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——— 明日の自分にきっと驚く

**Supplementary Material:
Consolidated Results of Operations
for FY ended August 31, 2022**

October 13, 2022

TSE Prime Market: 7085

CURVES HOLDINGS Co., Ltd.

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Operations results of FY 8/2022

Consolidated Statement of Income

4

(million yen)

	FY 8/2022(current) Annual(Sep-Aug)Actual	FY 8/2021(previous) Annual(Sep-Aug)Actual	Year on year	FY 8/2022(current) Annual(Sep-Aug)Forecast	To Forecast
Sales	27,509	24,681	111.5%	27,300	+209
Cost of Sales	15,517	14,277	108.7%		
(COS Ratio)	56.4%	57.8%			
SGA	9,248	8,780	105.3%		
incl. Amortization for goodwill and trademarks	1,196	1,083	110.5%		
Operating Profit	2,742	1,622	169.1%	2,700	+42
(Operating Ratio)	10.0%	6.6%		9.9%	
Ordinary Profit	3,311	1,716	192.9%	3,230	+81
(Ord profit ratio)	12.0%	7.0%		11.8%	
Extraordinary Losses	176	10	1608.8%		
Net Profit	2,247	1,129	199.0%	2,150	+97
(Net Profit Ratio)	8.2%	4.6%		7.9%	

Consolidated Statement of Income – Topics

(Annual)

5

Sales 27.5 B.yen; Year-on-year 111.5%

◆ **Royalty,etc income 6.0 B.yen; YoY 108%**

Membership growth: 60K net growth
Total 754K at year end
*** Short of forecasted 760K**

※ **Club count: Year end 1,947 clubs**
(Opened 15, Closed 26, Net decrease 11)

◆ **Merchandise Sales 16.4 B.yen; YoY 112.8%**
(All time high)

Consolidated Statement of Income – Topics (Annual)

6

Operating profit 2.74B.yen; YoY 169% + 1.12B.yen

Gross profit increase: YoY + 1.58 B.yen

SGA: YoY + 460 M.yen

Main factors of SGA increase

- ① **Advertising costs for member growth +460M.yen**
- ② **Payroll costs increase with J-ESOP/BBT +190M.yen**
- ③ **Amortization for Goodwill/Trademark increase
with weak Yen +110M.yen**

❌ **By offsetting with other SGA decrease of 300 M.yen,
net increase in SGA was 460 M.yen**

Consolidated Statement of Income – Topics (Annual)

7

Ordinary profit 3.31 B.yen; YoY 192%, +1.59 B.yen

Main factors for increase

Operating profit increase +1.12 B.yen

Non-operating profit increase

Currency exchange gain with weak yen

+ 490 M.yen

(No changes in cash)

Consolidated Statement of Income – Topics (Comparison to 3Q)

8

Comparison to 3Q current FY

	Sales	Operating profit	Ordinary profit	Net profit
4Q (June-Aug)	7.05 B.yen (To 3Q +50 M.yen)	310 M.yen (-390 M.yen)	600 M.yen (-250 M.yen)	440 M.yen (-140 M.yen)
3Q (Mar-May)	7.00 B.yen	700 M.yen	860 M.yen	590 M.yen

Sales +50 M.yen compared to 3Q (100.8%)

① Recovery under way in Royalty,etc income and Corporate Club Sales

👉 Membership growth with successful Summer Campaign

- Summer campaign achieved net membership growth by 17K from 3Q resulting in total active members of 754K.
- Attrition rate remained low at 2.2% (June-Aug)

② Slight drop in Merchandise Sales 👉 Protein subscriptions stayed consistent.

- Cancellation of subscriptions kept low in 4Q. Sales stayed steady with stable subscribers.

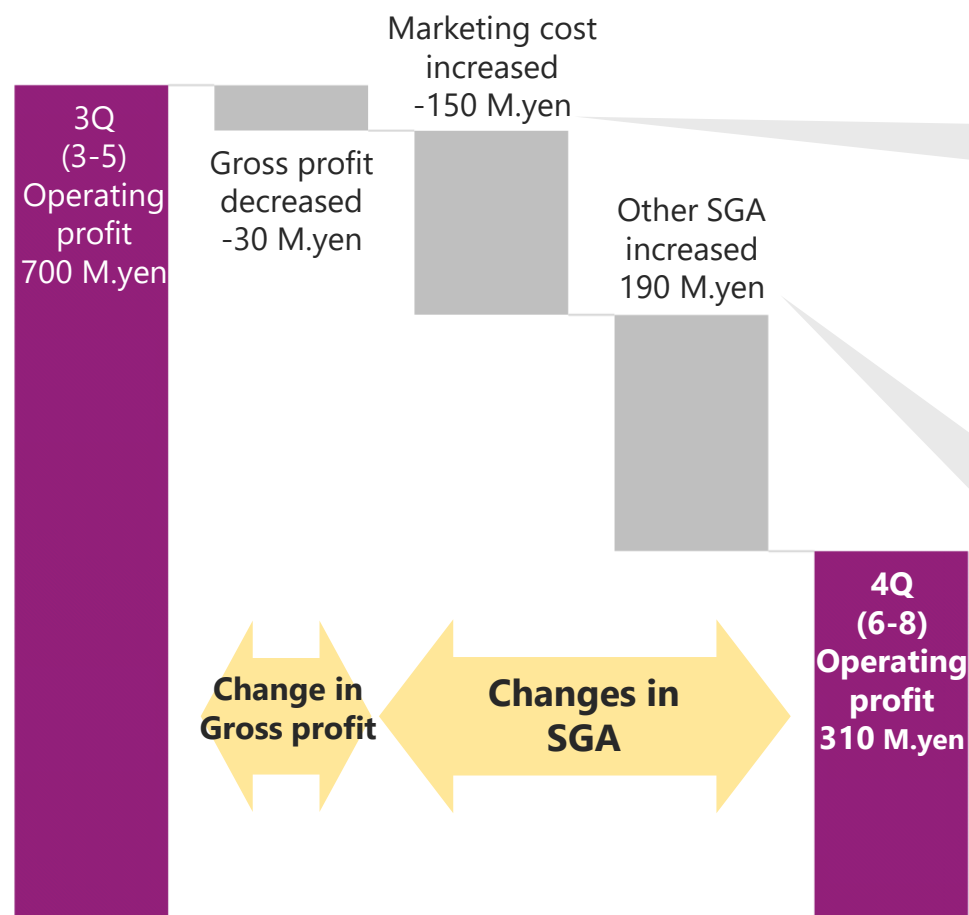
Consolidated Statement of Income – Topics

(Comparison to 3Q)

9

Operating profit -390 M.yen (44.2%) compared to 3Q

Changes in 4Q (June-Aug) from 3Q (Mar-May)



Aggressive marketing activities including TVCM rolled out as per plan.

- **Unused costs from the 1st Half of FY spent.**
- **Provision of allowance for the introduction of Employee Stock Ownership Plans.(J-ESOP/BBT)**
- **Increase in amortization expenses for goodwill and trademark rights due to weaker Yen, etc.**

Consolidated Statement of Income (by region)

10

(million yen)	FY 8/2022(current)		FY 8/2021(previous)		Year on year	FY 8/2022(current)	
	Annual(Sep-Aug)Actual	To Sales	Annual(Sep-Aug)Actual	To Sales		4Q(Jun-Aug)Actual	To Sales
Sales	27,509	100.0%	24,681	100.0%	111.5%	7,059	100.0%
Domestic	27,105	98.5%	24,416	98.9%	111.0%	6,970	98.7%
International	404	1.5%	264	1.1%	153.1%	88	1.3%
Operating Profit	2,742	10.0%	1,622	6.6%	169.1%	310	4.4%
Domestic	4,603		3,452		133.3%	854	
International	-476		-529		-	-166	
Adjustments	-1,384		-1,300		-	-376	

* Sales and Operating Profit for the International segment

The international segment comprises of the global franchise business and European franchiser operations by 2 subsidiaries (Curves International, Inc. and Curves Europe B.V.). Sales and operating profit for the international segment do not include incomes from royalty fees and equipment sales from the domestic business to Curves International, as well as the costs for management fee payments from the 2 subsidiaries to the Japanese entity.

* Adjustments for operating profit

Expenses not attributable to specific regions, including amortizations for goodwill and trademark rights.

Composition of Sales

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Spot Income: One time incomes from franchise sales and renewal of FA

- Income from license fee and new equipment sales for new club opening
- Income from Franchise Agreement renewal for equipment sales, etc.

Base Income: Ongoing incomes associated with numbers of clubs and members

Domestic
(Japan)

Royalty fee, etc.

Royalty fees and membership administrative fees etc received from franchisees

Franchisees, other

Other incomes from franchisees

Merchandise for members

Merchandise sales for members. Direct sale by the group to members and sales commission paid to franchisees.

Corporate-owned clubs

Income from operating corporate clubs

Others

Others

International

Breakdown of Sales

12

(million yen)	FY 8/2022(current)		FY 8/2021(previous)		Year on year	FY 8/2022(current)	
	Annual(Sep-Aug)Actual	To Sales	Annual(Sep-Aug)Actual	To Sales		4Q(Jun-Aug)Actual	To Sales
Sales	27,509	100.0%	24,681	100.0%	111.5%	7,059	100.0%
Domestic	27,105	98.5%	24,416	98.9%	111.0%	6,970	98.7%
Spot	509	1.9%	529	2.1%	96.1%	154	2.2%
Base	26,596	96.7%	23,886	96.8%	111.3%	6,816	96.5%
Royalty,etc	6,022	21.9%	5,566	22.6%	108.2%	1,530	21.7%
Franchisees, other	1,646	6.0%	1,601	6.5%	102.8%	439	6.2%
Merchandise *	16,408	59.6%	14,543	58.9%	112.8%	4,198	59.5%
Corporate clubs	2,418	8.8%	2,080	8.4%	116.2%	621	8.8%
Other	99	0.4%	95	0.4%	104.7%	26	0.4%
International	404	1.5%	264	1.1%	153.1%	88	1.3%

* Merchandise Sales include the sales of products sold to franchisees.

Quarterly Trends in Consolidated Income Statement

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(million yen)	FY 8/2020	FY 8/2021				FY 8/2022				
	2Q (12-2) (Pre COVID)	1Q(9-11)	2Q(12-2)	3Q(3-5)	4Q(6-8)	1Q(9-11)	2Q(12-2)	3Q(3-5)	4Q(6-8)	TO 2Q/2020
Sales	7,096	5,719	6,172	6,278	6,510	6,460	6,982	7,006	7,059	99.5%
Domestic	6,979	5,679	6,096	6,214	6,426	6,388	6,858	6,886	6,970	99.9%
Spot	186	141	128	112	146	132	102	119	154	83.2%
Base	6,793	5,537	5,968	6,102	6,279	6,256	6,756	6,767	6,816	100.3%
Royalty, etc	1,611	1,346	1,359	1,420	1,440	1,524	1,456	1,511	1,530	95.0%
Franchisees, other	453	485	358	406	350	444	365	396	439	97.0%
Merchandise *1	3,892	3,193	3,716	3,728	3,905	3,683	4,308	4,217	4,198	107.8%
Corporate clubs	567	488	511	522	558	580	602	614	621	109.5%
Other	28	23	23	24	23	23	23	26	26	93.5%
Ad funds *2	239	-	-	-	-	-	-	-	-	-
International	117	40	75	64	84	71	123	119	88	76.0%
Gross profit	3,071	2,507	2,455	2,703	2,736	2,829	3,075	3,062	3,023	98.4%
Operating profit	1,384	-10	882	443	307	493	1,235	702	310	22.5%
Domestic	1,868	478	1,281	920	772	946	1,676	1,126	854	45.7%
International	-142	-167	-86	-136	-139	-125	-104	-78	-166	-
Adjustment *3	-341	-322	-312	-341	-325	-327	-335	-344	-376	-
Ordinary profit	1,453	-103	772	751	295	536	1,314	860	600	41.3%
Net profit	956	-143	490	477	304	315	891	591	448	46.9%
Active members end period	832K	689K	641K	681K	693K	748K	718K	737K	754K	-78K
Club count end period	2,014	2,000	1,988	1,974	1,958	1,953	1,951	1,948	1,947	-67
Chain-wide sales (mil yen)	18,037	13,938	14,555	14,746	15,359	15,417	16,253	16,299	16,463	91.3%

*1 Merchandise Sales include the sales of products sold to franchisees.

*2 Ad funds is not recognized in Sales as from FY 8/2021. Marketing costs exceeding Ad funds collected from franchisees are recognized as SGA expenses.

*3 Adjustments in Operating profit are expenses not attributable to specific regions such as amortizations for goodwill/trademark rights.

Consolidated Balance Sheet

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(million yen)	FY 8/2022 End fiscal year	FY 8/2021 End fiscal year	Changes
Current assets	13,739	14,961	-1,221
Cash and deposits *	8,212	9,760	-1,547
Notes and accounts receivable	4,156	3,857	298
Merchandise	933	1,092	-159
Non-current assets	24,612	21,323	3,289
Property, plant and equipment	424	505	-80
Intangible assets	23,401	20,128	3,273
Goodwill	1,559	1,346	213
Trademark rights	20,258	17,431	2,827
Software	1,204	815	389
Investments and other assets	786	689	96
Total assets	38,352	36,284	2,067
Current liabilities	9,307	8,929	378
Current portion of long term borrowings	3,290	3,090	200
Non-current liabilities	16,688	18,191	-1,503
Long-term borrowings	11,956	14,330	-2,373
Total liabilities	25,996	27,121	-1,125
Interest-bearing debts	15,246	17,420	-2,173
Total net assets	12,355	9,163	3,192
Shareholders' equity	8,868	8,665	202
Total liabilities and net assets	38,352	36,284	2,067

Effects of Currency Fluctuations (Weak Yen) ¹⁵ on the intangible assets (goodwill/trademark rights) owned by Curves International, Inc., a US entity.

Effects on the consolidated results of the current Fiscal Year

BS

Intangible assets (goodwill/trademark rights)

+3.04 B.yen (Year end balance 21.8 B.yen)

Net assets (Foreign currency translation adjustment)

+3.01 B.yen (Year end balance 3.48 B.yen)

PL

Amortization of Goodwill/trademark rights

+110 M.yen (Annual 1.19 B.yen)

Effects of Currency Fluctuations (Weak Yen) on the intangible assets (goodwill/trademark rights) owned by Curves International, Inc., a US entity.

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When Curves International, Inc. was acquired (April 2018):

Goodwill and trademark rights	US\$ 202 Million	Converted to Yen (106.24 yen/\$) 21.5 B.yen
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Amortization for Goodwill/trademark rights (20 years) at **\$10M fixed annually**

Previous FY (8/2021)

Goodwill/trademark rights	US\$ Balance 169.6 Million	Converted to Yen (110.58 yen/\$) 18.7 B.yen
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Amortization	US\$ 10 Million	Converted to Yen (106.63 yen/\$) 1.07 B.yen
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Current FY (8/2022)

Goodwill/trademark rights	US\$ Balance 159.5 Million	Converted to Yen (136.68 yen/\$, YoY 26.1 yen weaker) 21.8 B.yen (YoY +3.04 B.yen)
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Amortization	US\$ 10 Million	Converted to Yen (117.81 yen/\$, YoY 11.18 yen weaker) 1.19 B.yen (YoY +110 M.yen)
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Consolidated Statements of Cash Flows ¹⁷

(million yen)

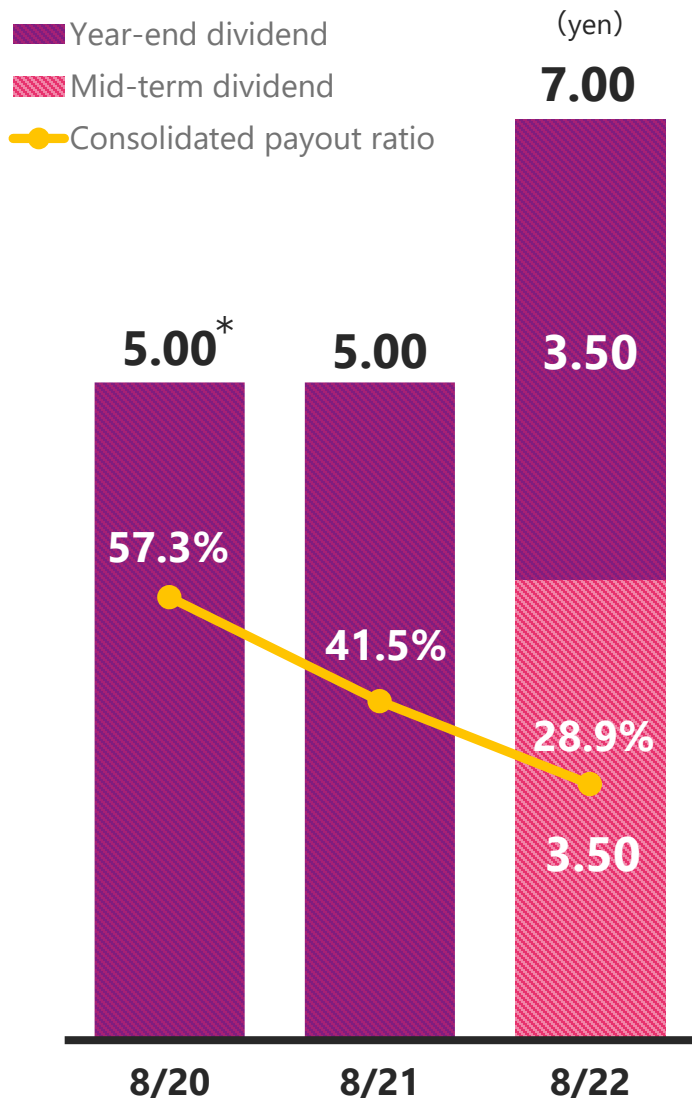
	FY 8/2022(current) Annual(9-8)Actual	FY 8/2021(previous) Annual(9-8)Actual	Differences
Cash flows from operating activities	3,273	3,240	32
Profit before income taxes	3,134	1,705	1,428
Depreciation/Amortization goodwill, trademark rights	1,994	1,747	247
Decrease (increase) in trade receivables	-188	-602	413
Decrease (increase) in inventories	172	421	-248
Increase (decrease) in trade payables	39	126	-86
Increase (decrease) in accounts payable - other	-171	-191	19
Income taxes refund(paid)	-1,338	-172	-1,165
Other *1	-369	206	-576
Cash flows from investing activities	-943	-733	-210
Purchase of property, plant and equipment	-218	-249	31
Purchase of intangible assets	-717	-407	-309
Other	-8	-75	67
Cash flows from financing activities	-4,218	-2,309	-1,909
Proceeds from long-term borrowings	1,000	-	1,000
Repayments of long-term borrowings	-3,173	-1,840	-1,333
Acquisition of treasury stock *2	-1,247	-	-1,247
Dividends paid	-797	-469	-328
Effect of exchange rate change on cash and cash equivalents	73	28	44
Net increase (decrease) in cash and cash equivalents	-1,816	226	-2,042
Cash and cash equivalents at beginning of period	9,760	9,533	226
Cash and cash equivalents at end of period	7,943	9,760	-1,816

* 1 : Includes 260 M.yen paid out for introduction of J-ESOP and BBT and 220 M.yen for provision of allowance for stock ownership.

* 2 : Acquisition of treasury stock for introduction of J-ESOP and BBT

FY 8/2022 Shareholders' Distribution

18



* Regular dividends : 3.00 Yen
Commemorative dividends : 2.00 Yen

8/22

Annual Dividend

7.00 yen

Our basic policy on the dividends is to achieve the consolidated payout ratio at 50%, while ensuring to maintain sufficient reserves needed for future operations and the optimization of financial strength.

Shareholders incentives

Quo Card worth
500 yen

1 Quo card to all shareholders owning more than 100 shares (1 unit) as registered on the shareholders' list as of August 31, 2022.



Business outline and updates for FY 8/2022

Strategies of FY 8/2022

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End of 2022

“Full recovery of business” and “Establishing the business model under new management environments”

Key Strategies for FY 8/2022

① Restore and solidify business foundations

- Raise member satisfaction
- Recover franchisee earnings

② Recovery of membership

- Enhance marketing activities etc.

③ Establish the new business model

- Integration of in-club and on-line workout

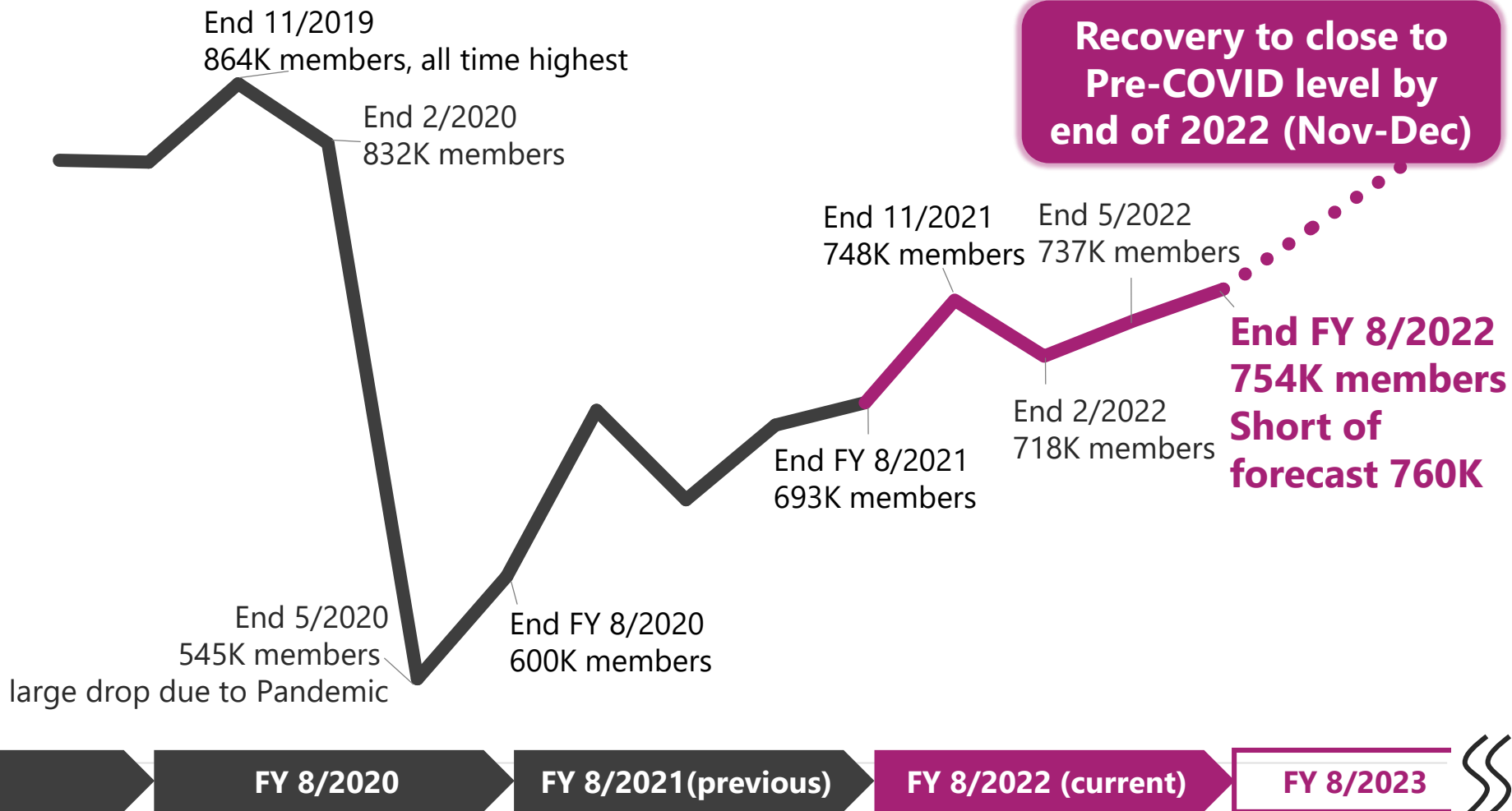


Building business models for new services

- Build a business model for rolling-out new services such as Men's Curves.

Roadmap for membership recovery²¹

Full recovery of business and completion of new business model by the end of 2022



Total Club Count

22

(clubs)



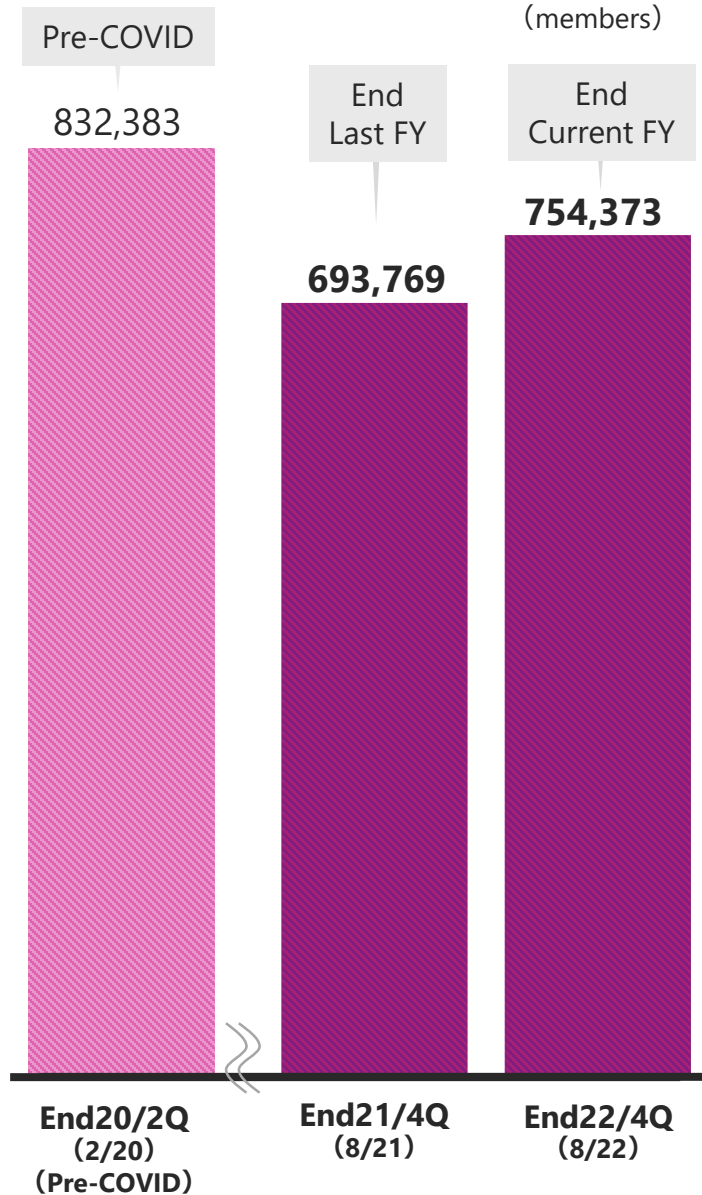
1,947 Clubs in Japan

	4Q (6-8)	Annual (9-8)
New open	6 clubs	15 clubs
Closed	7 clubs	26 clubs
Net change	-1 club	-11 clubs

• About 70% of existing members from closed clubs have transferred to clubs in the regions.

Total Membership Count

23



754K Members

Online fitness
Incl. "Ouchi-de-Curves" members **21K**

Year on Year
From end FY 8/21 **+60K**

Pre-COVID
From end 2Q/20 **-78K**

- Net growth achieved with Summer Membership Drive Campaign.
- Attrition rate remained low at 2.2% in June-Aug.

Chain-wide Sales

24

(million yen)

Pre-COVID



Merchandise



Membership/Dues

70,241

Last FY

Current FY

64,433

FY8/22 Annual
Actual

64.43 B.yen

Last FY
To 8/21

110.0%

Pre-COVID
To 8/19

91.7%

Current FY
4Q 8/22 Actual

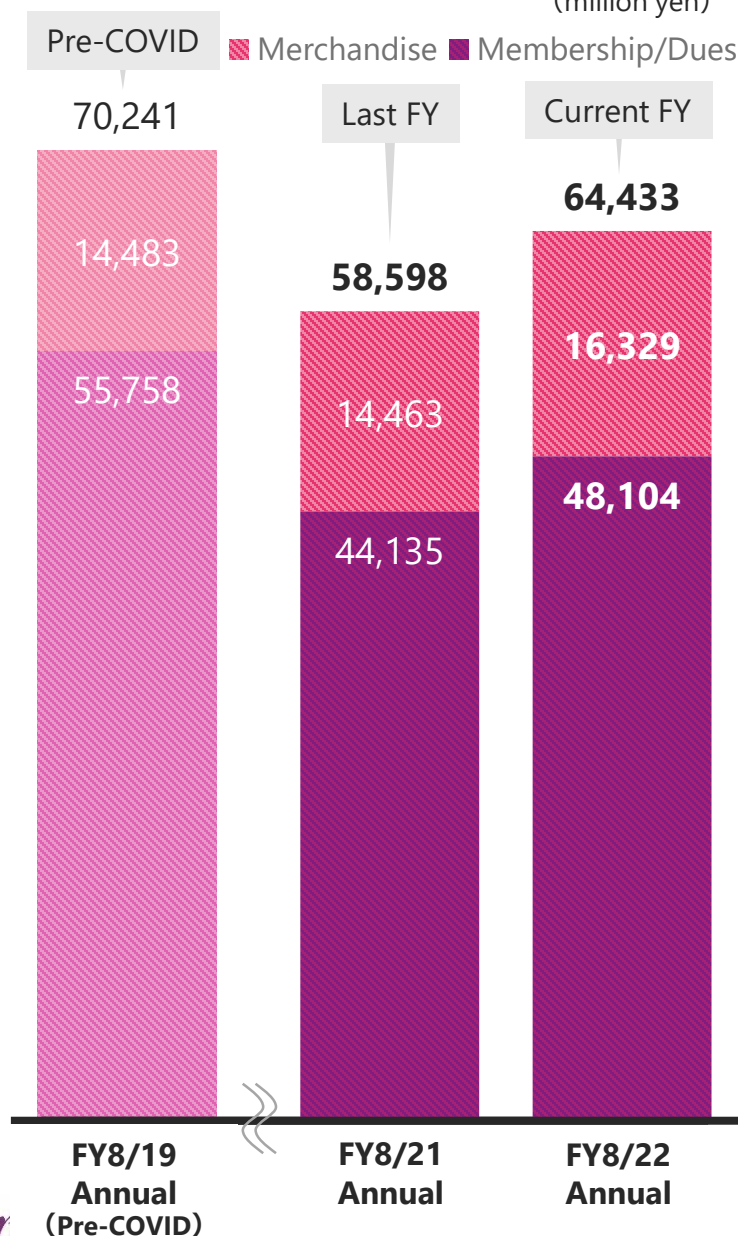
16.46 B.yen

Incl.Merchandise

4.18 B.yen

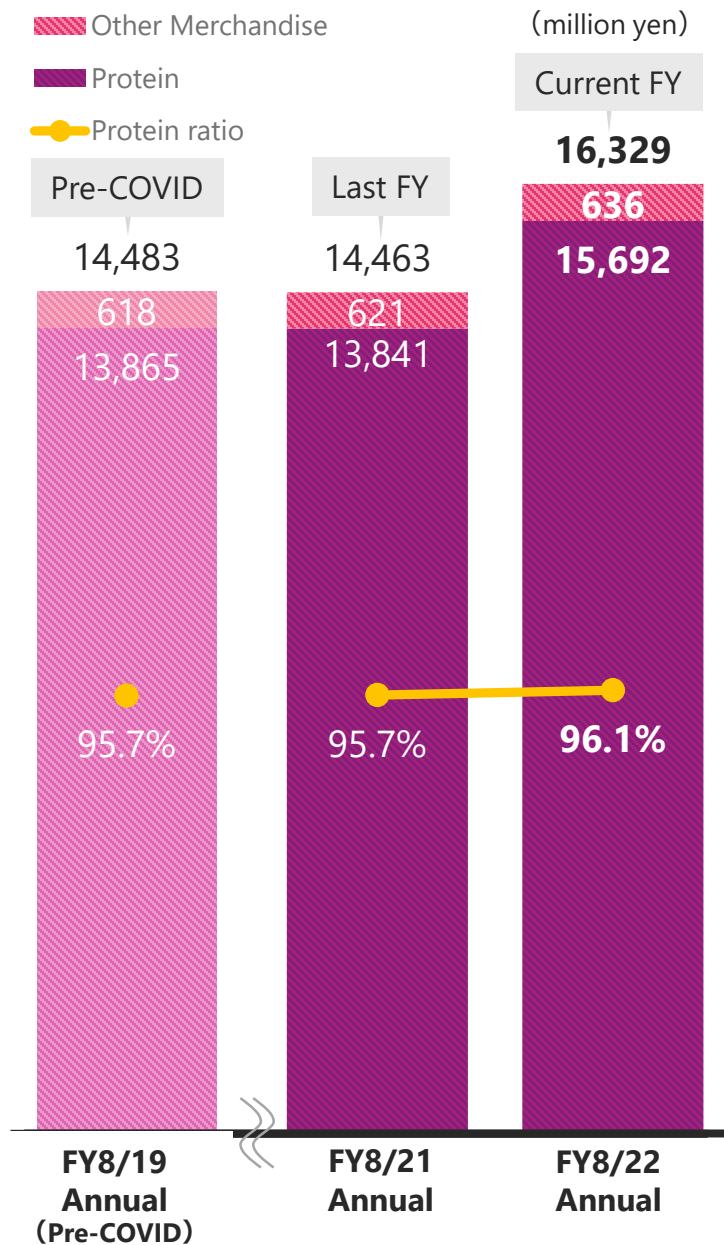
Membership/Dues

12.28 B.yen



Merchandise Sales

25



Recorded all time high

FY8/22 Annual

Actual

16.32 B.yen

Last FY
To 8/21

112.9%

Pre-COVID
To 8/19

112.7%

Current FY
4Q 8/22 Actual

4.18 B.yen

Incl. Protein

4.01 B.yen

Protein Sales ratio

96.1 %

Topics for FY 8/2022

26

- 1. Elevating Customer Satisfaction**
- 2. Enhancing Marketing Activities**
- 3. Upgrading Diet Counseling/Advice**
- 4. Local Governments Partnerships**
- 5. Raising Awareness of COVID Secondary Health Impacts**
- 6. Men's Curves**
- 7. International Segments**

Topic 1. Elevating Customer Satisfaction

2022 JCSI

Released 9/2022 Japanese Customer Satisfaction Index survey

First time in Fitness Club Industry

Ranked #1 for 8 consecutive years*



Ranked #1 in all 6 categories

Want to recommend to friends

Loyalty

Want to continue

Perceived value

Cost performance

Customer satisfaction

Overall satisfaction

Perceived quality

Service quality

Customer expectation

Level of expectation

* No survey done for 5 industries including Fitness Clubs for 2020 due to the pandemic.

Average monthly attrition rate for FY 8/22 (9/21-8/22)

2.2%

All year attrition rate for FY 8/22 ☞ Sustained below the pre-COVID level

Topic 2. Enhancing Marketing Activities

3 Membership Drive Campaigns in a year

1Q**2Q****3Q****4Q**

Media-mix marketing activities with mass TVCM aired nationwide and online advertisements

 **Enhanced marketing for young seniors**

End FY 8/2021

693K

End FY 8/2022

754K

+60K

Young seniors (age 50-64)

 Growth in membership

Seniors (age 65+)

 Slow growth due to social impacts

Topic 3. Upgrading Diet Counselling/Advice²⁹

Protein Subscribers have increased

Dec 2021 & May 2022

Rolled out "Diet Counselling Month" for members

Regular Protein + 1,000 Yen

**Purchase per customer raised by introducing
New High-Function Protein products**

New High-function Protein product

Super Protein Premium+



Releasing 4th
product in the
Premium+ series
Protein +

**Live probiotics reaching
intestines**

First food
product
showing
functionality
claim

**Premium+
Existing lineups**



**Ratio of Premium+
sold in FY 8/2022
in protein products**

Over 35%

Topic 4. Local Governments Partnerships

30

1/2022

Participated in **Osaka Smart Senior Life Demonstration Project Promotion Council**

5/2022

Comprehensive Partnership Agreement signed with City of Omuta, Fukuoka for health promotion

Current local government partnerships

Kanagawa Pref., Daisencho (Tottori),
Mishima-shi (Shizuoka), Yawata-shi (Kyoto),
Sapporo-shi (Hokkaido), Tomakomai-shi (Hokkaido),
Mitsuke-shi (Niigata),
Higashi Matsuyama-shi (Saitama),
Yokohama-shi (Kanagawa), etc



Topic 5. Raising Awareness of Preventing the Secondary Health Impacts

31

28,480K copies released

Mass release of Educational Brochure

6/2022 The Consortium for Preventing the Secondary Health Impacts

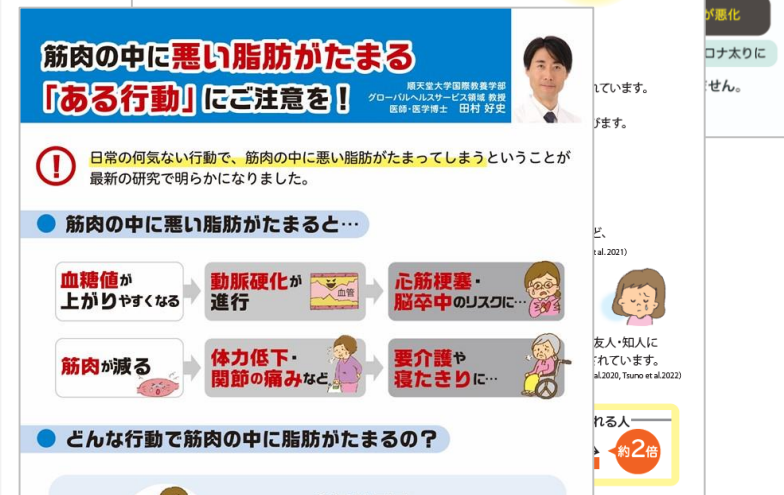
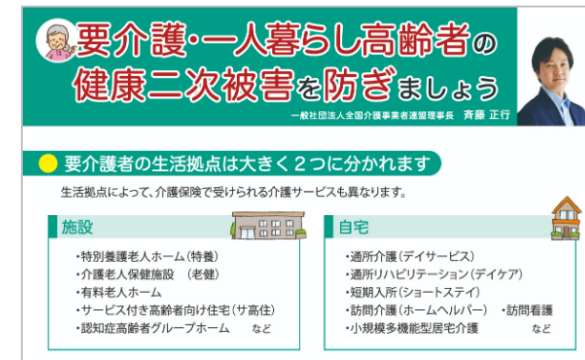
2nd Special Seminar

Consortium Participants (as of end 9/2022)

Local governments	115
Businesses	258
Individuals (experts)	352

This organization offers awareness activities to prevent secondary health impacts caused by excessive refraining from going out due to the pandemic. Participants are medical/academic experts, local governments and businesses. Curves is one of the organizers and acts as the secretariat office.

Official website: <https://kenko-nijihigai.com/>



Topic 6. Men's Curves

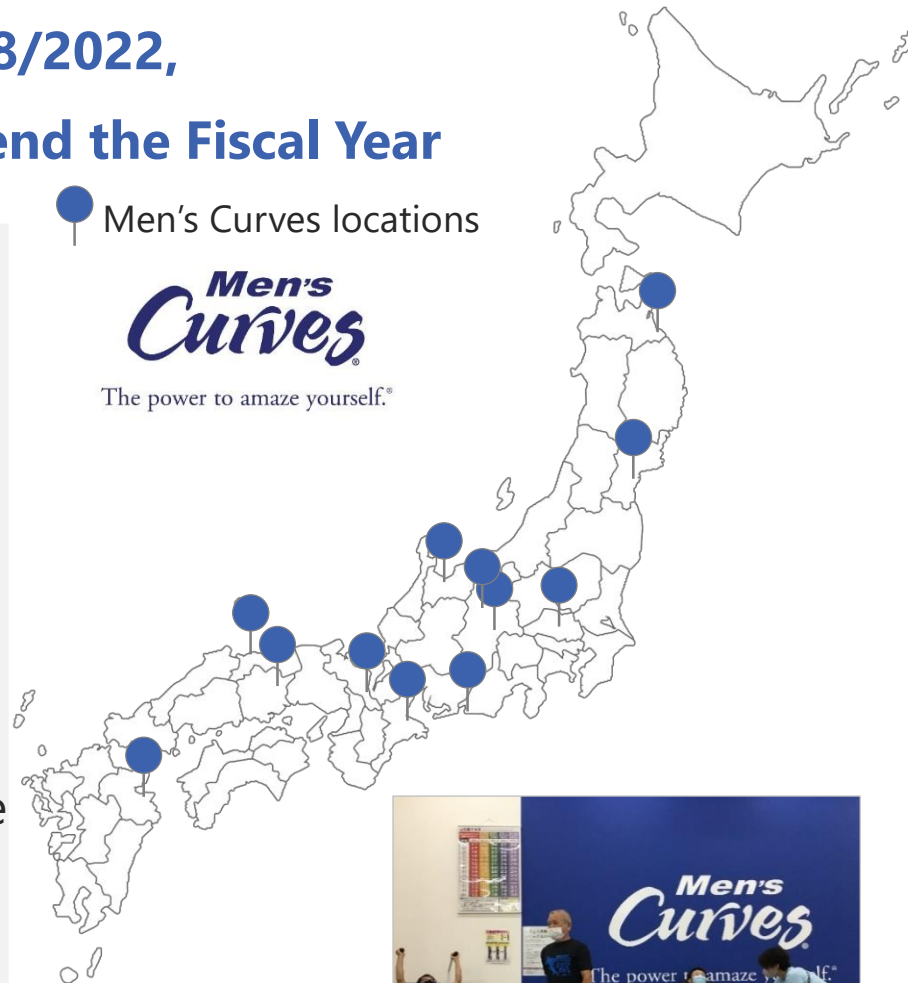
32

**5 new clubs opened in the FY 8/2022,
Making total 12 clubs at the end the Fiscal Year**

- ① **At the end FY 8/2021 : 7clubs**
- ② **Opened in FY 8/2022 : 5clubs**
- ③ **At the end FY 8/2022 :12clubs**

3/2022

- ④ **Strategically opened a club
in Tohoku Univ. campus**
for joint research with Tohoku Univ. Institute
for Developing, Aging and Cancer for both
men/women.
- ⑤ **Attrition rates are steadily lowering.
Brushing up guest-production
know-how.**



Topic 7. International Segments

Updates of Key Markets

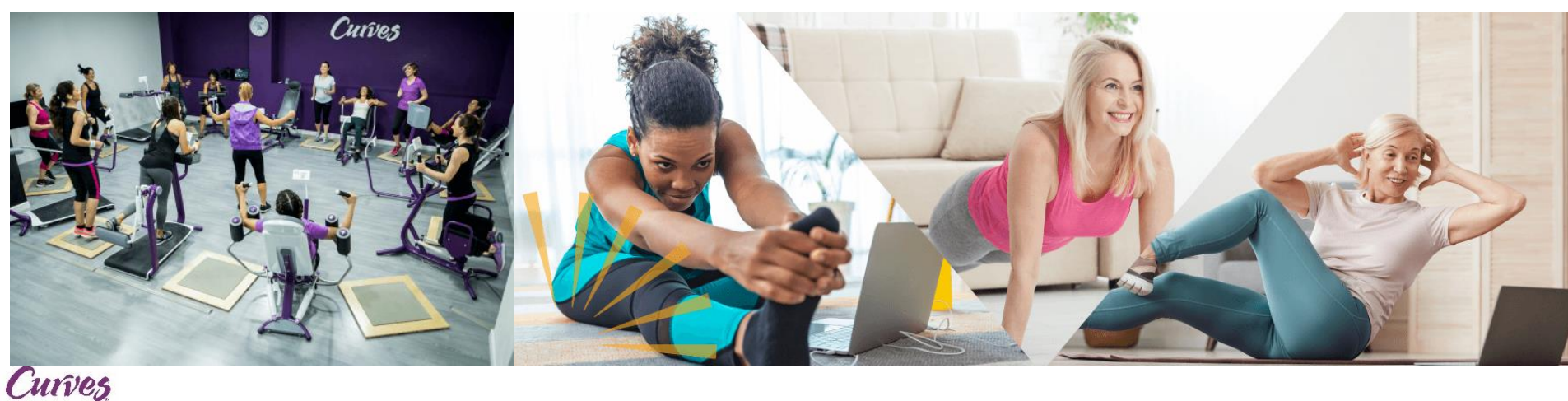
Europe (8 countries including Spain, Italy and UK):

Total **151** clubs open as of end 6/2022

* Direct territories only where the group runs the franchise headquarters.

* 2 months delay in consolidating the international segments.

Currently building a new business model with growth strategy in markets with/post-COVID.





Forecasts and strategies of FY 8/2023

Financial Forecast for FY 8/2023 ³⁵

	Annual 8/2023 (9-8)	Annual 8/2022		
	Forecast	Actual	To Previous FY	Change
Sales	30.00 B.yen	27.50 B.yen	+2.49 B.yen	109.1%
Operating profit	3.70 B.yen	2.74 B.yen	+950 M.yen	134.9%
Ordinary profit	3.71 B.yen	3.31 B.yen	+390 M.yen	112.0%
Net profit	2.42 B.yen	2.24 B.yen	+170 M.yen	107.8%
Members end period	824 K	754 K	+70 K	109.3%
Club count end period	1,952 clubs	1,947 clubs	+5 clubs	100.3%

Financial Forecast for FY 8/2023 ³⁶

Sales
30.00B.yen

Forecast all time high with membership recovery

**Operating
profit**
3.70B.yen

Gross profit increase +724 M.yen

SGA decrease -233 M.yen

**Ordinary
profit**
3.71B.yen

Advertising costs decrease

Ad Funds from franchisees increase, Marketing efficiency improves

Payroll costs/SGA increase

J-ESOP/BBT introduced, Sales activities normalized,
New business development

Amortization of goodwill/trademark rights increase

Amortization in Yen terms increase due to weaker Yen

Members
824k

Lower attrition rate by further raising Customer Satisfaction

New members gain with 3 membership drives a year

Club count
1,952clubs

Plan 25 openings and 20 closing/merging

Review and Future of the Recovery Strategies from the Pandemic

Member Count

Pre-COVID (2/2020)

832K

5/2020

545K

8/2022

754K

	COVID Impact	Strategies during Pandemic	Future Strategies
Seniors (Age 65+)	Large impact (Many absentees, Slow new sign-ups)	<ul style="list-style-type: none"> • Absentees' return to clubs was success to some extent. • Sustaining existing members was successful. • New sign-ups still slow while getting back to normal. 	<ul style="list-style-type: none"> • Focus on new sign-ups as social restrictions lifted (Word of mouth referrals, marketing activities) • Partnership with local governments
Younger Seniors (Age 50-64)	Relatively less impact	<ul style="list-style-type: none"> • Focus on new sign-ups by enhancing marketing • Sustaining new members was also successful. • Young seniors have filled voids of slow sign-ups by seniors to certain level. 	<ul style="list-style-type: none"> • Stronger focus as the growth market • Word-of-mouth referrals & marketing and merchandise strategy to raise LTV.

Review and Future of the Recovery Strategies from the Pandemic ³⁸

Merchandize Sales

Annual Sales Pre-COVID (FY 8/2019)
14.4 B.yen

Current FY (8/2022)
16.3 B.yen

- Subscribers increased by enhancing member support (workout coaching, habit building, diet counselling)
- Raising purchase per customer by introducing new high function products

On-line Fitness

4/2020
Development
started

9/2020
Released to
existing
members

4/2021
New member
sign-ups
started

Year end **21K** members registered
(Including Ouchi-de-Curves Dual members)

Review and Future Strategy

In the Japanese market,

- ① **Current Online-only fitness service market is not attractive.**
- ② **Hybrid service of “In-Club & On-line” has a huge growth potential (Ouchi-de-Curves Dual Plan)**

👉 **Our on-line fitness service will focus on**

Hybrid Module (Ouchi-de-Curves Dual Plan)



Membership Drive Campaign rolled out in Sept/Oct

1 month free trial

Media-mix Marketing with mass airing TVCM nationwide and Online advertisements

- Mass TVCM aired for 10 days each in Sept/Oct
- Featured nationwide in infomercials in Aug/Sept
- Media-mix marketing with TVCM, Online and local promotions combined
→ Backing our strength of words of mouth referrals

← Images of TVCM aired in Sept

Membership Updates in 9/2022 ⁴⁰

End 8/2022
754K members



End 9/2022
770K members
+16K

Recovery ratio compared to
Pre-COVID
End 2Q/2020 **92.6%**

On-line Fitness Strategy

Aggressively promoting “Dual Plan”

Offering both **In-club & On-line Fitness “Ouchi-de-Curves”**

Elevate members' CS  Improve revenues per member



&



Curves



おうちで

Curves

App for Members Released

42

**“Curves App”
Released in 9/2022**

100K members
have signed up
(Free)

**Getting good
reviews as
“good tool to
build exercise habit”**



Price Revisions & Improving Employee Benefits

Protein ➡ + 185 yen (plus tax) from 9/2022

* To cope with rising costs of whey raw materials, etc.

Month Due ➡ + 500 yen (plus tax) from 6/2023

* Due to cost inflations and wage costs increase

Franchisees' gross profit improves with month due raise



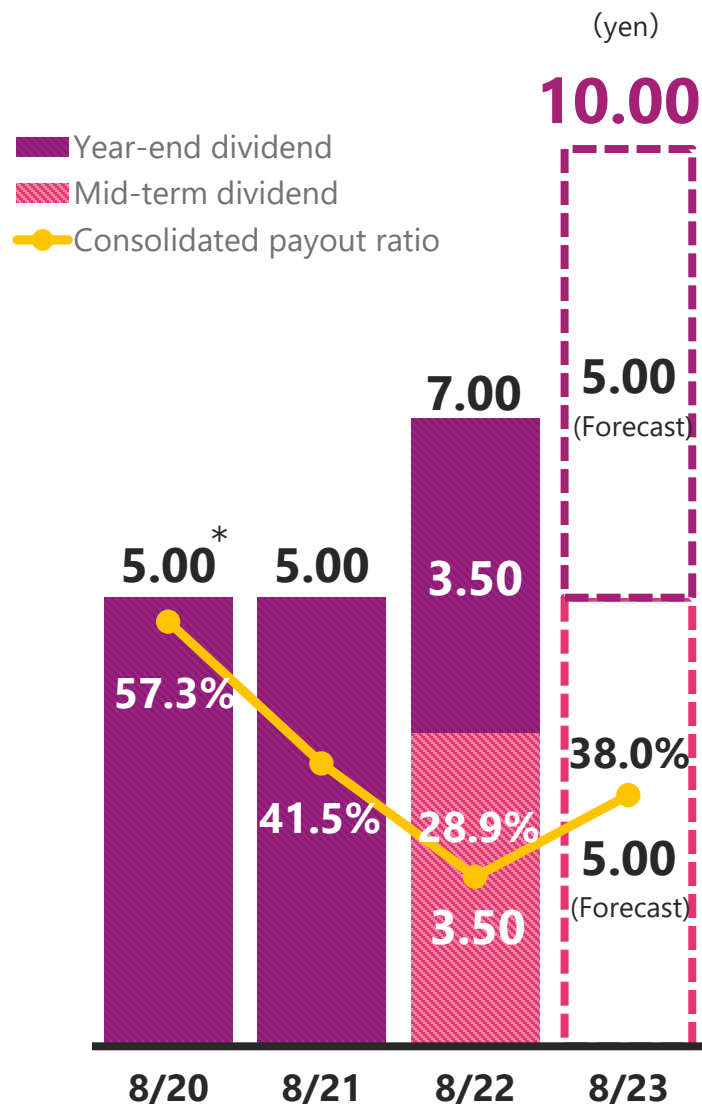
Employee benefits improve with wage raise and better work conditions



This will further enhance:

Hiring Power, HR Development & Stronger Organization

Forecast of Dividends for FY 8/2023⁴⁴



8/2023
Annual Dividend Forecast **10.00 yen**

Our basic policy on the dividends is to achieve the consolidated payout ratio at 50%, while ensuring to maintain sufficient reserves needed for future operations and the optimization of financial strength.

Earnings per share **26.32 yen**
Consolidated payout ratio **38.0%**

* Regular dividends : 3.00 Yen
Commemorative dividends : 2.00 Yen

Sustainability Management

45

Management philosophy the Group has been upholding since inception:

Business purpose

To create a society free from fears of illness, nursing cares and loneliness, filled with vitality for life.

Our mission

By spreading the habits of correct exercises, we will help our members and ourselves have a better life, and solve problems in our society.

Based on the philosophy, the Group has been operating as the community-based health infrastructure to contribute to provide **solutions to the social challenges**.

Further, the Group has been striving to pursue the following strategies:

- 1. Environment-friendly business model and club operations**
- 2. Operations aiming for 'Safe and Secure First' for members**
- 3. initiatives to achieve 'Best workplace where women shine'**
- 4. Contribution to local economy through franchising, and support to community's health challenges**

Sustainability Management

46

We are currently preparing for steps to continue the management with stronger focus on social contributions and sustainability, to systemize our initiatives and make them visible to all our stakeholders with higher transparency.
Our specific action plans are:

By end of 11/2022

- ① **BOD resolutions on basic policy for sustainability management, materiality defined, action plans and assessment method**

* Currently, in-house project is underway to work out details.

- ② **Sustainability Management Promotion Committee is set up and starts operations.**

12/2022 – 1/2023

Details will be published on the Group's website, and updated regularly.

2/2024

ESG Report will be published.



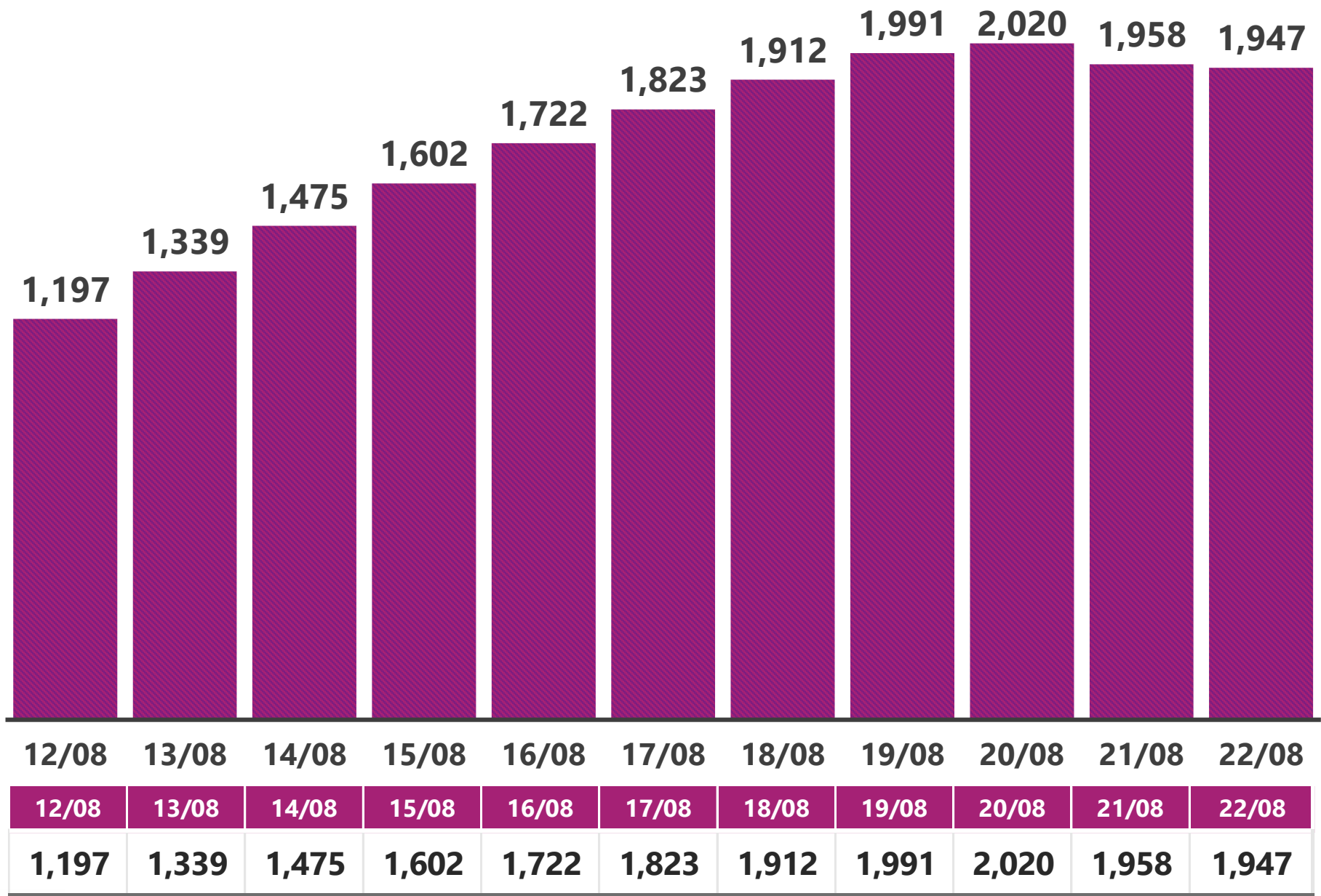
Appendix

■ History of Curves Business

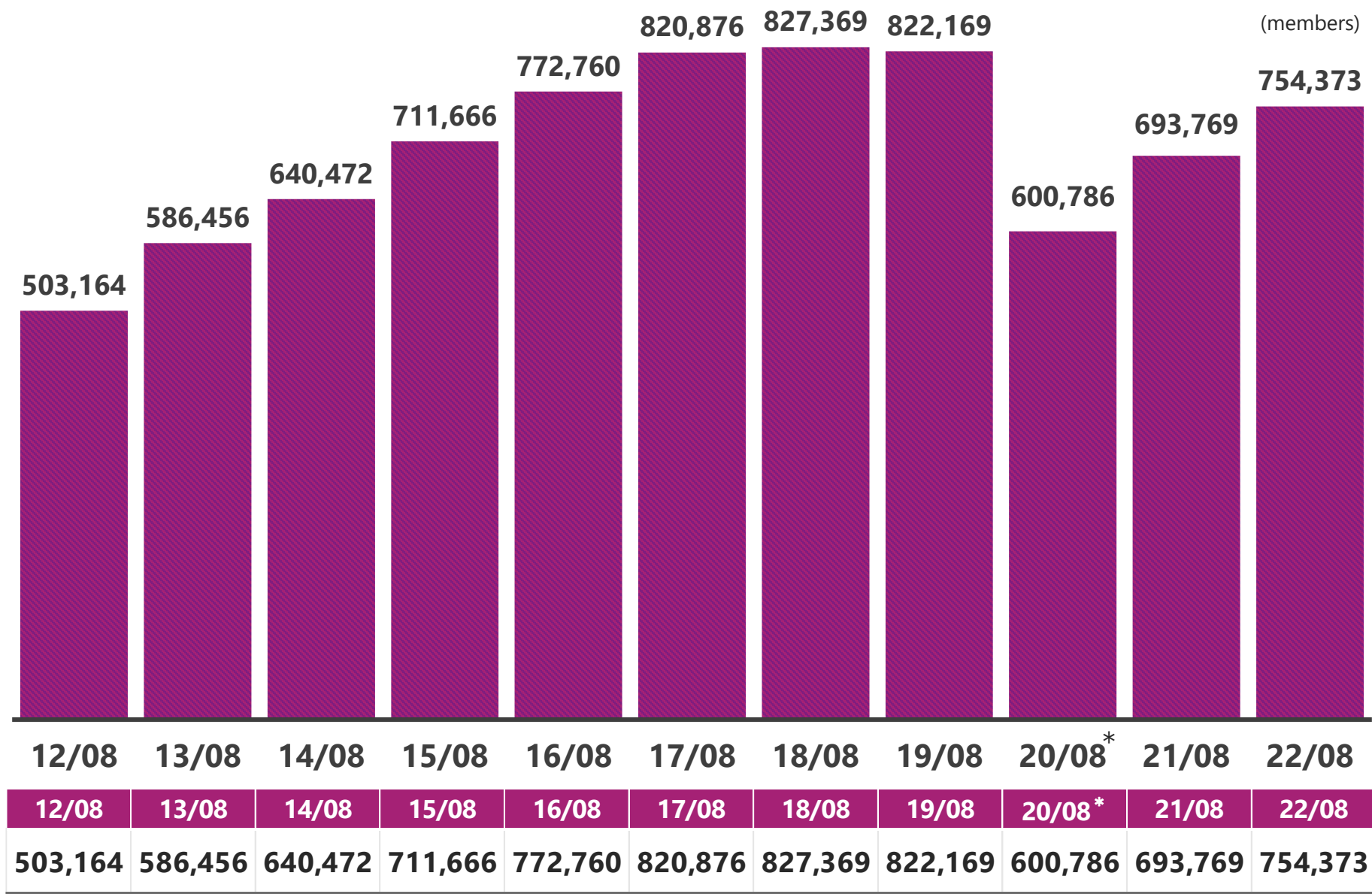
Trends in Club Count

49

(clubs)



Trends in Membership

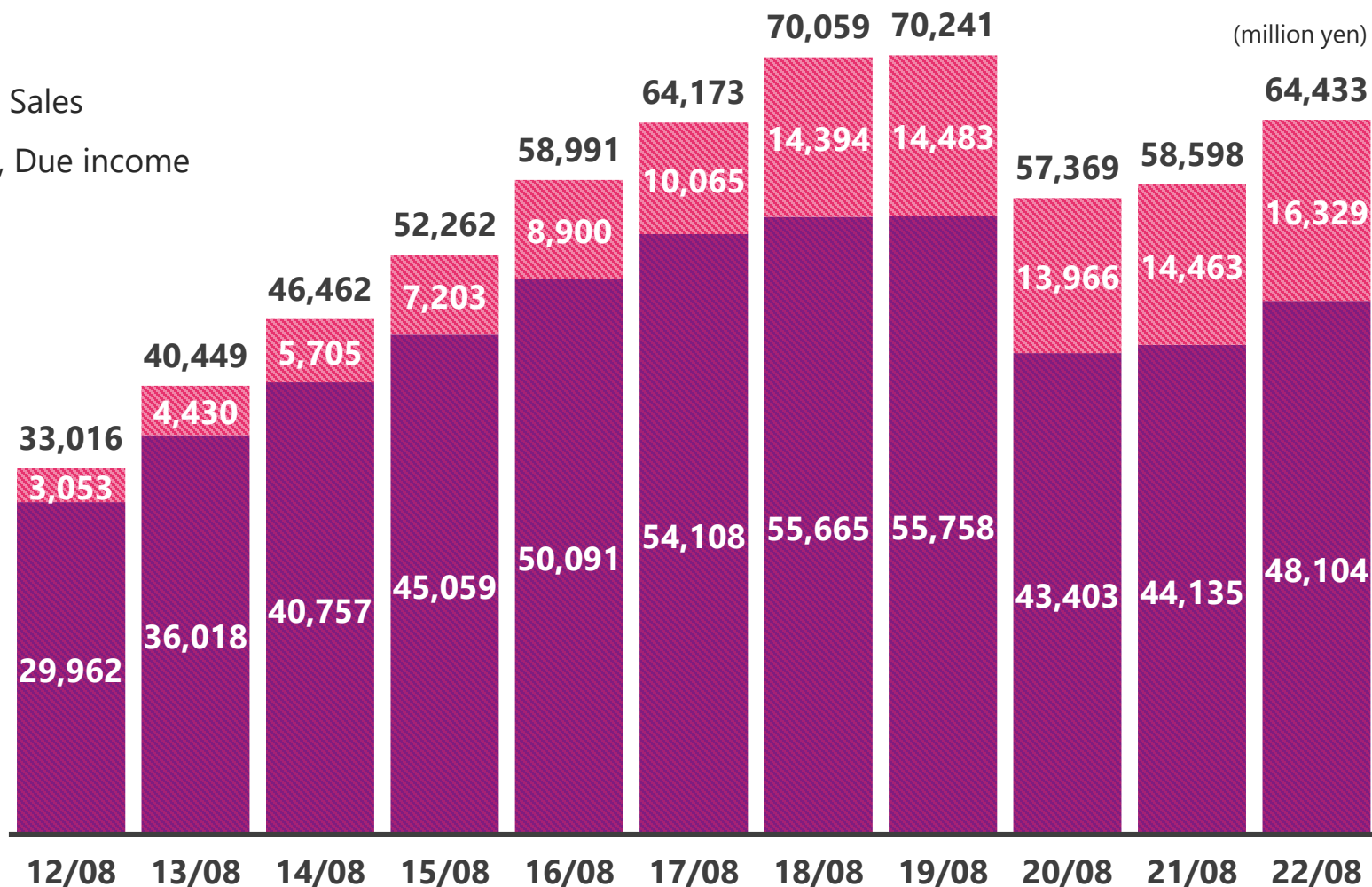


* FY 8/20 shows active members excluding absentee.

Trends in Chain-wide Sales

51

- Merchandise Sales
- Membership, Due income



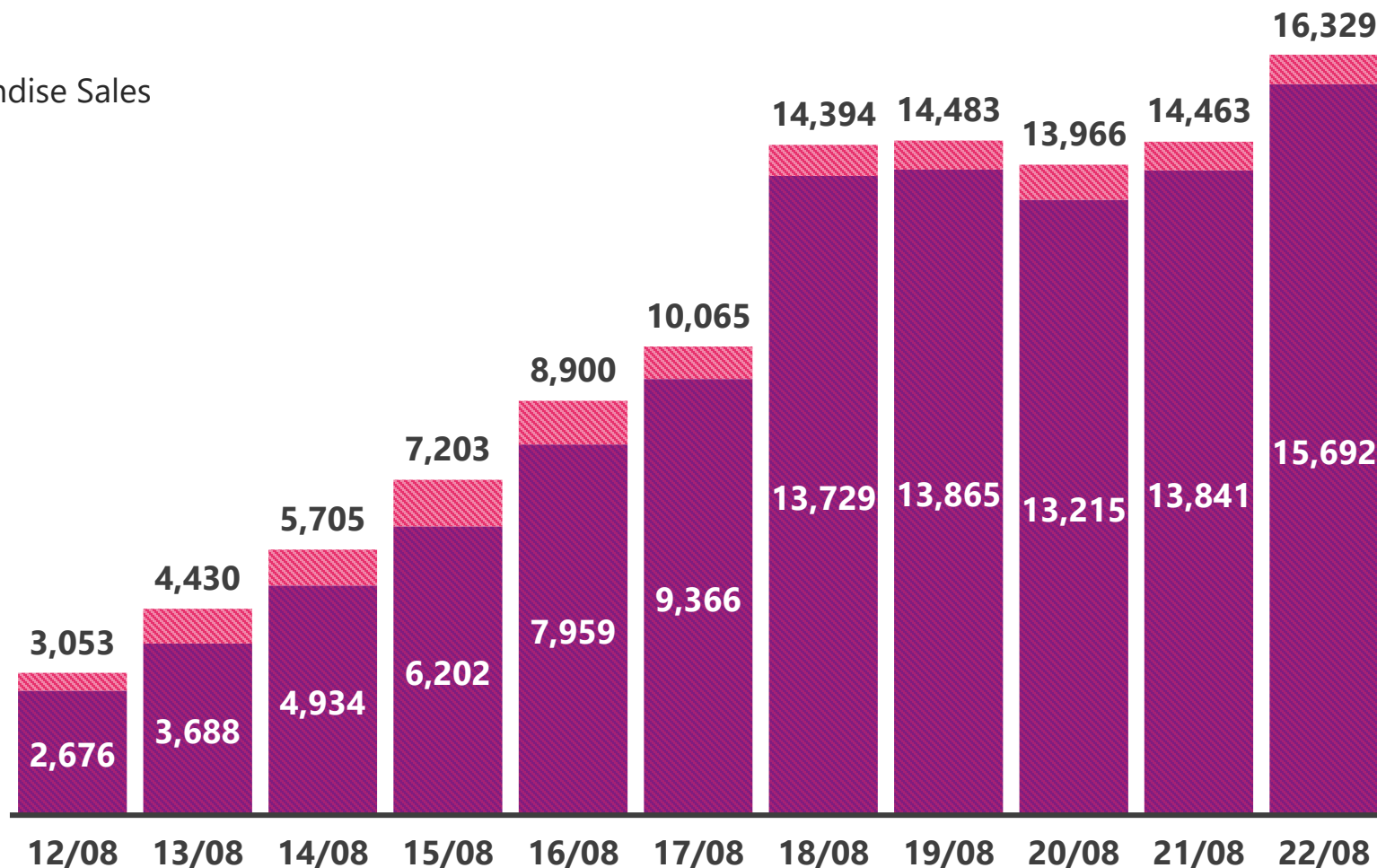
	12/08	13/08	14/08	15/08	16/08	17/08	18/08	19/08	20/08	21/08	22/08
Chain-wide Sales	33,016	40,449	46,462	52,262	58,991	64,173	70,059	70,241	57,369	58,598	64,433
Merchandise Sales	3,053	4,430	5,705	7,203	8,900	10,065	14,394	14,483	13,966	14,463	16,329
Membership, Dues	29,962	36,018	40,757	45,059	50,091	54,108	55,665	55,758	43,403	44,135	48,104

Trends in Merchandise Sales

52

(million yen)

Other Merchandise Sales
Protein Sales

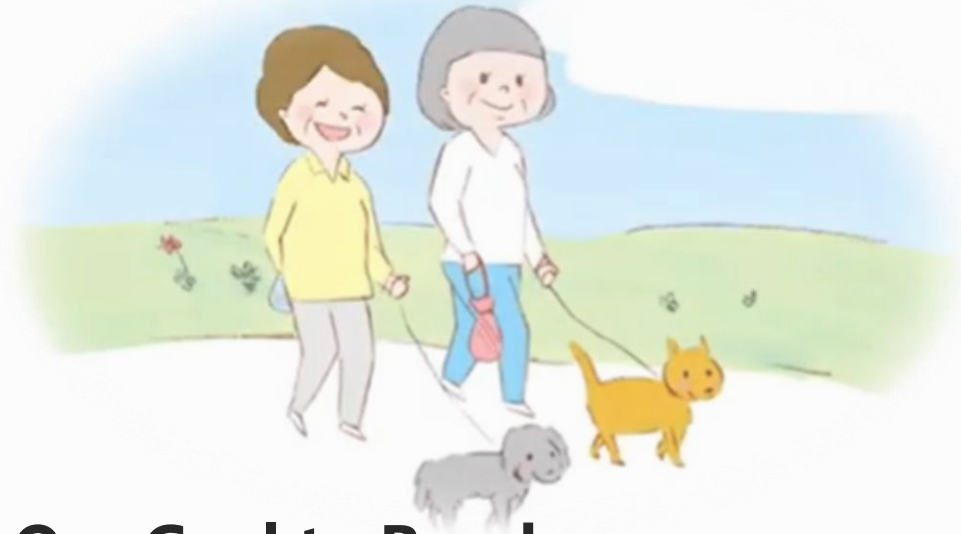


	12/08	13/08	14/08	15/08	16/08	17/08	18/08	19/08	20/08	21/08	22/08
Merchandise Sales	3,053	4,430	5,705	7,203	8,900	10,065	14,394	14,483	13,966	14,463	16,329
Incl. Protein Sales	2,676	3,688	4,934	6,202	7,959	9,366	13,729	13,865	13,215	13,841	15,692
Protein ratio	87.6%	83.3%	86.5%	86.1%	89.4%	93.1%	95.4%	95.7%	94.6%	95.7%	96.1%
Protein Year-on-year	194.4%	137.8%	133.8%	125.7%	128.3%	117.7%	146.6%	101.0%	95.3%	104.7%	113.4%

Curves Group Profile

Our Mission Statement

**By spreading the habits of correct exercises,
we will help our members and
ourselves have a better life,
and solve problems in our society.**



Our Goal to Reach:

To create a society free from fears of illness, nursing cares and loneliness, filled with vitality for life.



Video "Curves in 10 Years"

<https://youtu.be/XKuPtwwnNIE>

Initiatives for Corporate Governance

55

Stock ownership plans (J-ESOP & BBT) were introduced.

Acquisition of Treasury Stock for the plans

**Payout 1.5B.yen \Rightarrow Treasury stock 1.24B.yen,
Cash/Deposits 260 M.yen (Trust Deposits)**

Provision of allowance:

Provision for Stock Ownership \Rightarrow 220 M.yen

Purpose of introduction

J-ESOP

To better align employees' interests with company's share price and performance and allow them to share the economic results with shareholders, whereby raising employees' motivations for higher share price and company performance.

BBT: Board Benefit Trust

To make the link between remunerations paid to directors and operating directors of the company and subsidiaries with company's performance and share price so that they share both merits from share price rise and risk of share price down and get motivated to contribute to the company's high performance and growth of the company values in mid to long terms.

Group Companies

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CURVES HOLDINGS Co., Ltd.
(Holding company)

Curves Japan Co., Ltd.

Franchiser operations in Japan

HIGH STANDARD Co., Ltd.

Operation of directly
operated clubs in Japan

Curves International, Inc.

Global franchiser operations

Curves Europe B.V.

European franchiser
operations

Company Profile

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Business Profile

- Operations of “Curves 30-min fitness clubs for women only”
- 1,947 clubs in Japan (75 corporate owned, 1,872 Franchisees)
(as of the end August 2022)

Basic Data

- Corporate Address: 11F, Shibaura Renasite Tower, 3-9-1
Shibaura, Minato-ku, Tokyo
- Founded(1) : Feb 2005
- Sales (2) : 27.5 billion Yen
- Capital (2) : 800 million Yen

Note:

(1) Shows date of incorporation of Curves Japan Co., Ltd. Curves Holdings was founded in October 2008.

(2) Results of the FY August 31, 2022.

History

02/2005	Curves Japan founded by Venture Link Co., Ltd. (Acquired master license from Curves International)
03/2006	Rollout in Japan in franchising
06/2006	Opened 100 clubs
10/2008	Becomes Koshidaka Holdings' subsidiary
06/2011	Reached 1,000 clubs
06/2015	Opened 'Prevention Center Curves Odawara', the 1st Prevention Center certified by Kanagawa Pref
03/2018	Acquired Curves International, Inc. (global franchiser)
11/2018	Started Men's Curves (Chino)
07/2019	Acquired CFW International Management B.V. (currently Curves Europe B.V., European franchiser)
10/2019	Topped 2,000 clubs
03/2020	Listed in Tokyo Stock Exchange Section 1 with Stock Allocation Spin-off
04/2022	Transferred to “Prime Market” of Tokyo Stock Exchange.

For more information

► For IR related inquiries :

CURVES HOLDINGS Co., Ltd.

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U R L : <https://www.curvesholdings.co.jp/>

TSE Code : 7085

The purpose of this presentation is to provide information about the Curves Group based on results of operations for the fiscal year ended August 31, 2022. This is not a solicitation to purchase securities issued by CURVES HOLDINGS Co., Ltd.

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