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**Supplementary Material:
Consolidated Results of Operations
for 3Q of FY ending August 31, 2023**

July 7, 2023

TSE Prime Market : 7085

CURVES HOLDINGS Co., Ltd.

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■ Results summary for 3Q of FY 8/2023

- Total members: **772K with 34K net growth**
Year on Year
- Club count: **1,956 clubs**
- Merchandise sales: **Protein subscribers reached a record high**
- Sales (9 months): **22.0 B yen (108.5% Y-on-Y)**
- Operating profit (9 months): **3.0 B yen**
(127.2% Y-on-Y)



Results details for 3Q of FY 8/2023

Consolidated Statement of Income

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(million yen)	FY 8/2023(current) 9 Mo(Sep-May)Actual	FY 8/2022(previous) 9 Mo(Sep-May)Actual	Year on year	FY 8/2023(current) 3Q(Mar-May)Actual
Sales	22,189	20,449	108.5%	7,707
Cost of Sales	12,698	11,482	110.6%	4,532
(COS ratio)	57.2%	56.1%		58.8%
Gross profit	9,491	8,967	105.8%	3,175
(Gross profit ratio)	42.8%	43.9%		41.2%
SGA	6,396	6,535	97.9%	2,114
incl. Amortization expenses for goodwill, trademark rights and intangible fixed assets *	1,272	1,053	120.8%	413
Operating profit	3,094	2,432	127.2%	1,060
(Operating profit ratio)	13.9%	11.9%		13.8%
Ordinary profit	2,980	2,710	110.0%	1,066
(Ord profit ratio)	13.4%	13.3%		13.8%
Net profit	1,874	1,799	104.2%	695
(Net profit ratio)	8.4%	8.8%		9.0%

Consolidated Statement of Income (by region)

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(million yen)	FY 8/2023(current)		FY 8/2022(previous)		Year on year	FY 8/2023(current)	
	9 Mo(Sep-May)Actual	To Sales	9 Mo(Sep-May)Actual	To Sales		3Q(Mar-May)Actual	To Sales
Sales	22,189	100.0%	20,449	100.0%	108.5%	7,707	100.0%
Domestic	21,843	98.4%	20,134	98.5%	108.5%	7,572	98.3%
International	346	1.6%	315	1.5%	109.8%	134	1.7%
Operating profit	3,094	13.9%	2,432	11.9%	127.2%	1,060	13.8%
Domestic	4,667		3,748		124.5%	1,560	
International	-382		-309		-	-112	
Adjustments	-1,190		-1,007		-	-387	
Average exchange rate during period	137.49 yen/\$		113.77 yen/\$		Depreciation by 23.72 yen	137.49 yen/\$	

* 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

7

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

8

(million yen)	FY 8/2023(current)		FY 8/2022(previous)		Year on year	FY 8/2023(current)	
	9 Mo(Sep-May)Actual	To Sales	9 Mo(Sep-May)Actual	To Sales		3Q(Mar-May)Actual	To Sales
Sales	22,189	100.0%	20,449	100.0%	108.5%	7,707	100.0%
Domestic	21,843	98.4%	20,134	98.5%	108.5%	7,572	98.3%
Spot	511	2.3%	354	1.7%	144.4%	218	2.8%
Base	21,331	96.1%	19,780	96.7%	107.8%	7,353	95.4%
Royalty,etc	4,828	21.8%	4,492	22.0%	107.5%	1,627	21.1%
Franchisees, other	1,520	6.9%	1,207	5.9%	126.0%	506	6.6%
Merchandise*	12,919	58.2%	12,209	59.7%	105.8%	4,530	58.8%
Corporate clubs	1,981	8.9%	1,797	8.8%	110.2%	661	8.6%
Other	82	0.4%	73	0.4%	112.7%	27	0.4%
International	346	1.6%	315	1.5%	109.8%	134	1.7%

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

Consolidated Statement of Income – Year on Year comparison⁹

9 months total comparison

	Sales	Operating profit	Ordinary profit	Net profit
9 mos current FY (9/22-5/23)	22.18 B yen (Y-on-Y +1.73 B yen)	3.09 B yen (+660 M yen)	2.98 B yen (+270 M yen)	1.87 B yen (+70 M yen)
9 mos previous FY (9/21-5/22)	20.44 B yen	2.43 B yen	2.71 B yen	1.79 B yen

Sales 22.18 B yen, +1.73 B yen (108.5%) Year-on-Year

① Increase in Royalty Fee Incomes

- Total membership increased from **737K** → **772K members**
Net growth by 34K members

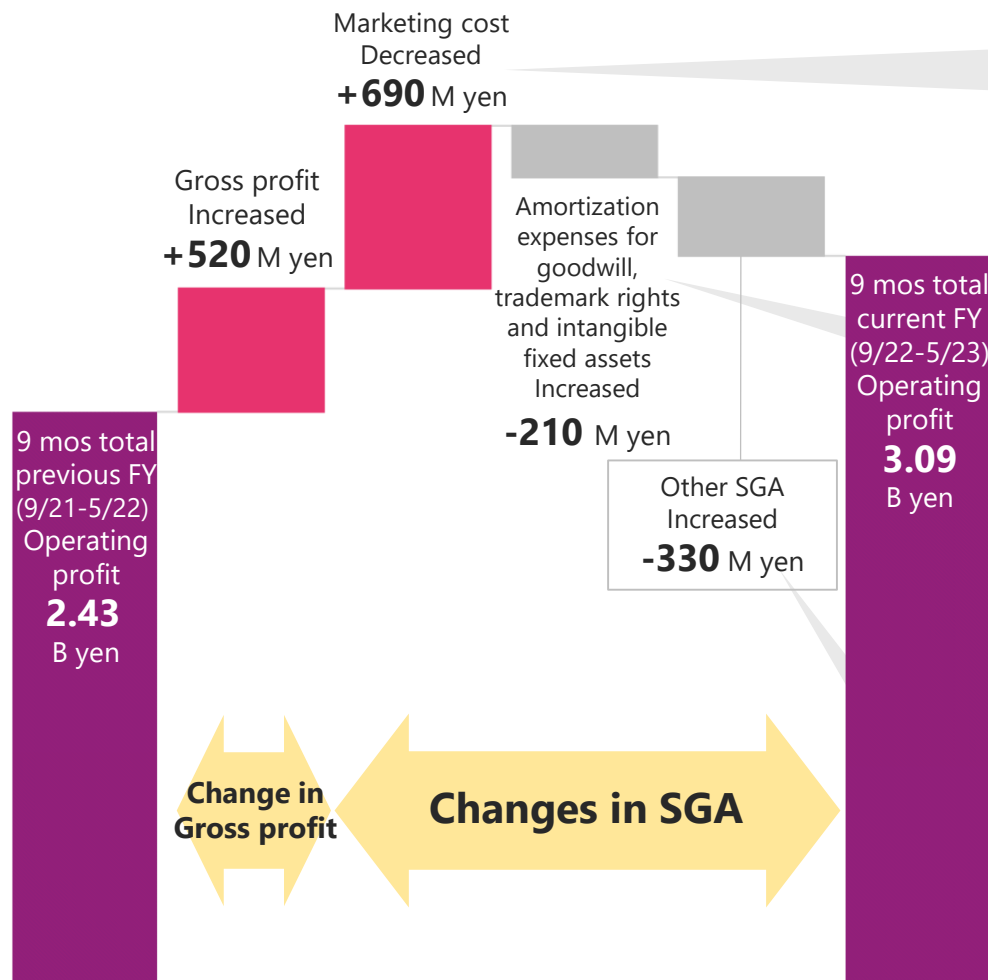
② Increase in Merchandise Sales

- Merchandise sales grew from **12.20 B yen** → **12.91 B yen**
- Protein subscribers increased to reach a record high.

Consolidated Statement of Income – Year on Year comparison¹⁰

Operating profit 3.09 B yen, +660 M yen(127.2%)

Changes for current 9 months from 9 months of previous FY



Advertising efficiency improved and Ad Funds from franchisees increased

- **Decrease in Marketing Costs**

Increase in Amortization Expenses in terms of Yen due to progress of Yen depreciation

(no impact on changes in cash)

Average exchange rate (US\$)

9 mos current FY: 137.49 yen

9 mos previous FY: 113.77 yen

Sales activities normalized, Increase in payrolls, etc.

Consolidated Statement of Income – Comparison to 2Q

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Comparison to 2Q current FY

	Sales	Operating profit	Ordinary profit	Net profit
3Q (3-5)	7.70 B yen (To 2Q+150 M yen)	1.06 B yen (-340 M yen)	1.06 B yen (-120 M yen)	690 M yen (-10 M yen)
2Q (12-2)	7.54 B yen	1.40 B yen	1.19 B yen	710 M yen

3Q Sales 7.70 B yen growth from 2Q, +150 M yen (102.1%)

① Increase in Spot Incomes

- Sales increased with growth in new club openings and renewal of Franchise Agreement.

② Increase in Royalty Fee Incomes

- Sales increased with the membership growth.

③ Increase in Merchandise Sales Steady increase in Protein subscribers

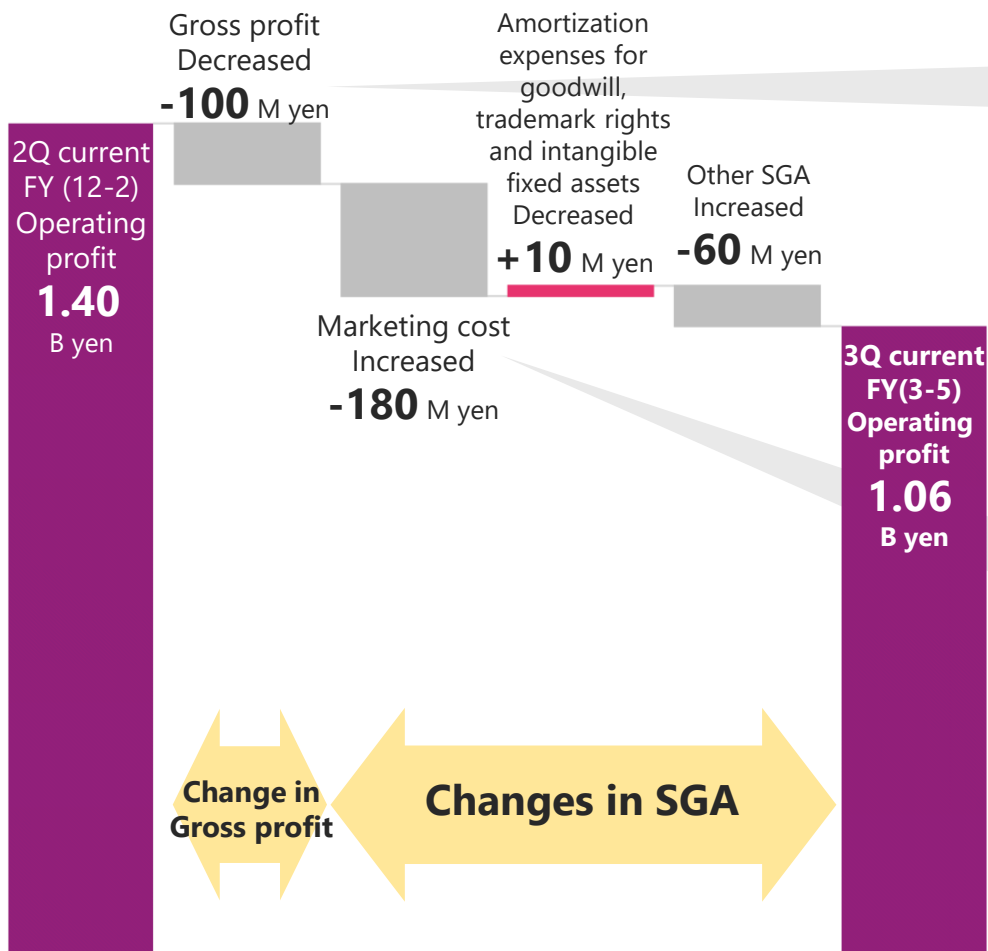
- Protein subscribers increased to reach a record high.

Consolidated Statement of Income – Comparison to 2Q

12

3Q Operating profit 1.06 B yen -340 M yen(75.7%) compared to 2Q

Changes in 3Q(3-5) from 2Q(12-2)



Sales promotion expenses temporarily increased to enhance Merchandise Sales.

Marketing rolled out as planned in 3Q including TVCM.

✕ In normal years, marketing activities are restricted in 2Q due to seasonal factors.

Consolidated Balance Sheet

13

(million yen)	FY 8/2023 End 3Q	FY 8/2022 End fiscal year	Changes
Current assets	13,782	13,739	42
Cash and deposits *	7,341	8,212	-870
Notes and accounts receivable	4,461	4,156	304
Merchandise	1,227	933	294
Non-current assets	23,095	24,612	-1,517
Property, plant and equipment	474	424	49
Intangible assets	21,841	23,401	-1,559
Goodwill	1,449	1,559	-110
Trademark rights	18,849	20,258	-1,409
Software	1,347	1,204	142
Investments and other assets	778	786	-7
Total assets	36,877	38,352	-1,474
Current liabilities	9,817	9,307	509
Current portion of long term borrowings	3,290	3,290	-
Non-current liabilities	13,988	16,688	-2,699
Long-term borrowings	9,488	11,956	-2,467
Total liabilities	23,806	25,996	-2,189
Interest-bearing debts	12,778	15,246	-2,467
Total net assets	13,070	12,355	714
Shareholders' equity	9,944	8,868	1,076
Total liabilities and net assets	36,877	38,352	-1,474
(Exchange Rate)	133.53 yen/\$	136.68 yen/\$	Appreciation 3.15 yen

* Includes 270 million yen of Trust Deposit associated with introduction of J-ESOP and BBT

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

14

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

Goodwill & trademark rights	US\$	Converted to Yen (106.24 yen/\$)
	202 Million	21.5 B yen

Amortization for Goodwill/trademark rights (20 years) at **\$10 Million fixed annually**

Previous FY (8/2022)

Goodwill/trademark rights	US\$	Converted to Yen (136.68 yen/\$)
Balance	159.5 Million	21.8 B yen
Amortization	US\$	Converted to Yen (117.81 yen/\$) (* 9 months average: 113.77 yen)
Annual total	10 Million	1.19 B yen
9 months total	7.5 Million	860 M yen

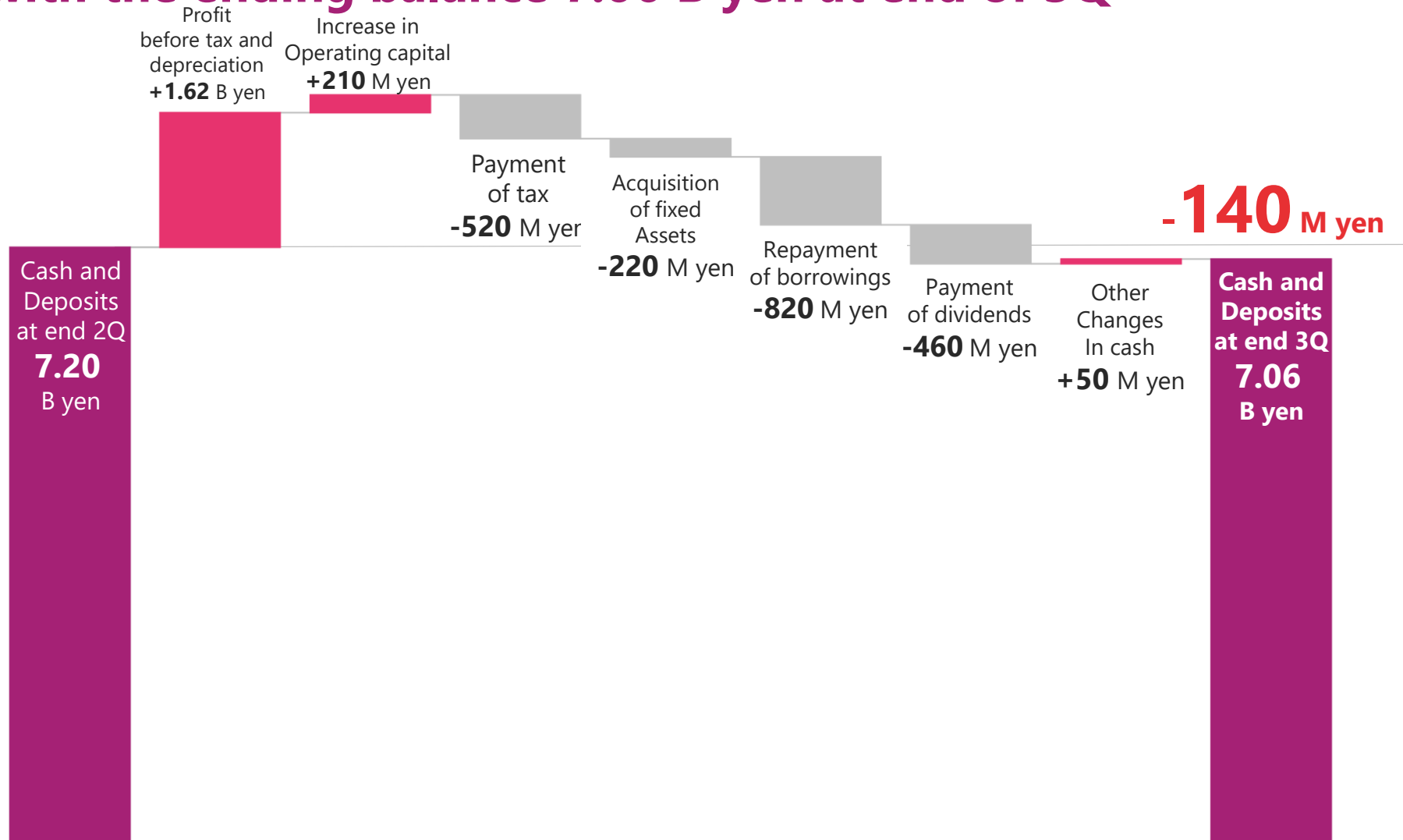
Current FY (End of 3Q FY 8/2023)

Goodwill/trademark rights	US\$	Converted to Yen(133.53 yen/\$) (3.15 yen appreciation YoY)
Balance	151.9 Million	20.2 B yen (-1.51 B yen YoY)
Amortization	US\$	Converted to Yen(137.49 yen/\$) (23.72 yen depreciation YoY)
9 months total	7.5 Million	1.04 B yen (+180 M yen YoY)

Changes in Cash and Deposit

15

Cash/deposits decreased by 140 M yen in 3Q (Mar-May)
with the ending balance 7.06 B yen at end of 3Q



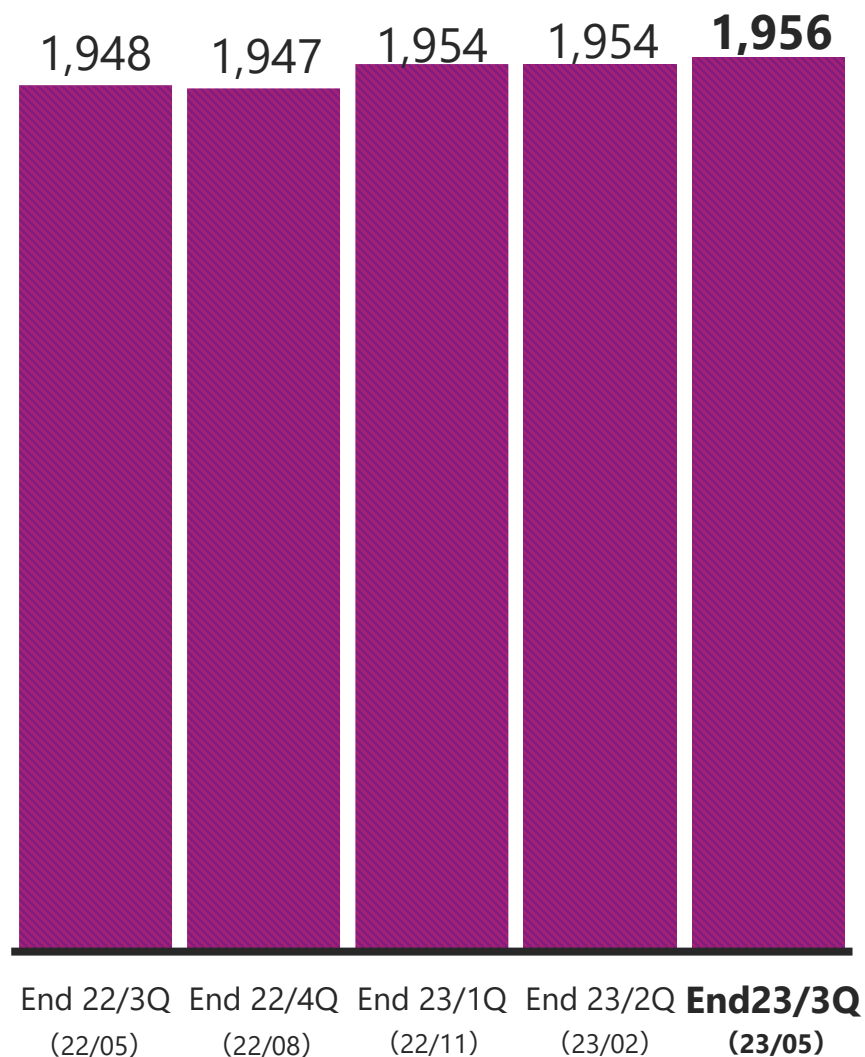


Business outline and updates for 3Q

Total Club Count

17

(clubs)

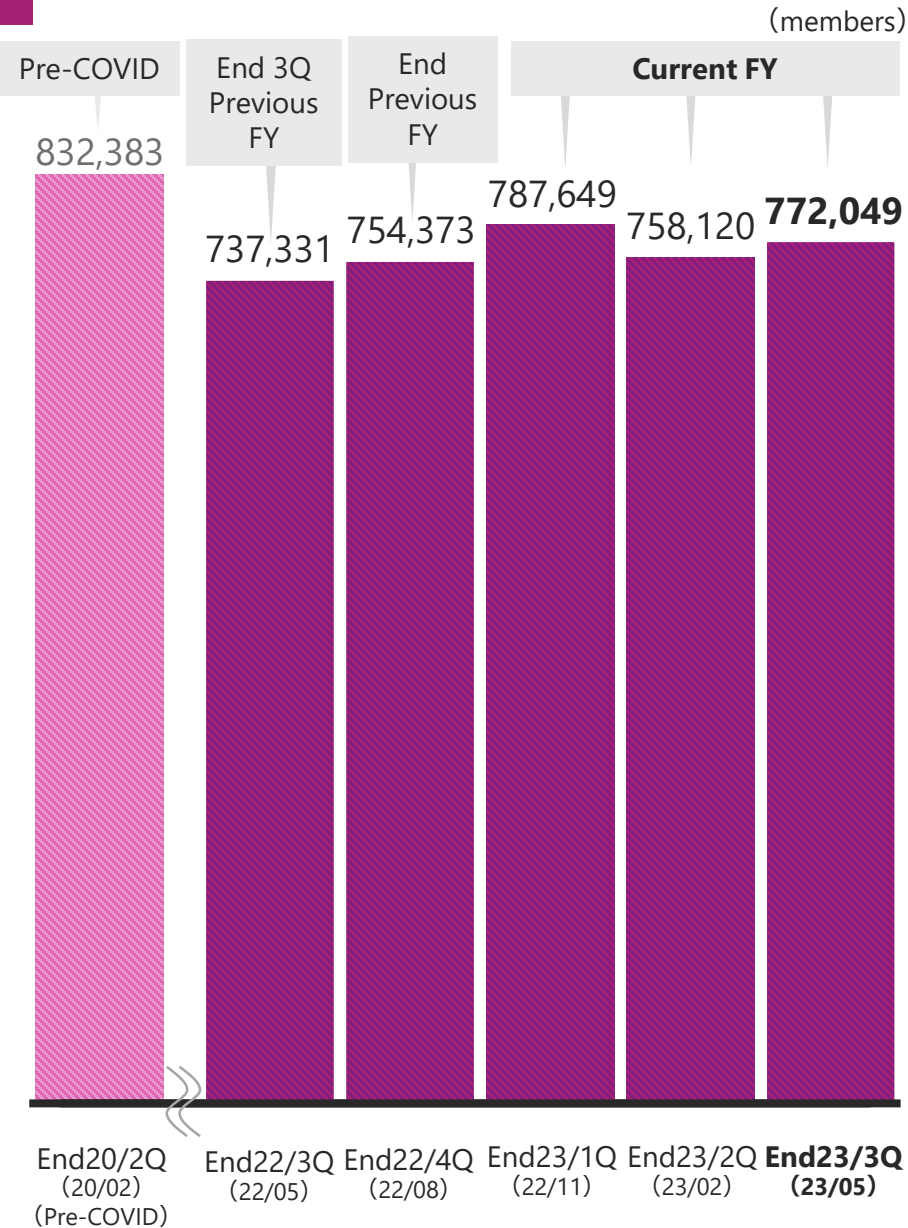


1,956 Clubs in Japan

	3Q (3-5)	9 months total (9-5)
New open	5 clubs	14 clubs
Closed	3 clubs	5 clubs
Net growth	+2 clubs	+9 clubs

Total Membership Count

18



Total 772K members

Year on year **+ 34K**

From End FY 8/22 **+ 17K**

- Membership net growth achieved with Spring Membership Drive Campaign.
- Attrition rate maintained low at 2.3% (3-5)

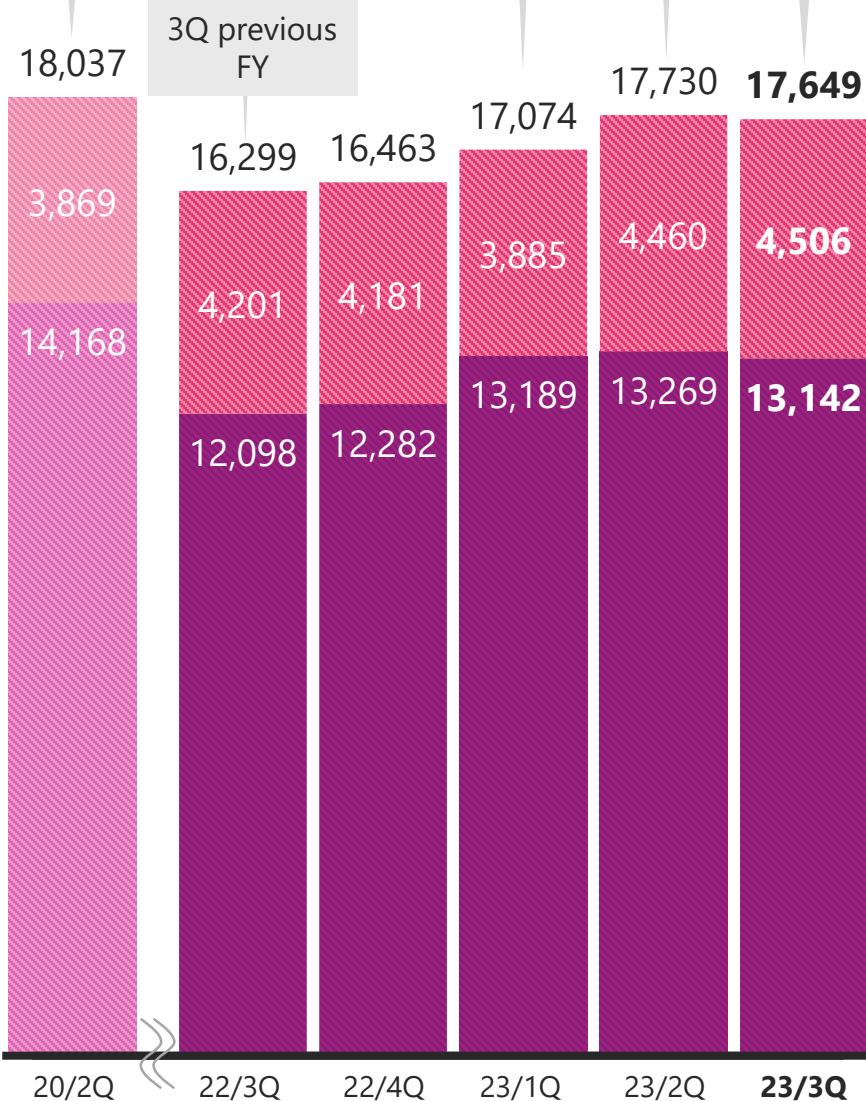
Chain-wide Sales

19

■ Merchandise ■ Membership/Dues (million yen)

Pre-COVID

Current FY



3Q FY 8/2023

Actual 17.64 B yen

Year on year
To 3Q FY 8/22

108.3%

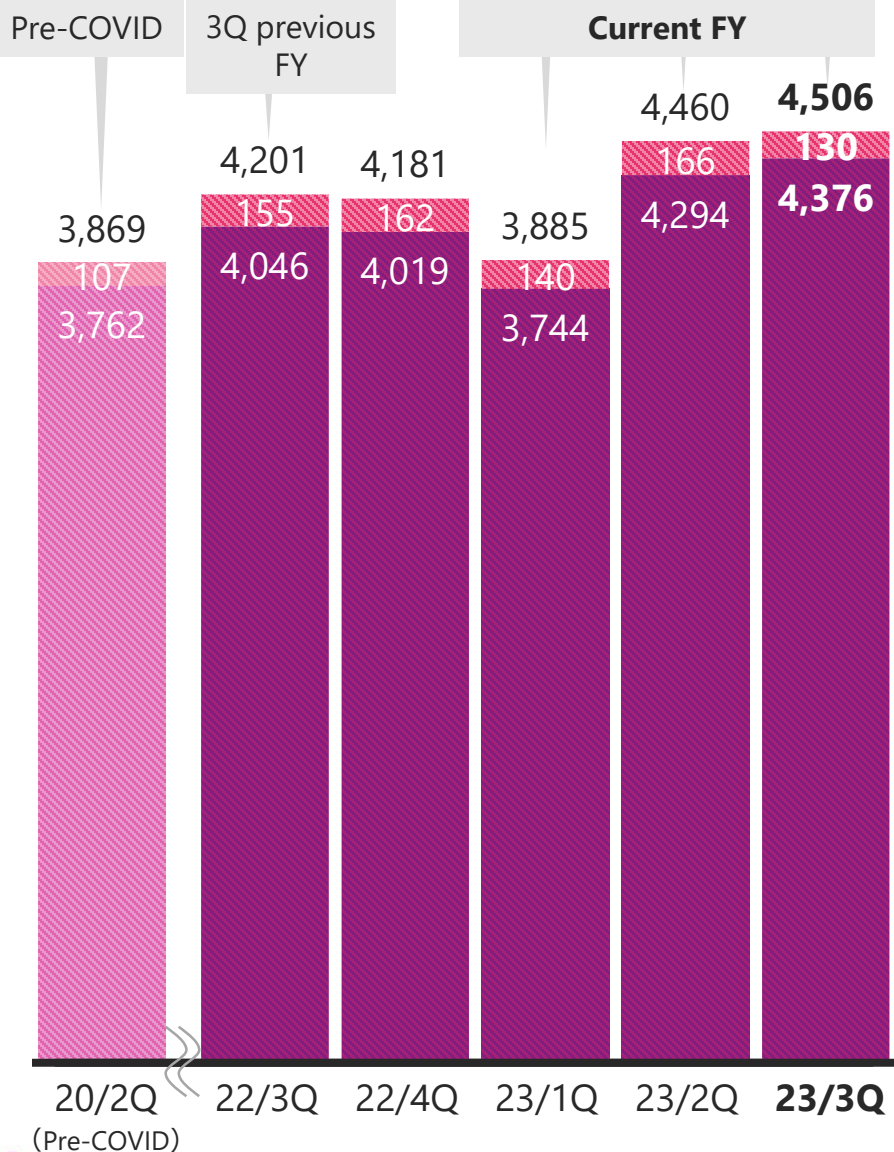
Previous quarter
To 2Q FY 8/23

99.5%

Merchandise Sales

20

■ Other Merchandise ■ Protein (million yen)



3Q FY 8/2023

Actual 4.50_B yen

Year on year
To 3Q FY 8/22

107.3%

Previous quarter
To 2Q FY 8/23

101.0%

Updates of Total Members for 3Q

21

Total members at end 3Q: 772K = 13K up from end 2Q

Membership Drive Campaign rolled out 【Welcoming First Timers Support Campaign】



- TV Infomercials, TVCM aired on national networks (April)
- Media-mix marketing activities enhanced including TV, Online, Local promotions

- Advertising efficiency improved and marketing costs reduced.
- Achieved steady growth of new sign-ups by younger seniors (age 50 – 64)

Service quality continues rising.

Attrition rate stays low (2.3% for March-May period).

Diet Counseling Enhancement

22

May 2023

Promoted the Month of Diet Counseling

👉 **Protein subscribers grew to reach a record high.**

- **Growth was achieved by continuous supports provided to members (workout coaching, habit building, diet counseling).**
- **Maintained 35%+ sales ratio of High Functional Super Protein Premium+**
(at price 1,000 yen higher than regular Protein products)

5th release of Premium+ series

Function-claimed food

Protein+ Hyaluronic Acid



👉 **"Skip shipping"^{*} by subscribers is being reduced.**

- **Enhanced member support successfully reduced requests of "skip shipping" and in May returned to the level prior to the price increase.**

* Subscribers can request to skip shipment for a month. The skip shipping affects Sales as the invoicing and revenues are recognized at the time of delivery of products.

Men's Curves

23

A new club opened in Mar 2023,
making total 16 clubs

📍 Chiba city, Chiba

👉 Opening a corporate club of Men's Curves
for establishing guest production know-how.



● Men's Curves locations

**Men's
Curves**

The power to amaze yourself.®



**Attrition rate continues lowering.
Further brushing up guest production
know-how.**

International Segments

Updates of Key Markets

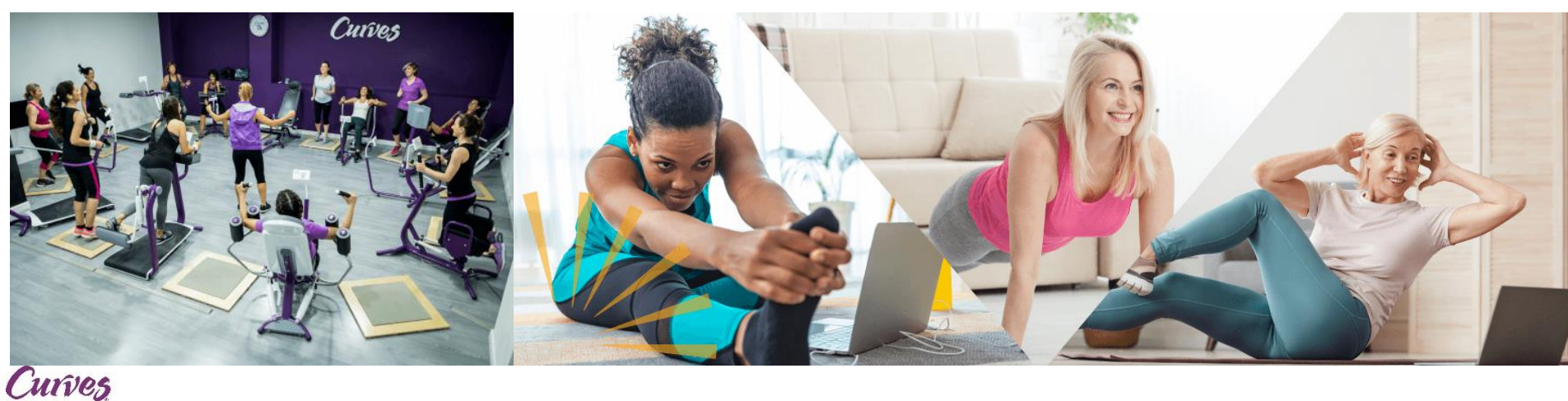
Europe (8 countries including Spain, Italy and UK):

Total **142** clubs open as of end 3/2023

* 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 post-COVID.





Forecasts and strategies for 4Q of FY 8/2023 and beyond

Annual Forecasts and outlook for 4Q

26

	9 mos 8/23 (9-5)	Annual FY 8/23	Annual FY 8/22	To previous FY
	Actual	Forecast	Actual	Changes
Sales	22.18 B yen	30.00 B yen	27.50 B yen	+2.49 B yen
Operating profit	3.09 B yen	3.70 B yen	2.74 B yen	+950 M yen
Ordinary profit	2.98 B yen	3.71 B yen	3.31 B yen	+390 M yen
Net profit	1.87 B yen	2.42 B yen	2.24 B yen	+170 M yen
Members end period	772K	824K	754K	+70K
Clubs end period	1,956	1,952	1,947	+5

Annual forecasts remain unchanged.

- With net growth in membership expected from the end 3Q with Membership Drive Campaign planned in 4Q (June, July), total membership is projected to reach in the range of 800K at the end of FY.
- Negative impacts of month due increase in June such as cancellation is neither seen now nor forecasted.
- Growth of Protein subscribers is expected steady, and requests for skip shipping* seen slightly increasing in 2Q is currently improving and returned to the level prior to the price increase in May.
- Annual club closures expected below forecast, club openings expected on forecast, total club count at end FY is expected to exceed the forecasted 1,952 clubs.

* Subscribers can request to skip shipment for a month. The skip shipping affects Sales as the invoicing and revenues are recognized at the time of delivery of products.

Membership Drive Campaign

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Membership Drive Campaign in 4Q

Get stronger and burn fats -
"Let's Get Fit" Campaign



National TVCM, Infomercial & Media-mix marketing

- Massive TVCM for 10 days in June and July
- Media-mix marketing including TV, online and local marketing activities
→ To support leveraging members' referrals as the Curves' strength.





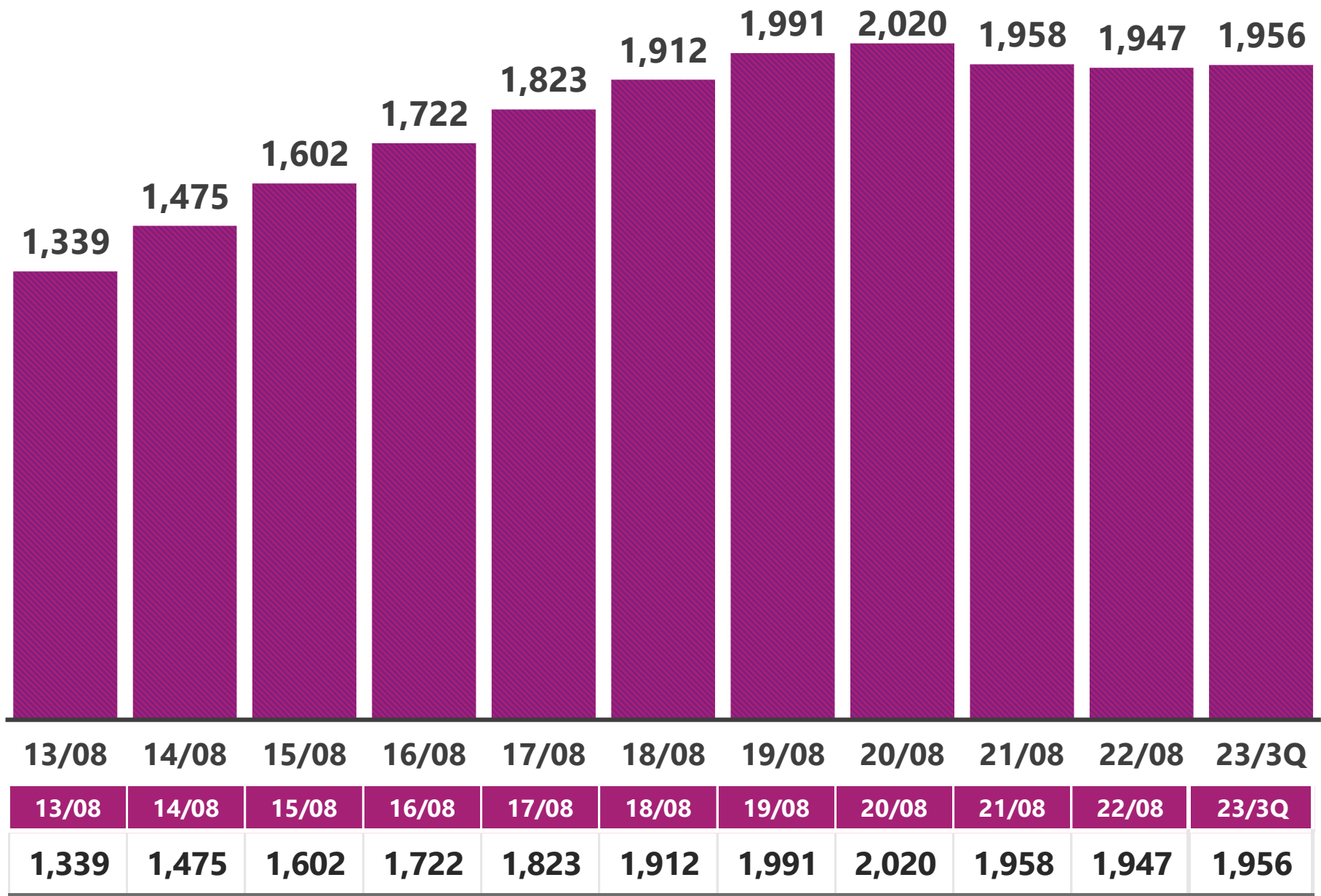
Appendix

| History of Curves Business

Trends in Club Count

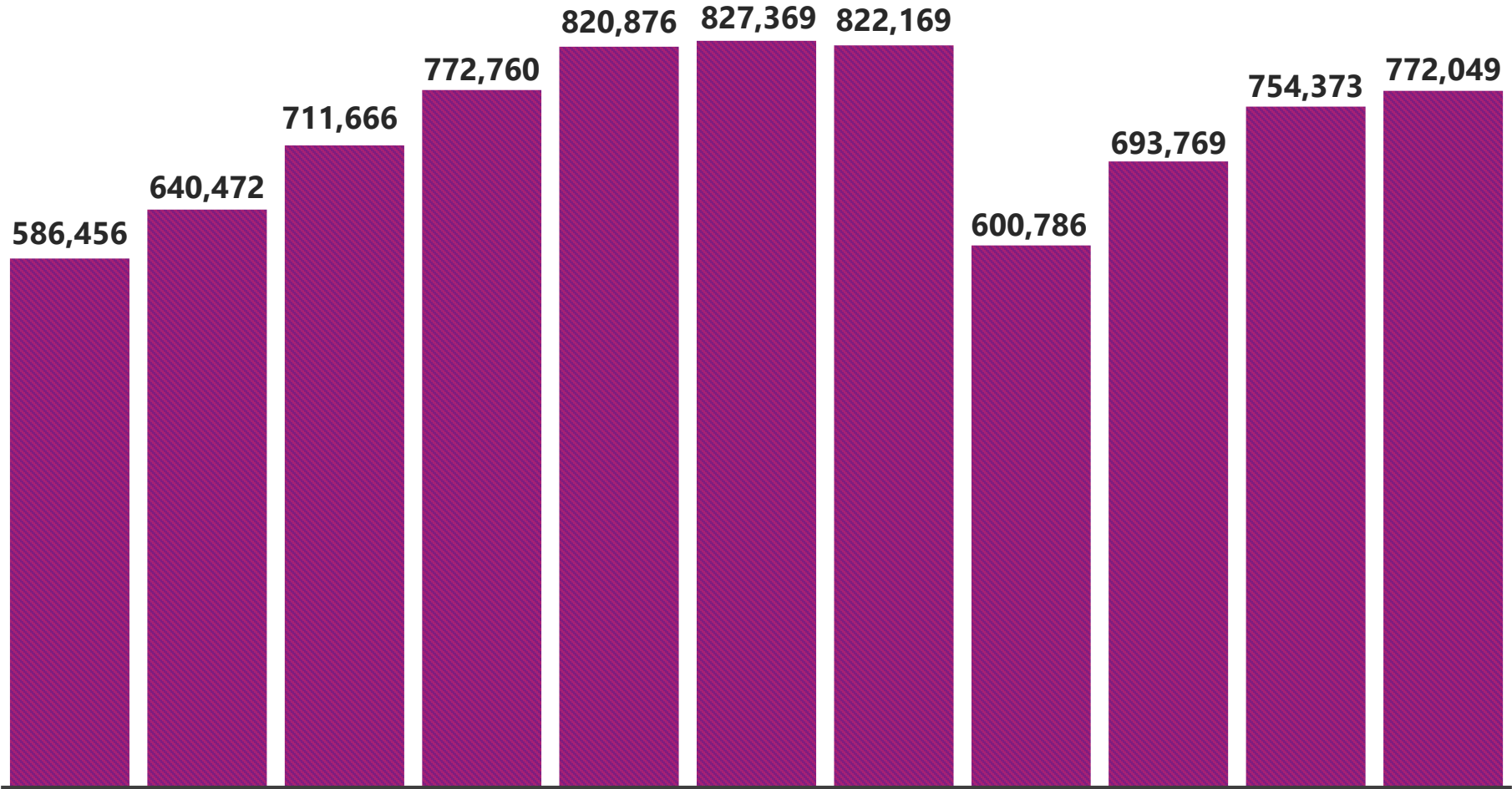
30

(clubs)



Trends in Membership

(members)



13/08 14/08 15/08 16/08 17/08 18/08 19/08 20/08* 21/08 22/08 23/3Q

13/08	14/08	15/08	16/08	17/08	18/08	19/08	20/08 *	21/08	22/08	23/3Q
586,456	640,472	711,666	772,760	820,876	827,369	822,169	600,786	693,769	754,373	772,049

* FY 8/20 shows active members excluding absentees.

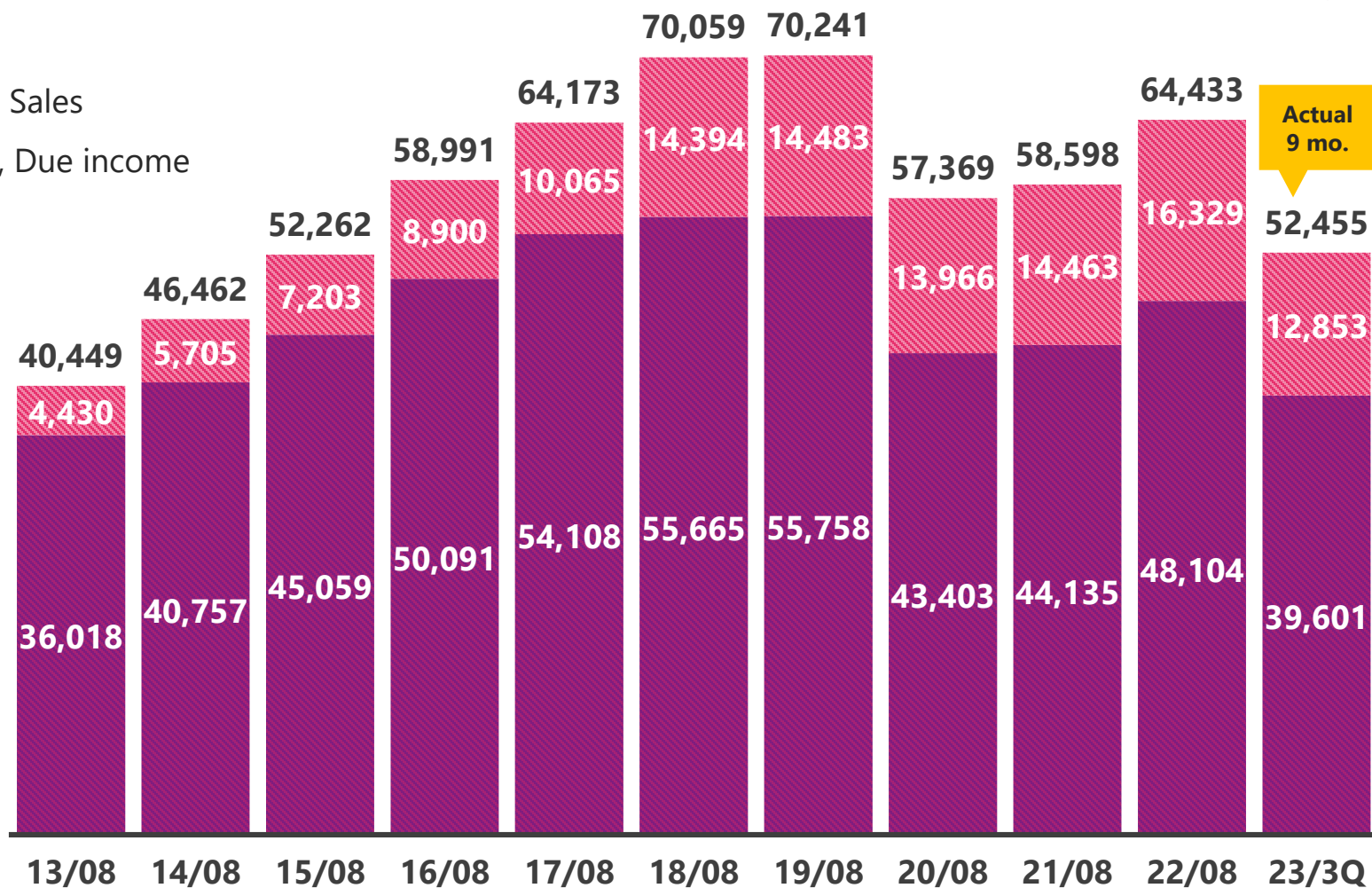
Trends in Chain-wide Sales

32

(million yen)

Merchandise Sales

Membership, Due income



	13/08	14/08	15/08	16/08	17/08	18/08	19/08	20/08	21/08	22/08	23/3Q
Chain-wide Sales	40,449	46,462	52,262	58,991	64,173	70,059	70,241	57,369	58,598	64,433	52,455
Merchandise Sales	4,430	5,705	7,203	8,900	10,065	14,394	14,483	13,966	14,463	16,329	12,853
Membership, Dues	36,018	40,757	45,059	50,091	54,108	55,665	55,758	43,403	44,135	48,104	39,601

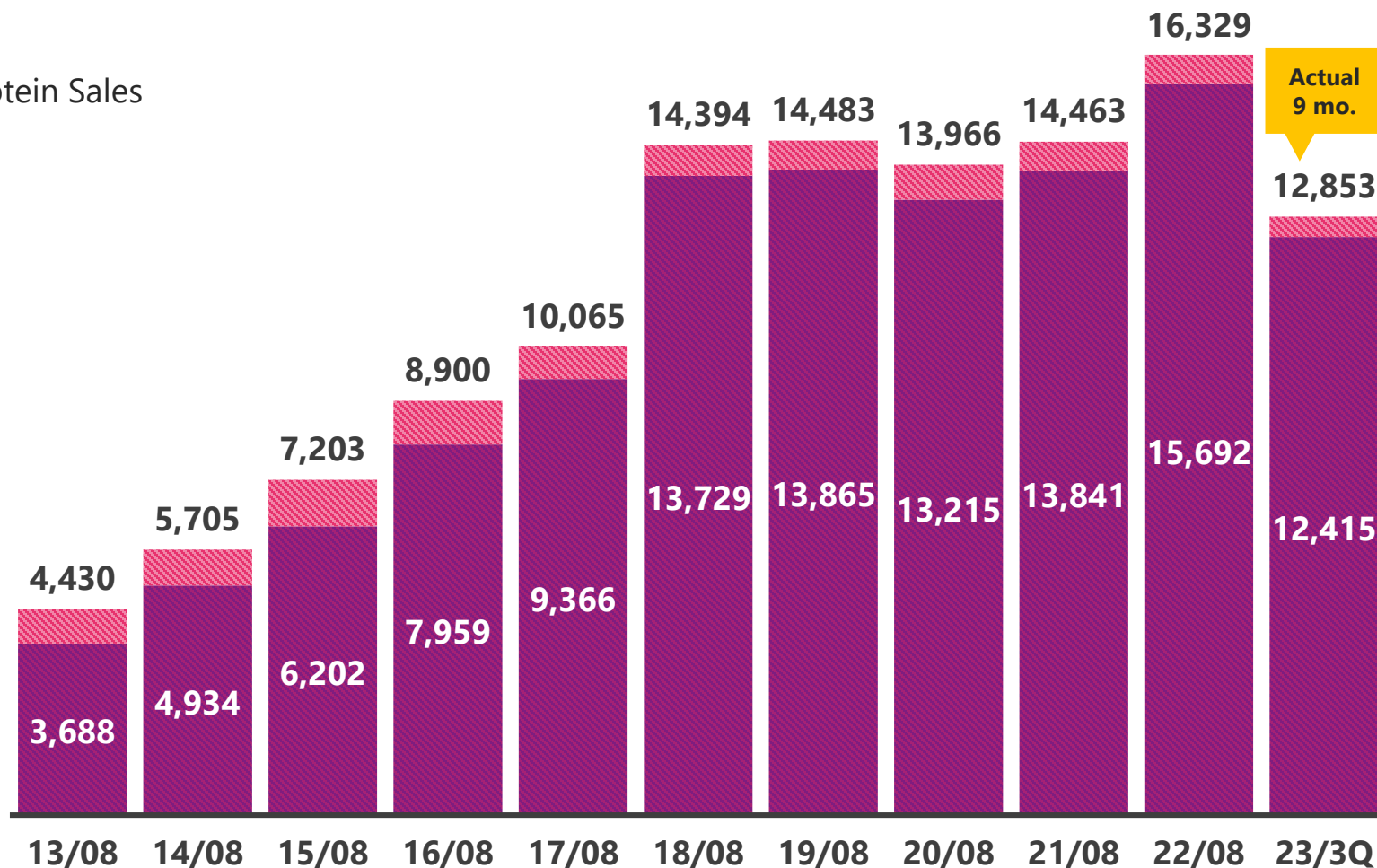
Trends in Merchandise Sales

33

(million yen)

Other than Protein Sales

Protein Sales



Actual
9 mo.

	13/08	14/08	15/08	16/08	17/08	18/08	19/08	20/08	21/08	22/08	23/3Q
Merchandise Sales	4,430	5,705	7,203	8,900	10,065	14,394	14,483	13,966	14,463	16,329	12,853
Incl. Protein Sales	3,688	4,934	6,202	7,959	9,366	13,729	13,865	13,215	13,841	15,692	12,415
Protein ratio	83.3%	86.5%	86.1%	89.4%	93.1%	95.4%	95.7%	94.6%	95.7%	96.1%	96.6%
Protein Year-on-year	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

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



Business purpose:

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>

Basic Sustainability Policy

In Pursuit of Community-based Health Infrastructure, We Will Contribute to Solving Social Issues.

The CURVES Group has the following management philosophy which dates back to its founding.

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.

We will put into practice sustainability management by striving to improve society and the environment in cooperation with all stakeholders including customers, our franchisees and coworkers.

- 1. Serving as community-based health infrastructure to help customers and society get mentally and physically healthier**
- 2. Business operation aimed at the highest safety and reliability for customers**
- 3. Create business models and operate outlets in a way that is eco-friendly and entails smaller risks of climate change**
- 4. Develop human resources and workplaces and operate organizations for each motivated individual to shine**
- 5. Contributing to local communities**
- 6. Respect fair trade, human rights and human nature in the supply chain**
- 7. Effective corporate governance**



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”
- 1,956 clubs in Japan (76 corporate owned, 1,880 Franchisees)
(as of the end May 2023)

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

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TSE Code : 7085

The purpose of this presentation is to provide information about the Curves Group based on results of operations for 3rd Quarter of the fiscal year ending August 31, 2023. This is not a solicitation to purchase securities issued by CURVES HOLDINGS Co., Ltd.

This presentation is based on information available as of July 7, 2023. Opinions, forecasts and other information represent the judgments of management at the time this presentation was prepared. Curves Holdings provides no guarantee or other assurance that the information in this presentation is accurate or complete and may revise information without prior notice.

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