



# Fiscal Year Ended March 2025 Financial Results Briefing

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May 15, 2025

RIZAP Group, Inc.

(Ambitious Market, Sapporo Securities Exchange; Securities Code: 2928)

English translation from the original Japanese-language document



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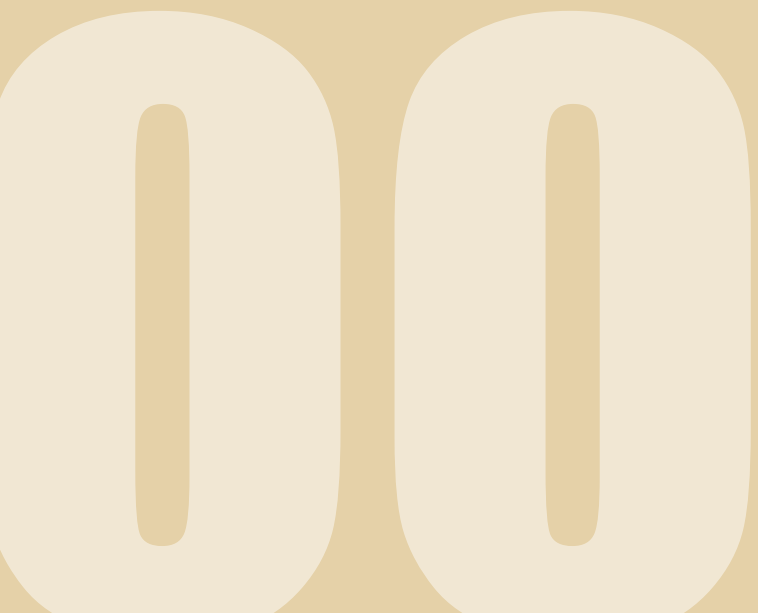
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**Highlight**





## First full-year consolidated operating profit and net profit in three fiscal years: Entering a new stage for sustainable chocoZAP growth

### (1) Achieved full-year consolidated operating profit and net profit for the first time in three fiscal years

- Full-year consolidated operating profit of 1.8 billion yen (Yoy increase of 2.5 billion yen)
- Continued to make investments for the sustainable operation of chocoZAP gyms while achieving full-year operating profit and net profit for the first time in three fiscal years (a first since the full-scale rollout of chocoZAP)
- Recorded consolidated operating profit for three consecutive quarters
- Will aim for further improvements in profitability focusing on chocoZAP in plans for the current year
- Continually improved EBITDA and free cash flow for three years, and will pursue further improvements in the current fiscal year

### (2) Established the foundations for the sustainable chocoZAP growth

- 1.35 million members (as of May 15, 2025; up 150,000 from the previous fiscal year); Number of gyms: 1,799 (as of May 15, 2025; up 409 from the previous fiscal year)
- Focus on responding to and addressing the issues that have emerged several years after opening gyms
- Start nationwide assignment of "chocotto maintenance" personnel specializing in improving gym quality
- Establish an unstaffed operating ecosystem as a sustainable operating model

### (3) chocoZAP future growth strategy

- Start of chocoZAP franchise deployment
- Acceleration of joint gym openings and collaborative models, including the opening of gyms inside companies, and coordination with local governments
- Expand rollout to overseas markets in light of strong results in Hong Kong
- Promote the development of new businesses utilizing assets, including advertising operations that make use of chocoZAP gyms



# **Consolidated Financial Results for the Fiscal Year Ended March 31, 2025**





## Summary of Business Performance (IFRS)

**First full-year consolidated operating profit and net profit in three fiscal years**  
**Operating profit +2.5 billion yen, net profit +4.5 billion yen year-on-year**

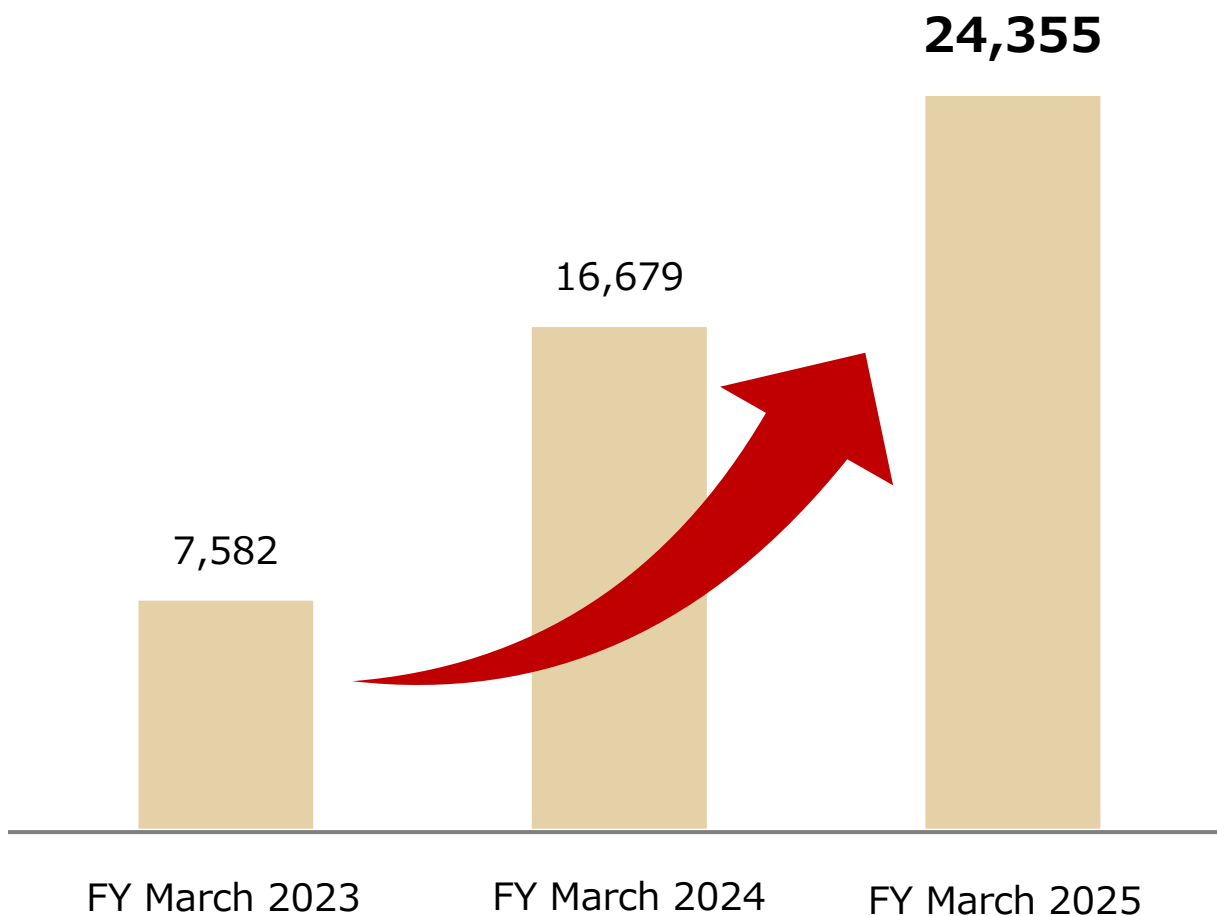
[million yen]	FY 3/24	FY 3/25	YoY change	YoY(%)
<b>Revenue</b>	<b>162,604</b>	<b>171,090</b>	<b>+8,486</b>	<b>105.2%</b>
RIZAP-related business	41,270	49,728	+ 8,457	120.5%
other businesses	125,652	127,549	+1,896	101.5%
Adjustment (such as internal transactions)	-4,318	-6,186	-1,868	-
<b>Operating profit</b>	<b>-648</b>	<b>1,882</b>	<b>+2,531</b>	<b>-</b>
RIZAP-related business	-4,071	665	+4,736	-
other businesses	1,100	1,658	+557	150.6%
Adjustment (such as internal transactions)	2,321	-441	-2,763	-
<b>EBITDA</b>	<b>16,679</b>	<b>24,355</b>	<b>+7,675</b>	<b>146.0%</b>
<b>Net profit</b>	<b>-4,300</b>	<b>264</b>	<b>+4,564</b>	<b>-</b>

\* EBITDA is the sum of operating profit and "depreciation and amortization" disclosed in the consolidated statement of cash flows. "Net profit" is profit attributable to owners of the parent



## Change in Financial Indicators Over the Past Three Years (Profitability)

Change in EBITDA (million yen)

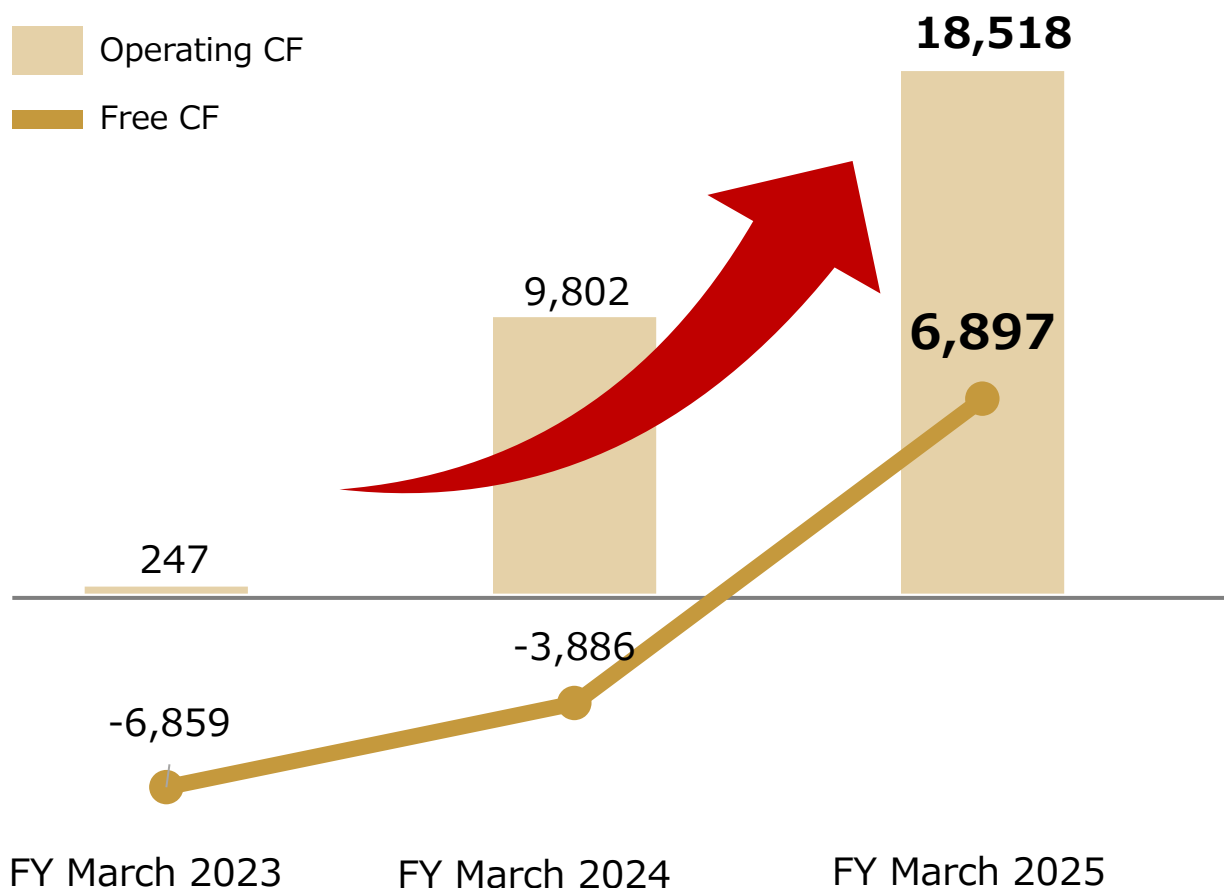


**chocoZAP's full-scale rollout has driven continuous expansion and improved profitability**



## Change in Financial Indicators Over the Past Three Years (Ability to Generate Cash Flow)

Change in Operating CF and Free CF (million yen)



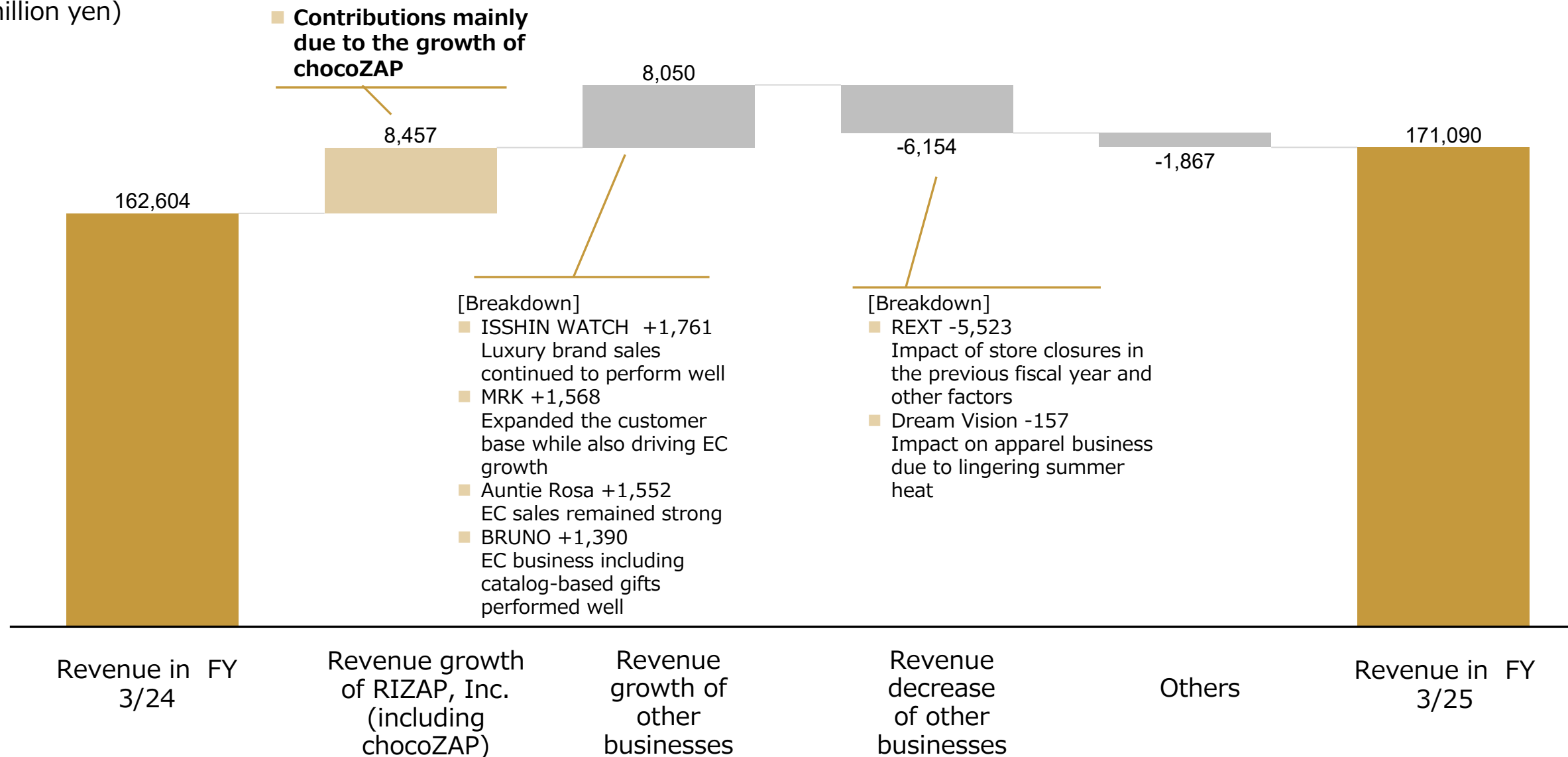
**chocoZAP's full-scale launch  
has been a major driver of  
improved cash flow**

In Q4 FY2025, the RIZAP-related business  
generated a positive free cash flow  
(a non-consolidated basis)



## Year-on-year Comparison of Consolidated Revenue

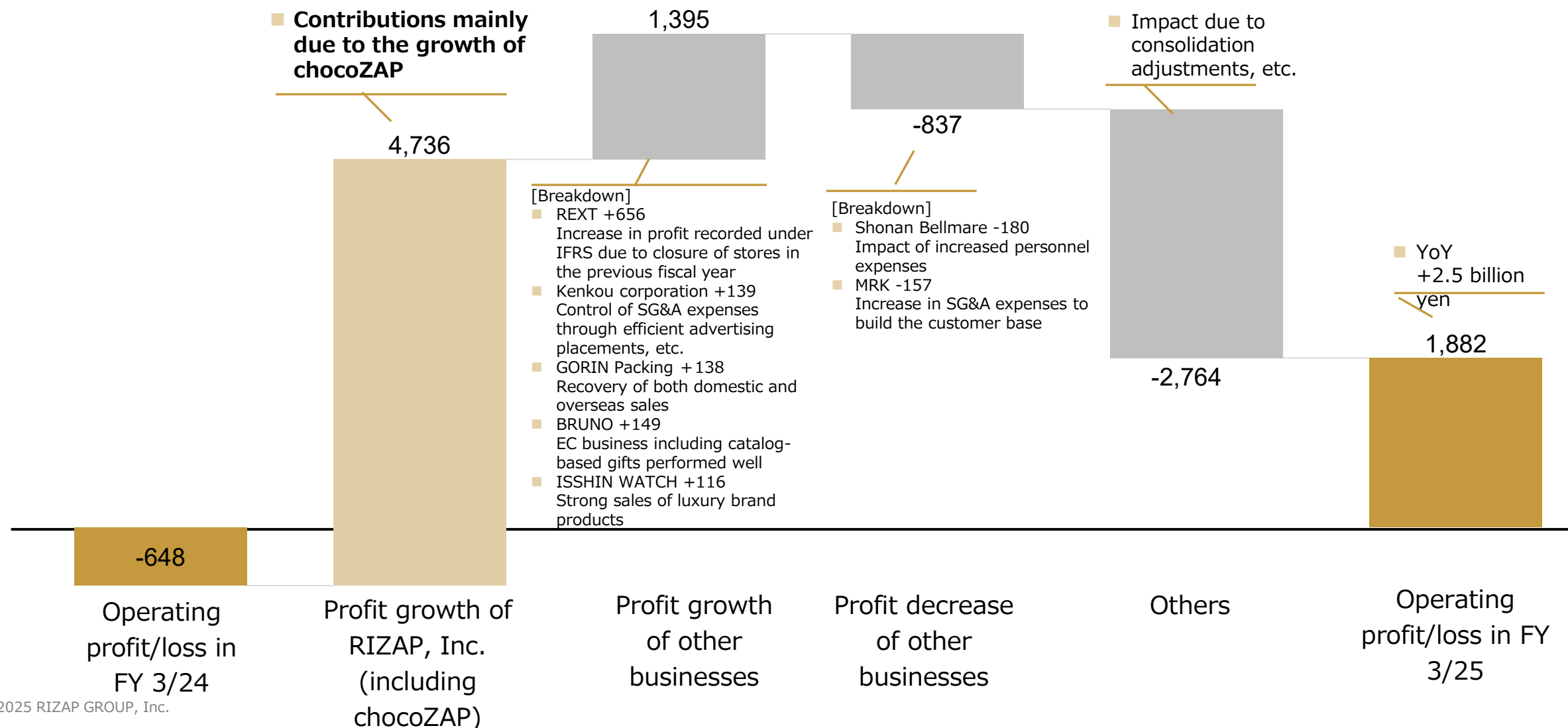
(million yen)










## Year-on-year Comparison of Consolidated Revenue Operating Profit/Loss

(million yen)





## Results of Major Group Companies in Q3 (cumulative) of FY 3/25

(million yen)		FY 3/24	FY 3/25	YoY change	Overview
	Net sales	49,704	44,191	88.9%	<ul style="list-style-type: none"> <li>Steady earnings thanks to improvements to existing stores and a switch to highly profitable business formats and products</li> <li>Store closures in the previous fiscal year resulted in a loss under J-GAAP, but IFRS profit increased</li> </ul>
	Operating profit	535	452	-83	
	Net sales	19,584	21,152	108.0%	<ul style="list-style-type: none"> <li>Strong performance in women's intimate businesses thanks to new color options for control undergarments, new products and EC sales</li> <li>Maternity/baby businesses sales increased overall targeting-driven product</li> <li>Operating profit declined due to strategic investments and other factors</li> </ul>
	Operating profit	552	395	-157	
	Net sales <sup>*1</sup>	9,924	11,314	114.0%	<ul style="list-style-type: none"> <li>BRUNO catalog gifts, seasonal home appliances and EC sales were favorable</li> <li>MILESTO also produced strong results by capturing travel demand, contributing to a company-wide increase in sales and profit</li> </ul>
	Operating profit	250	399	+149	
	Net sales <sup>*2</sup>	4,656	4,499	96.6%	<ul style="list-style-type: none"> <li>Apparel business impacted by the lingering summer heat; the jewelry business disrupted by domain theft</li> <li>Toy business performed well; both sales and profit declined despite ongoing company-wide reforms</li> </ul>
	Operating profit	-278	-277	+1	
	Net sales	3,735	4,201	112.5%	<ul style="list-style-type: none"> <li>Strong performance at Pilates studios with machines exclusively for women</li> <li>Expanded nursery schools and Type B support for continuous employment.</li> <li>Profit declined due to the new locations opening costs</li> </ul>
	Operating profit	122	98	-24	

\*1 For BRUNO, where the fiscal year ends in June, figures for the Q3 of the fiscal year ending June 30, 2025 (9 months) are listed

\*2 Figures for Dream Vision are based on International Financial Reporting Standards (IFRS), while figures for the other five companies are based on Japanese GAAP.

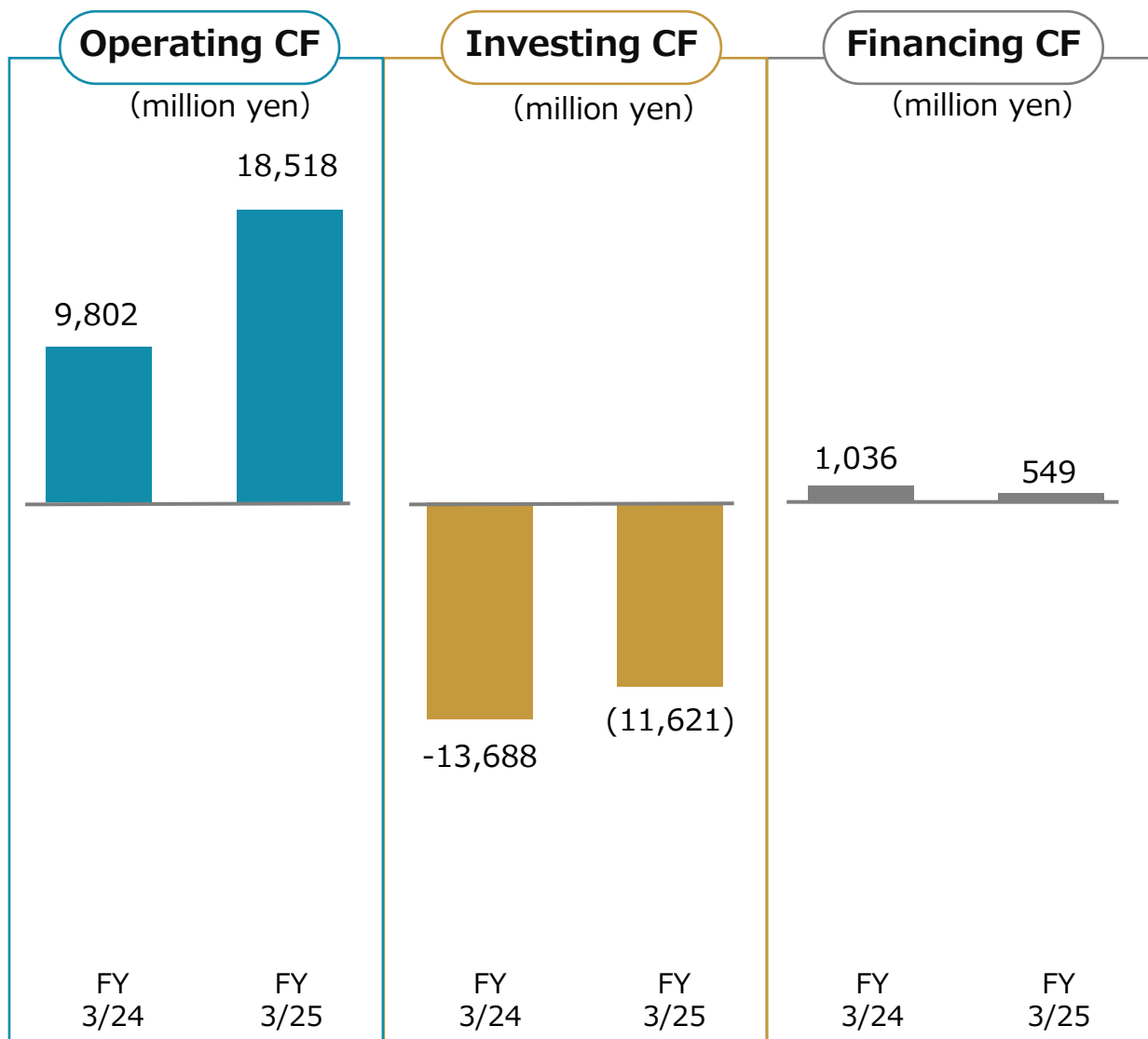


## Summary of the Consolidated Statement of Financial Position (IFRS)

(million yen)	FY 3/24	FY 3/25	Change	Notes	
Current assets	64,047	72,092	+ 8,044	Cash and cash equivalents	+ 6,958
Non-current assets	93,103	97,434	+4,330	Deferred tax assets	+4,290
				Property, plant and equipment	+1,810
				Right-of-use assets	-2,259
<b>Total assets</b>	<b>157,151</b>	<b>169,526</b>	<b>+ 12,374</b>		
Current liabilities	79,952	66,484	-13,467	Interest-bearing liabilities	-11,310
				Operating and other receivables	-5,016
Non-current liabilities	47,890	40,618	-7,271	Interest-bearing liabilities	-7,139
<b>Total liabilities</b>	<b>127,843</b>	<b>107,103</b>	<b>-20,739</b>		
<b>Total equity</b>	<b>29,308</b>	<b>62,422</b>	<b>+ 33,114</b>		
<b>Total equity and liabilities</b>	<b>157,151</b>	<b>169,526</b>	<b>+ 12,374</b>		



## Cash Flows Overview



## Operating cash flow: 18,518 million yen (+8,715 from the previous term)

· Depreciation and amortization	+ 22,473 (+ 5,144)
· Increase(decrease) in trade and other payables	-2,985(-4,533)

## Investing cash flow: -11,621 million yen (+2,066 from the previous term)

· Purchase of property, plant and equipment	-9,677(+ 4,468)
---------------------------------------------	-----------------

## Financing cash flow: 549 million yen (-487 from previous term)

· Capital contribution from non-controlling interests	+ 20,444(+ 20,401)
· Proceeds from issuance of stock	+ 12,117(+ 12,117)
· Proceeds from long-term borrowings	+ 8,080(-6,621)
· Repayments of lease liabilities	-16,116(-2,134)
· Net increase(decrease) in short-term borrowings	-14,321(-10,369)
· Repayments of long-term borrowings	-9,540(-3,890)



# **Consolidated Forecasts for the Fiscal Year Ending March 31, 2026**

02



**Full-year operating profit forecast of 11.0 billion yen (+9.2 billion yen from FY March 2025)**

**We project a significant year-on-year operating profit growth  
driven by improved chocoZAP profitability**

( 100 million yen )

FY 3/25	
Revenue	1,710
Operating profit	18
Net profit	2



( 100 million yen )

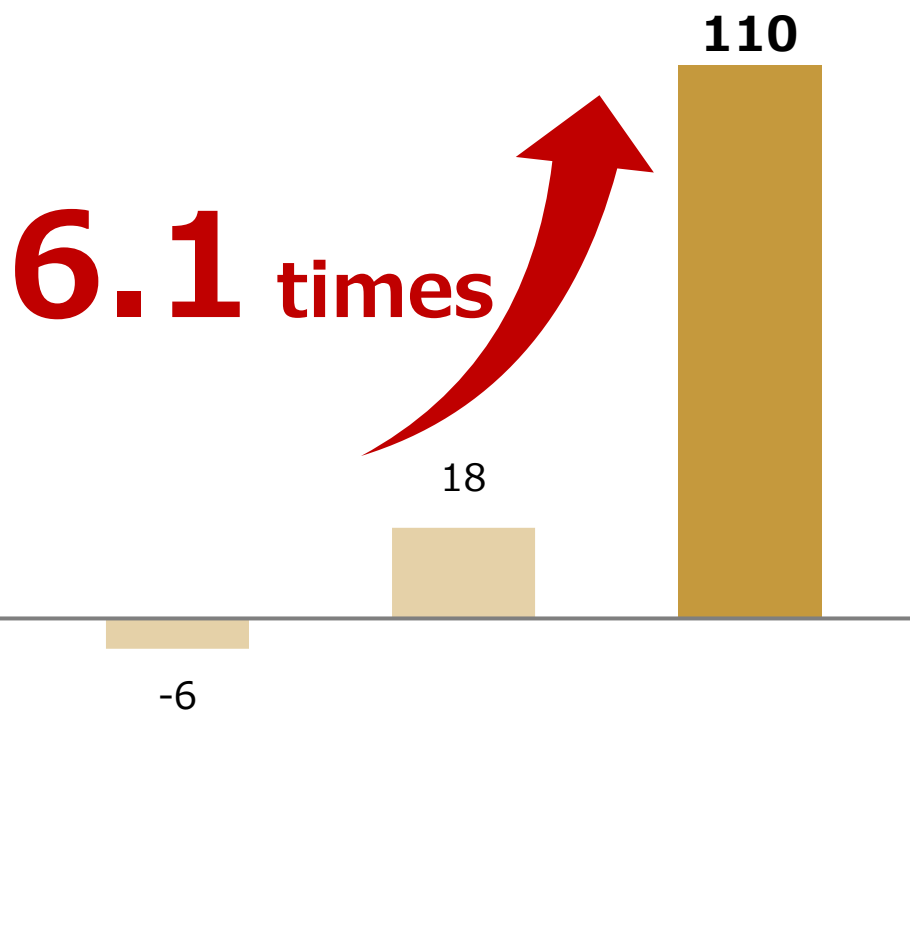
FY 3/26	change
1,720	+10
110	+92
20	+18

\* "Net profit" is profit attributable to owners of the parent



## Consolidated Forecast for FY March 2026: 4-Year Change (Operating Profit)

Changes in operating profit (100 million yen)



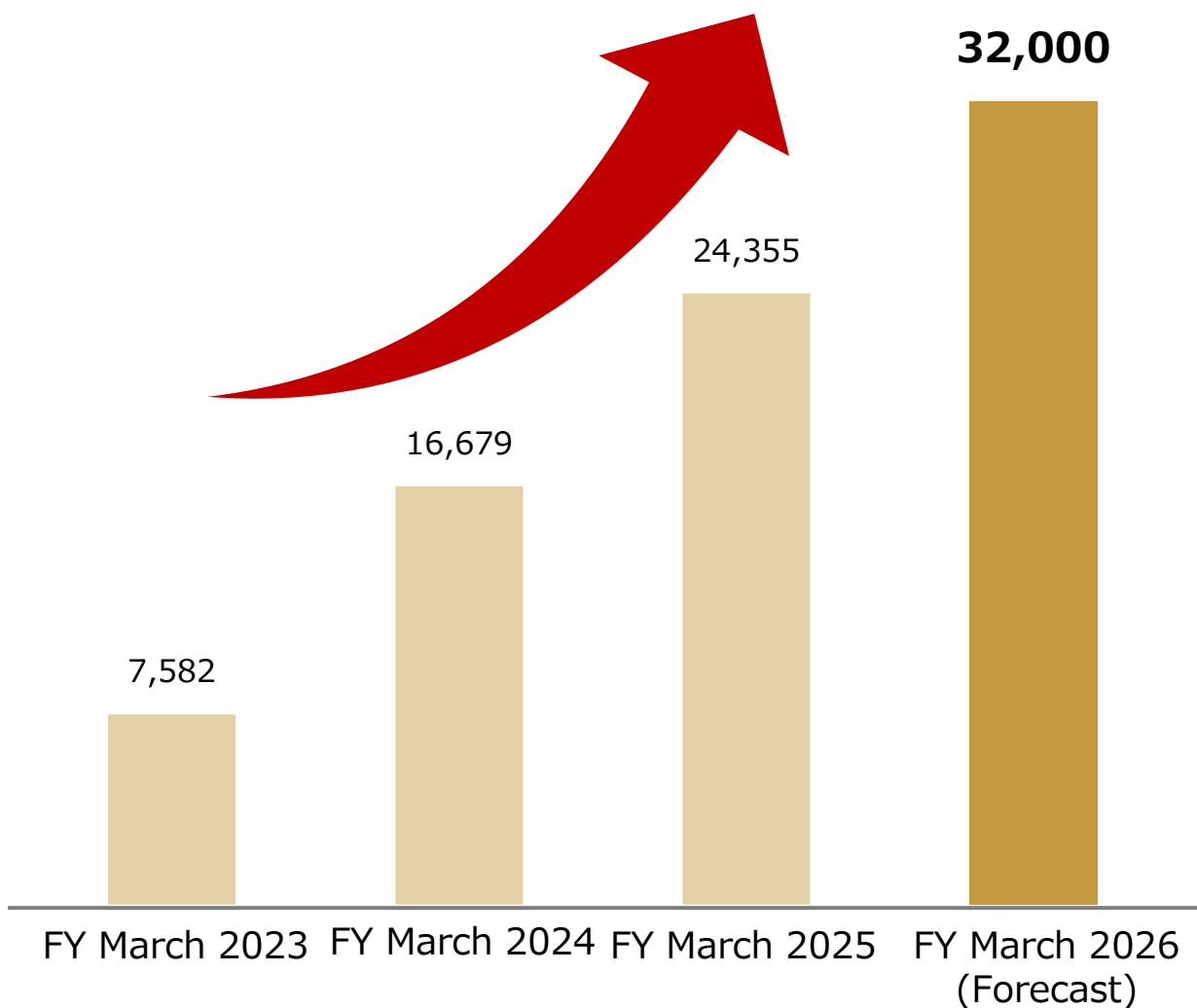
FY March 2023 FY March 2024 FY March 2025 FY March 2026  
(Forecast)

In addition to the growth achieved, growth for the fiscal year will be driven by chocoZAP's profitability improvement



## Consolidated Forecast for FY March 2026: 4-Year Change (EBITDA)

Change in EBITDA (million yen)



chocoZAP's full-scale rollout has driven continuous expansion and improved profitability



**Targeting 9.2 billion yen profit growth year on year,  
through establishing a chocoZAP's sustainable operating structure  
and engaging in new Group-wide market expansion**



By optimizing the operation of chocoZAP gyms, we will balance higher quality with an improved break-even point

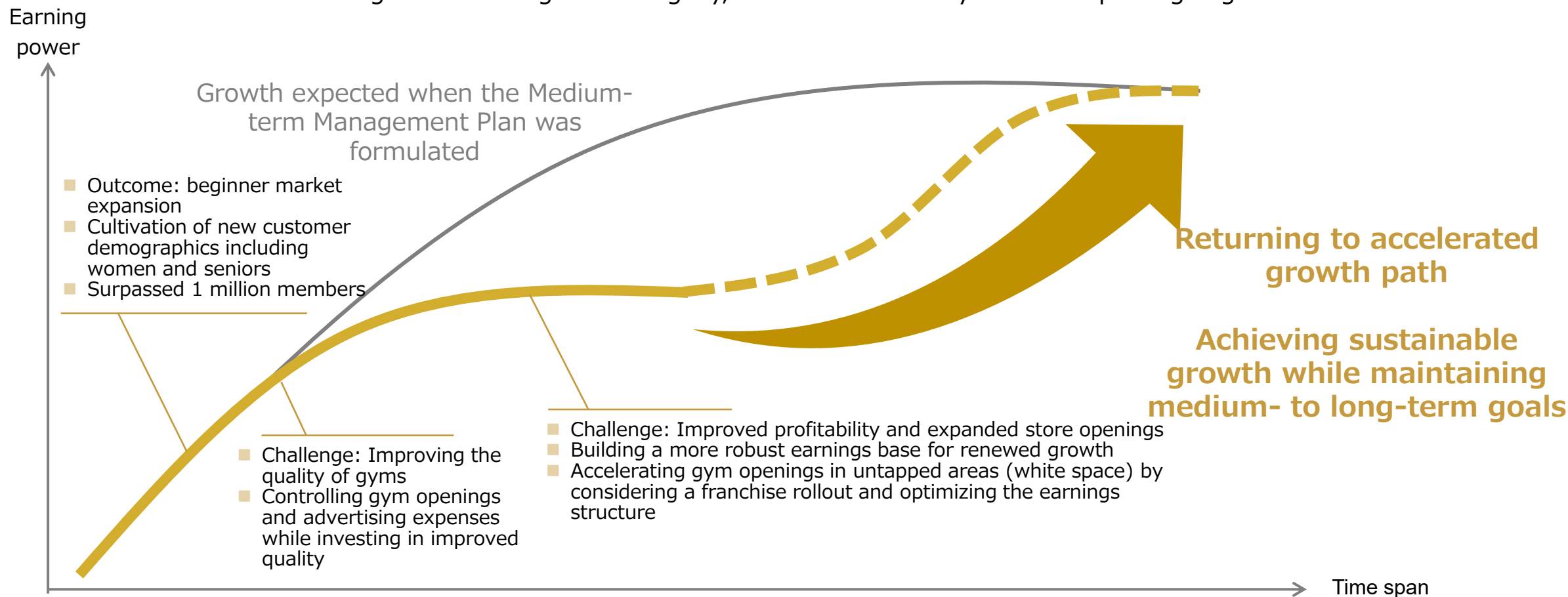


Initiatives for Group companies to expand into global markets  
(laying the groundwork for chocoZAP, BRUNO, Dream Vision and other businesses to expand into Asia)



## Maintaining our goals for growth while implementing more flexible execution plans

Despite successful market development, we faced expansion challenges that had not been anticipated when the Medium-term Management Plan was formulated  
To revise management strategies with agility, we will commit to year-based plans going forward





# **chocoZAP Business Status**

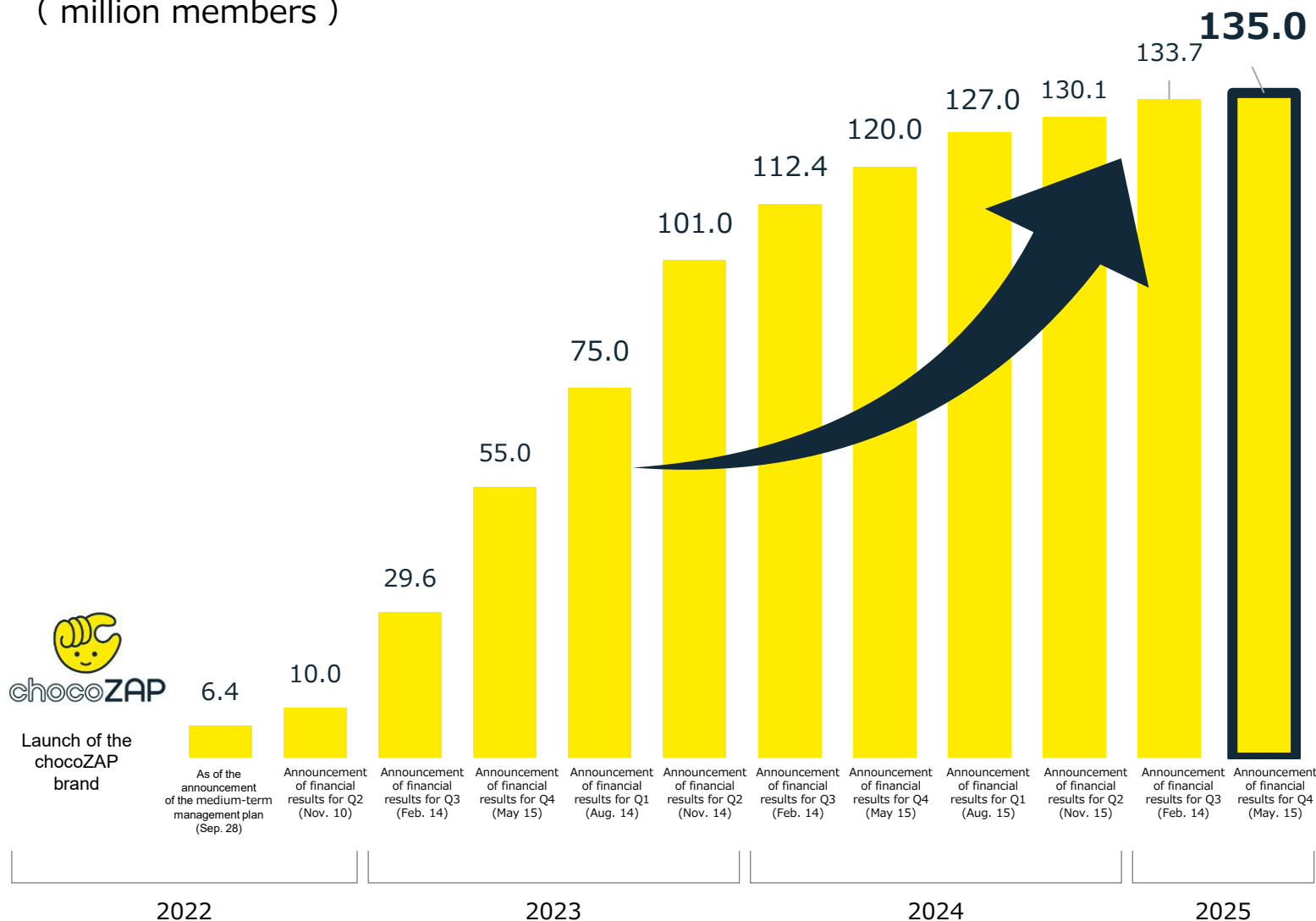
03



## Number of chocoZAP Members



( million members )



**chocoZAP membership increased by 150,000 in the past one year.**

Efficient marketing and improving the quality of chocoZAP has driven customer satisfaction.

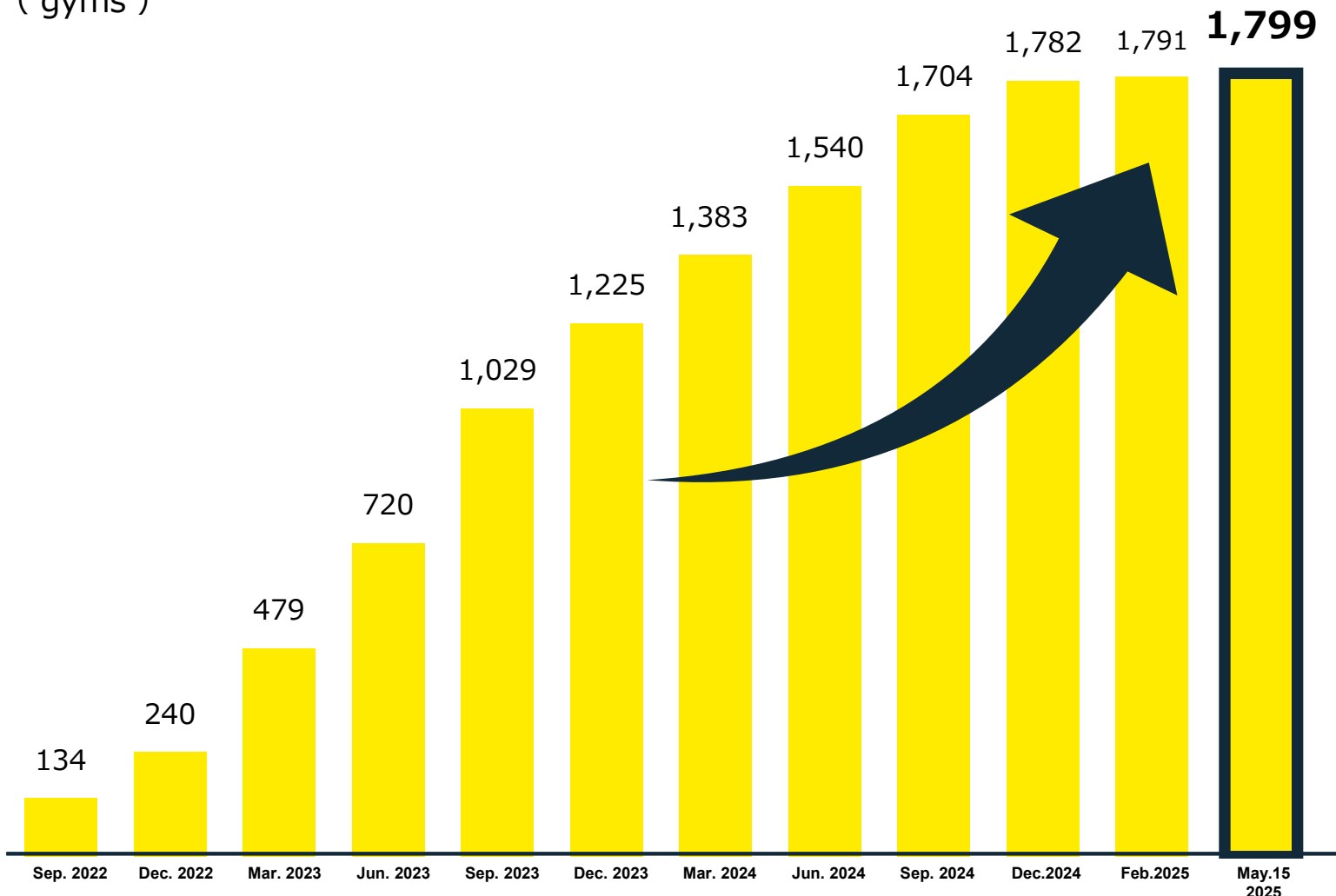
※including a number of corporate trial members, etc.



## Growth in chocoZAP Locations



( gyms )



The chocoZAP locations

+ 409

during FY3/25

※Gym closure -1gyms(due to owner's reasons)

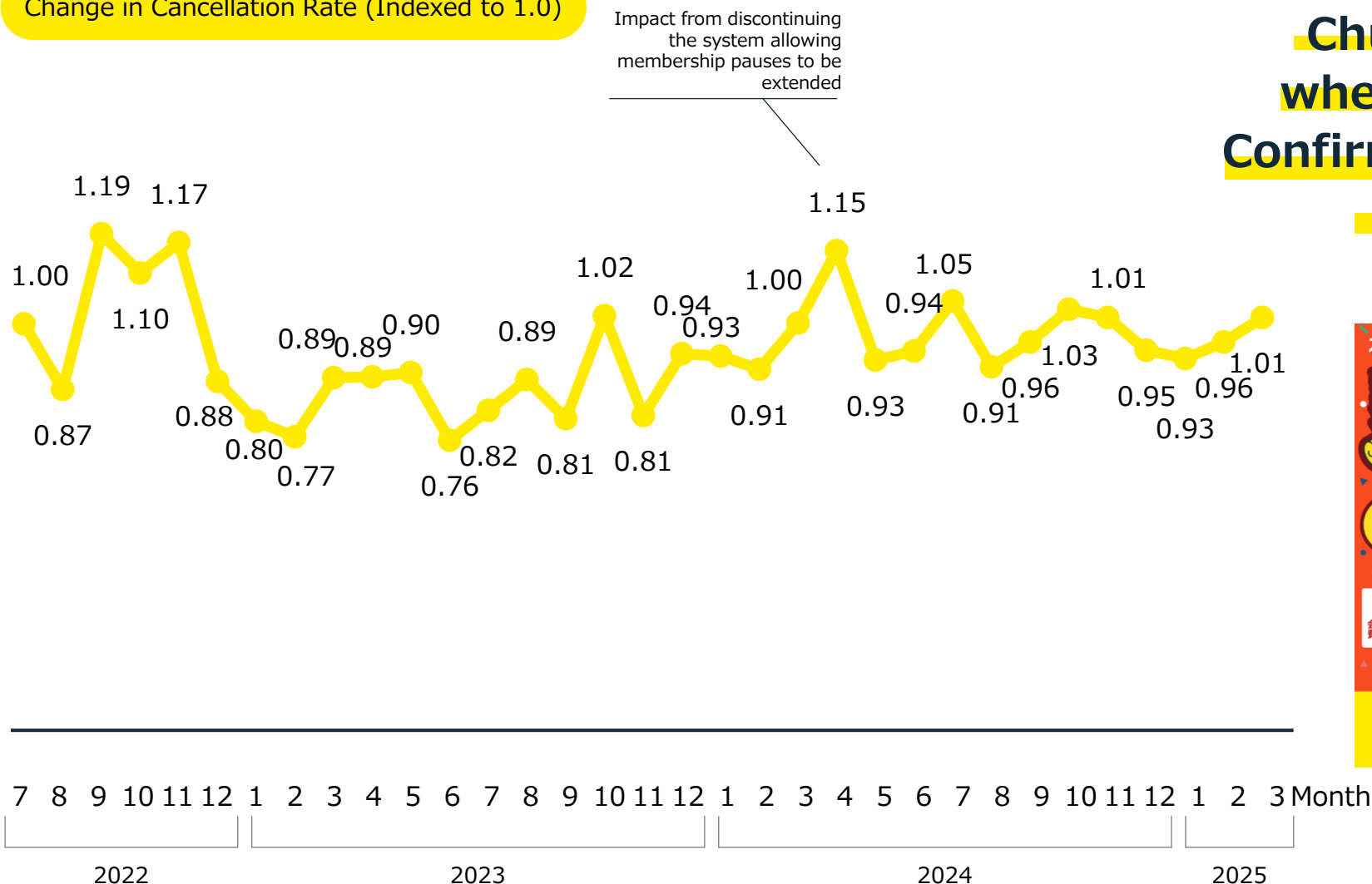
Strategically slowed the expansion of locations to prioritize improving the quality of chocoZAP and maintain customer satisfaction.

\*Prior to Jun. 2023, we count the gyms of old gym names other than chocoZAP in the total number of chocoZAP gyms.



## Change in chocoZAP Cancellation Rate

Change in Cancellation Rate (Indexed to 1.0)



**Churn rate slightly increased when free trial campaigns end.**  
**Confirmed correlation between gym quality and retention.**

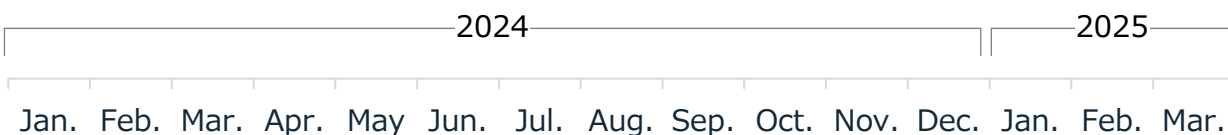


Churn rate decreases when starter kit devices (smartwatch and body composition analyzer) are linked to the app.

\* Value determined by dividing the number of members cancelling their membership each month (including members with paused memberships) in each month by the number of active members as of the last day of the previous month (including members with paused memberships) Figures are expressed as changes from July 2022, which is indexed to 1.00



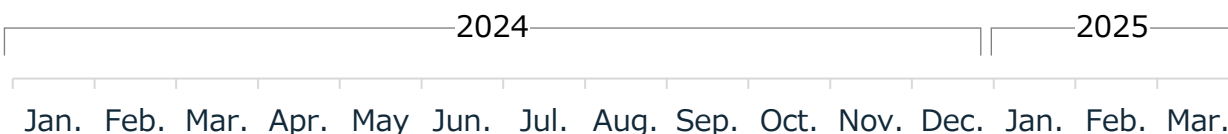
## Cleaning frequency

12 times per week  
per gymKeep the frequency at 16 times  
per week per gym

## Member's evaluation on the gym cleanliness

(five grades in a questionnaire survey)

3.59

3.66  
(+0.07)

We have mobilized approximately  
40,000 Support Members to  
maintain cleanliness and  
replenish supplies, continuously  
improving gym quality.

Enabling member participation through user-  
friendly systems

Parts that need to  
be cleaned can  
be checked with a  
list.

Selection of places  
and  
hours for cleaning

Reporting  
of completion  
of cleaning

Completion  
of a task



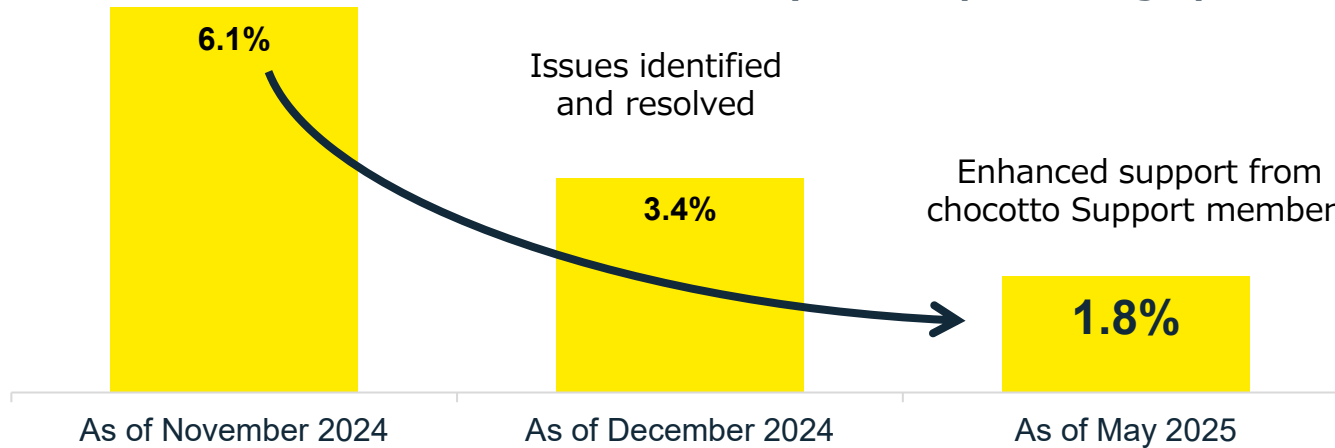


### Fitness machine failure rate

(excluding various other services)

QR code system improves  
issue detection

Since the end of November, fitness  
machine failure rates have decreased  
by over 4 percentage points



**Significant reduction in  
machine failure rate**

**6.1% ▶ 1.8%**

- QR codes enable rapid issue identification
- Continuous improvement of **repair procedures**
- **chocotto Maintenance program** continuously improves the gym quality

- \* Failure rate = (number of breakdown machines + number of machines that have not broken down but have malfunctions) ÷ total number of machines
- \* "Gym Condition Navigation" lists breakdown rates for fitness machines as well as various other services and equipment installed in gyms.
- \* This document presents the breakdown rates specifically for the fitness machines that the company has some degree of control over, including the machines produced in-house. (Services that require arrangements such as repair and replacement to be made with manufacturers or outside contractors are excluded.)
- \* This is the average breakdown rate at all chocoZAP in Japan, and the fitness machine breakdown rate varies by gym.
- \* QR Code is the registered trademark of DENSO WAVE INCORPORATED.





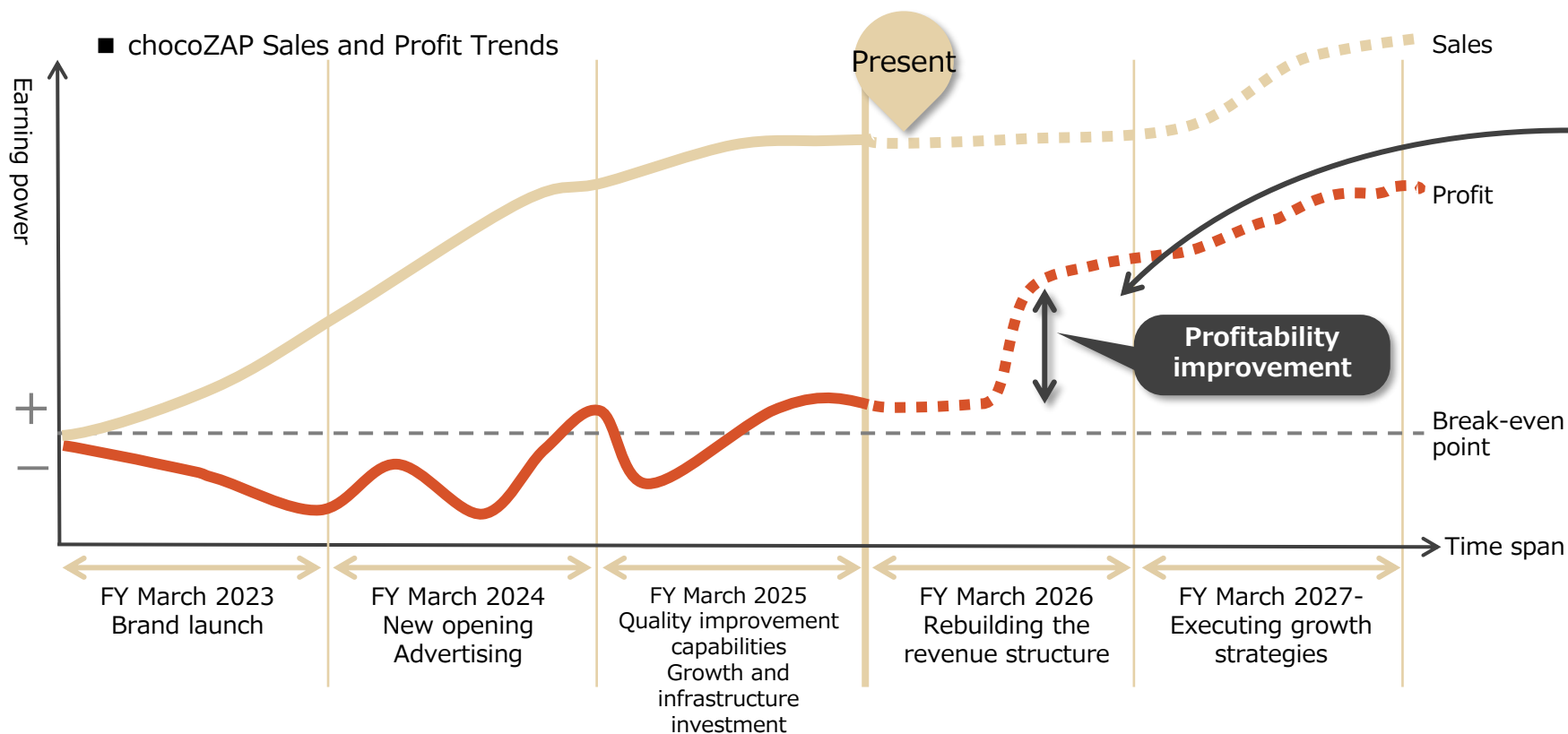
# **Growth Strategies for the chocoZAP Business**

04



## FY2026: Achieve profit growth by optimizing the earnings structure, rather than relying on member growth

### Execute Phase 2 strategies for further sustainable growth



#### Growth strategy

##### (1) Continue efforts to improve quality

Avoid relying on growth in sales and membership  
Achieve significant increase in profit through business/earnings structure optimization

##### (2) Accelerate growth with a new model for gym openings

- (2)-1. Start rollout of a franchise model
- (2)-2. Joint gym openings / full-scale rollout of collaboration model
- (2)-3. Global business operation

##### (3) Develop new businesses by utilizing assets

Merchandising, advertising business, data utilization, etc.

#### Phase 0

Making gyms barrier-free

#### Phase 1

Universal services

#### Phase 2

Building health infrastructure



## Addressing challenges occurred from rapid expansion through standardization, shifting services in-house and automation to optimize profitability and quality of gyms simultaneously

### Cost increases and quality issues associated with rapid business expansion



Burden of new gym openings and capital investment under a model where all gyms are directly operated



Urgent response to air conditioning malfunctions due to continuous 24-hour operation during extreme heat



Replacement and disposal costs for machines and various equipment due to breakdowns and malfunctions



Increased logistics outsourcing costs  
• Machine transportation  
• Storage warehouse costs



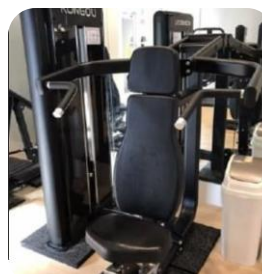
Large-scale advertising investment



Outsourcing costs to handle urgent repairs and improvements to toilets and other facilities



Costs of switching machines from ready-made to in-house models



Impairment losses recorded for idle machines and various equipment due to restrain on opening new gyms

### Method to resolve quality issues and improve earning power concurrently

#### Regular patrolling staff Shifting outsourced services in-house

- Cleaning
- Machine repairs
- Gym repairs
- Logistics



#### Gym manual Thorough standardization

- Defining desired states
- Manual containing 660 items
- Cleaning and repairs that anyone can perform



#### In-house machine development Reductions in breakdown rates

- Development of machines well suited to self-use by beginners
- In-house development of third-generation machines

In-house development



#### Automated control systems Optimization of gym temperature and humidity

- Improved gym environment
- Energy saving
- Labor saving







# Growth Strategies for the chocoZAP Business

1

**Efforts to Improve Quality**

2

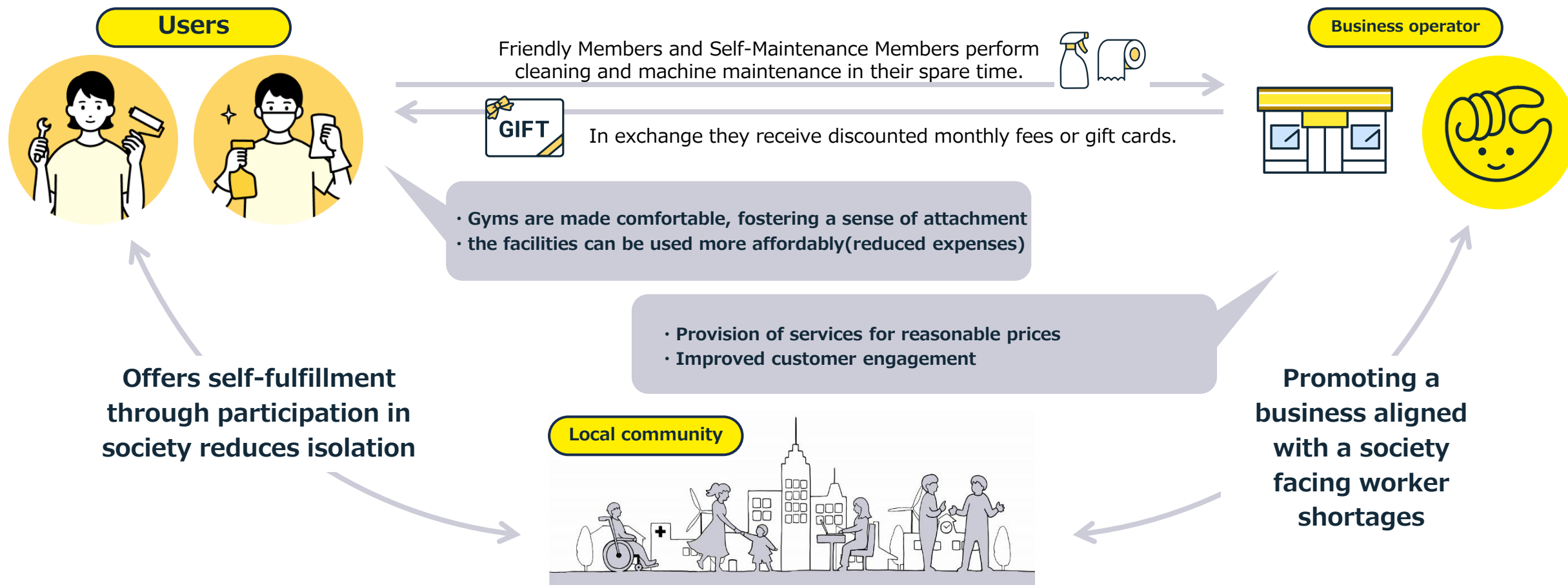
Initiatives to Resume Accelerated Gym Openings

3

New Business Development



The customer co-creation model has helped enhance quality and improve earning power  
Low-cost operations have made it possible to open gyms in depopulated rural areas





#### 04. Growth Strategies for the chocoZAP Business: (1) Efforts to Improve Quality

### Regular Patrols by chocotto Maintenance Personnel Specializing in Improving Gym Quality

**180 chocotto Maintenance Personnel** specializing in improving gym quality have been appointed  
**The system balances improved gym quality and achieving a co-creation model with customers**



### chocotto Maintenance

Personnel follow up on support members  
and regularly dispatch supplies

#### Quality control

#### Cleaning



Friendly Members

#### Repair

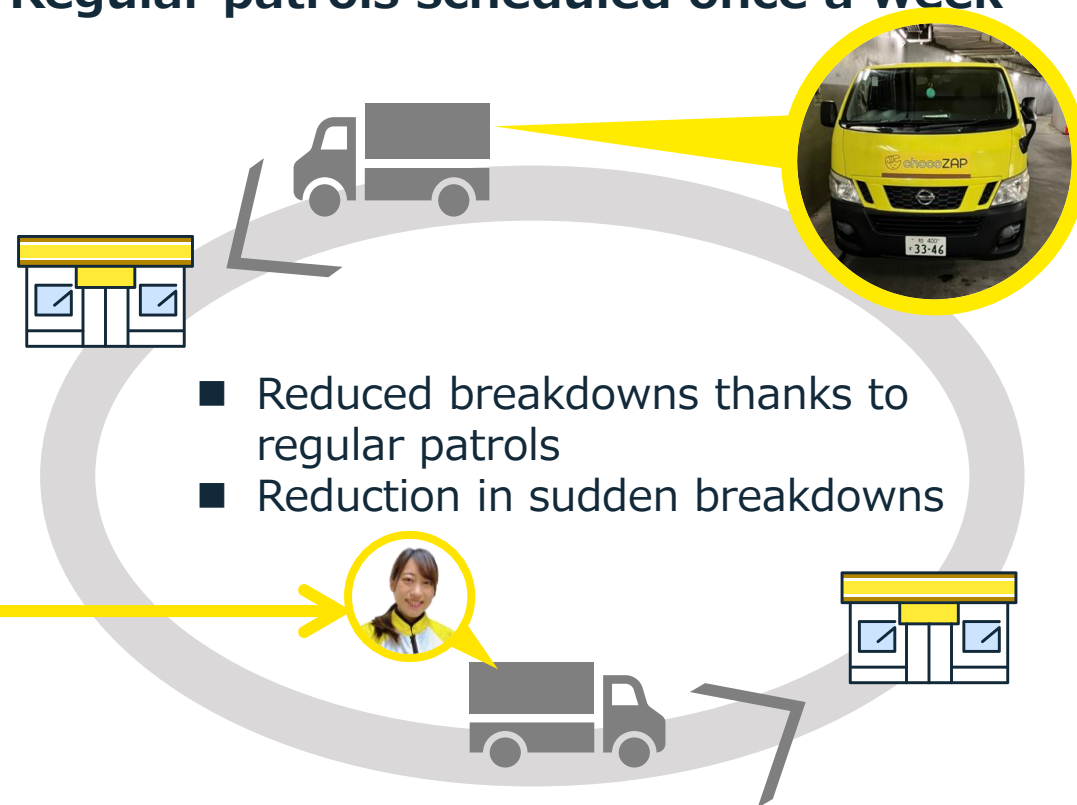


Self maintenance  
members

#### Logistics



**68 company vehicles** have been secured  
**Regular patrols** scheduled once a week





## Redefining the ideal conditions for gyms

**660** items manual to systemize uniform quality



### chocotto Support chocotto Maintenance

- Cleaning
- Machine repairs
- Gym repairs



### Friendly Members

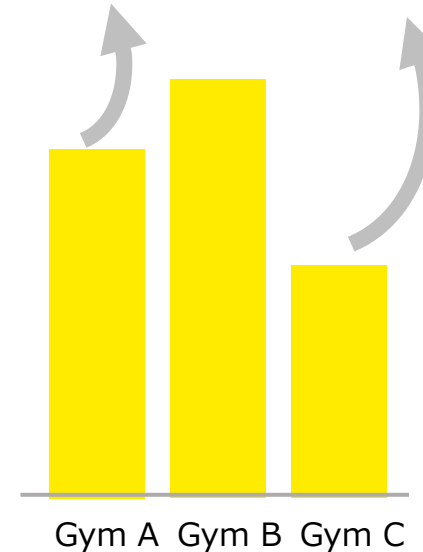
- Handle cleaning
- Handle replenishment of supplies



### Self-Maintenance Members

- Handling of machine repairs

Cleaning score





**660 items**

**2,000+ pages**

comprehensive manual

**This is designed to create a  
system enables anyone to handle  
repairs and cleaning**

### Manual front cover

Includes required time,  
degree of difficulty level  
and safety precautions



Manual sample

### Illustrations

Detailed illustrations  
explain what to do and to  
what extent



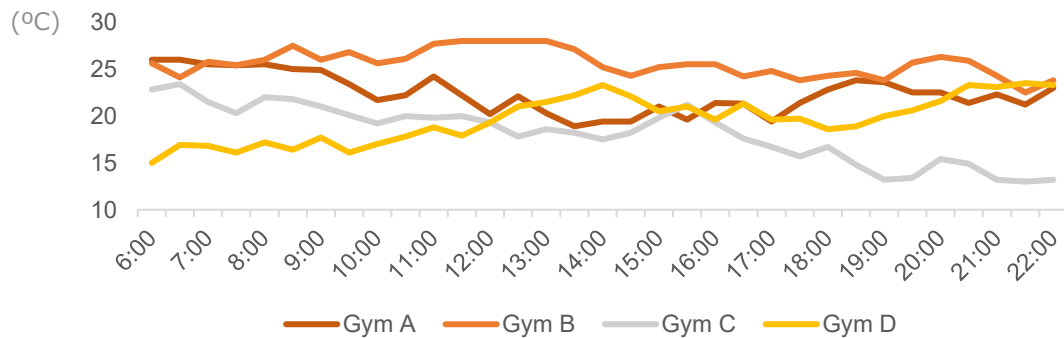
Manual sample



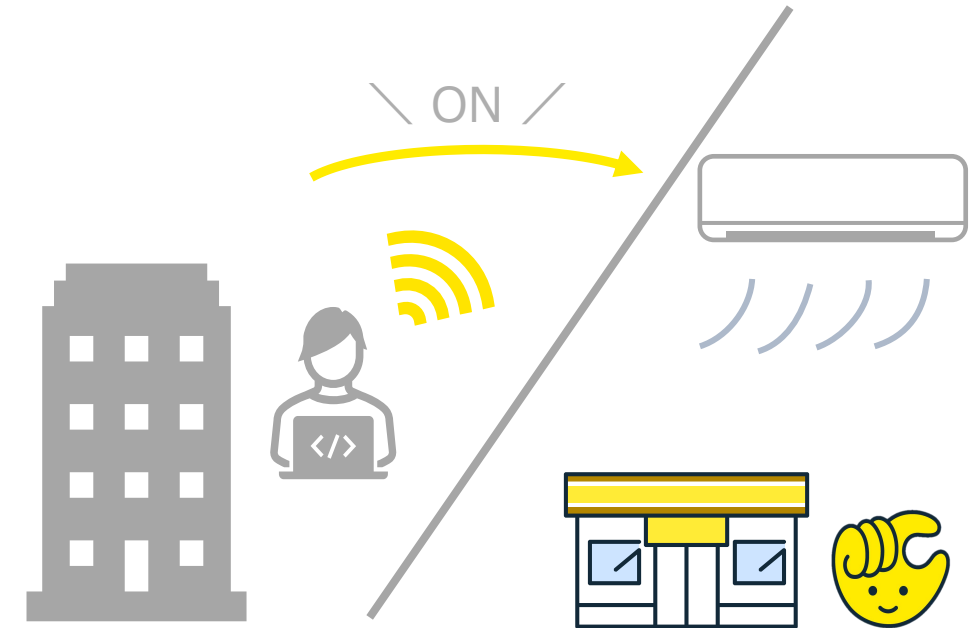
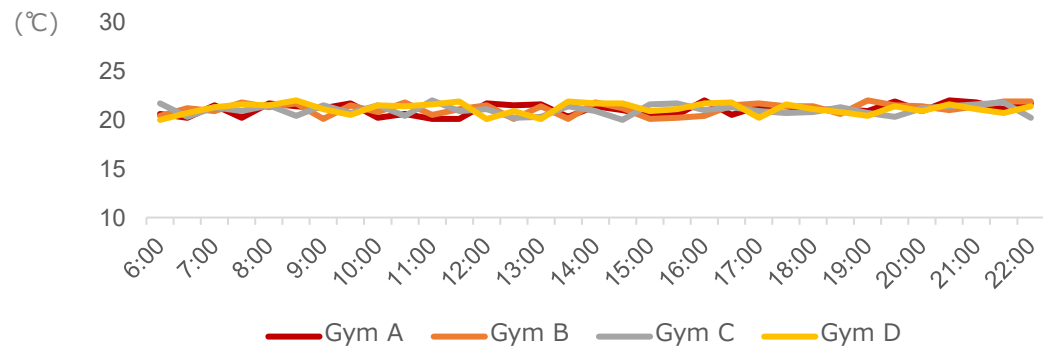
## 04. Growth Strategies for the chocoZAP Business: (1) Efforts to Improve Quality Optimizing Energy Consumption With Remote Automated Control of Heating and Cooling

**By implemented air conditioning control that runs automatically 24 hours a day,  
we balance sustainable gym operation with the maintenance of gym environments**

Before automated control



After automated control



As of April 30, automated control has been  
installed at 175 gyms  
Efforts are underway to reach target installations  
of 1,200 gyms by June 30





# Growth Strategies for the chocoZAP Business

1

Efforts to Improve Quality

2

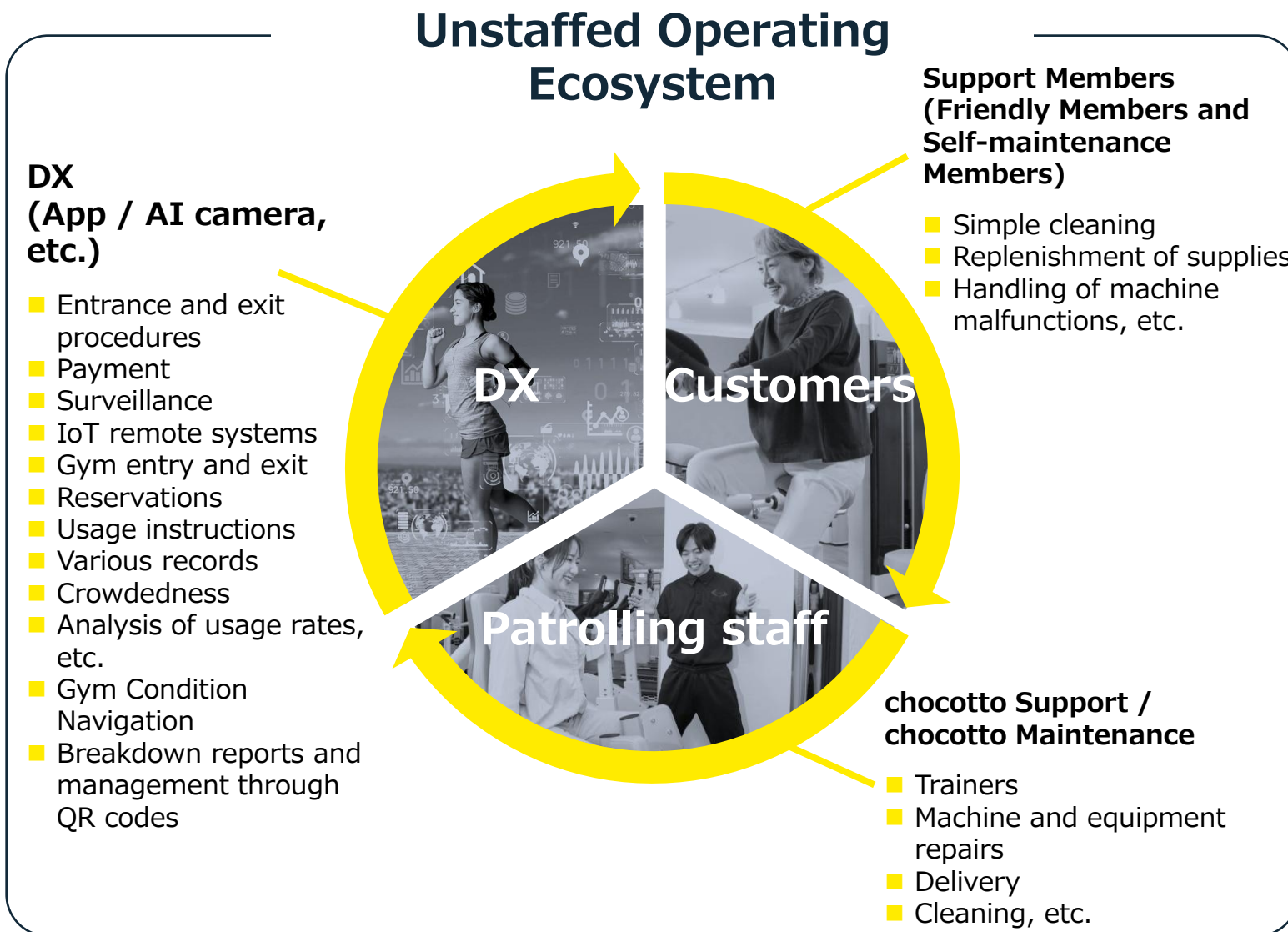
**Initiatives to Resume Accelerated Gym Openings**

3

New Business Development



## 04. Growth Strategies for the chocoZAP Business: (2) Initiatives to Resume Accelerated Gym Openings chocoZAP Unstaffed Operating Ecosystem to Maximize the Potential Openings



## Establishing a model for a sustainable gym operating system

- **Labor saving**  
Making it possible to open new gyms even amid labor shortages
- **Labor saving**  
Making it possible to open new gyms event in depopulated areas
- **Space saving**  
Adaptable to various conditions for gym opening

\* QR code is a registered trademark of DENSO WAVE INCORPORATED.



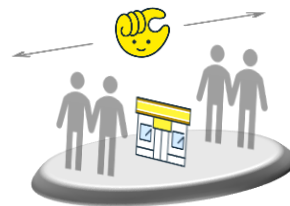
## Verifying the Limits of Saturation in chocoZAP Openings

Leveraging the characteristics of the chocoZAP business to date, we evaluate the saturation point for gym openings in depopulated areas by analyzing factors such as population density, the local population around potential sites, and efficiency per tsubo (3.3 square meters)



Verify **population density**

- Verification criteria: depopulated area with a population density of 100 people per square kilometer
- Verification region: Yabu, Hyogo Prefecture
- Population density: 52 people/km<sup>2</sup>\*<sup>1</sup>
- Gym area: 17.45 tsubo (approx. 57 m<sup>2</sup>)
- Verification results: **337 active members**
- **A member count far exceeding the break-even point was obtained**



Verify **local population around potential gym**

- Verification criteria: area within 500 meter of gym
- Population in vicinity of gym: up to 500 people
- Verification region: Kisosaki, Mie Prefecture
- Nighttime population: 250\*<sup>2</sup>
- Verification results: **426 active members**
- **In regional areas, members can be expected to visit gyms even if they are not within walking distance**



Verify **efficiency per tsubo**

(number of members per tsubo)

- Verification criteria: up to 20 tsubo (66 m<sup>2</sup>) in a depopulated area
- Verification region: Yabu, Hyogo Prefecture
- Gym area: 17.45 tsubo (approx. 57 m<sup>2</sup>)
- Verification results: **19.3 members per tsubo**\*<sup>3</sup>
- **The number far exceeds the 2.2 members per tsubo of regular fitness gyms**
- chocoZAP average members per tsubo: 19.0

\*1 Calculated by RIZAP Group based on Yabu City Hyogo Prefecture Basic Plan (Phase 2) from the Ministry of Economy, Trade and Industry

\*2 500 meter radius around the chocoZAP Kisosaki location was calculated using jSTAT MAP

\*3 calculated ;by dividing the number of members at the chocoZAP Yabu Y-Town gym by its floor area in tsubo

\*4 Map source: Google Maps (Google Maps is a trademark or registered trademark of Google Inc.)

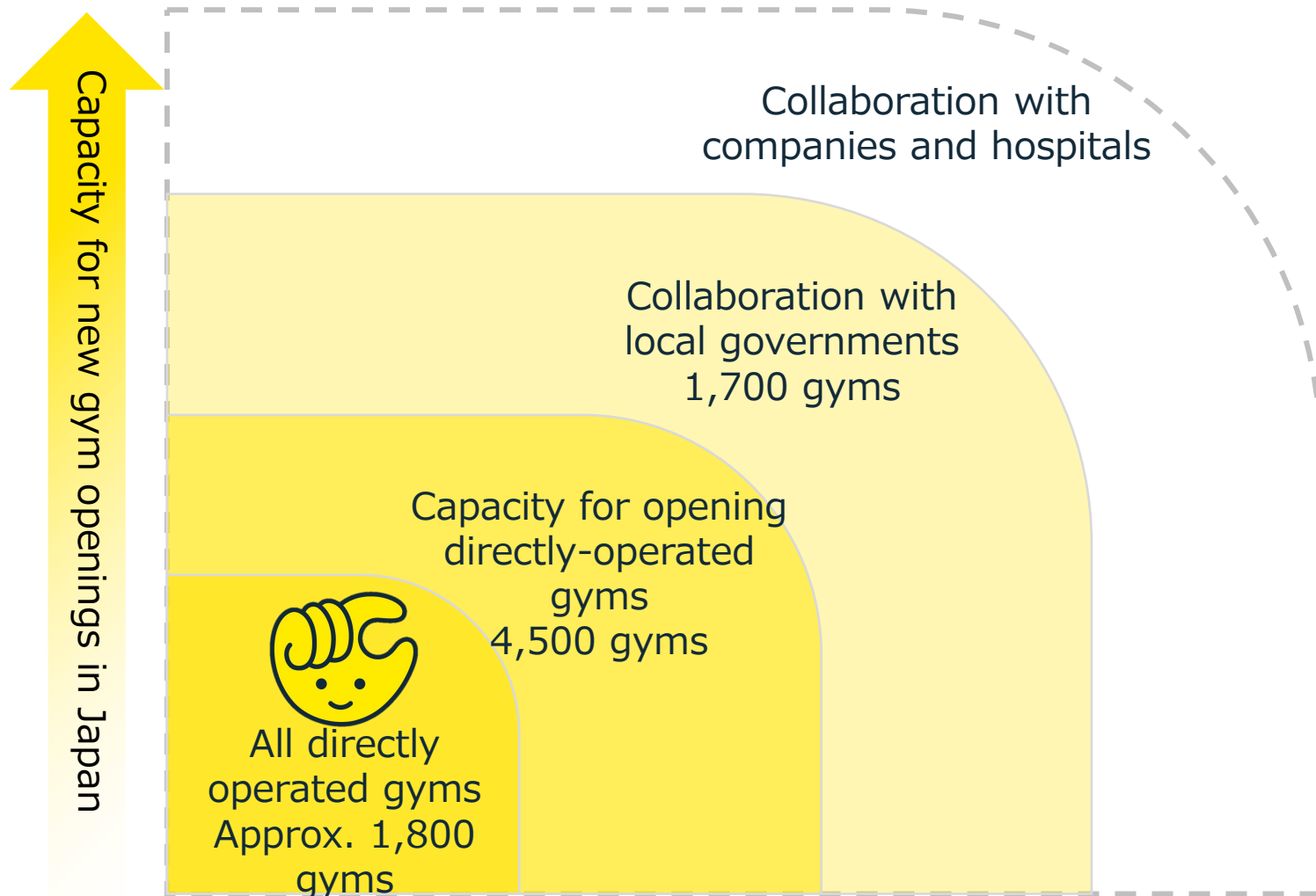
View of the area within a 500 meter radius of the chocoZAP Kisosaki location\*<sup>4</sup>



chocoZAP Kisosaki



## Potential For chocoZAP Openings



As of May 15, 2025

## Potential for over 6,000 gym openings in Japan



\* Calculated by RIZAP Group by carefully examining expected monthly expenses and profit per gym, member acquisition rate and other factors in light of past performance



**Launching a franchise model** in a departure from the existing model  
to complement our direct operation approach

**We plan to begin with pilot trials, followed by a phased rollout  
starting with a limited number of gyms.**

### Potential for new gym openings

Considering the trading zones around existing gyms,  
there is room to open 4,500 additional gyms  
However, **direct operation alone limits expansion speed**



### New model for opening gyms

By transitioning from a fully direct-operated model to a  
hybrid approach that includes joint operations and  
franchising, we aim to **accelerate gym openings through  
strategic partnerships and drive renewed growth.**





## Start of the Franchise Model Rollout: Purpose



**chocoZAP has grown to approximately 1,800 directly-operated gyms to date. The franchise model will enable growth beyond our constraints of internal capital, manpower, and expertise.**

To date

Going forward

### Gym opening format

- **Approx. 1,800 gyms, all directly operated**  
(as of May 15, 2025)
- A maximum of 1,054 gyms have been opened over a one-year period\*



- **Directly operated gyms and franchise development**  
\* joint gym openings and enhanced collaboration

### Strengths

- **Everything managed by RIZAP Group**
- Accumulated assets and expertise
- Rapid gym openings and growth with RIZAP Group assuming the risks



- **Utilizing assets and expertise for franchise development**
- Outstanding recognition level and unstaffed operation (hiring and training not required)
- Small space requirements and use of DX (systems, apps, IoT)
- Customer co-creation model, chocotto Support, etc.

### Issues

- **Dependence on internal funding**
- **Dependence on own manpower and expertise**



- **Co-develop with franchise owners and strategic partners**
- Reciprocal utilization of expertise
- Localized operations, attracting members at locations around gym, and improving CRM
- Improved management on an area and individual gym level, etc.



**By leveraging the strengths we have developed through direct operation—such as strong brand recognition, effective member acquisition, unstaffed operations, small space requirements, and cost efficiency—we establish an ideal model for franchisee participation.**

### Characteristics of chocoZAP

### Strengths in Franchise Development

#### ■ Outstanding brand recognition

- Billions of yen have been spent on advertising, taking the brand recognition rate to 82.9%\*

#### ■ Targeted at beginners



#### ■ Recognition obtained when opening a gym

#### ■ Ease with which members can be gained

#### ■ Space saving

#### ■ Low-cost operation



#### ■ Gyms can be opened at various locations to cut costs and help recover the investment

- Regional areas, depopulated areas, idle land, vacant properties, local governments, offices, etc.

#### ■ Unstaffed Operating Ecosystem

- DX, support members, chocotto Support and chocotto Maintenance, etc.



#### ■ No need to hire or train personnel

#### ■ Low operational burden for franchise owners

#### ■ Convenient gyms

- Simple and convenience without needing to change clothes → members spend less time at the gym



#### ■ Easy to improve gym/property utilization rates and investment efficiency



## Start of the Franchise Model Rollout: Recruitment Page for Trial

URL : <https://chocozap.jp/lp/franchise>  
Released at 4:00 PM on Thursday, May 15, 2025



2025年5月 第1募集開始

フィットネス事業 **未経験** でも始められる  
新規 採用不要 省人型ビジネスの

**chocoZAPの  
フランチャイズ  
トライアル開始**





## 04. Growth Strategies for the chocoZAP Business: (2) Initiatives to Resume Accelerated Gym Openings

### Full-scale Rollout of Joint Gym Openings and Collaboration Model



## Alongside the launch of our franchise model, we will further accelerate joint gym openings and expand our collaborative business model

Strengths: market recognition / unstaffed operations ecosystem / space-saving / convenience  
(easy to set up anywhere such as in an office, airport, or depopulated area)

### Strengthened opening into corporate and institutional facilities

### Strengthened collaboration with local governments

### Opening gyms inside hospitals

Car dealerships  
19,000 stores or more<sup>\*1</sup>



Shopping centers  
3,000 stores or more<sup>\*2</sup>



Business hotels  
8,700 locations or more<sup>\*3</sup>



Airports  
97 locations<sup>\*4</sup>



Vacant stores  
73,744 stores<sup>\*5</sup>



Community centers  
14,281 centers<sup>\*6</sup>



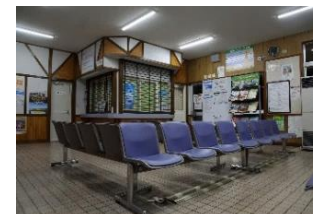
Closed school buildings  
7,583 schools<sup>\*7</sup>



Libraries  
3,305 libraries<sup>\*8</sup>



Waiting rooms  
2,527 rooms<sup>\*9</sup>



Public sports facilities  
1,877 facilities<sup>\*10</sup>



Number of hospitals  
7,000 or more<sup>\*11</sup>



**The rollout of franchise gyms as Article 42 facilities under the Medical Care Act is being considered**

<sup>\*1</sup> Source: NSS Corporation "2024 Number of Car Dealerships and Rankings" Statistics Survey 2025" <sup>\*4</sup> Source: Ministry of Land, Infrastructure, Transport and Tourism "Airport Distribution Map 2025" <sup>\*6</sup> Source: Ministry of Education, Culture, Sports, Science and Technology "Promotion of Community Centers" <sup>\*8</sup> Source: Japan Library Association "Libraries of Japan - Statistics and Directory" <sup>\*10</sup> Source: Ministry of Education, Culture, Sports, Science and Technology "Overview of FY2018 Survey Results on the Current Status of Gymnasiums and Sports Facilities" <sup>\*11</sup> Source: Ministry of Health, Labour and Welfare "Survey of Medical Facilities 2023"

<sup>\*2</sup> Source: Japan Council of Shopping Centers "Shopping Centers White Paper 2024" <sup>\*5</sup> Calculated by RIZAP Group based on the Small and Medium Enterprise Agency "FY2021 Survey Report on Actual Conditions of Shopping Streets" <sup>\*7</sup> Source: Ministry of Education, Culture, Sports, Science and Technology "Status of Closed School Facilities and Their Utilization" <sup>\*9</sup> Calculated by RIZAP Group based on Toyo Keizai Online "Exclusive! Ranking of Station Waiting Room Installations Among Private Railways"

<sup>\*3</sup> Source: Japan Tourism Agency "Accommodation Travel Statistics Survey 2025" <sup>\*4</sup> Source: Ministry of Land, Infrastructure, Transport and Tourism "Airport Distribution Map 2025" <sup>\*5</sup> Calculated by RIZAP Group based on the Small and Medium Enterprise Agency "FY2021 Survey Report on Actual Conditions of Shopping Streets" <sup>\*6</sup> Source: Ministry of Education, Culture, Sports, Science and Technology "Promotion of Community Centers" <sup>\*7</sup> Source: Ministry of Education, Culture, Sports, Science and Technology "Status of Closed School Facilities and Their Utilization" <sup>\*8</sup> Source: Japan Library Association "Libraries of Japan - Statistics and Directory" <sup>\*9</sup> Calculated by RIZAP Group based on Toyo Keizai Online "Exclusive! Ranking of Station Waiting Room Installations Among Private Railways" <sup>\*10</sup> Source: Ministry of Education, Culture, Sports, Science and Technology "Overview of FY2018 Survey Results on the Current Status of Gymnasiums and Sports Facilities" <sup>\*11</sup> Source: Ministry of Health, Labour and Welfare "Survey of Medical Facilities 2023"



## Accelerating Global Expansion

chocoZAP test marketing was carried out through 14 gyms in four overseas markets  
Working from results in Hong Kong, store we achieved a strong initial start,  
we will expand the possibilities of a global expansion



Hong Kong

Tokwawan



Shau Kei Wan



Sham Shui Po



Kwai Fong



Jordan



Taiwan

Taichung Nantun



USA

Los Angeles



Jianguomen



Caofang 1



Caofang 2



Hongqiao



Tianshan



Liangjiaxiang



Jiu Yan Qiao



China



Additional gym openings under consideration

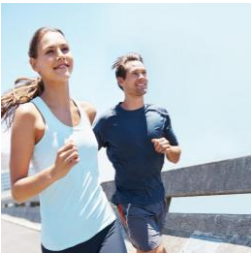


**Hong Kong shares many cultural and operational similarities with Japan,  
making it a strong fit for the chocoZAP concept.  
Most of our members are fitness beginners.**

### Similarities with Japan



Increasing self-  
investment



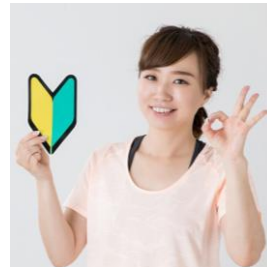
High awareness of  
health in an aging  
society



Key market barriers  
- High intimidating factor  
- Premium pricing  
structure

### Target

Beginners



Women

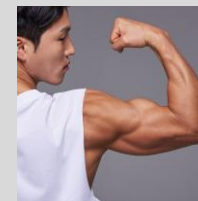


Seniors



Not applicable

Advanced weightlifters



### Concept



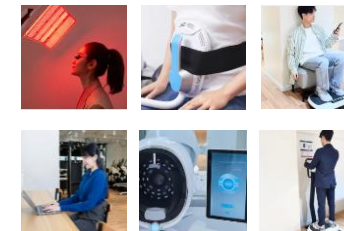
**Easy accessibility**

- 5-min. workout  
exercise in a short time
- No need to change  
clothes or shoes



**Convenient**

- 24/7 operations
- All locations available  
for use



**Fun**

- Wide service  
variations
- no additional charges



**We will leverage the strengths of the Japanese model while adapting to local needs to attract members and enhance our services.**

### Unique approach to attracting customers



A highly impactful visual strategy to drive chocoZAP penetration

### Gym area



1.5x larger floor space versus Japan Location, ensuring optimal member experience during peak utilization

### chocoZAP's unique services



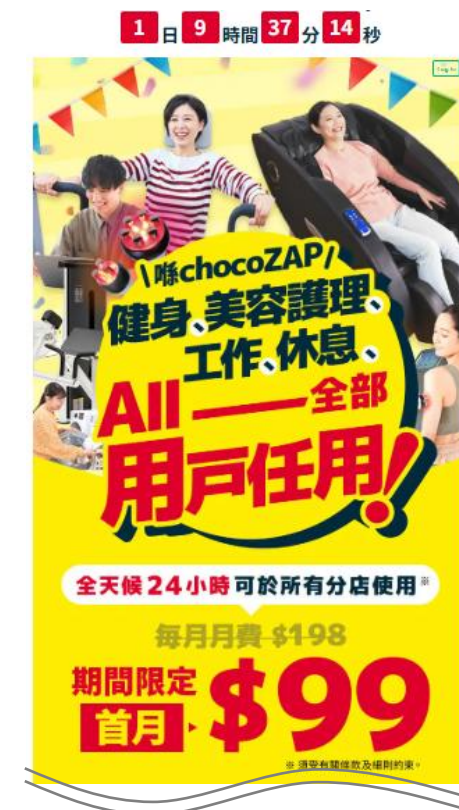
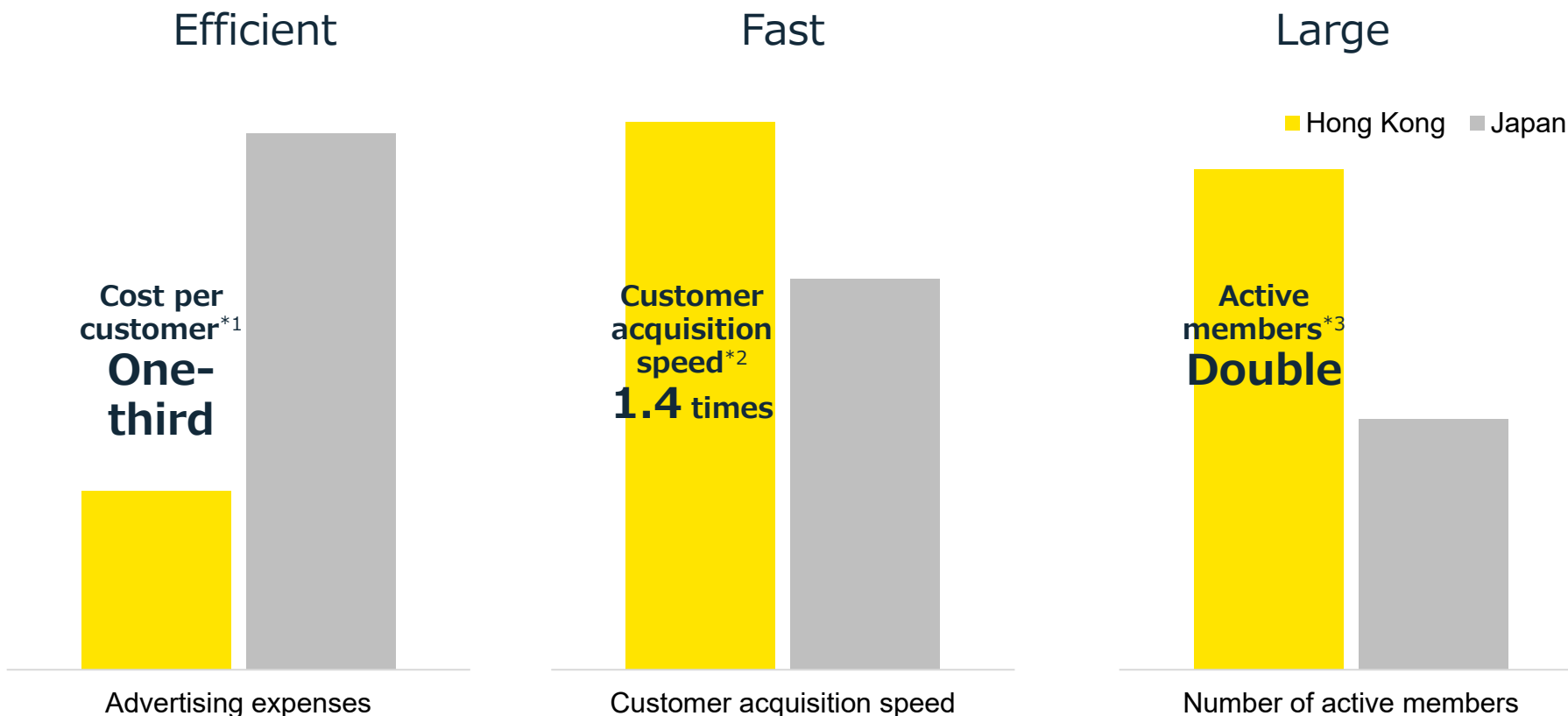
Develop services that cater to unique cultural aspects and customs  
High usage rates of multitasking-friendly services such as electrical muscle stimulation (EMS) and vibration machines



## Accelerating Global Expansion: Achievements in Hong Kong

Cost to attract each customer ended up being one-third that of Japan<sup>\*1</sup>

Speed of gaining customers was 1.4 times that of Japan<sup>\*2</sup>, and number of active members is double Japan's<sup>\*3</sup>



\*1 Unit cost per newly gained customer

\*2 Speed at which new customers are gained

\*3 Number of active members per gym one year after opening in similar trading areas to Japan



Building on our results in Hong Kong,  
we are evaluating opportunities to expand into similar markets focusing on Asia.

Areas entered



Taiwan



Our first gym opened in July 2023,  
with a focus on promoting a  
beginner-friendly concept and  
identifying future expansion  
opportunities.



Areas we are yet to expand to



Thailand



Singapore



We expect robust demand for  
affordable gyms and believe  
fitness participation still has  
room to grow.





# Growth Strategies for the chocoZAP Business

1

Efforts to Improve Quality

2

Initiatives to Resume Accelerated Gym Openings

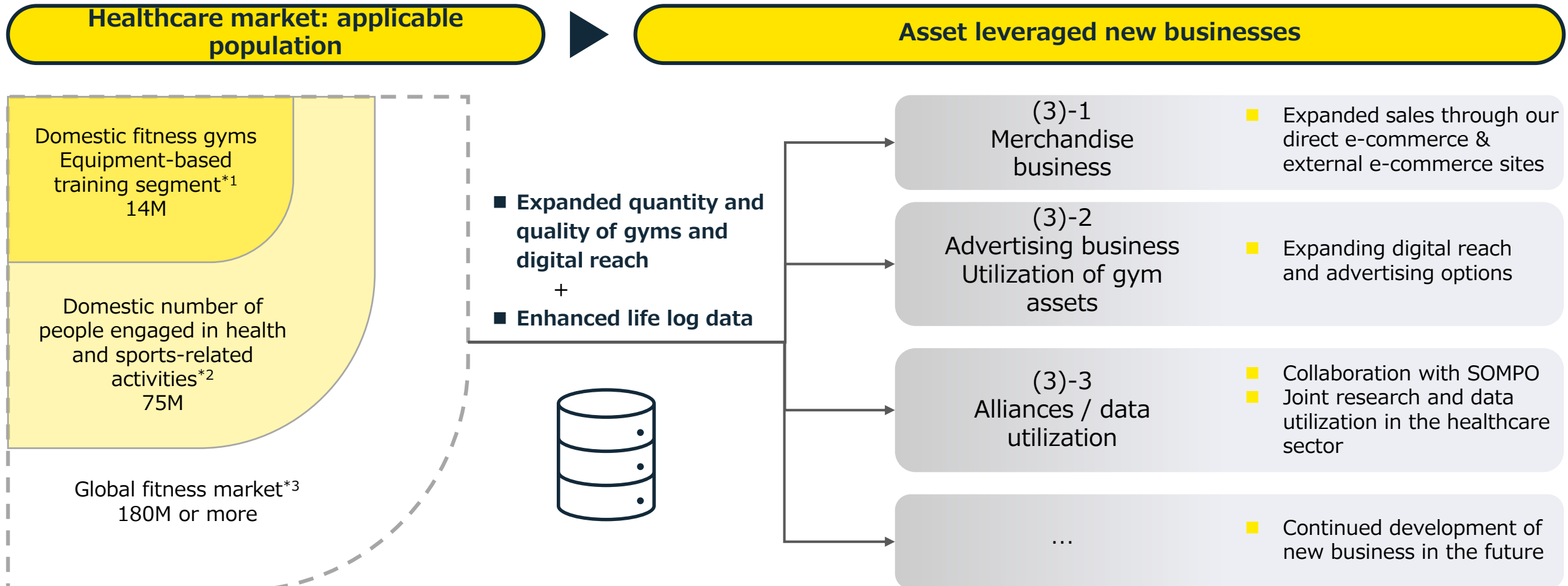
3

**New Business Development**



## Asset-driven New Business Development

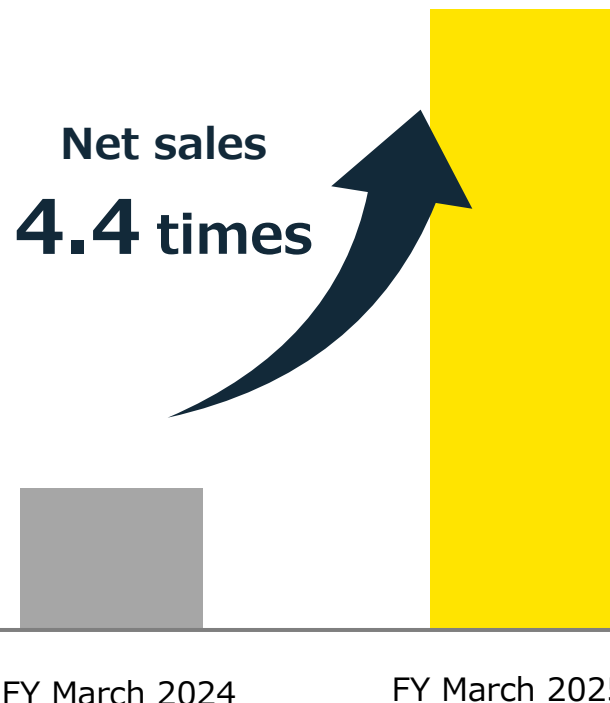
Leveraging the expertise and assets we have accumulated to date, along with our growing market reach and data capabilities, we will accelerate the development of new businesses.





Full-scale development of private brand products → In addition to directly selling to chocoZAP members through our own e-commerce site, we have successfully launched our products on major external e-commerce platforms, including Rakuten and Amazon.

Change in e-commerce business sales (indexed)



Results of product launches



"A suit that can move" modeled by three players from Shonan Bellmare, a soccer club owned by the RIZAP Group  
Photo from left: Ryo Nemoto, Taiyo Hiraoka, Sho Fukuda

Rakuten daily suits ranking #1<sup>\*1</sup>



Amazon category ranking #1<sup>\*2</sup>



Beauty-type protein Day Me



Smart Bento chocoDeli

<sup>\*1</sup> Updated April 1, 2025 (data up to March 30, 2025) <sup>\*2</sup> December 27, 2023

Rakuten is a registered trademark of Rakuten Group, Inc. Amazon is a registered trademark of Amazon Technologies, Inc.



We leverage the chocoZAP platform to continually achieve steady business growth.  
We also use our assets to display advertisements and have RIZAP trainers distribute product samples.

Change in advertising business net sales (indexed)

Net sales  
**1.8 times**

Q4 of FY 3/24

Q4 of FY 3/25

Full gym-wide  
advertising



Product testing  
in gyms



Product sampling  
in gyms



Posters  
displayed in gyms



Brochures distribution  
in gyms



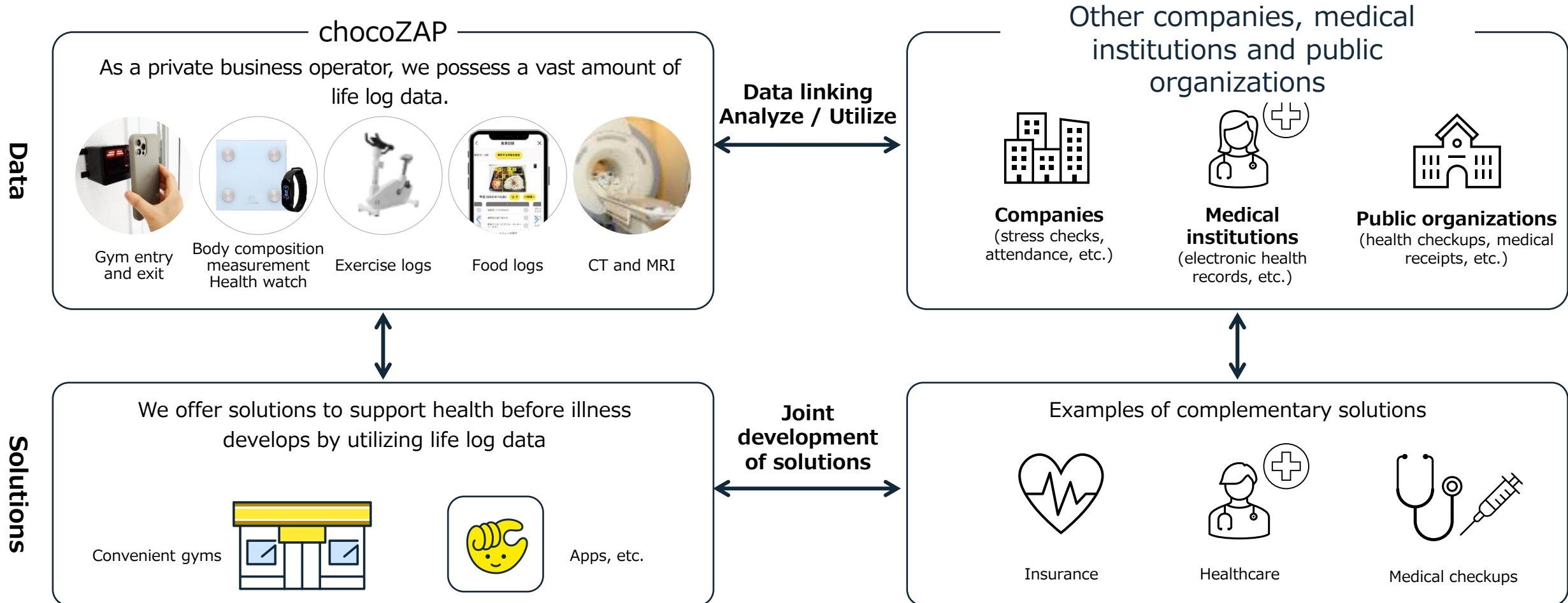
Tablet devices for digital  
signage in gyms





## Through partnership with third parties, we aim to utilize data and develop solutions in the medical and healthcare fields

### Life log data integration and utilization





Last fiscal year, we launched chocoZAP distribution through the SOMPO Group's corporate customer base and in corporate policy packages

This fiscal year, we are implementing structural and system improvements to develop more advanced data integration and solutions

### Opening of chocoZAP gyms at car dealerships

#### Opened on May 10

Collaboration with Toyota Mobility Tokyo  
chocoZAP Chuoharumi



**Toyota  
Mobility  
Tokyo**

#### Scheduled to open on June 1

Collaboration with Sapporo Toyota  
chocoZAP Sapporo Toyota

The Sapporo Toyota branch cannot be used by regular chocoZAP members

**TOYOTA  
札幌トヨタ**

### Joint sales of new value pack with Growbase Next

Unlimited chocoZAP visits together  
with health management cloud service

**Adopted by 29 companies, approx. 2,200 employees**

\*As of May 8, 2025



Collaboration with the Growbase Next, cloud-based health management system offered by SOMPO Group company Wellness Communications Corporation



**Participation in Kanagawa Prefecture Mirai Pre-symptomatic Cohort Study**  
**With the aim of preventing dementia, we have started joint research with the Kanagawa Cancer Center to integrate medical data with chocoZAP life log data**



地方独立行政法人 神奈川県立病院機構

**神奈川県立がんセンター**

Kanagawa Cancer Center



Preventive medicine expertise

Analysis through the accumulation of  
chocoZAP and RIZAP data

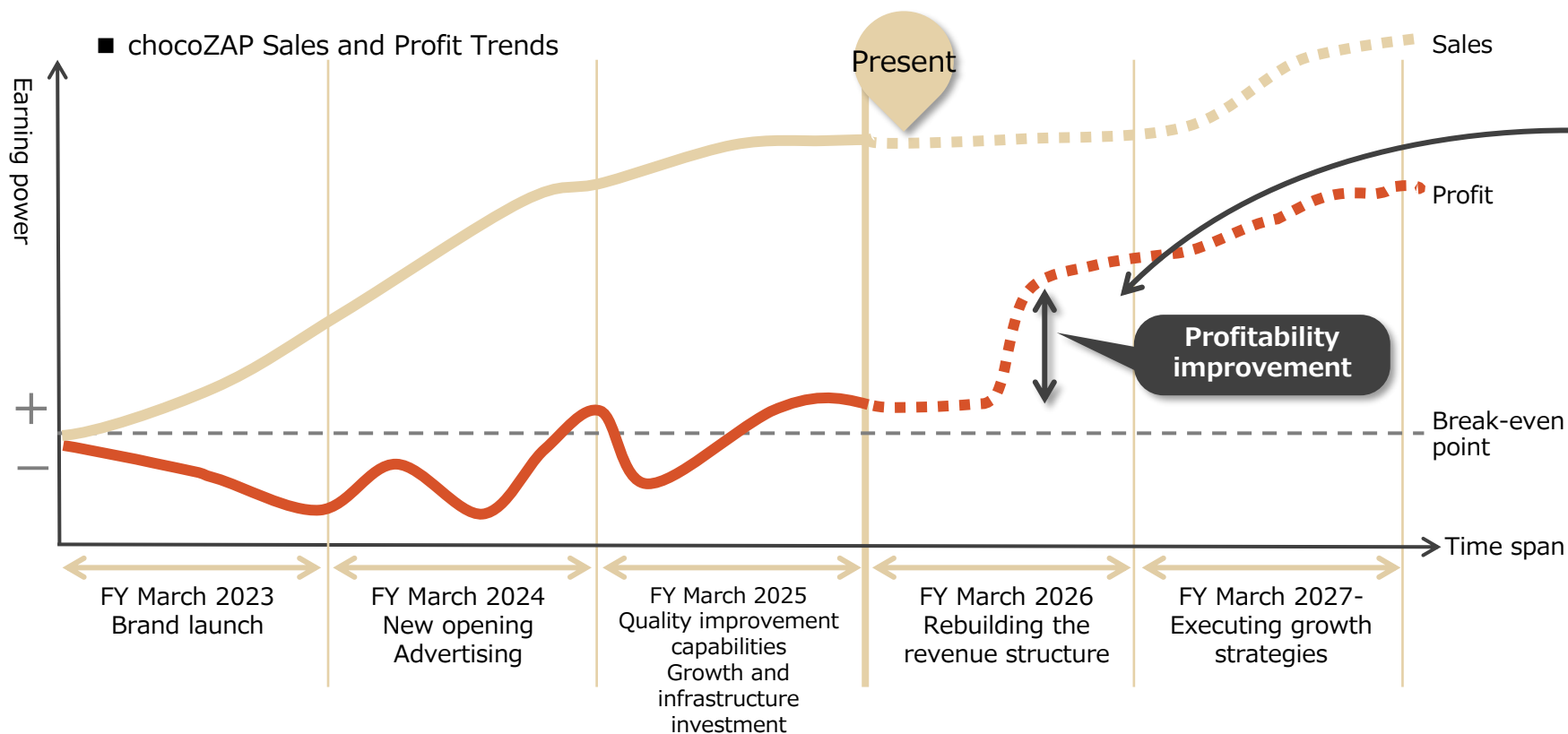
### Research themes

- The impact of exercise habits on structural changes in the brain
- A prospective study on how improvements in the exercise environment can affect cognitive function



## FY2026: Achieve profit growth by optimizing the earnings structure, rather than relying on member growth

### Execute Phase 2 strategies for further sustainable growth



#### Growth strategy

##### (1) Continue efforts to improve quality

Avoid relying on growth in sales and membership  
Achieve significant increase in profit through business/earnings structure optimization

##### (2) Accelerate growth with a new model for gym openings

- (2)-1. Start rollout of a franchise model
- (2)-2. Joint gym openings / full-scale rollout of collaboration model
- (2)-3. Global business operation

##### (3) Develop new businesses by utilizing assets

Merchandising, advertising business, data utilization, etc.

#### Phase 0

Making gyms barrier-free

#### Phase 1

Universal services

#### Phase 2

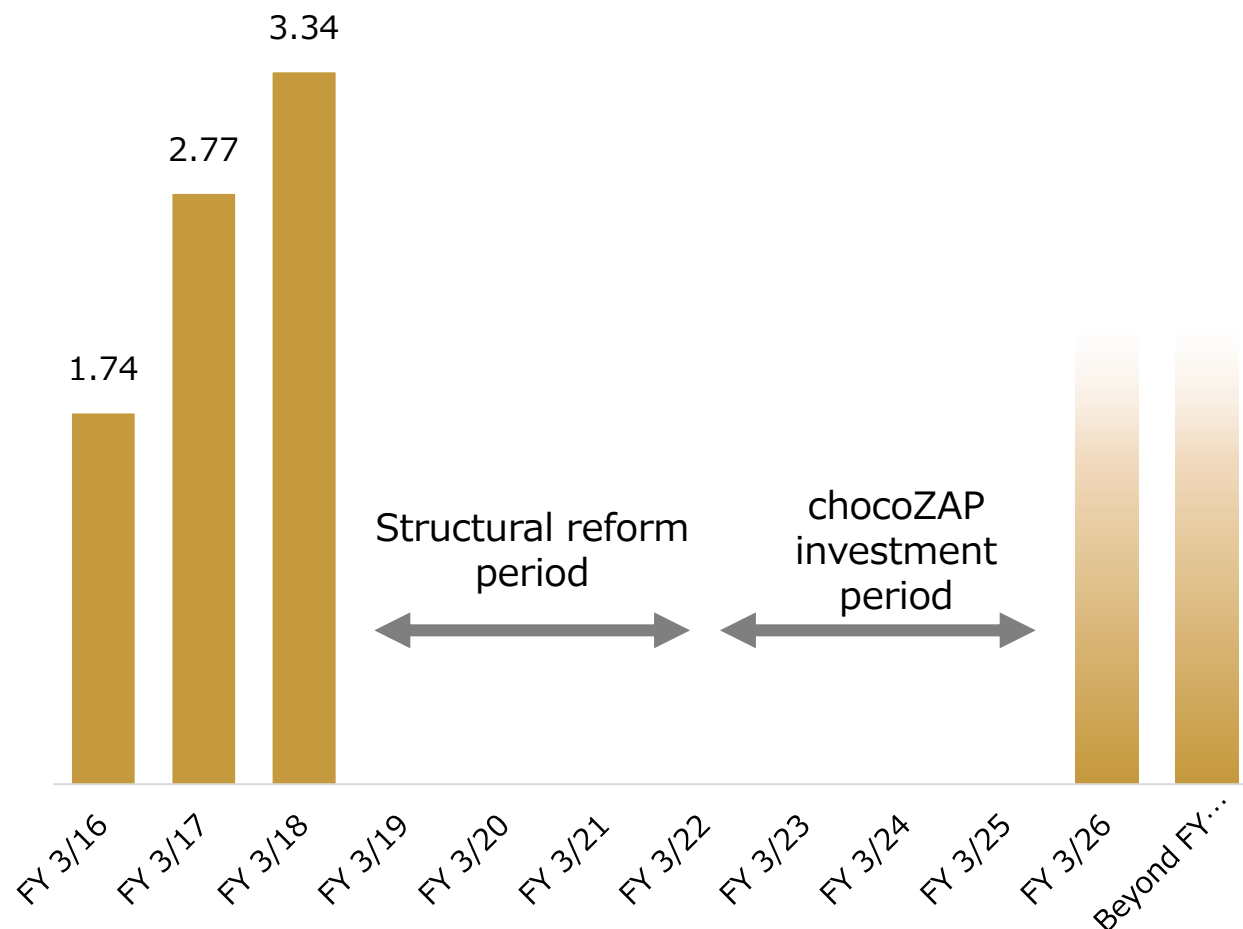
Building health infrastructure



# Shareholder Return



## Dividend per share (yen)



**We will continue to focus on shareholder return by resuming dividend payments, targeting a consolidated payout ratio of 20%**

We are considering issuing dividends on the assumption that we achieve profitability in FY 3/2026 and secure dividend resources by building a stable financial base

\* Per-share dividends converted to the number of shares as of March 31, 2022 are listed



Shareholder benefits program popular with RIZAP Group shareholders  
We will further enhance our shareholder benefits, with a focus on popular items.

## Point

- Shareholder benefit points can be accumulated for up to three years
- Shareholders can choose from Group company products and services listed in the shareholder benefits catalog based on the number of points they have earned
- Improved convenience for shareholders with shareholder benefit certificates and e-commerce coupons that can be used on some Group company e-commerce sites





# Shareholder Gift Items– Beauty

※Product image is for reference only.  
※Please note that some products may not be available.

KENKOU  
CORPORATION



JAPAN GALS co.,ltd.





# Shareholder Gift Items–Sports

※Product image is for reference only.

※Please note that some products may not be available.

Bellmare

D&M®





## Shareholder Gift Items– Apparel

※Product image is for reference only.

※Please note that some products may not be available.

# 夢展望

**JEANS** *mate*



# NARACAMICIE

**ANGELIEBE**  
エンジェリーベ



2colors



### Color Variations

コーディネートしやすいベージュカラーの3色展開で、スリムなシルエット、ハーフパンツサイズから



3colors



2colors



# Shareholder Gift Items– Lifestyle

※Product image is for reference only.

※Please note that some products may not be available.





# Summary

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**01. Achieved full-year consolidated operating profit**

**02. Forecast operating profit of 11 billion yen (planned) for FY 3/2026**

chocoZAP future outlook

**03. Accelerated growth through franchises and a global rollout**



# Corporate Profile

## (As of the End of March 2025)

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<b>Corporate name</b>	RIZAP Group, Inc
<b>Securities code</b>	2928 (Ambitious Market of Sapporo Securities Exchange)
<b>Established</b>	April 2003
<b>Representative</b>	Takeshi Seto, Founder/CEO
<b>Capital</b>	25,300,030,000 yen
<b>No. of outstanding shares</b>	596,664,367 shares
<b>Consolidated number of employees</b>	4,645 (excluding temporary employees)





# Disclaimer

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This material was produced by RIZAP Group, Inc. (hereinafter referred to as “our company”) for providing information on our company and our group companies (hereinafter collectively referred to as “our corporate group”) and is not intended for soliciting you to buy the shares or other securities issued by our company inside or outside Japan.

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