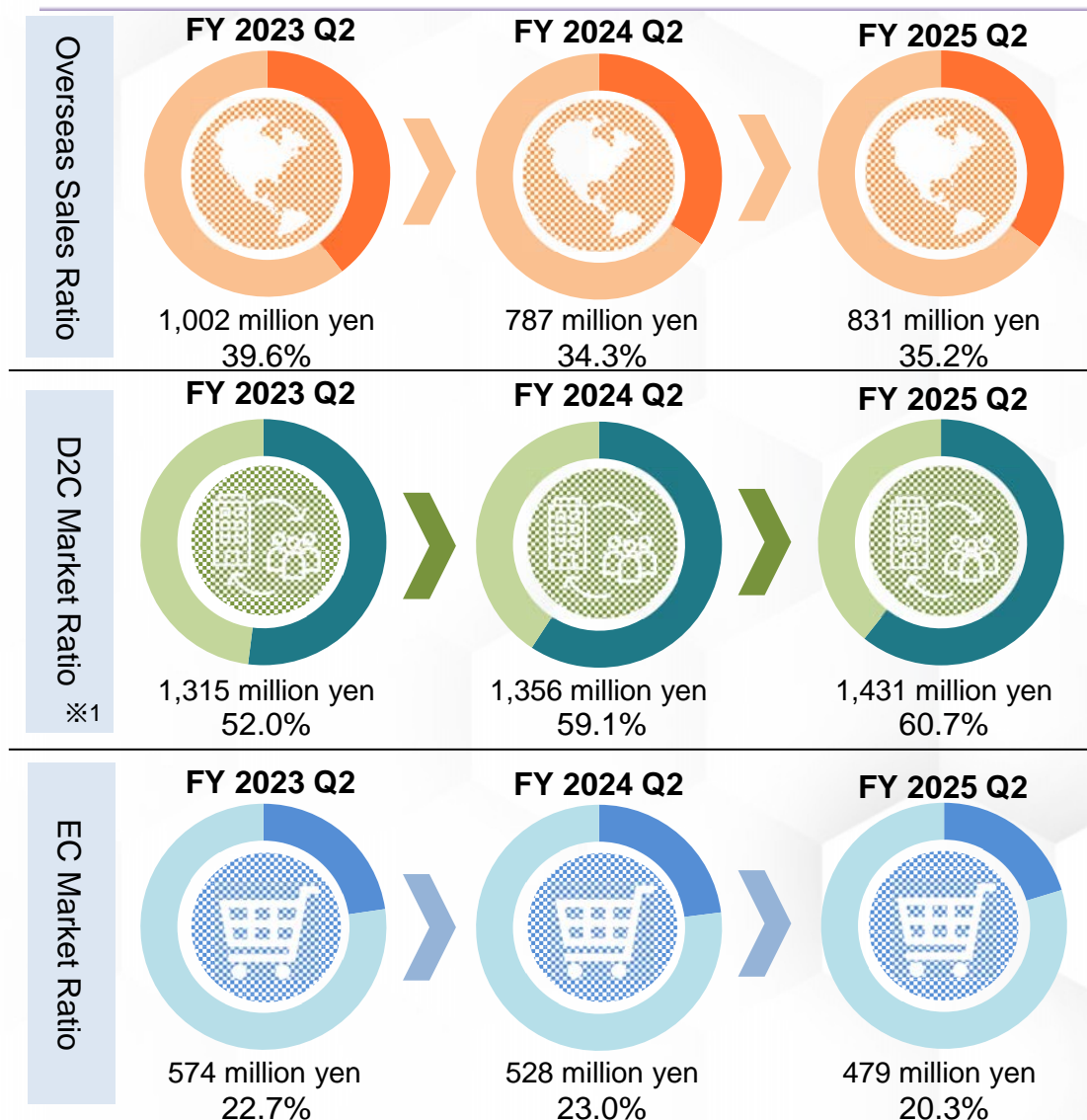
Cash and cash equivalents showed a significant decline, mainly due to active investment activities such as capital contributions for the establishment of a joint venture in China and placements in time deposits. Progress was generally in line with plan.

(Unit: Million yen)	FY2024 Q2	FY2025 Q2	Change	Major factors
<b>Cash flow from operating activities</b>	233	-103	-336	Decrease in accounts payable: -65 Payment of corporate and other taxes: -42
<b>Cash flow from investing activities</b>	-110	-897	-787	Capital contribution for the establishment of a joint venture in China: -295 Placements in time deposits: -500 million yen
<b>Cash flow from financing activities</b>	-0	0	+0	
<b>Change in cash and cash equivalents</b>	120	-1,004	-1,124	
<b>Cash and cash equivalents at end of period</b>	2,475	1,419	-1,056	

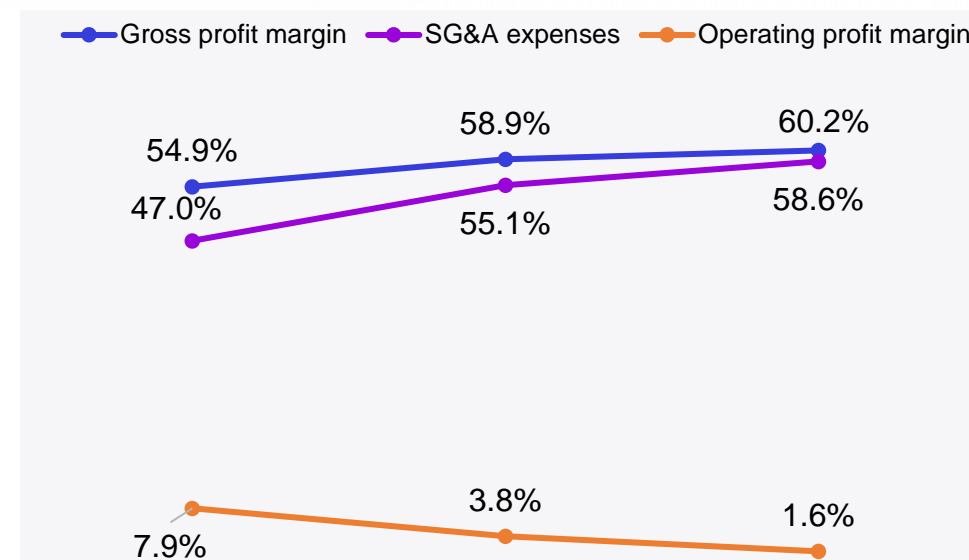
In China, where a flagship store was opened, wholesale sales of approximately 51 million yen were recorded. Following Japan and Korea as the two largest markets, China and Taiwan are also showing steady growth.



## Key Indicators



## Financial KPI



	FY 2023 Q2	FY 2024 Q2	FY 2025 Q2
ROE	3.5%	1.4%	0.4%
Shareholders' Equity ratio	83.6%	83.4%	85.9%
EPS	21.75 yen	9.14 yen	2.90 yen
BPS	626.04 yen	645.48 yen	656.34 yen

\*1 D2C Ratio = (Domestic Retail Sales + Domestic E-commerce Sales + Overseas E-commerce Sales) ÷ Net Sales

# **FY2025 Business Progress**



# Plan for Sales Channels

Q2: Opened a flagship store in China and a permanent store at Gotemba Premium Outlets.

Q3: Planning to open the first pop-up store at Takashimaya Osaka in September.

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✓ Q2 financial results announcement			FY2025				FY2026				FY2027			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
D 2 C	Domestic Retail	<ul style="list-style-type: none"><li>Flagship store development</li><li>Expansion of store sizes to boost inbound sales</li><li>Pop-up store openings, including at outlet locations</li></ul>	Opening pop-up stores (Osaka Takashimaya, Tokyo Daimaru, and outlets, etc.)				Pop-up store marketing for new store openings				Pop-up store marketing for new store openings			
					Department store and commercial Facility Openings, relocations and renovations		Openings, relocations and renovations at department stores and commercial facilities (approx. 2 stores)				Openings, relocations and renovations at department stores and commercial facilities (approx. 2 stores)			
				Opening new permanent stores in outlets (Gotemba, Rinku)			Opening new permanent store at outlets (approx. 1 store)				Opening new permanent store at outlets (approx. 1 store)			
	EC	<ul style="list-style-type: none"><li>Expansion of a domestic e-commerce store</li><li>Expansion of an overseas e-commerce store</li></ul>	Domestic EC: Platform renewal				Maximizing customer LTV through an OMO strategy leveraging e-commerce							
			Overseas EC: Utilizing platforms for continuous acquisition and nurturing of new international customers											
B 2 B	South Korea	<ul style="list-style-type: none"><li>Strengthening collaboration with exclusive distributors</li></ul>	Opened 1 new store		Revitalization of existing stores		Execution of market-appropriate penetration strategies							
	China Hong Kong Macau	<ul style="list-style-type: none"><li>Store openings through JV projects</li></ul>	Opening new store in Beijing		Opening new permanent retail store and e-commerce store		Opening new permanent retail store				Opening new permanent retail store			
			Opening new store in golf course				Opening new stores in Macau and Hong Kong							
	Other Overseas Countries	<ul style="list-style-type: none"><li>Distributor partnerships</li><li>Store openings through JV projects</li></ul>	Selection of partners in Southeast Asia				Opening new store in Taiwan							
								New store openings in Southeast Asia						
							New store openings in other parts of Asia							
	Japan	<ul style="list-style-type: none"><li>Development of wholesale customers</li></ul>					Development of new business accounts							



In June, we opened our first flagship store in China at China World Mall (国貿商城) in Beijing. The store features a dome-shaped LED screen on the ceiling that creates an artificial “sky.” The mirrored columns are synchronized with the screen, producing a unique atmosphere as if being on a golf course.



\* This will be operated as a joint venture (JV) with a local partner, structured as an indirect investment through a locally incorporated company.



Following the flagship opening, a shop was launched at Sand River Golf Club in Shenzhen in June. In July, another shop was opened at Nicklaus Club Beijing, a luxury golf course in the suburbs of Beijing. The rollout is progressing steadily.



\* The renderings and photos are of the Shenzhen Sand River Golf Club shop.

\* As a JV business, this is an indirect investment through a local subsidiary jointly funded by the Company and its local partner.

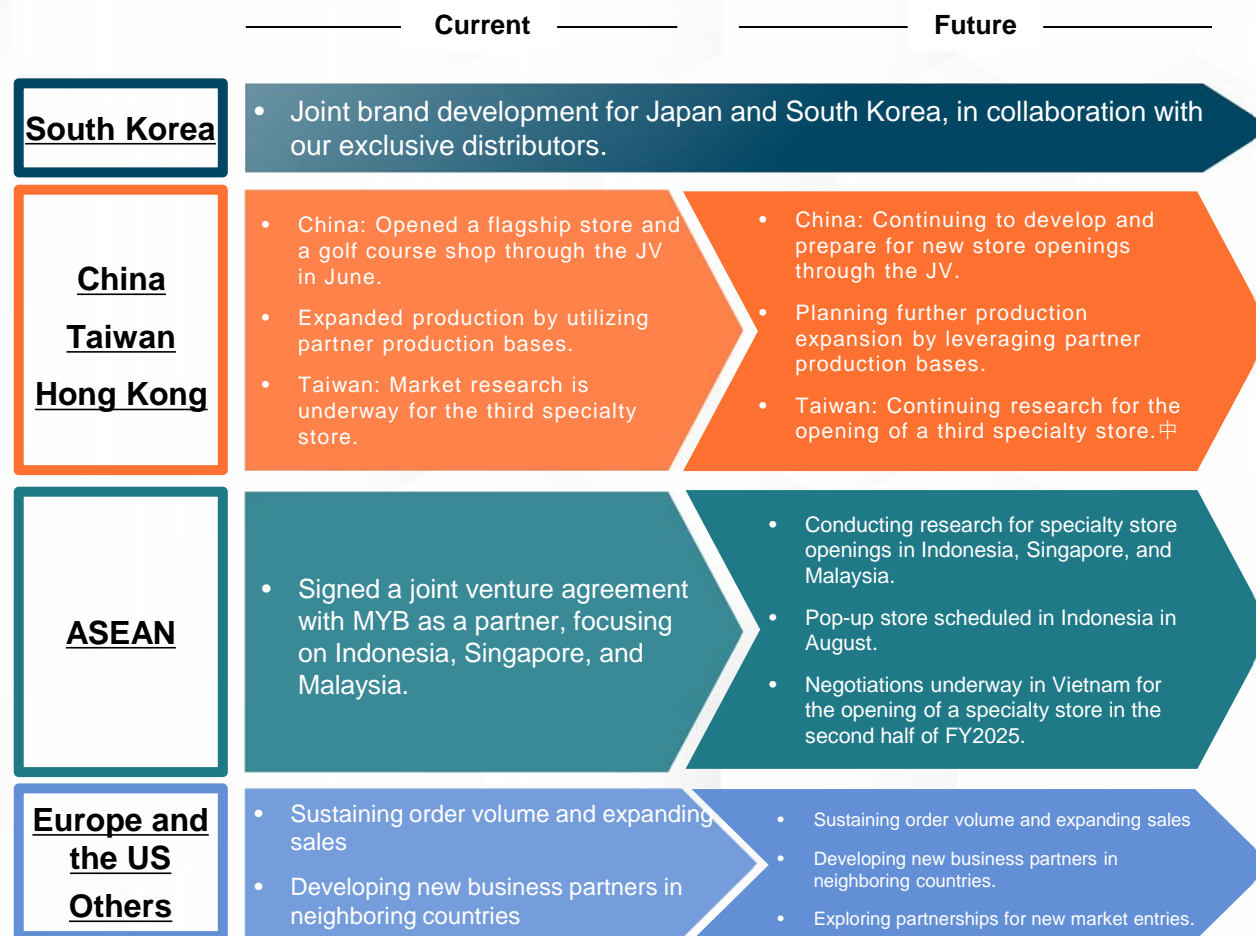
In June 2025, we opened our first permanent outlet store as MARK & LONA at Gotemba Premium Outlets, following test marketing through a pop-up store in autumn 2024. In August, we opened another store at Rinku Premium Outlets.



- All the photos are from the Gotemba Premium Outlets store.



A flagship store opened in June, followed by a golf course shop in the same month. In July, we signed an agreement with MYB to establish a joint venture as a partner in the ASEAN region, with plans to expand permanent store openings.



## GLOBAL NETWORK

We will promote the development of new store openings in collaboration with partners in various countries, develop pop-up stores through overseas marketing activities, participate in exhibitions held in various regions, and use B2B tools to strengthen overseas wholesaling.



## GLOBAL ONLINE STORE

Expand brand awareness through touchpoints in each country.  
Strengthen promotion through social media, messaging apps, and powerful content using KOL to promote loyalty among inbound tourist customers and attract customers to cross-border EC.

As a growing company, we will continue to make strategic investments aimed at expanding our operations, including investments in human resources, systems, OMO store development, and M&A.

Our policy on shareholder returns prioritizes enhancing corporate value through business expansion driven by such investments, at least for the time being.

At the same time, to express our gratitude for the continued support of our shareholders and to encourage long-term shareholding by deepening their understanding of our business through the use of our services, we adopt a shareholder benefit program.

In the event of sudden changes in the external environment, we will also consider implementing flexible capital policies, such as share buybacks, while strengthening our IR activities to enhance shareholder value.

## Forward-Looking Statements

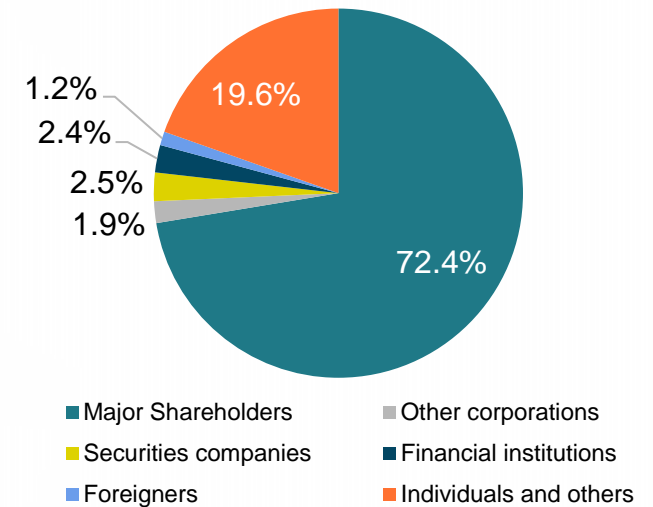
The materials and information provided in this presentation include "forward-looking statements" (forward-looking statements). These forward-looking statements are based on current expectations, projections, and assumptions that involve risks and are subject to uncertainties that could cause actual results to differ materially from this information. These risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rates and currency exchange rate fluctuations. This announcement is intended to provide information about us and is not intended to solicit or recommend the purchase or trade of any securities, financial instruments, or businesses, both domestically and internationally. The materials provided in this announcement are not disclosure documents based on the Financial Instruments and Exchange Law or other laws and regulations.

# **Corporate Profile & Business Overview**

## **APPENDIX**

Company Name	CUBE CO., LTD.
Head Office	2-17-7 Akasaka, Minato-ku, Tokyo
Representative	Tomoaki Matsumura, Chairman and Representative Director Kazutake Hashimoto, President and Representative Director
Established	December 1994
Capital stock	835,300,798 yen (as of June 30, 2025)
Number of employees	94 (including temporary employees, as of June 30, 2025)
Business Activities	Planning, manufacturing, and sales of apparel and general merchandise; licensing business (licensors)
Brands handled	MARK&LONA, HORN GARMENT, Gravis golf
Major clients	Hankyu Hanshin Department Stores, Inc., Daimaru Matsuzakaya Department Stores Co. Ltd., Iwataya Mitsukoshi Ltd., Mori Building Co., Ltd., ZOZO, Inc., VICTORIA CO.,LTD.

Shareholder Composition  
as of June 30, 2025





## VISION

# Creating symbols of the times

Our corporate philosophy is that the brands and services we provide will become symbols and trends of the times and will continue to be remembered.

## STRATEGY

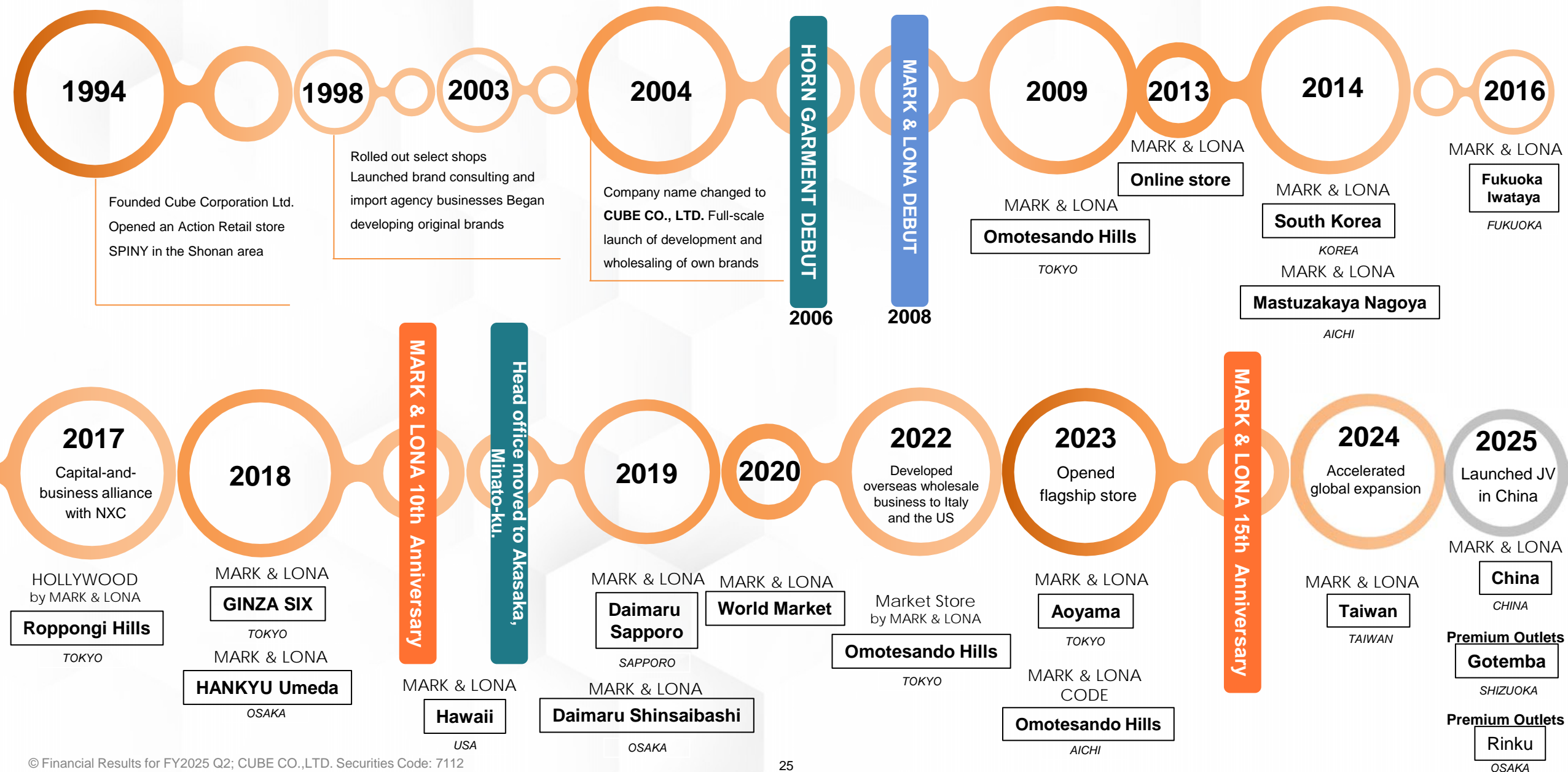
# Creating a premium luxury brand

The strategy to realize this vision is to create Japan's first premium luxury brand.

## MISSION

# Freedom in Golf

As the sport of golf becomes more diverse, our mission is to help people enjoy golf freely as a fashionable sport and to be a partner in their elegant lifestyles.



Chairman and  
Representative Director



TOMOAKI MATSUMURA

President and  
Representative Director



KAZUTAKE HASHIMOTO

Director

YUTA FUKUOKA

Director

YUSUKE TAKAHASHI

Director

SUSUMU HATANO

Executive Officer

TOSHIMICHI KUNITAKE

Outside Director

KAZUHIKO YOSHINARI

Outside Director

HIDETSUGU ONISHI

Outside Auditor

KOKI KAKEHASHI

Outside Auditor

AKARI OTSUKA

Outside Auditor

AKIKO TAKAYASU

To express our sincere appreciation for the ongoing support of our shareholders, we adopt a shareholder benefit program. This program is designed to deepen shareholders’ understanding of our business through the use of our services, while also enhancing the attractiveness of our stock as an investment and encouraging long-term ownership.

**Eligible Shareholders**

Shareholders who are listed or recorded in our shareholder registry as of December 31 each year and hold 200 shares (2 trading units) or more are eligible for the program.

**Shareholder Benefits (First-year result)**

#	Item	Details
1	<b>Benefit Content</b>	Shareholders receive 10,000 points annually, which can be used for our services, upon application.
2	<b>Applicable Usage</b>	Points can be used at domestic stores and official online store. <u>Note: Points cannot be used on overseas online stores.</u>
3	<b>Application Timing</b>	Specific application details will be enclosed with the shareholder meeting materials, which are scheduled to be sent in early March each year.

# Products

## APPENDIX



# MARK & LONA®

MARK&LONA began in Los Angeles, USA, and has since launched unique collections. The brand has been uncompromising in its pursuit of innovative design, quality materials and high functionality that are not typical of a golf wear brand. In addition, the brand develops a wide range of collaborative products, from unique golf gear to figurines, through collaborations with world-renowned characters and musicians each season. More than ten years after its inception, the brand continues to be a leading representative of golf fashion, and to mark its "10 YEARS ANNIVERSARY" in 2018, it has appointed its first brand ambassador, who will be responsible for the brand's slogan "Freedom in Golf." It continues to challenge and innovate for the global market.



\*1: The 'Luxury' strategy targets affluent customers who are also customers of other well-known brands, etc., and develops high-priced products for affluent lifestyles through the development of wholesale outlets and flagship shops in high-end commercial facilities.





In addition to golf wear collections such as GENERAL, CODE, and T-LINE, we have expanded our lineup to include FER, the brand's first casual wear collection, thereby offering an even broader range of products.



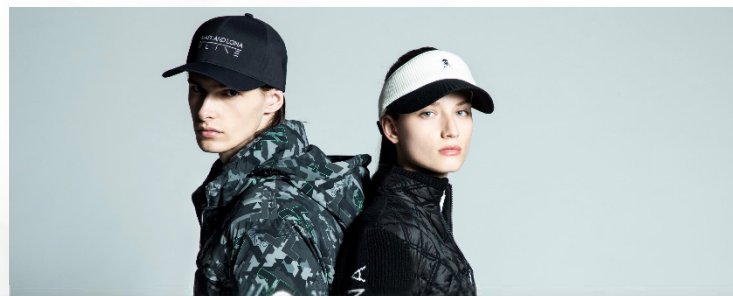
## GENERAL COLLECTION

MARK&LONA's core GENERAL COLLECTION. With the concept of offering luxury golf goods, this brand has excellent creativity and functionality and has developed a wide range of items. The brand continues to send out further challenges and innovations to the world under the slogan "Freedom in Golf."



## CODE COLLECTION

The "CODE" collection brings high fashion to the golf market with the concept of "Efficient." High-end luxury sportswear with uncompromising design and high functionality. Down to the smallest detail, using high quality materials.



## T-LINE COLLECTION

The capsule collection "T-LINE" was presented at the PGA SHOW in the U.S. as part of the 15th Anniversary. With its high functionality as golf wear, it is loved as essential wear not only in the Asian region but also in the European and American markets.



## FER COLLECTION

A multi-purpose wear "FER" collection that reduces the lifestyle of brand ambassador. "FER" is the brand name-based word shared between "Golfer" and "Surfer" for those enjoying golf and surf.



## DST COLLECTION

A series of apparel and accessories developed for the world-traveling golf enthusiast. Develop accessories such as travel cases for golf bags, which are durable and functional, and which protect important golf equipment, with a focus on apparel that is lightweight and has high functionality.

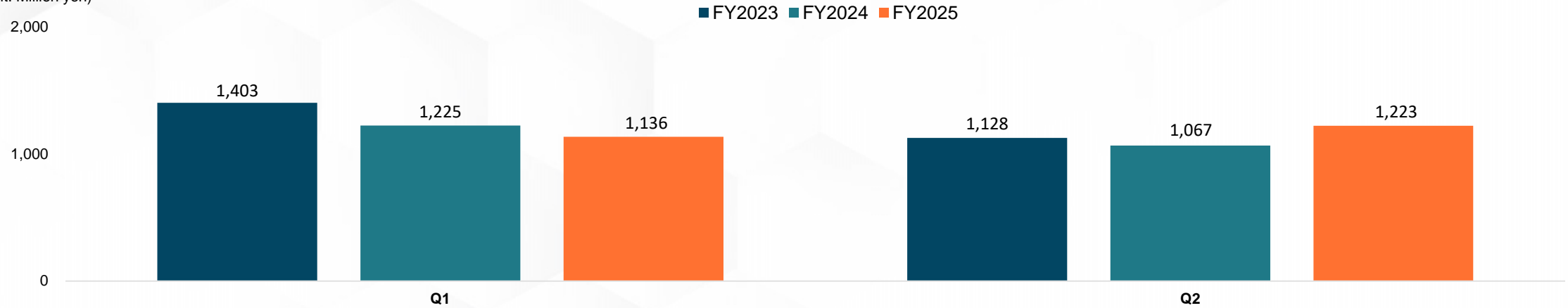
# Quarterly trends

## APPENDIX



## Quarterly Net Sales

(Unit: Million yen)



## Quarterly Operating Profit

(Unit: Million yen)

