

Curves®

The power to amaze yourself.®

————— 明日の自分にきっと驚く

Supplementary Material: Consolidated Results of Operations for 2Q of FY ending August 31, 2024

April 11, 2024

TSE Prime Market : 7085

CURVES HOLDINGS Co., Ltd.

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■ Results summary for 2Q of FY 8/2024

□ Total members **782K**, net growth **24K** Year on year

□ Club count **1,971** clubs

□ Chain-wide sales (1st Half) **39.82** B yen

Record high, surpassing the pre-COVID-19 level

Membership fees/dues incomes and merchandise sales reached record highs.

□ Merchandise Sales (1st Half)

10.42 B yen (**125.0%** Y-on-Y)

The number of product subscriptions reached a record high

thanks to the releases of new protein and new product lines

□ Sales (1st Half) **17.02** B yen (**117.6%** Y-on-Y)

□ Operating profit (1st Half) **2.80** B yen (**138.2%** Y-on-Y)



Results details for 2Q of FY 8/2024

Consolidated Statement of Income

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(million yen)	FY 8/2024(current)	FY 8/2023(previous)	Year on year	FY 8/2024(current)	To Forecast	FY 8/2024(current)
	Half year (9-2) Actual	Half year (9-2) Actual		Half year (9-2) Forecast		2Q(12-2)Actual
Sales	17,028	14,482	117.6%	17,000	100.2%	9,483
Cost of Sales	9,888	8,166	121.1%			5,568
(COS ratio)	58.1%	56.4%				58.7%
Gross profit	7,139	6,316	113.0%			3,914
(Gross profit ratio)	41.9%	43.6%				41.3%
SGA	4,330	4,282	101.1%			2,140
incl. Amortization expenses for goodwill, trademark rights and intangible fixed assets *	762	859	88.8%			317
Operating profit	2,809	2,033	138.2%	2,770	101.4%	1,773
(Operating profit ratio)	16.5%	14.0%		16.3%		18.7%
Ordinary profit	2,792	1,914	145.9%	2,750	101.6%	1,739
(Ord profit ratio)	16.4%	13.2%		16.2%		18.3%
Net profit	1,805	1,178	153.2%	1,700	106.2%	1,138
(Net profit ratio)	10.6%	8.1%		10.0%		12.0%

Consolidated Statement of Income – Comparison to Forecasts⁶

(million yen)	FY 8/2024(current)Actual			FY 8/2024 (current) Initial forecast	Compared with initial forecast		FY 8/2024 (current) Revised forecast (announced on March 11)
	1Q(9-11)	2Q(12-2)	1st Half (9-2)	1st Half (9-2)	Difference	Achieved	1st Half (9-2)
	Sales	7,544	9,483	17,028	16,400	+628	103.8%
Operating profit	1,036	1,773	2,809	2,080	+729	135.1%	2,770
(Operating profit ratio)	13.7%	18.7%	16.5%	12.7%			16.3%
Ordinary profit	1,053	1,739	2,792	2,055	+737	135.9%	2,750
(Ord profit ratio)	14.0%	18.3%	16.4%	12.5%			16.2%
Net profit	666	1,138	1,805	1,290	+515	139.9%	1,700
(Net profit ratio)	8.8%	12.0%	10.6%	7.9%			10.0%

Sales to Forecast
Difference +628M yen
Achieved 103.8%

- Total members progressed as planned. Total members increased by 24K members year on year, from 758K members to 782K members.
- Merchandise sales: We implemented the monthly diet counseling promotion drive in Dec in 2Q.
 - ☞ The full renewal of protein and new product lines showed steady progress. In particular, sales of new product lines exceeded the initial forecast.

Operating profit to Forecast
Difference +729M yen
Achieved 135.1%

- Containment of cost and SG&A expenses.
 - ☞ Although sales promotion costs were incurred due to the releases of new protein and new product lines, costs and SG&A expenses were lower than initially forecast.

Ordinary profit to Forecast
Difference +737M yen
Achieved 135.9%

- Non-cash foreign exchange loss was posted due to currency fluctuations, which was within an expected range.

Consolidated Statement of Income (by region)

(million yen)	FY 8/2024 (current)		FY 8/2023 (previous)		Year on year	FY 8/2024 (current)	
	Half year (9-2) Actual	To Sales	Half year (9-2) Actual	To Sales		2Q(12-2)Actual	To Sales
Sales	17,028	100.0%	14,482	100.0%	117.6%	9,483	100.0%
Domestic	16,786	98.6%	14,270	98.5%	117.6%	9,343	98.5%
Overseas	242	1.4%	211	1.5%	114.3%	140	1.5%
Operating profit	2,809	16.5%	2,033	14.0%	138.2%	1,773	18.7%
Domestic	3,799		3,106		122.3%	2,183	
Overseas	-154		-270		-	8	
Adjustments	-835		-802		-	-418	
Average exchange rate during period	145.74 yen/\$		139.22 yen/\$		Depreciation by 6.52 yen	145.74 yen/\$	

* Sales and Operating Profit for the Overseas segment

The overseas 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 overseas 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

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

Overseas

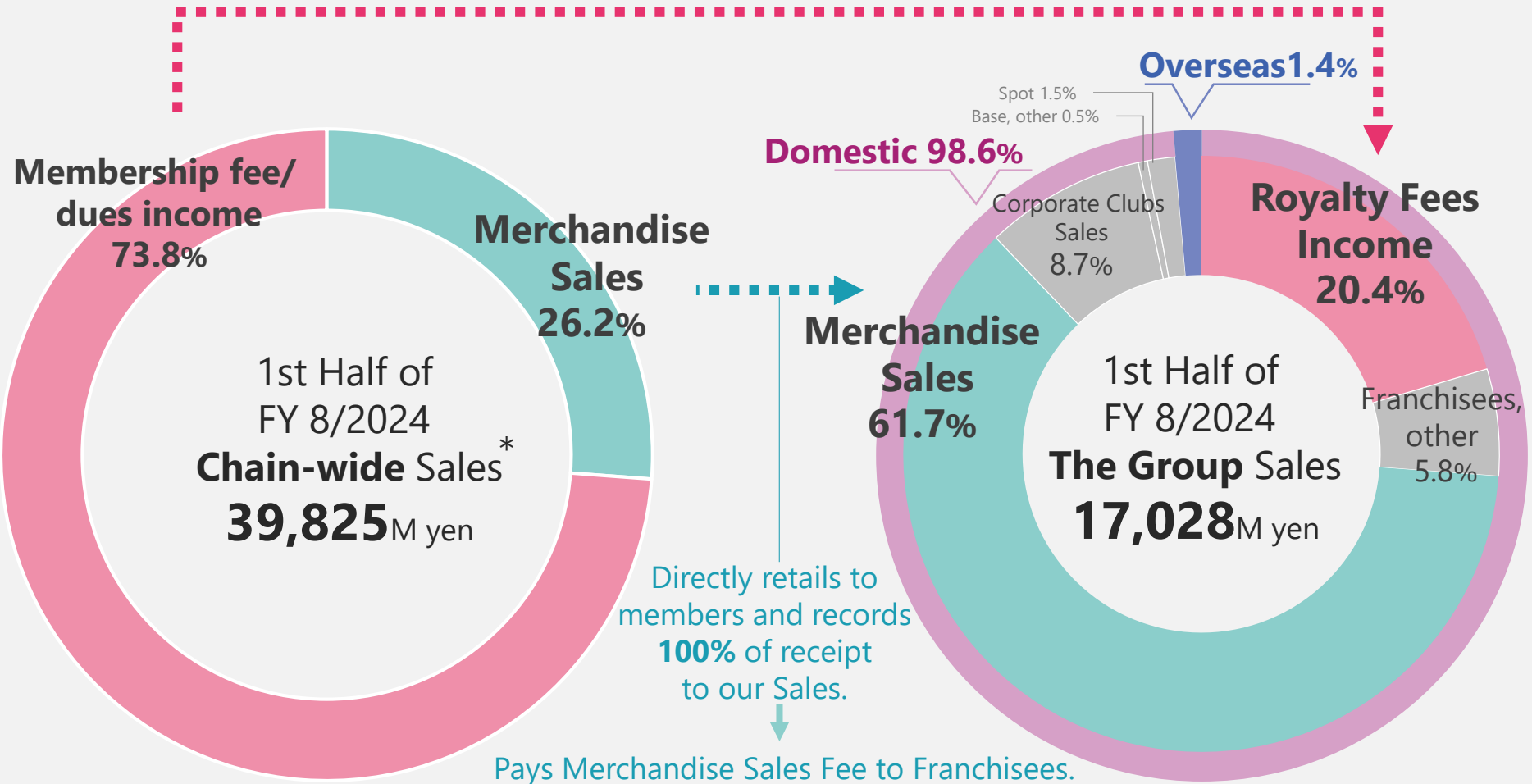
Breakdown of Sales

(million yen)	FY 8/2024(current)		FY 8/2023(previous)		Year on year	FY 8/2024(current)	
	Half year (9-2) Actual	To Sales	Half year (9-2) Actual	To Sales		2Q (12-2) Actual	To Sales
Sales	17,028	100.0%	14,482	100.0%	117.6%	9,483	100.0%
Domestic	16,786	98.6%	14,270	98.5%	117.6%	9,343	98.5%
Spot	258	1.5%	292	2.0%	88.2%	137	1.4%
Base	16,528	97.1%	13,977	96.5%	118.2%	9,205	97.1%
Royalty,etc	3,472	20.4%	3,201	22.1%	108.5%	1,720	18.1%
Franchisees, other	981	5.8%	1,013	7.0%	96.8%	477	5.0%
Merchandise*	10,511	61.7%	8,388	57.9%	125.3%	6,223	65.6%
Corporate clubs	1,484	8.7%	1,319	9.1%	112.5%	744	7.8%
Other	78	0.5%	55	0.4%	143.5%	40	0.4%
Overseas	242	1.4%	211	1.5%	114.3%	140	1.5%

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

Difference in Sales Recording for Membership fee/ dues income and Merchandise sales 10

Receives **portion of** Membership fee/dues income from Franchisees as per Franchise Agreement.



* Chain-wide sales: Total sales of the chain including all franchisees from Membership fee/ dues income and merchandise sales income

Consolidated Statement of Income – Year on Year Comparison¹¹

Comparison to 1st Half previous FY

	Sales	Operating profit	Ordinary profit	Net profit
1st Half current FY (9/23-2/24)	17.02 B yen	2.80B yen	2.79B yen	1.80 B yen
	(+2.54 B yen Year on year)	(+770 M yen)	(+870 M yen)	(+620 M yen)
1st Half previous FY (9/22-2/23)	14.48 B yen	2.03 B yen	1.91B yen	1.17 B yen

1st Half Sales 17.02 B yen, +2.54 B yen Y-on-Y(117.6%)

① Increase in Royalty Fees Income

- Total Members ^{End23/2Q}**758K members** → ^{End24/2Q}**782K members**
Net growth by 24K members

② Increase in Merchandise Sales

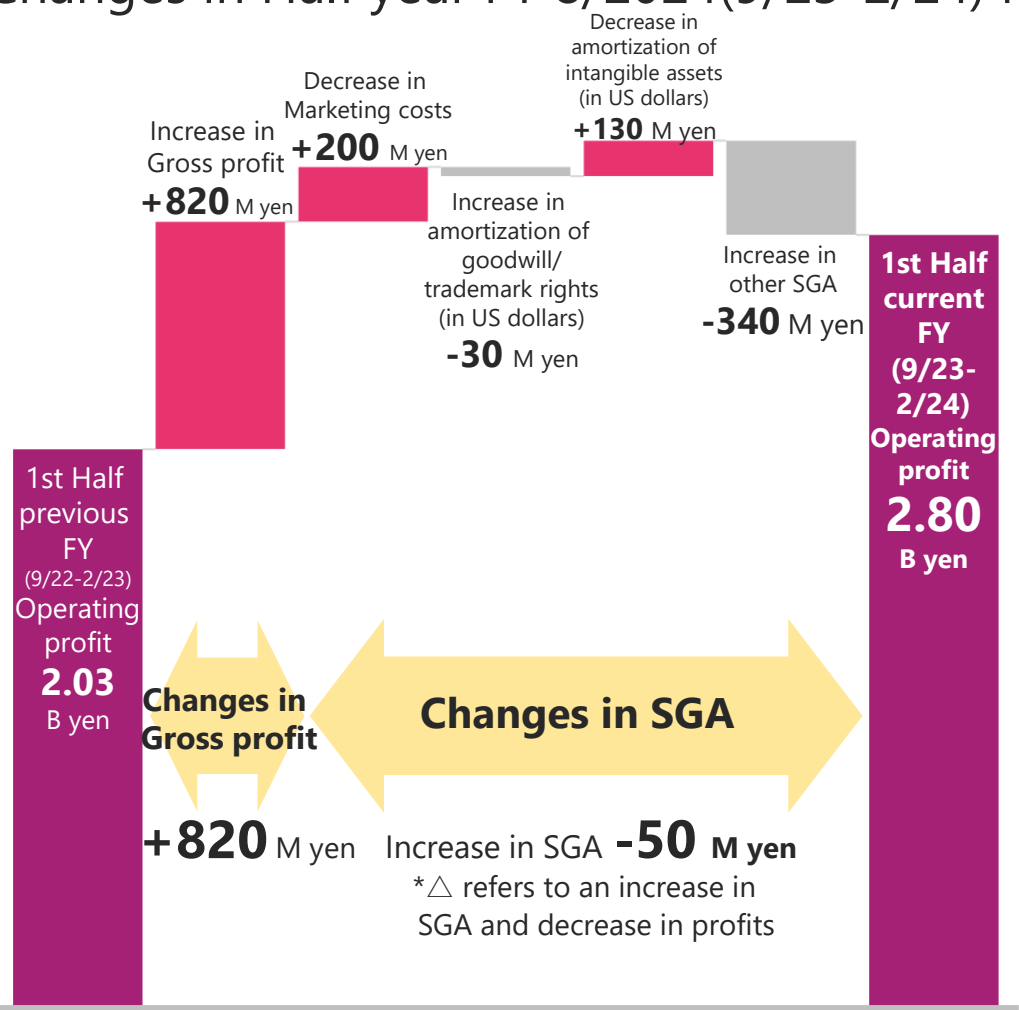
- Merchandise Sales* grew from ^{1st Half previous FY}**8.38 B yen** → ^{1st Half current FY}**10.51B yen**
- Number of product subscriptions has reached a record high thanks to the releases of new protein and new product lines.

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

Consolidated Statement of Income – Year on Year Comparison¹²

1st Half Operating profit 2.80 B yen, +770M yen Y-on-Y(138.2%)

Changes in Half year FY 8/2024(9/23-2/24) from Half year FY 8/2023(9/22-2/23)



Increase in Gross profit:

due to increases of Royalty Fee incomes, Merchandise sales, etc.

Decrease in Marketing costs:

due to improved Ad efficiency, increase in Ad Funds from franchisees, etc.

Increase in amortization of goodwill/trademark rights 30 M yen

Decrease in amortization of intangible assets 130 M yen

☞ Completed amortization of intangible assets (in US dollars)

Average exchange rate (US\$):

2Q previous FY 139.22 yen

2Q current FY 145.74 yen

Increase in other SGA

Increase in promotion expenses for new products for merchandise sales and personnel expenses

Consolidated Statement of Income – Compared to the Previous Quarter and Previous FY 13

(million yen)	Current FY	Previous quarter	Comparison to previous quarter		Previous FY	Year on year	
	2Q(12-2)	1Q(9-11)	Difference	Achieved	2Q(12-2)	Difference	Achieved
Sales	9,483	7,544	+1,938	125.7%	7,547	+1,935	125.7%
Operating profit	1,773	1,036	+737	171.1%	1,401	+371	126.5%
Ordinary profit	1,739	1,053	+685	165.1%	1,194	+544	145.6%
Net profit	1,138	666	+471	170.7%	711	+426	159.9%

Net sales in 2Q of current FY

9,483 M yen

125.7% compared to the previous quarter

125.7% year on year

- Increase in Royalty Fee Income (year on year)

End23/2Q

End24/2Q

Total Members **758K members** → **782K members** **Net growth by 24K members**

- Increase in Merchandise Sales
Number of product subscriptions has reached a record high thanks to the releases of new protein and new product lines.

Operating profit for 2Q of current FY

1,773 M yen

171.1% compared to previous quarter

126.5% year on year

- Gross profit: Increased due to increases in Royalty Fees income and merchandize sales
- SGA: In 2Q, marketing activities were limited due to seasonal factors
- SGA: Decrease in amortization due to the amortization of intangible assets (in US dollars) being completed
- SGA: Increase in promotion expenses for new products for merchandize sales and personnel expenses

Consolidated Balance Sheet

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(million yen)	FY 8/2024 End 2Q	FY 8/2023 End fiscal year	Changes
Current assets	14,178	14,338	-159
Cash and deposits *	6,589	8,134	-1,544
Notes and accounts receivable	5,303	4,444	858
Merchandise	1,941	985	955
Non-current assets	23,856	24,773	-916
Property, plant and equipment	449	437	12
Intangible assets	22,156	23,183	-1,026
Goodwill	1,460	1,546	-86
Trademark rights	19,020	20,126	-1,106
Software	1,561	1,361	200
Investments and other assets	1,249	1,153	96
Total assets	38,035	39,111	-1,076
Current liabilities	10,478	10,686	-207
Current portion of long term borrowings	3,290	3,290	-
Non-current liabilities	11,520	13,354	-1,834
Long-term borrowings	7,020	8,665	-1,645
Total liabilities	21,999	24,041	-2,041
Interest-bearing debts	10,310	11,956	-1,645
Total net assets	16,035	15,070	965
Shareholders' equity	11,959	10,621	1,337
Total liabilities and net assets	38,035	39,111	-1,076
Exchange rate end period	141.83 yen/\$	144.99 yen/\$	Appreciation 3.16 yen

Consolidated Statement of Cash Flows

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(million yen)	FY 8/2024 (current) 1st Half (9-2) Actual	FY 8/2023 (previous) 1st Half (9-2) Actual	Differences
Cash flows from operating activities	1,151	1,749	-597
Profit before income taxes	2,771	1,914	856
Depreciation/Amortization goodwill, trademark rights	1,095	1,149	-54
Foreign exchange losses (gains)	23	105	-82
Decrease (increase) in trade receivables	-873	-124	-749
Decrease (increase) in inventories *	-1,025	-300	-725
Increase (decrease) in trade payables	70	40	29
Increase (decrease) in accounts payable - other	-126	-255	128
Income taxes refund (paid)	-1,124	-816	-307
Other	341	35	305
Cash flows from investing activities	-576	-525	-51
Purchase of property, plant and equipment	-53	-44	-9
Purchase of intangible assets	-505	-436	-68
Other	-18	-43	25
Cash flows from financing activities	-2,117	-1,975	-142
Repayments of long-term borrowings	-1,645	-1,645	-
Dividends paid	-469	-328	-140
Other	-2	-1	-1
Effect of exchange rate change on cash and cash equivalents	-11	10	-21
Net increase (decrease) in cash and cash equivalents	-1,553	-740	-813
Cash and cash equivalents at beginning of period	7,855	7,943	-88
Cash and cash equivalents at end of period	6,301	7,203	-901
Free CF: Operation CF + Investing CF	574	1,224	-649

Curves *Increase in inventories associated with the releases of new protein and new product lines in Dec 2023



Business outline and updates for 2Q

Strategies of FY 8/2024

Members

► Seniors (age 65+)

- Focus on new sign-ups as social restrictions lifted (Word of mouth referrals, marketing activities)
- Partnership with local governments

► Young seniors (age 50-64)

- Stronger focus as the growth market
- Raising Life-Time Value through word-of-mouth referral marketing and merchandising strategy

Merchandise sales

- Increase Protein products subscribers through enhancing member support (coaching, habit building, diet counseling)
- Releasing new products to raise sales quantity and purchase per member

On-line Fitness

- Focus on promoting hybrid program (Ouchi-de-Curves Dual Plan)

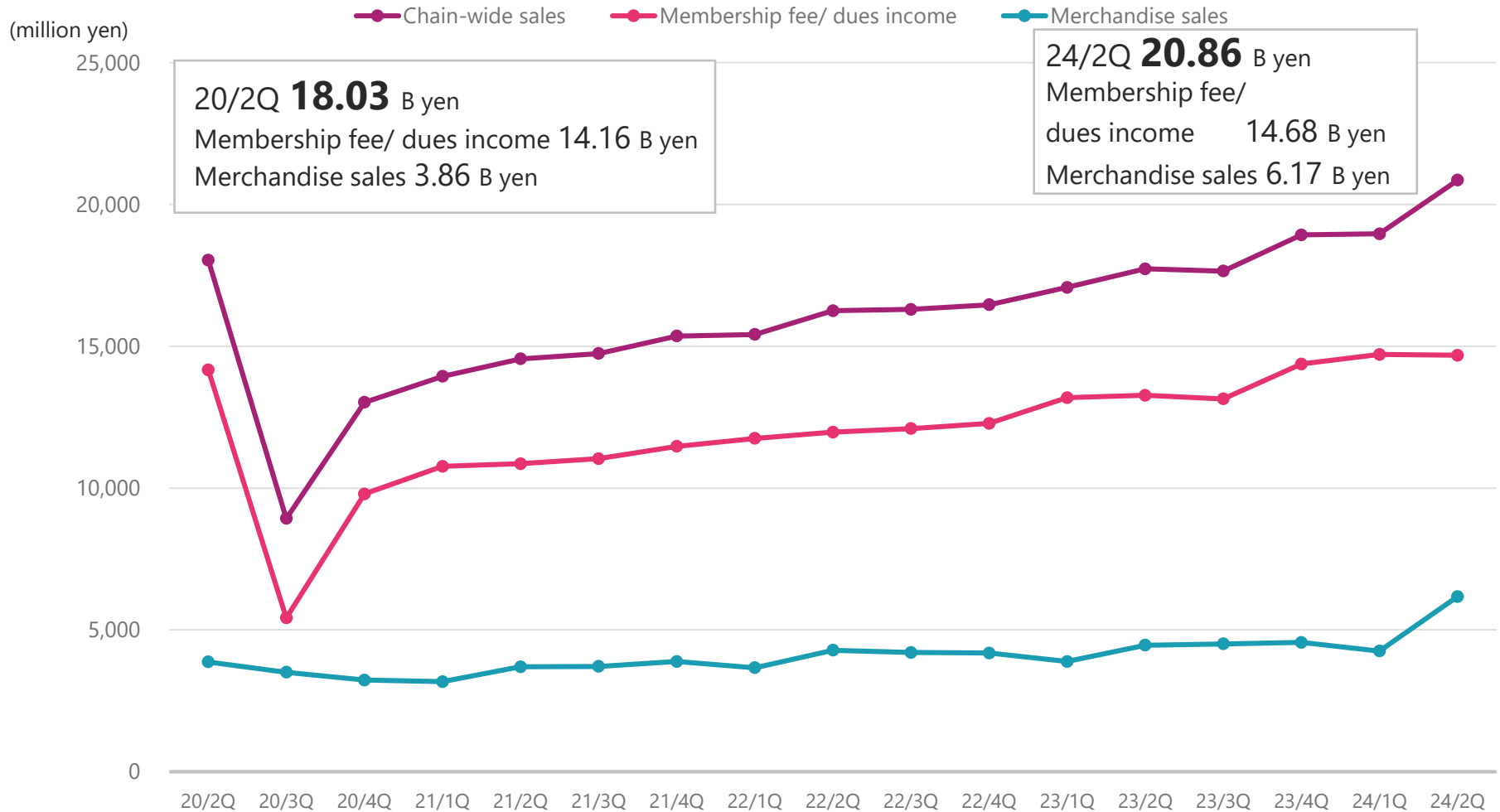
New Business Development

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

Trends in Chain-Wide Sales (Quarterly)

Record high, surpassing the pre-COVID-19 level

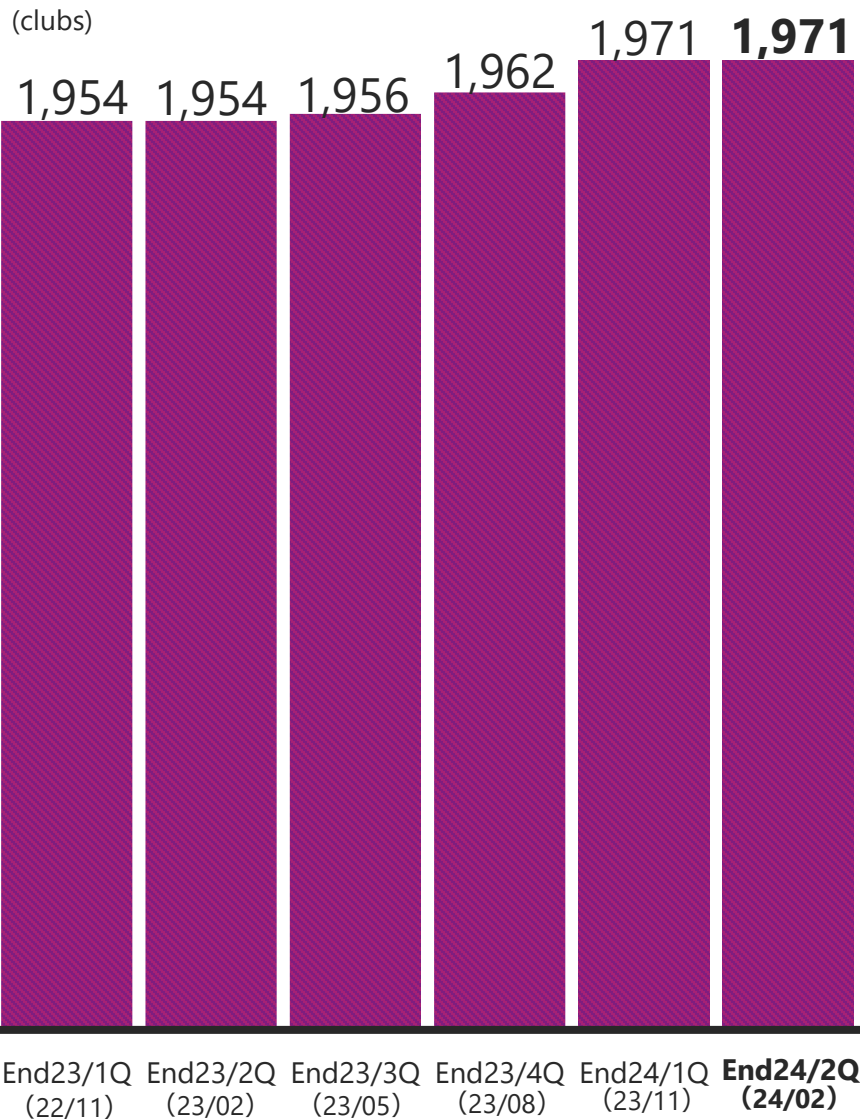
- Both sign-up fees and monthly dues income and merchandise sales reached record highs.



20/2Q **18.03** B yen
Membership fee/ dues income 14.16 B yen
Merchandise sales 3.86 B yen

24/2Q **20.86** B yen
Membership fee/
dues income 14.68 B yen
Merchandise sales 6.17 B yen

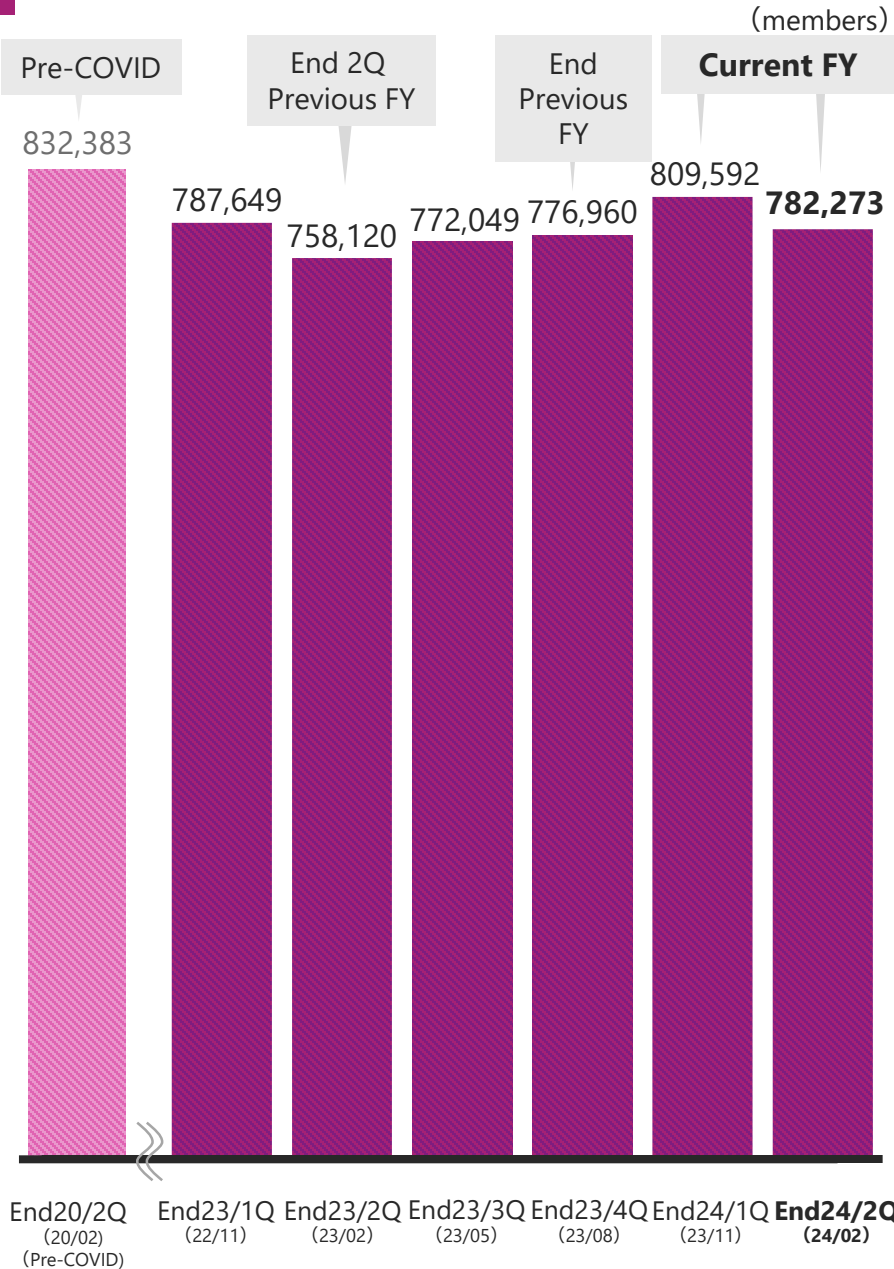
Total Club Count



1,971 Clubs in Japan

	2Q (12-2)	Total 1st Half (9-2)
New open	1 club	10 clubs
Closed	1 club	1 club
Net growth	±0 club	+9 clubs

Total Membership Count



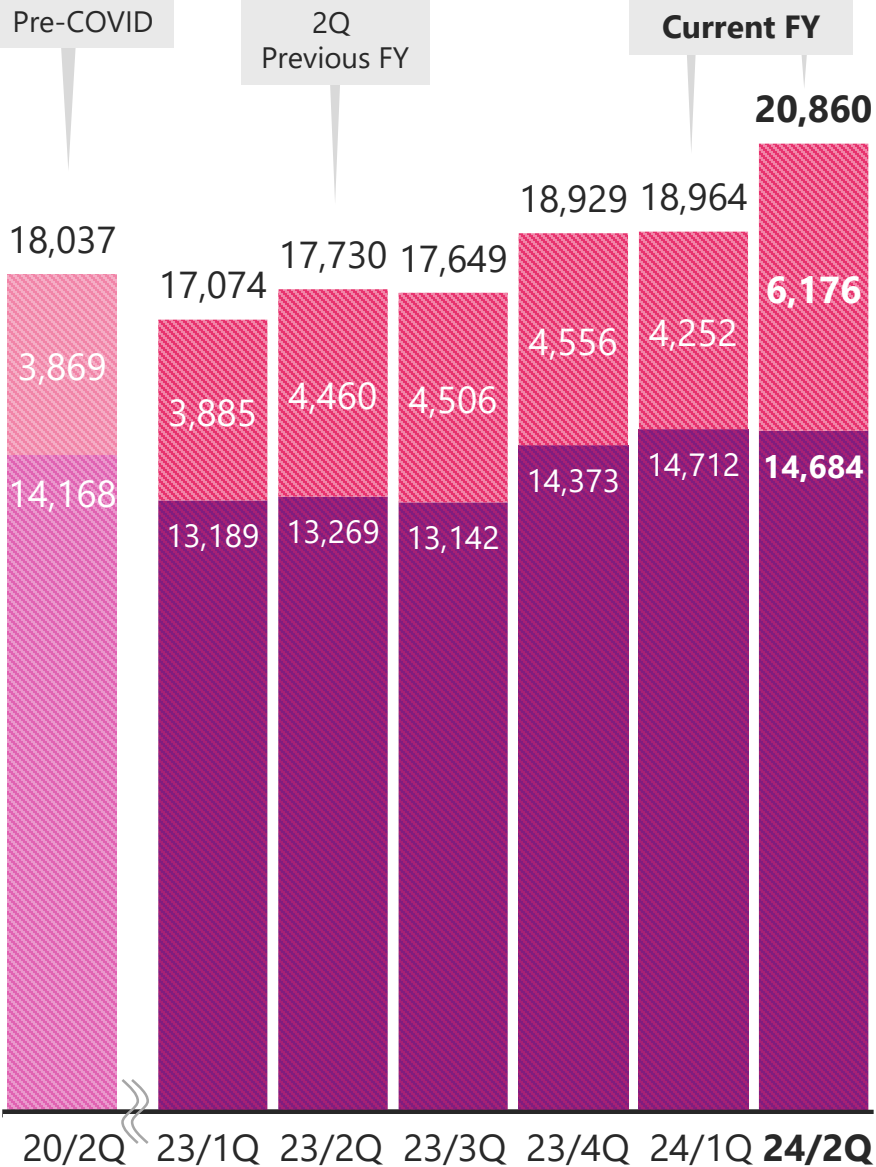
Total **782K** members

Year on year **+24K** members

To end FY 8/23 **+5K** members

Chain-wide Sales

■ Merchandise ■ Membership/Dues (million yen)



2Q FY 8/2024
Actual 20.86B yen

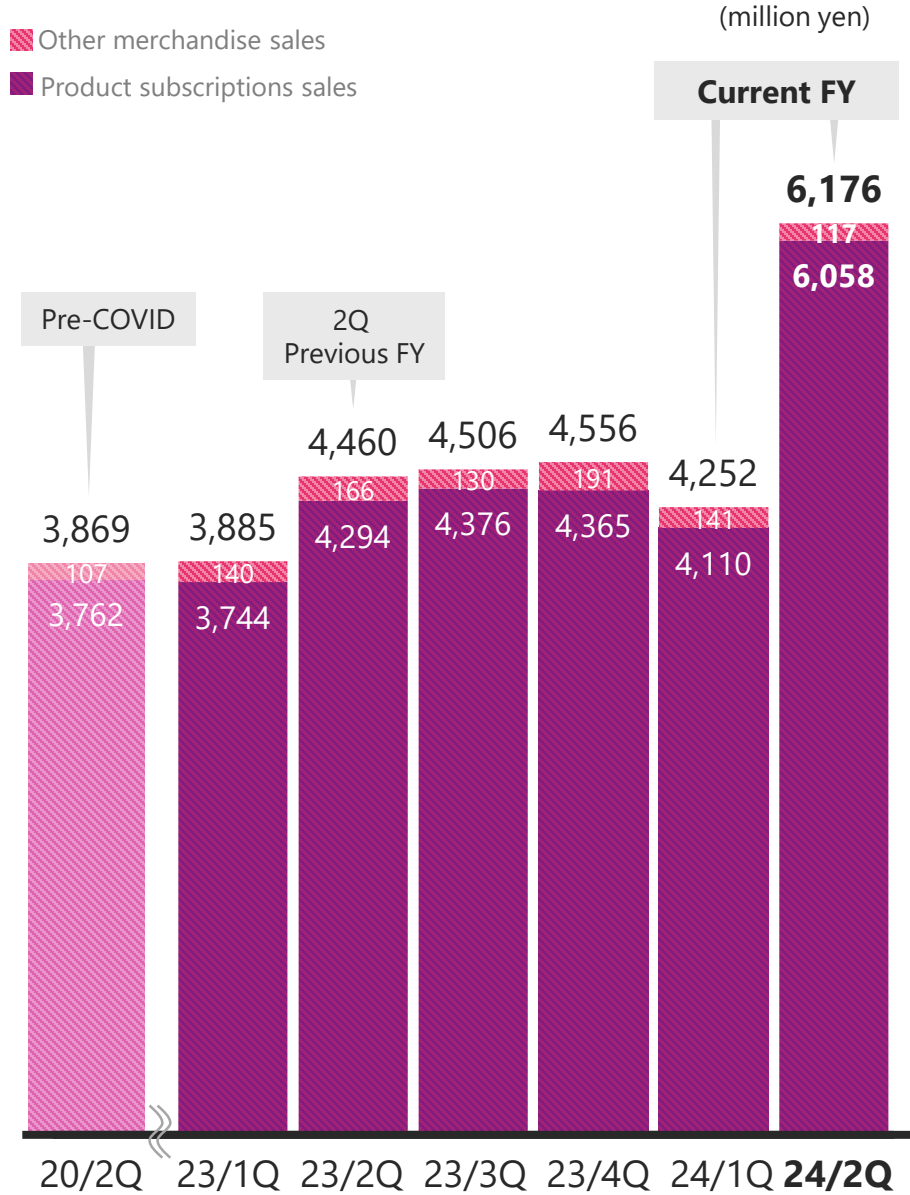
Year on year
 To 2Q FY 8/23 **117.7%**

Previous quarter
 To 1Q FY 8/24 **110.0%**

Record high, surpassing the pre-COVID-19 level

In the current FY, both Membership fee/ dues income and merchandise sales reached record highs.

Merchandise Sales



2Q FY8/2024 **Actual 6.17 B yen**

Year on year
To 2Q FY 8/23 **138.5%**

Previous quarter
To 1Q FY 8/24 **145.2%**

Enhanced Services

Raising service quality for members

Enhancing personalized workout coaching for each member

- Attrition rate remains low

Monthly attrition rate during Dec-Feb 2.2%

- Number of the Dual Plan members remains stable.
Of the total number of members —

Hybrid service of in-club and online workout

Number of the Ouchi-de-Curves Dual Plan members approximately 40K members

Approx. 60K members are using online services

Online fitness service

including members of Ouchi-de-Curves program only



Raising the customer satisfaction for existing members and building solid foundations for membership growth during the spring and summer

Monthly Diet Counseling Promotion Drive

First time in 6 years since 12/2017
New Protein products

Major product line following
the Protein(subscriptions)

Started selling Ultra Protein & Healthy Beauty

Number of product subscriptions has reached a record high as of the end of Dec 2023



Full renewal of the Protein Products with our proprietary ingredient prescriptions based on scientific evidences to further enhance the efficacy of muscle development and maintaining/promoting health

Sale price is the same as Super Protein

(approx. 5,000 yen/month, piece)

Premium+ (regular Protein + 1,000 yen) has also been renewed as Ultra Protein

A new product designed specifically for young senior members (age 50-64) has been released.

This new product was uniquely developed to respond to negative issues associated with diet they feel discontent, inconvenient or uneasy about, and address their concerns as identified from their direct voices, dietary surveys and insight research.

Sale price is the same as Super Protein



Curves Food-Drive

Since 2007

Community-based social support can start with donating a can of food.

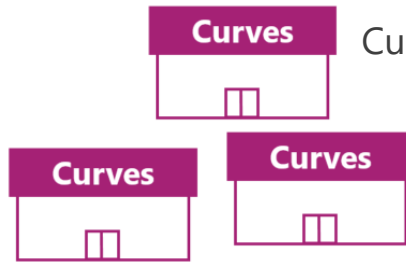
The 17th Annual Curves Food-Drive Campaign

【What is Curves Food-Drive?】



Curves members and community

Bring non-refrigerated preservable foods available from home



About 2,000 Curves clubs nationwide

Curves clubs directly deliver to local organizations.



Local children's care and mother/children facilities etc.

1 month from Jan 15 to Feb 15, 2024

Participated by : About **143K** donors

Foods donated : About **190** metric tons

Donated to : **741** organizations



Moment of donation



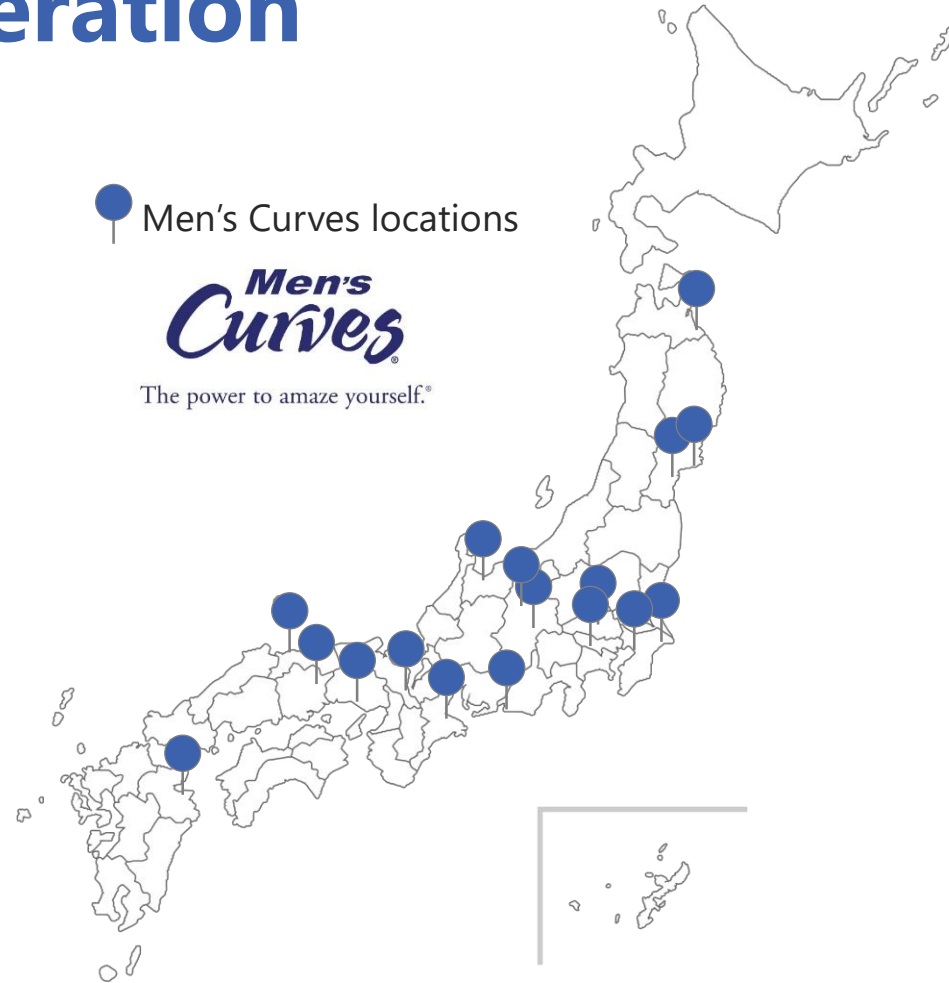
Men's Curves

As of end 2/2024

Total 17 Clubs in Operation



- No new clubs opened in 2Q.
- Brushing up guest production know-how



Overseas Segments

Updates of Key Markets

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

Total **135** clubs open as of end 12/2023

- * Direct territories only where the group runs the franchise headquarters.
- * 2 months delay in consolidating the overseas segments.

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





**Forecasts and strategies for
2nd Half of FY 8/2024 and
beyond**

Financial Forecast and Outlook for 2nd Half of FY 29

	1st Half FY 8/24	Annual FY 8/24	Annual FY 8/23	To previous FY
	Actual	Forecast	Actual	Changes
Sales	17.02 B yen	34.6-35.0 B yen	30.02 B yen	+4.57-4.97 B yen
Operating profit	2.80 B yen	4.9-5.1 B yen	3.85 B yen	+1.04-1.24 B yen
Ordinary profit	2.79 B yen	4.85-5.05 B yen	3.84 B yen	+1.00-1.20 B yen
Net profit	1.80 B yen	3.02-3.14 B yen	2.55 B yen	+460-580 M yen
Dividend per share	6.00 yen	12.00 yen	10.00 yen	+2.00 yen

The full-year consolidated financial results forecast was revised

- At the end of the period it is expected there will be 1,982 clubs, an increase of 11 clubs in the second half of FY8/2024.
- Total members at the end of the period is expected to be 810K-820K members (including online members).
- Merchandise sales are expected to remain strong.
- Given the market trends, advertising expenses in the second half are planned to increase about 400-600 M yen from the initial forecast.
- Goodwill and trademark amortization costs are expected to increase compared to the levels of the previous fiscal year, due to exchange rate fluctuations (a weakening yen).

Membership Drive Campaign

Membership Drive Campaign in 3Q

National TVCM

- Massive TVCM for 10 days in March and April
- Media-mix marketing including TV, online and local marketing activities
 - To enhance the word-of-mouth referrals, which is our strength

Marketing to seniors (age 65+) to be restructured

- Infomercials (CM in TV infomercial slots), etc.

☞ Because the Company considered the current fiscal year to be a good opportunity to expand the number of members in light of market trends, it increased advertising and promotion expenses in the second half by around 400 million yen to 600 million yen from the previous forecast.

Impact of the Beni Koji (Monascus) Problem ³¹

Curves' nutritional supplements do not contain any beni koji (Monascus) ingredients manufactured by the specific pharmaceutical company which is currently in question.

The Ultra Protein of Curves uses malted rice (white *koji*) in all its products and uses red *koji* pigment in their blueberry flavor. However, the ingredients in these products are unrelated to the beni *koji* ingredients manufactured by Kobayashi Pharmaceutical Co., Ltd. and can be consumed with peace of mind.

- ▶ **We are communicating the safety of our products to our members at clubs and posting about this on our website, etc.**
- ▶ **Although there are some cancellations and skips due to concerns about health food, the impact is expected to be minor.**
- ▶ **Impact on financial results**

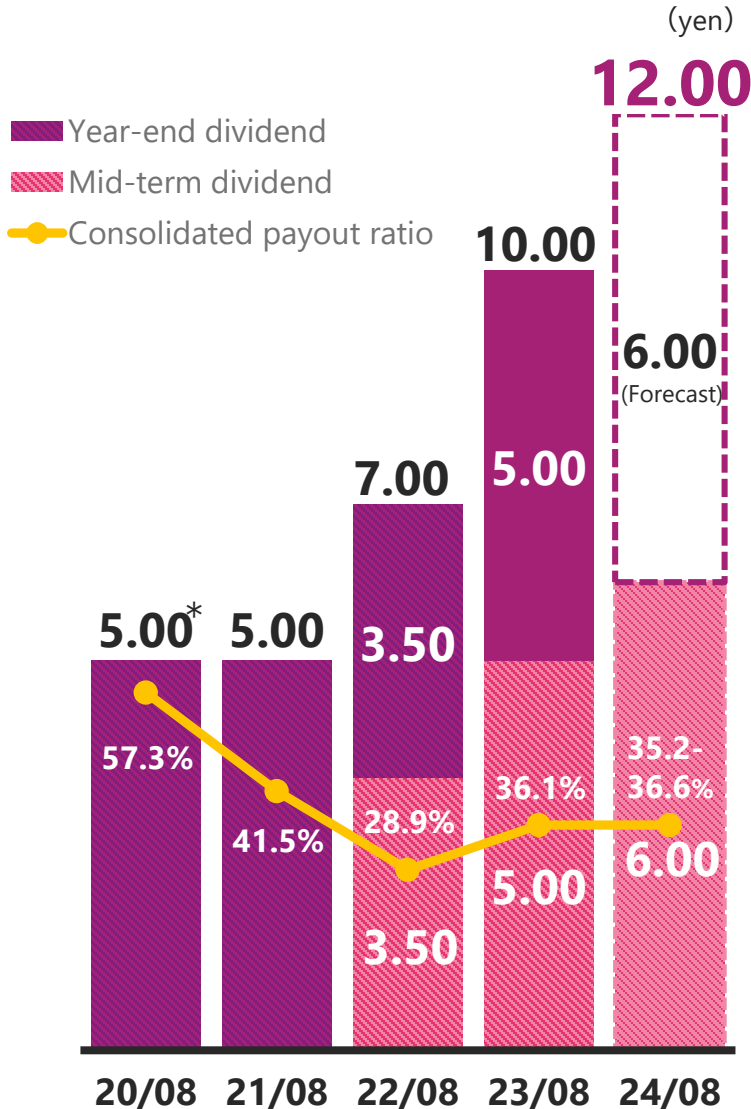
We expect that the impact on our consolidated results will be minor and insignificant.

If we anticipate anything that will have a noteworthy impact on our results, we will inform you without delay.

- ▶ **Going forward, we will monitor the situation closely as it may negatively impact the health food market.**



Dividends Policy



* Regular dividends : 3.00Yen
Commemorative dividends : 2.00Yen



FY 8/2024
Annual Dividend Forecast **12.00 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.

Annual Forecast
Earnings per share 32.81-34.11 Yen
Consolidated payout ratio 35.2-36.6%



Curves Group Sustainability

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 solving social issues.

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 clubs 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



Publication of Integrated Report³⁶

Publication of **Integrated Report 2023**

We have published an integrated report to systematize and visualize the Curves Group's efforts and report them transparently to our stakeholders.

Going forward, we will implement management that emphasizes continuing contributions to society and sustainability.

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Curves - 10 Years Later

Message from the President

Five Management Guidelines

Value Creation Process

Curves Group Sustainability

Sustainability Data Book

Financial Data

Company Profile/Stock Information

CURVES HOLDINGS
統合報告書 2023
2022.9.1 ~ 2023.8.31

Curves

The power to amaze yourself.[®]
—— 明日の自分にきっと驚く



Curves Group Business Model

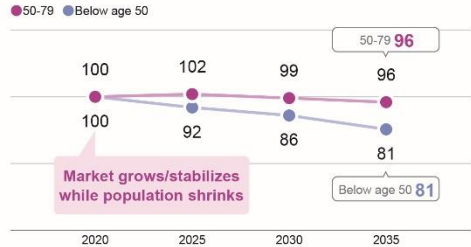
Social Challenges/Market Opportunities

Progress of Super Aging Society

Population Forecast of Ages 50 - 79 thousand people

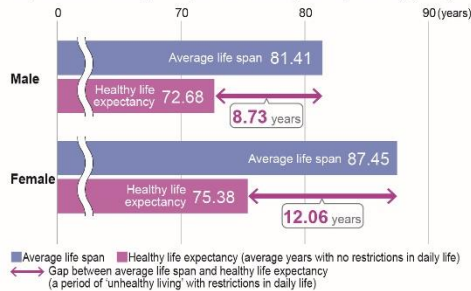
Ages	2020	2025	2030	2035	
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Population forecast based on 100 in 2020

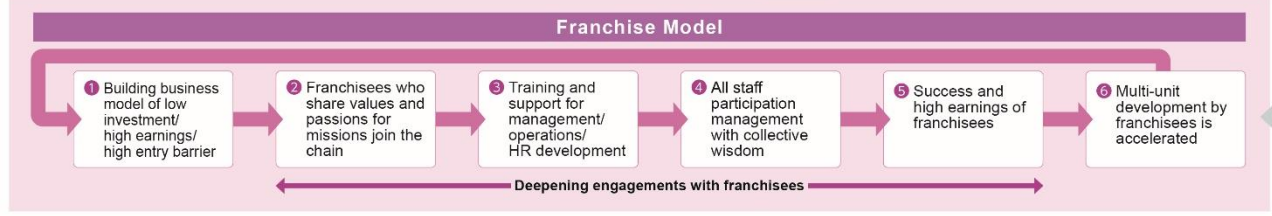
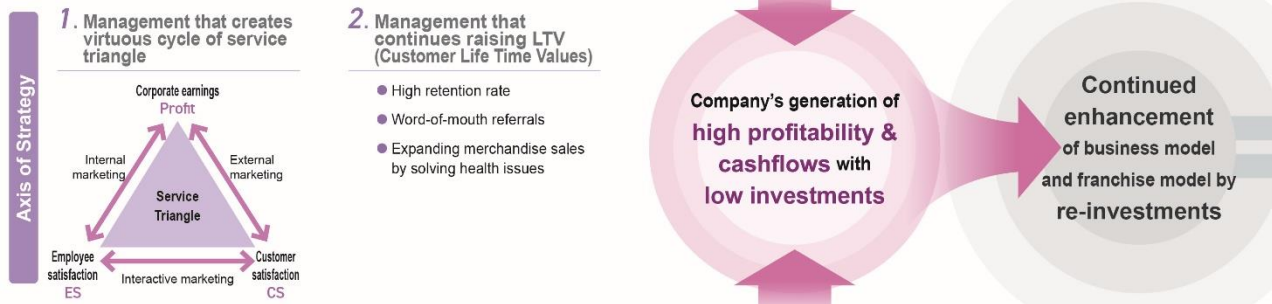
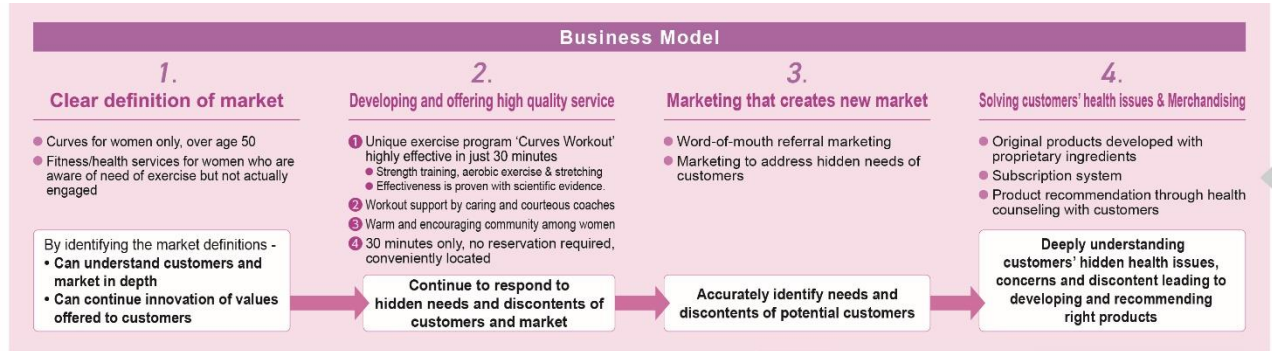


Challenge is how to prolong healthy life expectancy

Gap between average life span and healthy life expectancy (2019)



Source: Ministry of Welfare and Labor '2019 Data on Healthy Life Expectancy'
<https://www.mhlw.go.jp/content/10904750/000872952.pdf>
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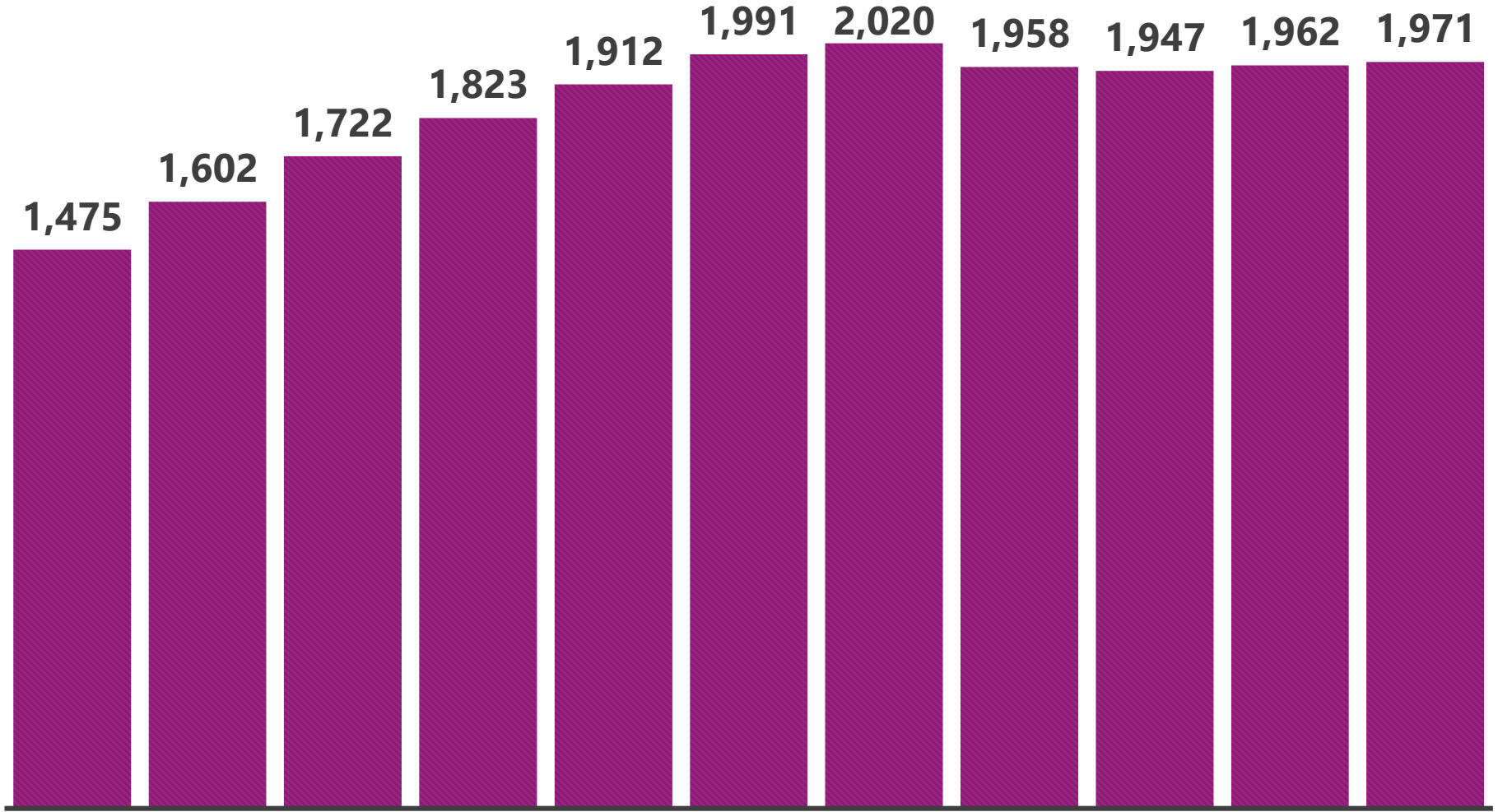
Appendix

| History of Curves Business

Trends in Club Count

40

(clubs)



14/08

15/08

16/08

17/08

18/08

19/08

20/08

21/08

22/08

23/08

24/2Q

14/08

15/08

16/08

17/08

18/08

19/08

20/08

21/08

22/08

23/08

24/2Q

1,475

1,602

1,722

1,823

1,912

1,991

2,020

1,958

1,947

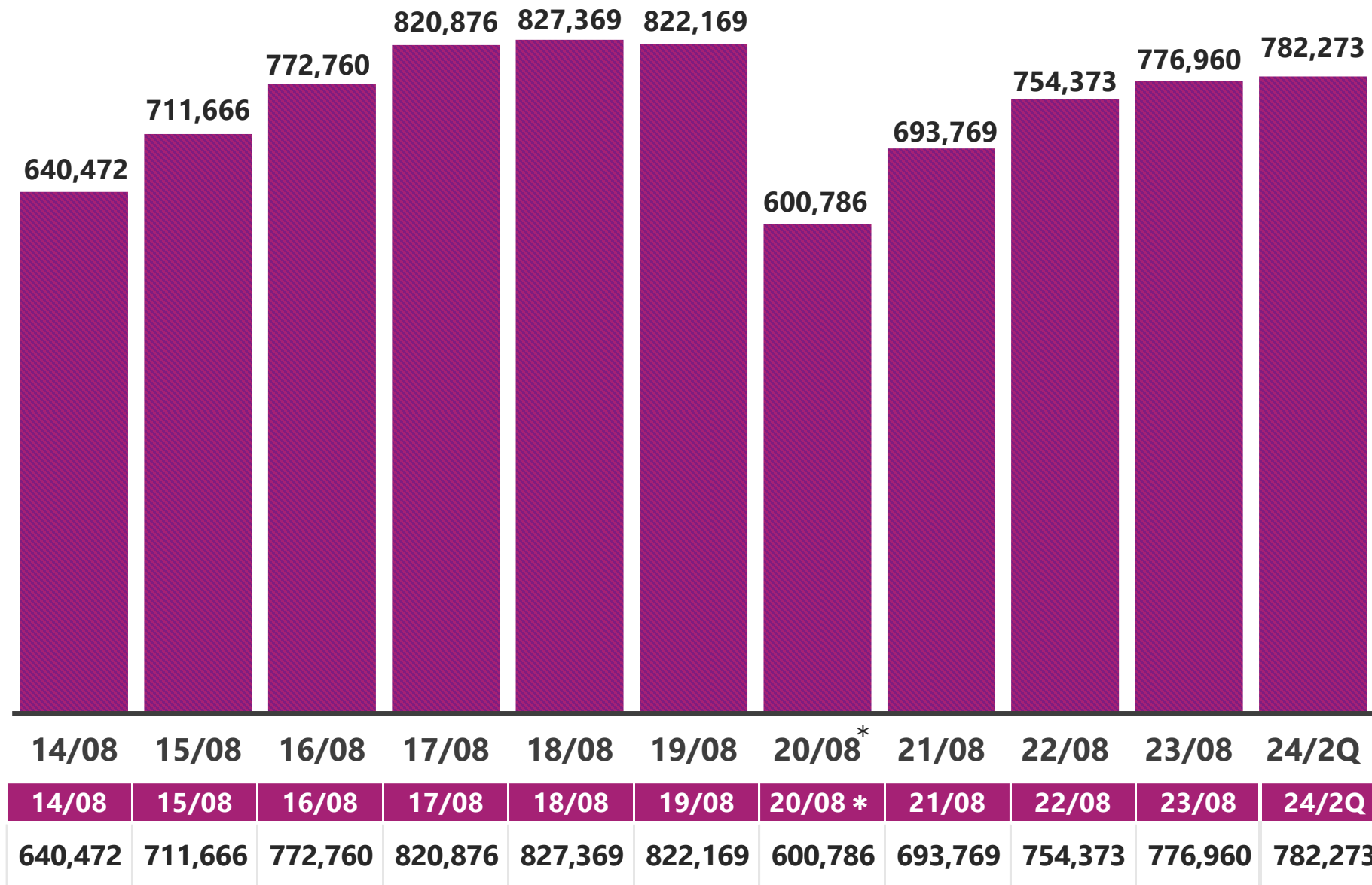
1,962

1,971

Trends in Membership

41

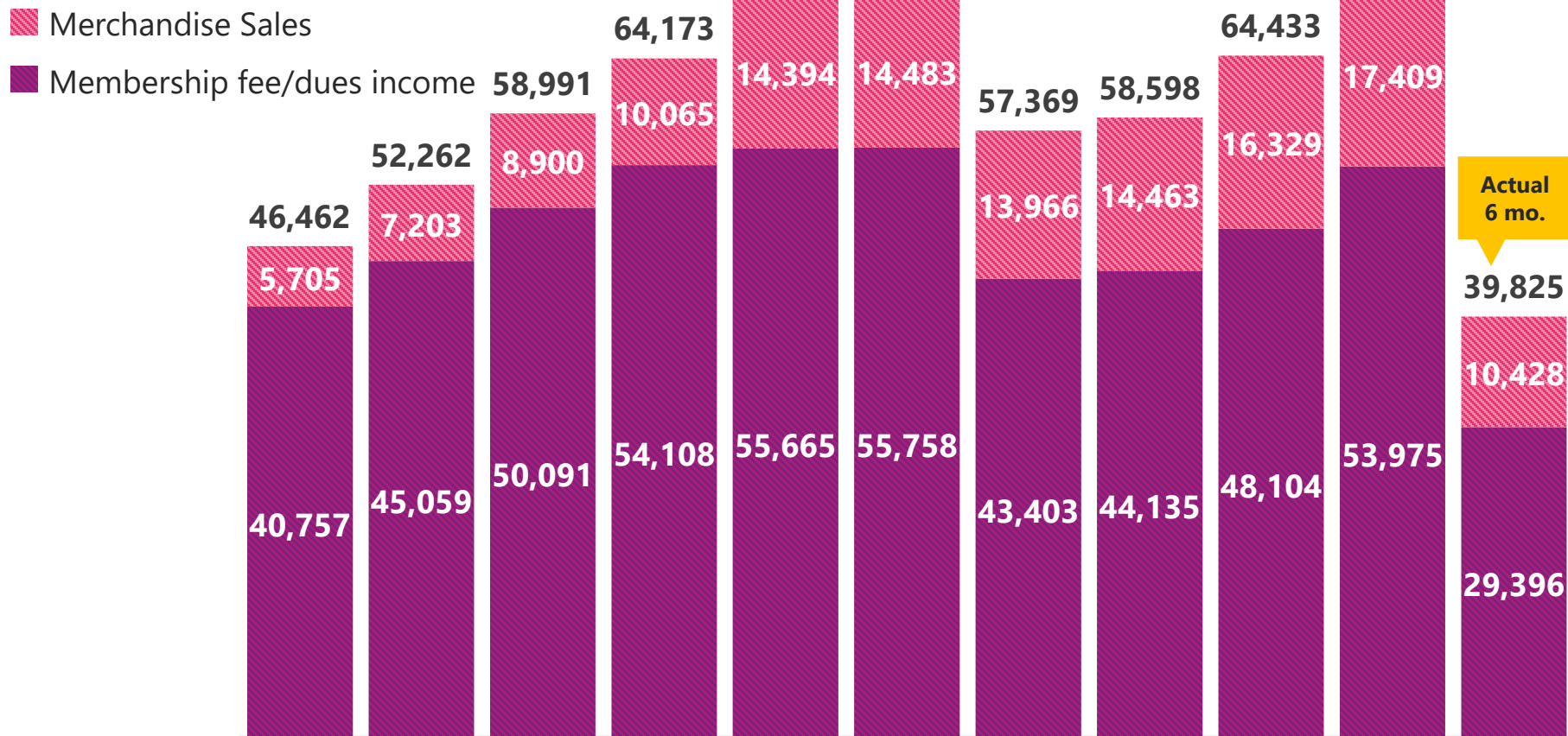
(members)



* FY 8/20 shows active members excluding absentees.

Trends in Chain-wide Sales

(million yen)



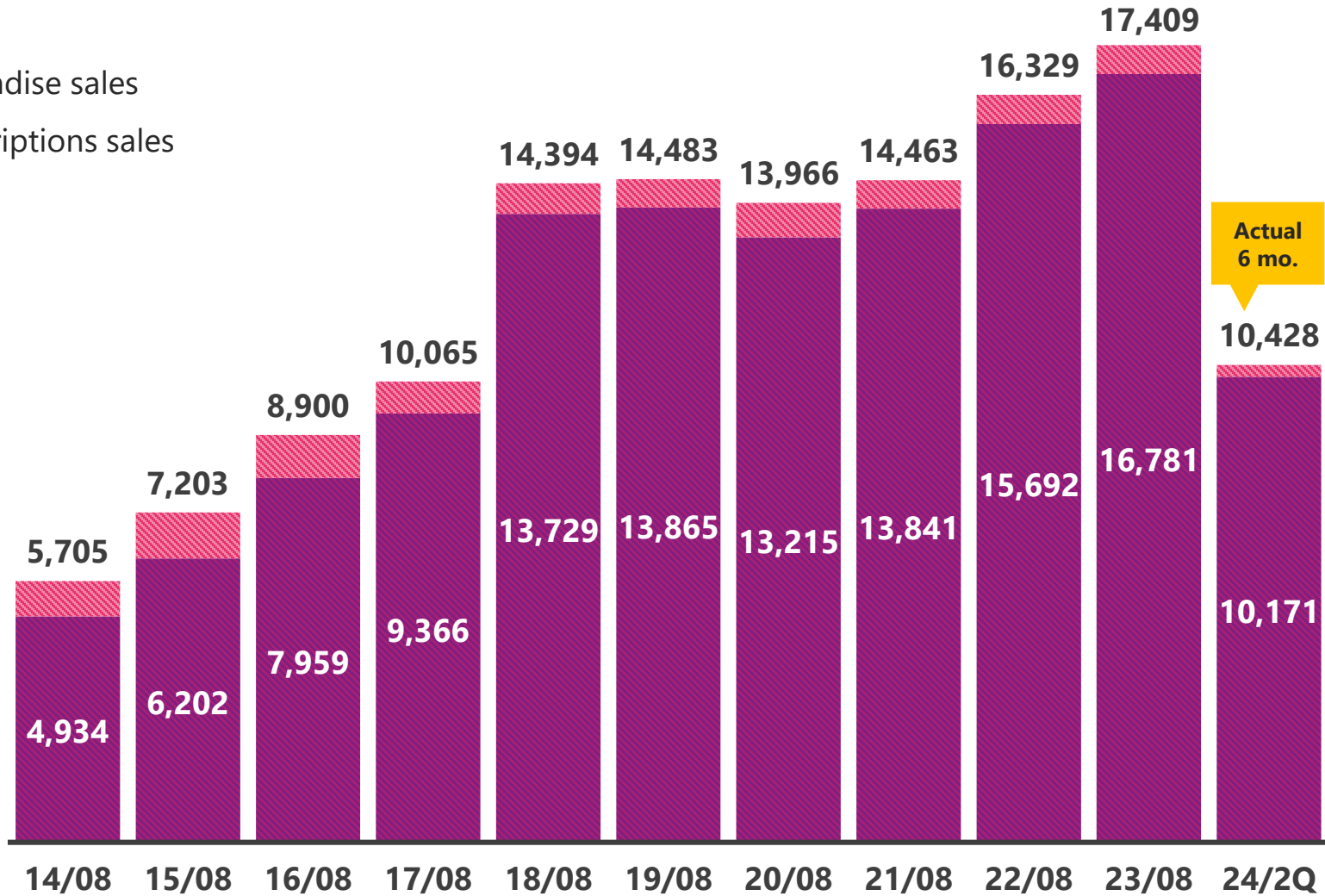
	14/08	15/08	16/08	17/08	18/08	19/08	20/08	21/08	22/08	23/08	24/2Q
Chain-wide Sales	46,462	52,262	58,991	64,173	70,059	70,241	57,369	58,598	64,433	71,385	39,825
Merchandise Sales	5,705	7,203	8,900	10,065	14,394	14,483	13,966	14,463	16,329	17,409	10,428
Membership fee/dues income	40,757	45,059	50,091	54,108	55,665	55,758	43,403	44,135	48,104	53,975	29,396

Trends in Merchandise Sales

43

(million yen)

- Other merchandise sales
- Product subscriptions sales

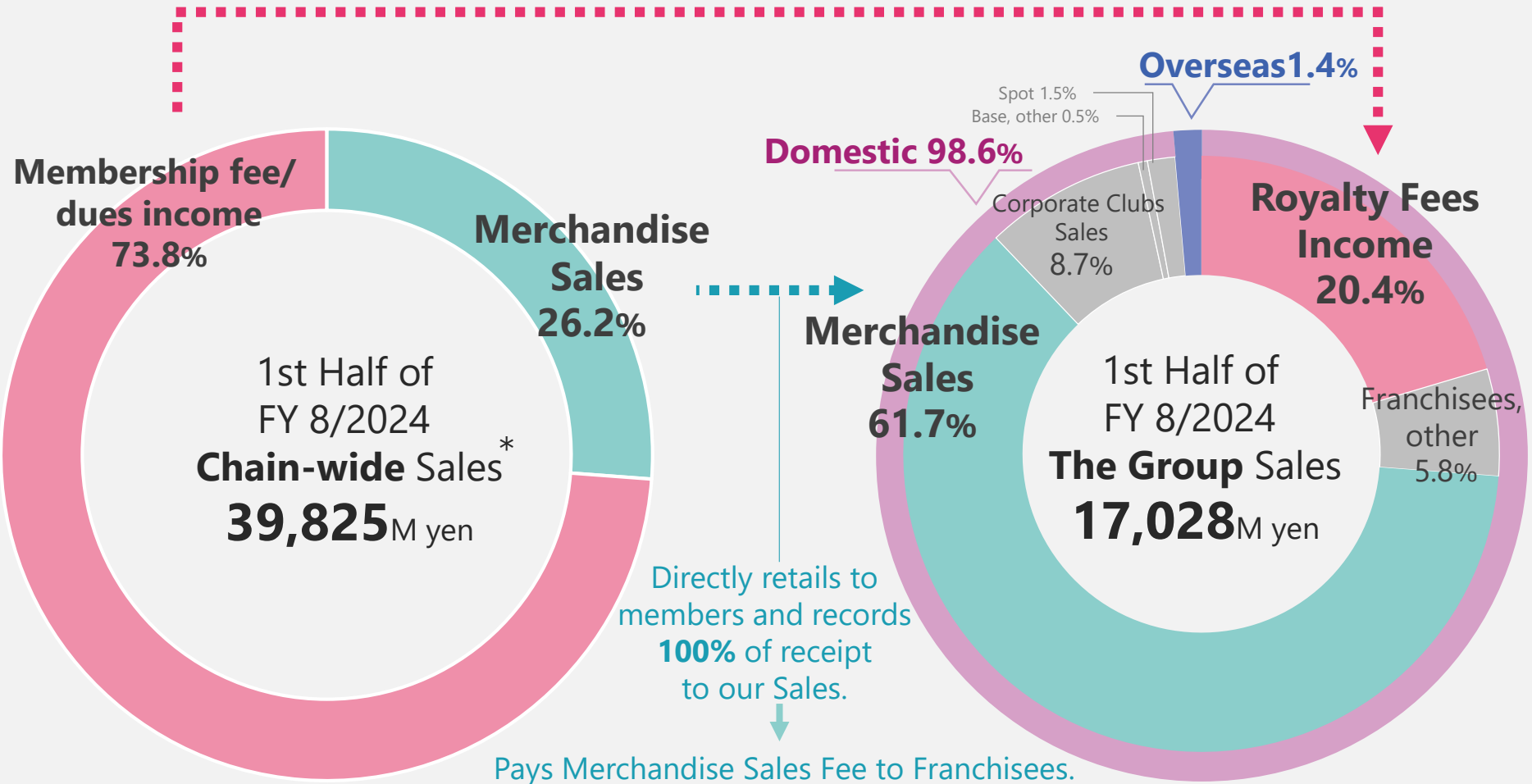


Actual 6 mo.

	14/08	15/08	16/08	17/08	18/08	19/08	20/08	21/08	22/08	23/08	24/2Q
Merchandise sales	5,705	7,203	8,900	10,065	14,394	14,483	13,966	14,463	16,329	17,409	10,428
Of which, sales of regular purchase-type products	4,934	6,202	7,959	9,366	13,729	13,865	13,215	13,841	15,692	16,781	10,171

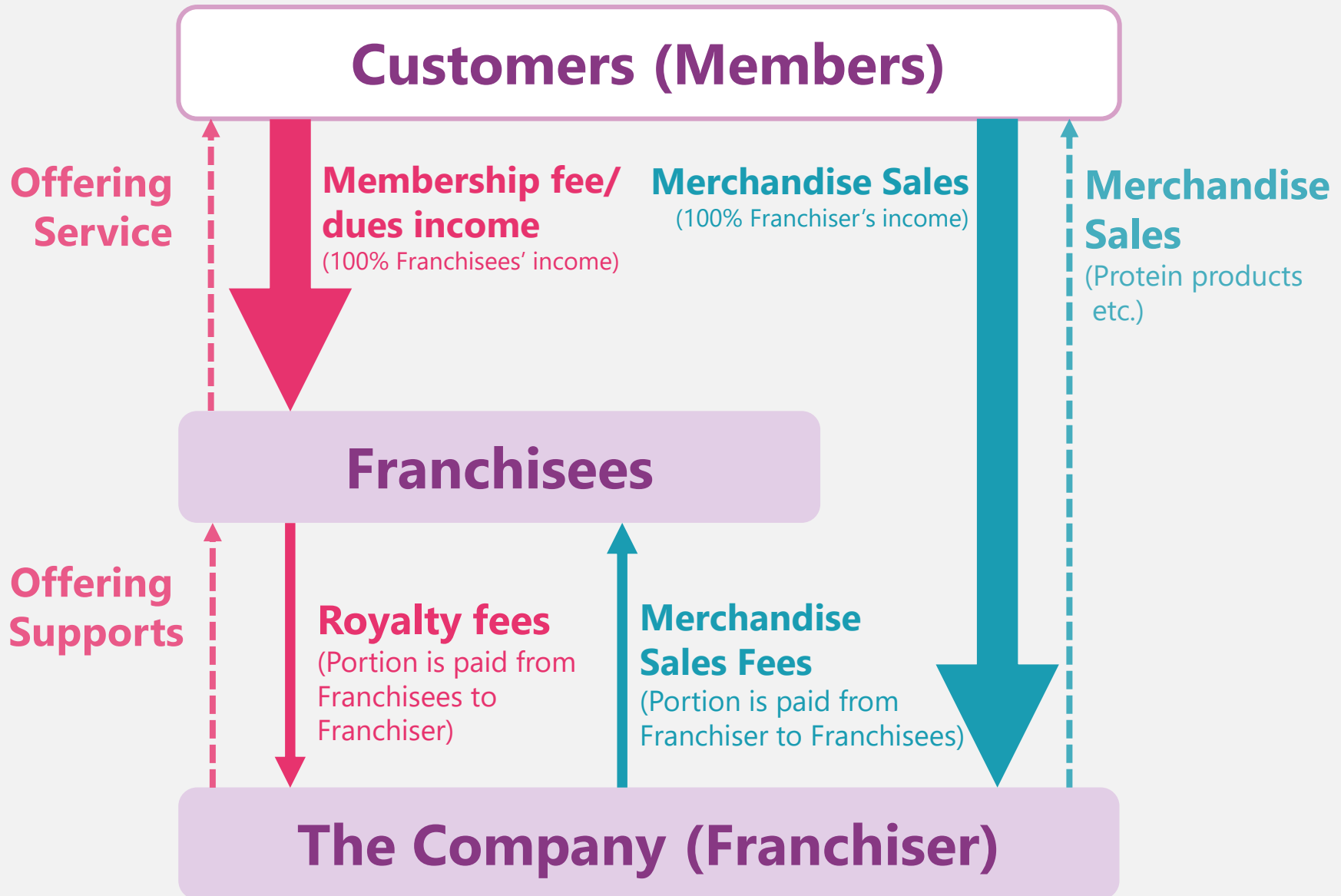
Difference in Sales Recording for Membership fee/ dues income and Merchandise sales ① 44

Receives **portion of** Membership fee/dues income from Franchisees as per Franchise Agreement.



* Chain-wide sales: Total sales of the chain including all franchisees from Membership fee/ dues income and merchandise sales income

Difference in Sales Recording for Membership fee/ dues income and Merchandise sales^②



Goodwill and Trademark Rights posted in US dollars at the time of a US entity acquisition^①

46

Impacts of currency fluctuations to the Financials for FY 8/2024

BS Intangible assets (goodwill/trademark rights)
From End Previous FY
-1.19 B yen (End of 1st Half : 20.47 B yen)

Net assets (Foreign currency translation adjustment)
From End Previous FY
+510 M yen (End of 1st Half : 4.96 B yen)

PL Amortization of Goodwill/trademark rights
Year on year
+30 M yen (1st Half 730 M yen)

Goodwill and Trademark Rights posted in US dollars at the time of a US entity acquisition^②

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 (8/2023)

Goodwill/trademark rights	US\$	Converted to Yen (144.99 yen/\$)
Balance	149.4 Million	21.6 B yen
Amortization	US\$	Converted to Yen (137.98 yen/\$ ※139.22yen/\$ at end 1st Half)
Annual total	10 Million	1.4 B yen
1st Half	5 Million	700 M yen

Current FY (1st Half FY 8/2024)

Goodwill/trademark rights	US\$	Converted to Yen (141.83 yen/\$) (3.16 yen appreciation YoY)
Balance	144.3 Million	20.4 B yen (-1.19 B yen From End Previous FY)
Amortization	US\$	Converted to Yen (145.74 yen/\$) (6.52 yen depreciation YoY)
1st Half	5 Million	730 M yen (+30 M yen YoY)

| 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>

Strength of "Curves, 30-minute Fitness for Women"⁵⁰

1. Curves for Women from Age 50

Exclusively for women, Curves is supported by women in the range of age 50 or older who begin to concern over changes in health or are either not good at or not experienced in exercise.

2. 'Curves Workout', Unique Exercise Program Highly Effective with Only 30 Minutes

Curves workout is a circuit training that combines 'strength training', 'aerobic exercise', and 'stretching'. This unique program that allows women to get all the exercise they need in 30 minutes has been scientifically proven to be effective through joint research with various research institutions.



Curves Circuit Training

Strength Training

Strengthen muscle, joints and bones

12 machines exercise muscles of the whole body
Increasing muscle improves metabolism and creates a body that burns fat

Aerobic Exercise

Improve cardio functions and burn fat

Stepping lightly on a board
Rotating with strength training raises fat burning in the body.

Stretching

Improve flexibility of muscles and joints

12 stretching modes effectively stretch muscles
Stretching after strength training amplifies the effects of the exercise.

Combining 3 exercises at one time are more effective more efficiently in shorter time than doing each separately.

3. Easy to start and continue

- No reservation required, 30 minutes only
- Easy to visit as conveniently located locally
- Supports by caring Curves coaches (instructors)
- Fun community among women

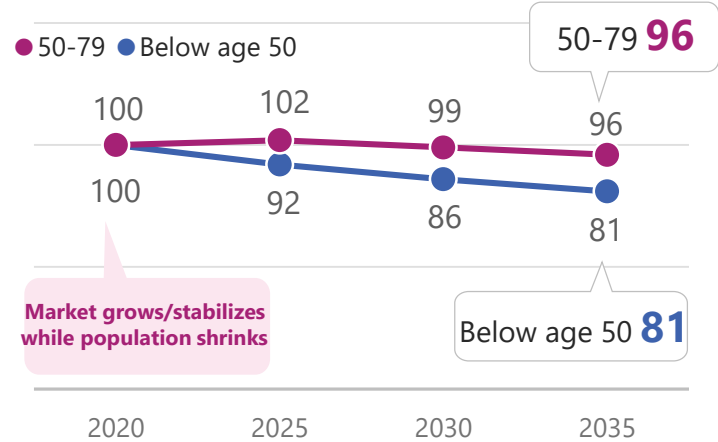
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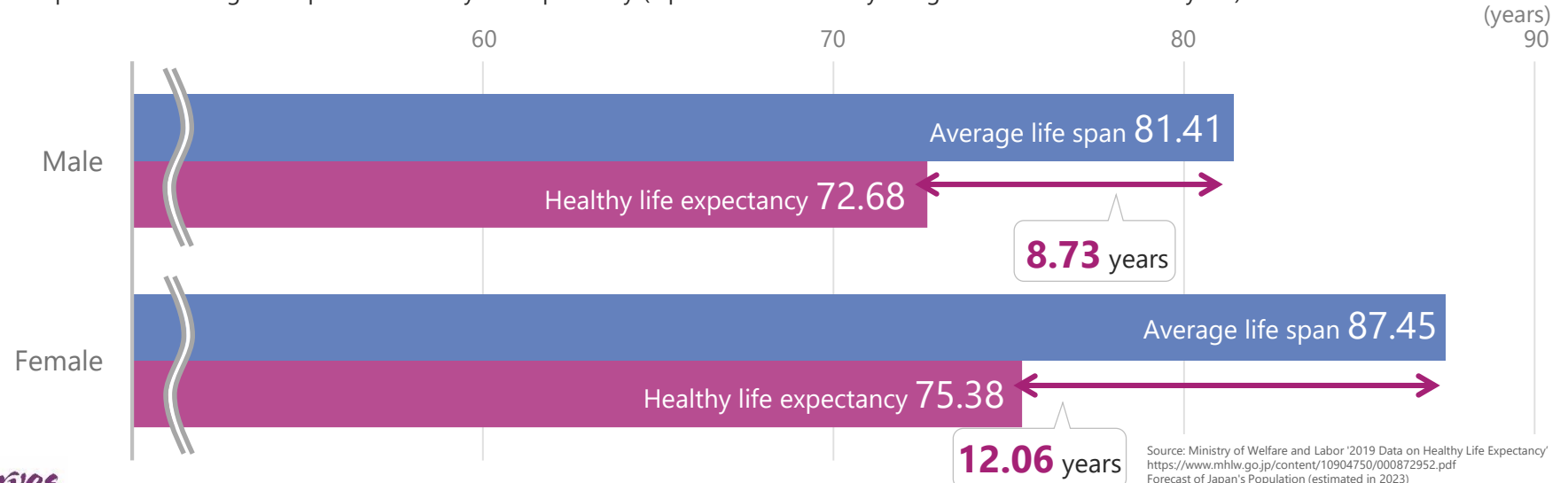
Population forecast based on 100 in 2020



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Gap between average life span and healthy life expectancy (2019)

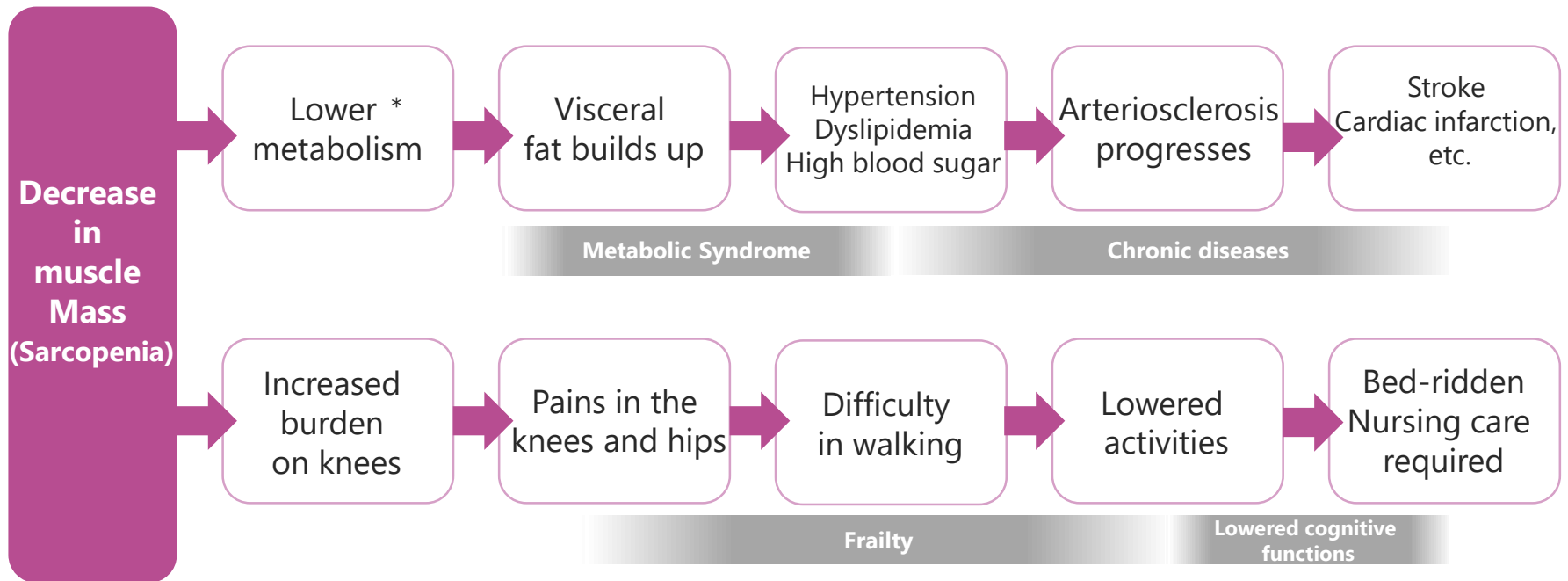
- Average life span ■ Healthy life expectancy (average years with no restrictions in daily life)
- ↔ Gap between average life span and healthy life expectancy (a period of 'unhealthy living' with restrictions in daily life)



Source: Ministry of Welfare and Labor '2019 Data on Healthy Life Expectancy' <https://www.mhlw.go.jp/content/10904750/000872952.pdf>
 Forecast of Japan's Population (estimated in 2023) https://www.ipss.go.jp/pp-zenkoku/f/zenkoku2023/pp_zenkoku2023.asp

Women's health issues caused by muscle loss⁵²

Curves' customer base is mainly women over the age 50. Women are said to lose 1% of their muscle mass every year after 30, and its effects start to appear from around the late 40s. When you lose muscle, your metabolism lowers, making the body fat easily build up and harder to lose weight. The accumulation of visceral fat around the abdomen worsens health markers such as blood pressure and blood sugar levels, leading to develop chronic illness. Muscle loss can also lead to pain in joints around the knees and hips. If left untreated, these conditions can increase the risk of life-threatening illnesses such as stroke and cardiac infarction, leading to being bedridden and nursing care.



* Basal metabolism is the minimum amount of energy required to maintain life activities. Basal metabolic rate is proportional to muscle mass. The more muscle you have, the higher your basal metabolism and the more energy you burn, making it harder for you to gain fat.

Curves Group Business Model

Business Model

1. Clear definition of market

- Curves for women only, over age 50
- Fitness/health services for women who are aware of need of exercise but not actually engaged

By identifying the market definitions -

- Can understand customers and market in depth
- Can continue innovation of values offered to customers

2. Developing and offering high quality service

- 1 Unique exercise program 'Curves Workout' highly effective in just 30 minutes
 - Strength training, aerobic exercise & stretching
 - Effectiveness is proven with scientific evidence.
- 2 Workout support by caring and courteous coaches
- 3 Warm and encouraging community among women
- 4 30 minutes only, no reservation required, conveniently located

Continue to respond to hidden needs and discontents of customers and market

3. Marketing that creates new market

- Word-of-mouth referral marketing
- Marketing to address hidden needs of customers

Accurately identify needs and discontents of potential customers

4. Solving customers' health issues & Merchandising

- Original products developed with proprietary ingredients
- Subscription system
- Product recommendation through health counseling with customers

Deeply understanding customers' hidden health issues, concerns and discontent leading to developing and recommending right products

1. Management that creates virtuous cycle of service triangle



2. Management that continues raising LTV (Customer Life Time Values)

- High retention rate
- Word-of-mouth referrals
- Expanding merchandise sales by solving health issues

Company's generation of high profitability & cashflows with low investments

Continued enhancement of business model and franchise model by re-investments

Franchise Model

1 Building business model of low investment/ high earnings/ high entry barrier

2 Franchisees who share values and passions for missions join the chain

3 Training and support for management/ operations/ HR development

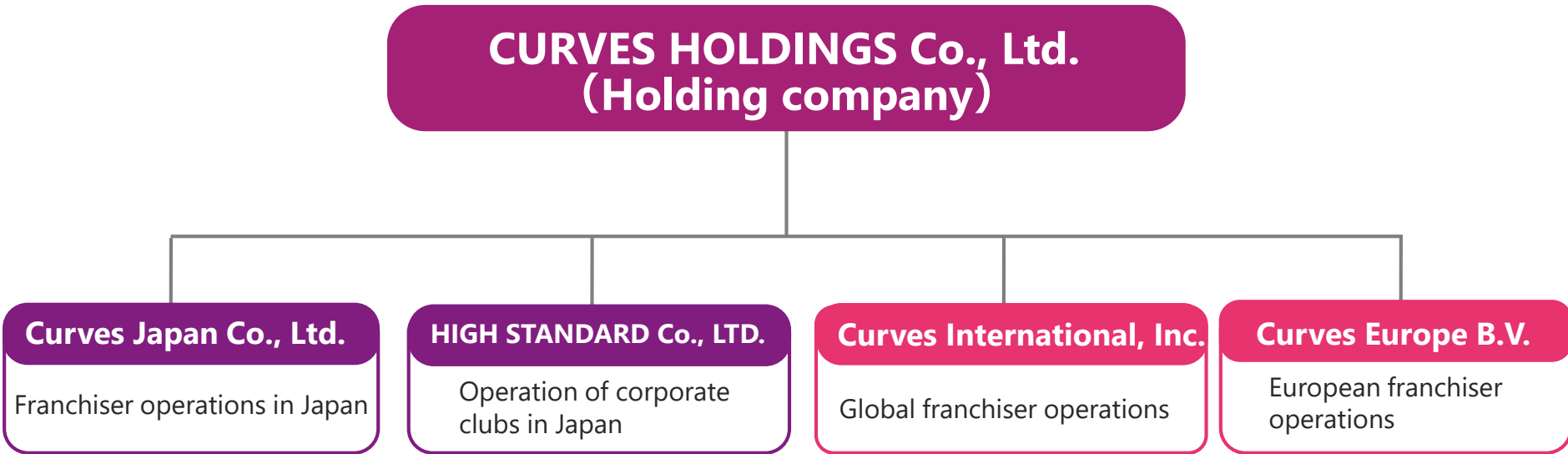
4 All staff participation management with collective wisdom

5 Success and high earnings of franchisees

6 Multi-unit development by franchisees is accelerated

Deepening engagements with franchisees

Group Companies



Business Profile

- Operations of “Curves, 30-minute Fitness for Women”
- 1,971 clubs in Japan (77 corporate owned, 1,894 Franchisees)
(as of the end February 2024)

Basic Data

- Corporate Address: 11F, Shibaura Renasite Tower, 3-9-1
Shibaura, Minato-ku, Tokyo
- Founded(1) : Feb 2005
- Sales (2) : 30.0 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, 2023.

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 :

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e-Mail : curves-ir@curves.co.jp

URL : <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 2nd Quarter of the fiscal year ending August 31, 2024. This is not a solicitation to purchase securities issued by CURVES HOLDINGS Co., Ltd.

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