



RIZAP Group's Medium-term Management Plan (FY 3/23 to FY 3/26)

**September 28, 2022
RIZAP Group, Inc.**

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

Copyright © RIZAP Group, Inc. All rights reserved.

Today's Topics

- | | |
|--|------------|
| 1. Summary of Management Reform | P4 |
| 2. Vision and Business Domain | P7 |
| 3. New Business “chocozap” | P14 |
| 4. Medium-term Management Plan | P42 |
| 5. For Sustainable Growth | P51 |

Highlights

As we earned profit for two consecutive terms and succeeded in the management reform, we accelerated the investment for growth of the new business “chocozap.”

1. Due to results from the management reform transformation, we earned profits for two consecutive terms, considerably increasing profit.

- Operating profit in the previous term (FY 3/22) was 5.2 billion yen, up 328% year on year.
- Improvement in the break-even point: 71.4% compared with that before structural reform (FY 3/19).

2. Investment into the new business “chocozap”

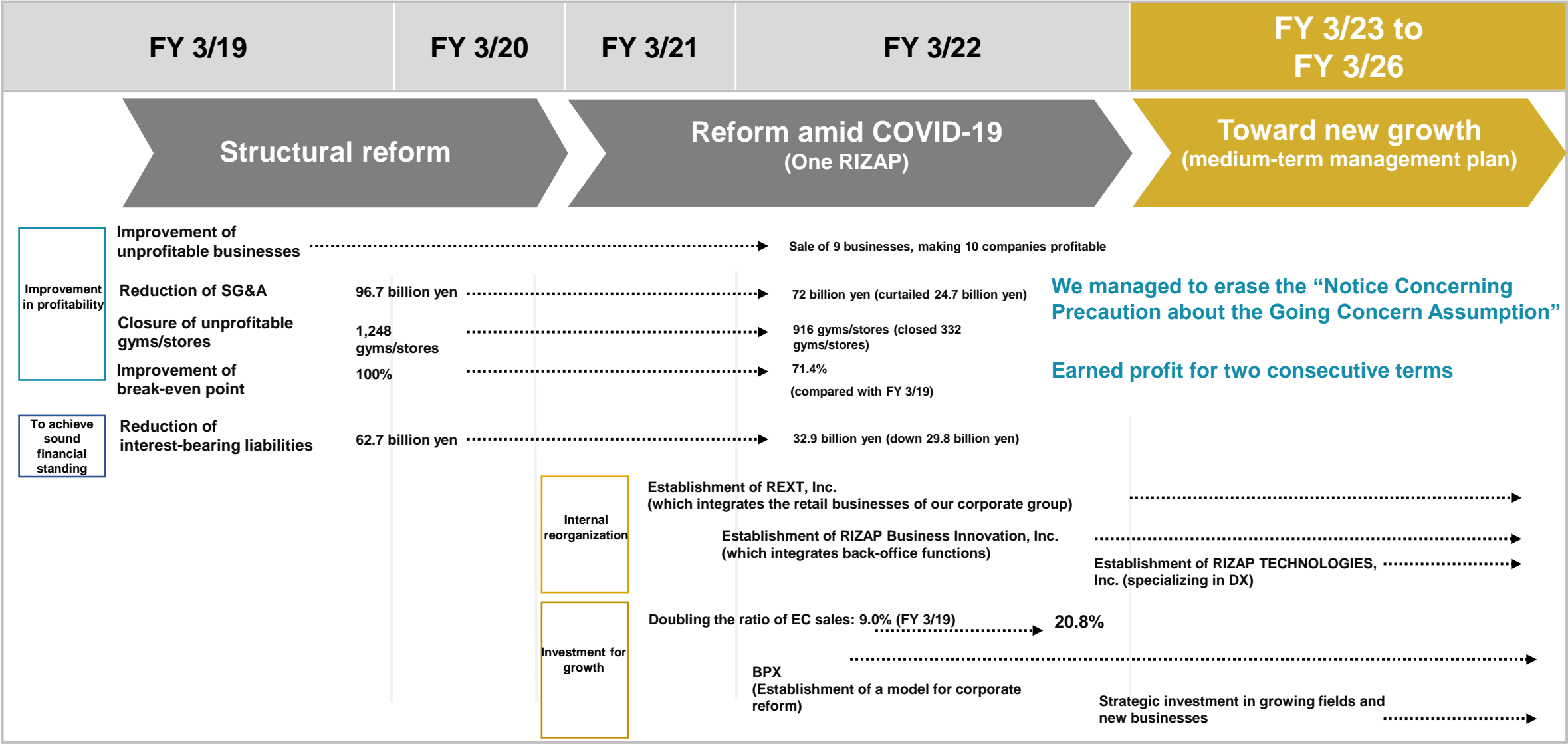
- Implementation of an original method for “producing good results with a 5-min. workout” at extremely reasonable prices based on the knowledge RIZAP has accumulated for 10 years.
- Seeing favorable results from our marketing test, we carried out upfront investments earlier than scheduled.
- We will invest 50 billion yen for growth, mainly for the chocozap business (FY 3/23 to FY 3/26).

3. Medium-term management goal: Operating profit of 30 billion yen (FY 3/26)

- RIZAP-related business: To increase operating profit to over 17 billion yen, by investing in mainly the chocozap business.
- Other existing businesses: To increase operating profit to 14 billion yen, by stably growing profit through the continuation of management optimization.

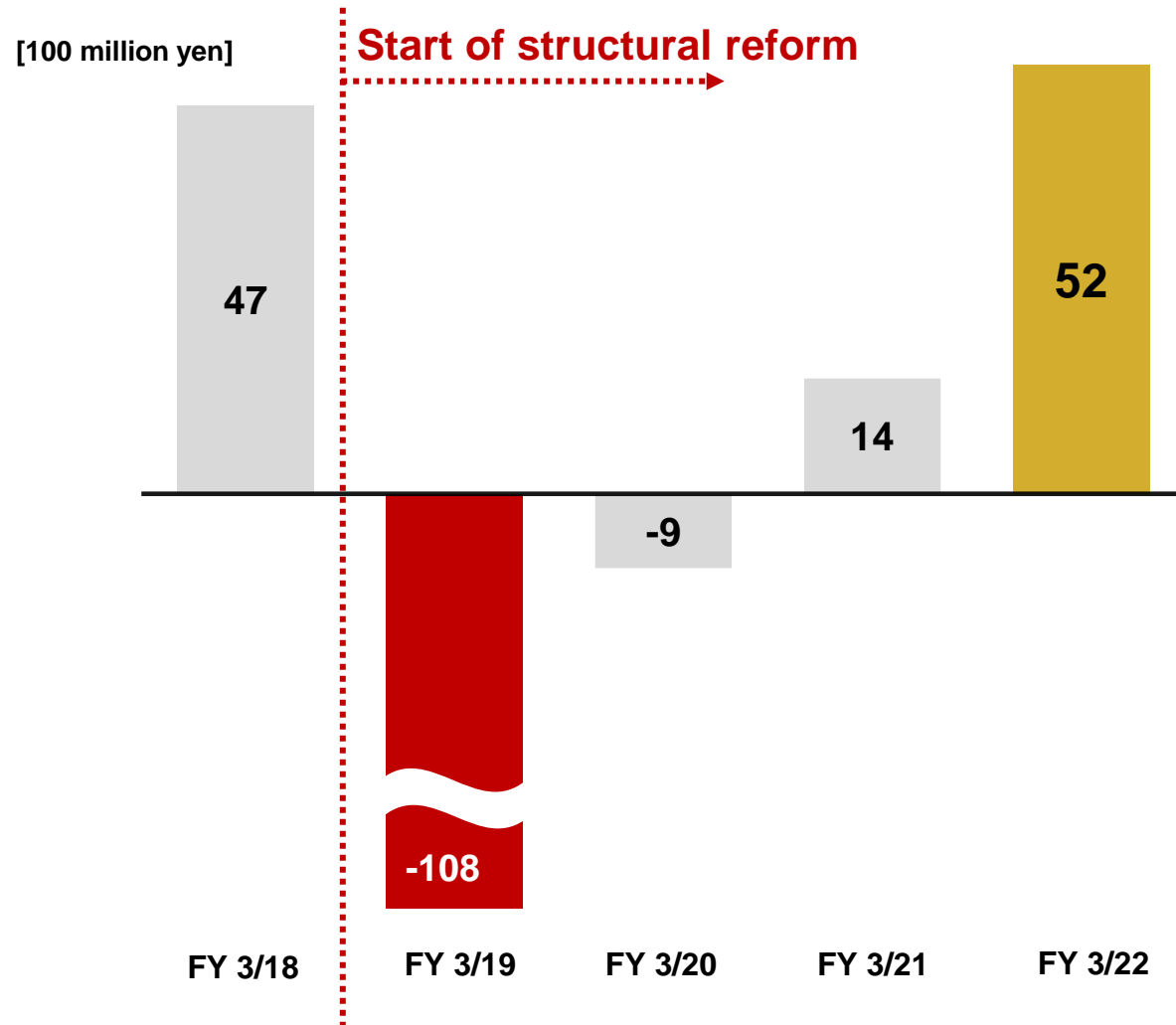
1. Summary of Management Reform

Transformation Overview



Improvements in Operating Profit (IFRS)

Operating profit excluding bargain purchase*



**Earning profit for two consecutive terms.
Increasing profit considerably.**



Developing a new core pillar for generating revenue

*Based on the information disclosed at that time

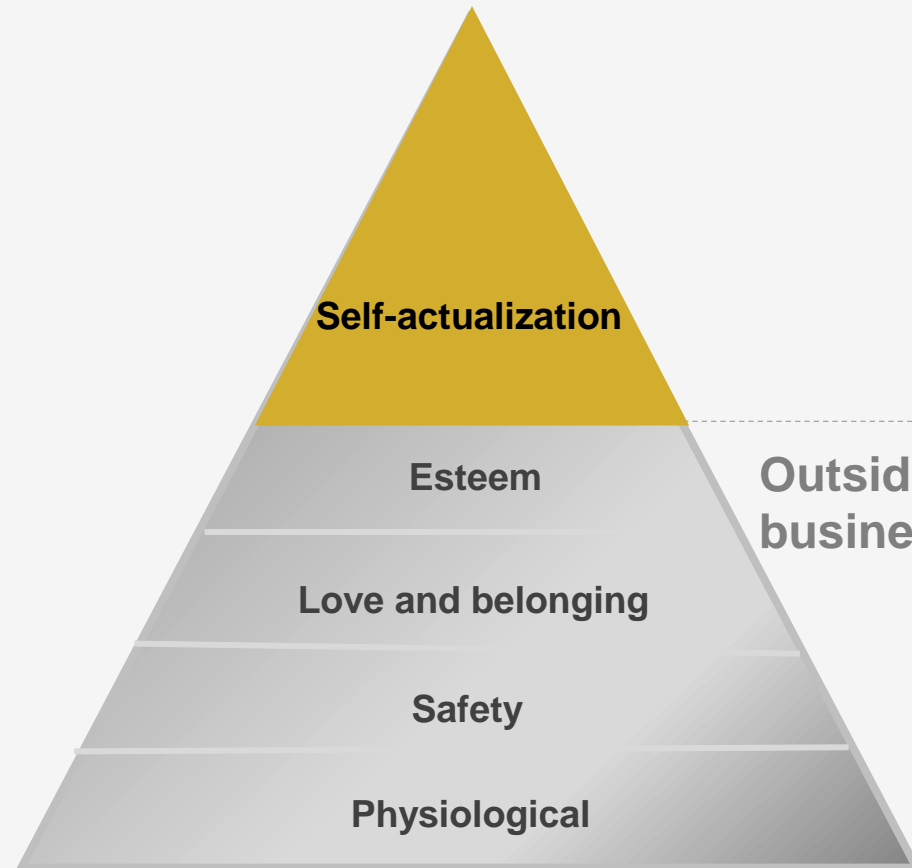
*Operating profit excluding bargain purchase: Operating profit (IFRS) - Bargain purchase

2. Vision and Business Domain

Vision and Business Domain of RIZAP Group



To become the No.1 global brand in “the industry for satisfying the needs for self-actualization,” which is our business domain since our founding



Outside of our business domain

Our business domain includes all services that support customers in realizing their desirable lives.



Becoming an Enterprise to Make the Most Contributions to the Wellness of Humankind



To realize a society in which people can achieve any kind of self-actualization based on wellness

Self-actualization



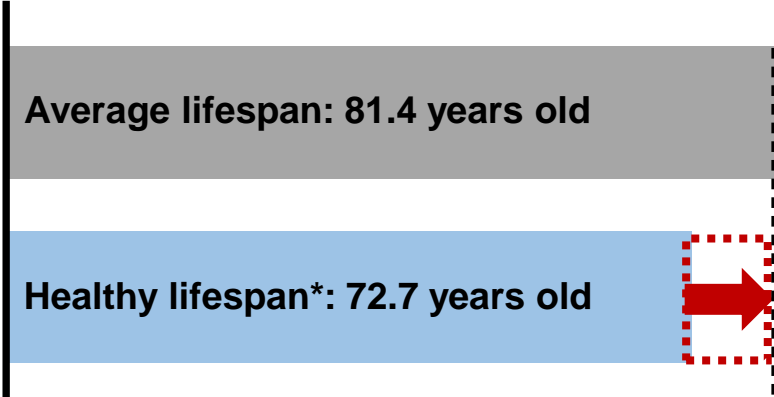
To prolong healthy lifespan



Difference between Healthy Lifespan and Average Lifespan in Japan



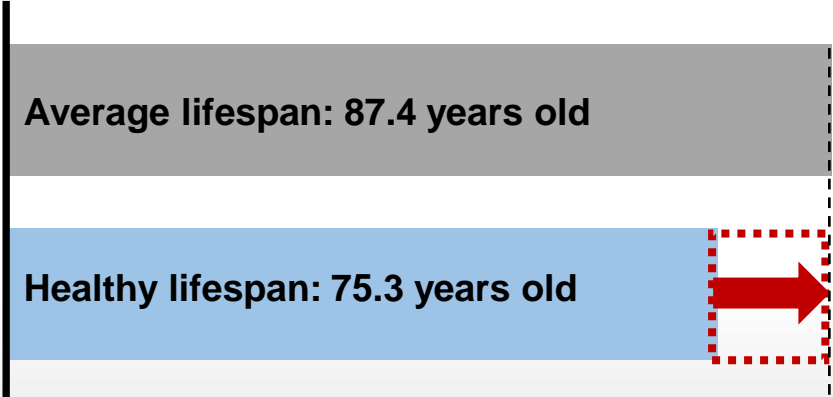
Male



**Nursing care
required: 8.7 years**

**Nursing care
required
for about 10 years**

Female

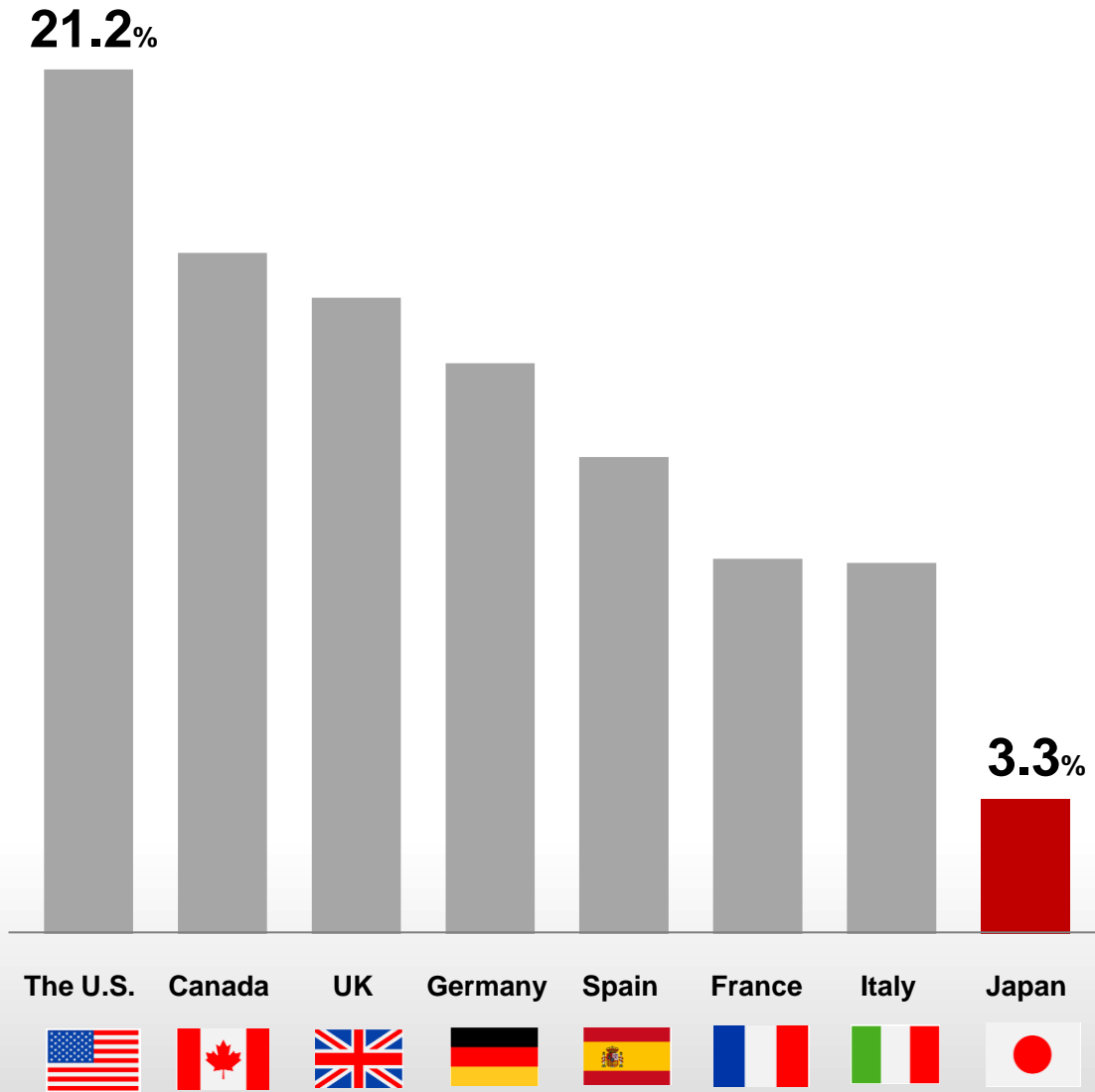


**Nursing care
Required: 12.1 years**



*Average and healthy lifespan of Japanese men and women (Ministry of Health, Labour and Welfare, 2019)
**"Healthy lifespan" = Period calculated by subtracting the period in which nursing care is required because the person is bedridden or suffers from dementia from the average lifespan, which is an indicator proposed by WHO

Ratio of Fitness Club Members

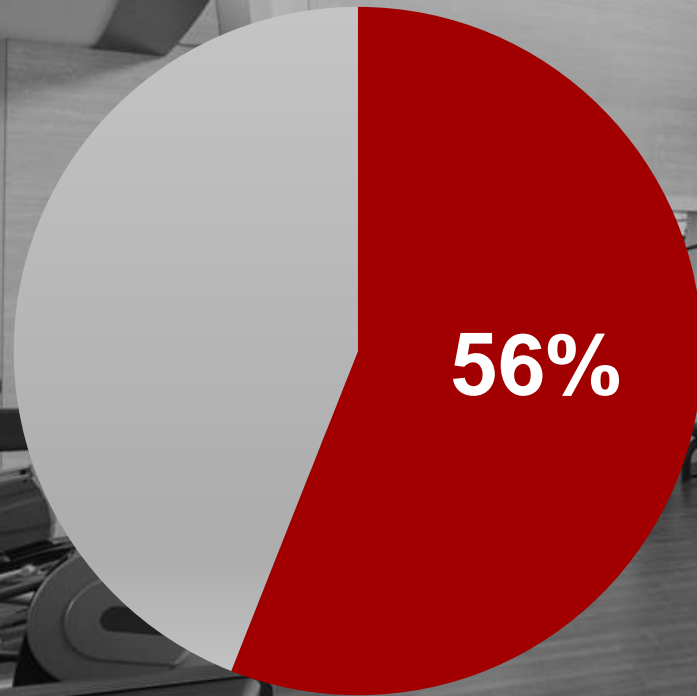


The ratio of Japanese people who spend time in fitness is significantly lower than those of other countries

**2020 IHRSA Global Report: The state of the health club industry” (IHRSA, 2020)
(IHRSA: International Health, Racquet & Sportsclub Association)

Factors that Prevent People from Making a Habit of Exercising in a Sports Club

1-year member retention rate of sports gyms [%]



Difficult-to-access location

Not a daily habit
(once or twice a week)

Cannot spare sufficient time for exercise
(It takes about 2 hours.)

Difficult to learn how to exercise alone




Expensive membership fees

Not effective

About half of members cancel a membership within 1 year

Current Issues

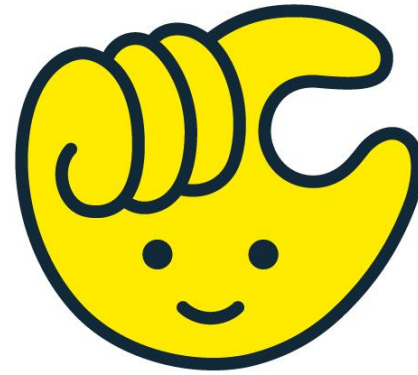
User-friendly, convenient, and insufficient choices for affordable fitness gyms

	Results	No. of Gyms	Price
Current Situation	 Difficult (Difficulty in learning know-how and making a habit of exercising)	Difficult to access (No. of convenience stores: 56,000)*1	Somewhat expensive
Personal Gym	 Good results can be obtained with one-on-one support.	RIZAP is the industry leader with 123 gyms.	Upwards of a few hundred thousand yen. Expensive in general.
Fitness Gym	 It is difficult to complete the entire program alone.	About 5,000 gyms*2	5,000-10,000 yen/month Slightly expensive to keep paying

*1 "Statistical data on convenience stores" (Japan Franchise Association, 2022)

*2 "Current situation and outlook of the market of fitness facilities in FY 2020" (Yano Research Institute Ltd., 2020)

3. New Business “chocozap”



choco**zap**

**Please watch the video
(introducing chocozap)**

Launch of chocozap, a convenience gym created by RIZAP



*Initial membership fee and handling charges: 5,000JPY (35USD)

Primary Targets



Workout beginners

100 million people

(Japanese population aged 15-89 years:
Prospective fitness club members)



Seniors

36 million people
(aged 65 years or older)



Women

36 million people
(aged 15-64 years)



Workout experts

(not targeted)

*"Population Estimates in Sep. 2022" (Statistics Bureau, Ministry of Internal Affairs and Communications, 2022)

*"2020 IHRSA Global Report: The state of the health club industry" (IHRSA, 2020) (IHRSA: International Health, Racquet & Sportsclub Association)

Program of a healthy habit of exercising for only 5 min. per day, which was developed by RIZAP

Easy

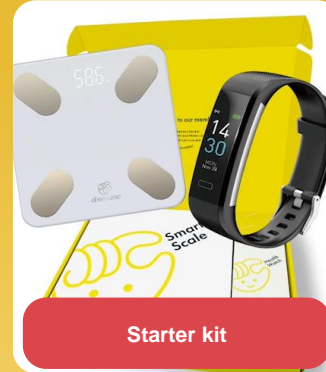


All gyms are available
24 hours a day, 365 days a year.
Beauty care and hair removal devices and golf
gear, too, are available.
(without additional charge)

Convenient



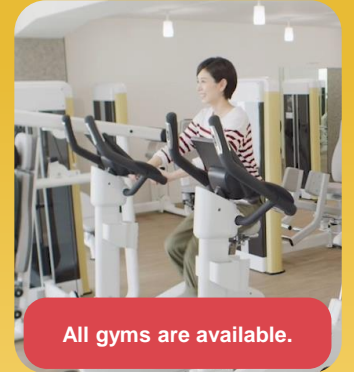
You can sign up and
withdraw with a
smartphone.



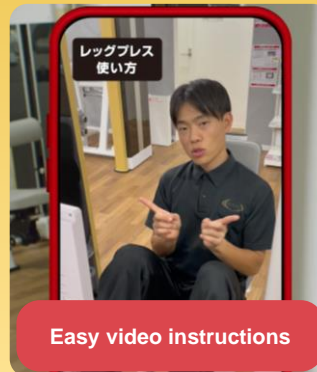
Starter kit



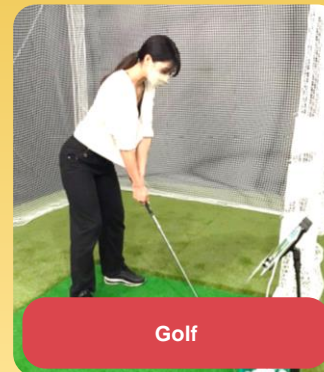
You can enter and leave a
gym with a QR code.



All gyms are available.



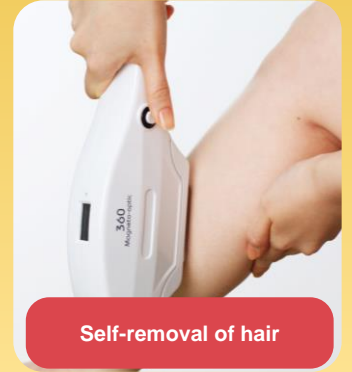
Easy video instructions



Golf



Self-beauty care



Self-removal of hair

The membership fee is
1/100 of the fee of RIZAP.

Affordable

2,980JPY (21USD) /month
(3,278JPY (23USD)
including tax)



*Initial membership fee and handling charges: 5,000JPY(35USD)



chocozap app

To be released in the first half of
October



Virtual trainer

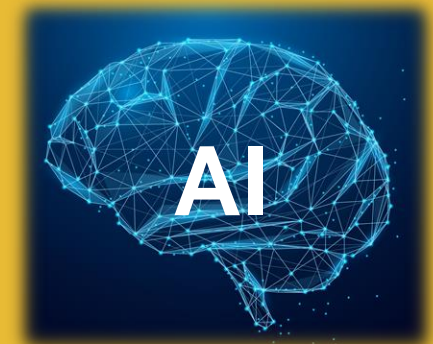
Based on lifelogs and traits of customers, AI proposes an optimal workout.



Recommended videos

Based on lifelogs, the most suitable video is proposed.

Optimal solutions are proposed based on lifelogs and AI.



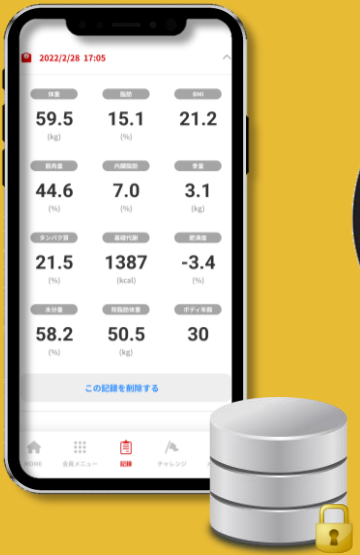
The starter kit will be distributed to every customer. (spending about 4 billion yen per year)



Body composition analyzer



chocozap app



Health watch



Measurement items

Body weight	BMI	Body-fat percentage	Basal metabolic expenditure	Degree of obesity	Visceral fat
Body water	Muscle mass	Bone mass	Protein amount	Body age	Lean body weight

A total of 19 items can be measured.

Measurement items

Blood pressure	Heart rate	Body temperature	
Calorie consumed	Blood oxygen	Steps	Distance

*We plan to start distributing the starter kit in November.
*You can check your diastolic/systolic blood pressure, body temperature, and heart rate only with an app.

Incorporated easy-to-use and convenient functions



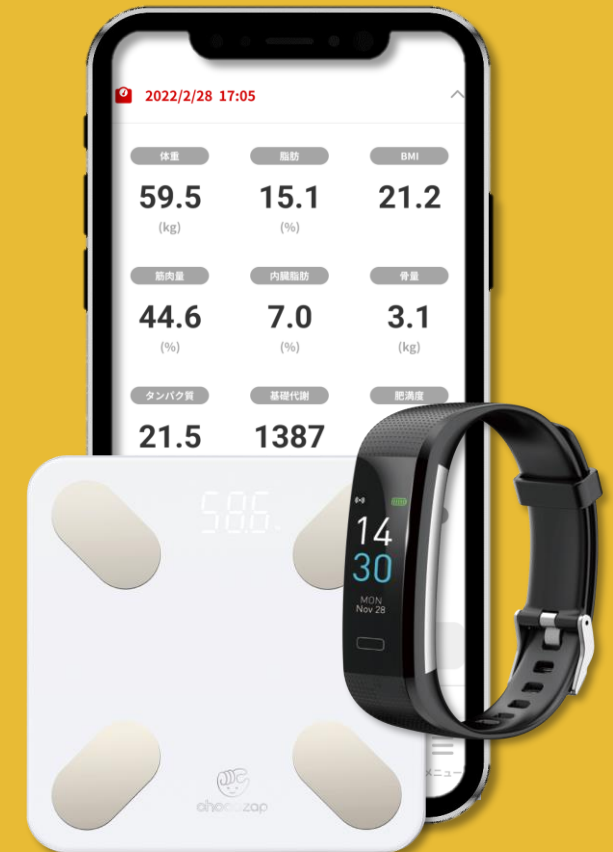
You can sign up and withdraw with an app.



You can search for gyms and display their occupancy states.



You can enter and leave a gym with a QR code.



Automatic linkage between your body composition analyzer and health watch

To support customers in keeping exercising



Gamification function to help customers keep exercising

Customers can support one another within the chocozap community.

Security and safety through AI and DX



Only members can enter
gyms.
Security assured



Minimization of blind spots
The number of surveillance
cameras around each locker
is two or more times the
normal number.



Average number
of surveillance
cameras per
gym:
10



AI will detect **“suspicious behavior”** and
“falls” and notify our company and
management firms.



Videos are recorded **24**
hours a day, **365** days a
year and **notify** nearby
staff to respond.

Advice from a medical perspective

Additional charge: 3,000 yen (TBD)

Blood test



For all
members



Optional
(for applicants only)

Medical report for each customer



血液検査

判定 C

14/20

直近の血液検査結果をもとに健康状態を表しています。専門医のコメントをもとに、日々の行動を変えてみましょう。

項目	数値	(前回比)	目標値
総コレステロール	227 mg/dL		130~219 mg/dL
LDLコレステロール	168 mg/dL		70~139 mg/dL
HDLコレステロール	66 mg/dL		40~100 mg/dL
TG	43 mg/dL		30~149 mg/dL
ALP	163 U/L		110~350 U/L
AST	41 U/L		5~40 U/L
ALT	23 U/L		5~45 U/L
γ-GPT	12 U/L		45 U/L以下
総ビリルビン	0.5 mg/dL		0.2~1.1 mg/dL
クレアチニン	0.56 mg/dL		0.70 mg/dL以下
尿素窒素	11.6 mg/dL		8.0~20.0 mg/dL
尿酸	3.8 mg/dL		2.4~7.0 mg/dL
HbA1c	5.2 %		5.5 %以下

Blood test results

〈糖尿病専門医〉柳山医師より

・糖尿病専門医
・学校法人 明治医科大学薬物治療学研究室 教授

【総コレステロール】
基準値を超えています。食生活の見直しで変化が起こることも期待されますので注目していきましょう。

【AST】
基準値を超えています。不摂生や薬物の使用、肝臓の脂肪の蓄積などが影響している可能性があります。食生活の振り返りによって改善できる可能性があります。

Advice from a specialist

Business Model of chocozap





Creation of the world's first “convenience gym” based on the know-how RIZAP has nurtured for 10 years

Easy



You can exercise for 5 min. per day, without changing clothes or shoes. Video instructions for beginners so that they can work out without any worries.

Convenient

We are opening gyms across Japan.



Every gym is available 24 hours a day, 365 days a year. Video instructions for at-home workouts.

Affordable



Highly reasonable plan to use 24-hour gyms as much as you want.

2,980 yen/month
(3,278 yen including tax)

*Initial membership fee and handling charges: 5,000 yen

2,980 yen/month (subscription)
You can use gyms, beauty care and hair removal devices, and golf gear as much as you want.

Customer's Recognition and Behavior

The common sense of fitness will change, and each customer's behavior will change.

Difficult



Easy



Inconvenient



Convenient



Expensive



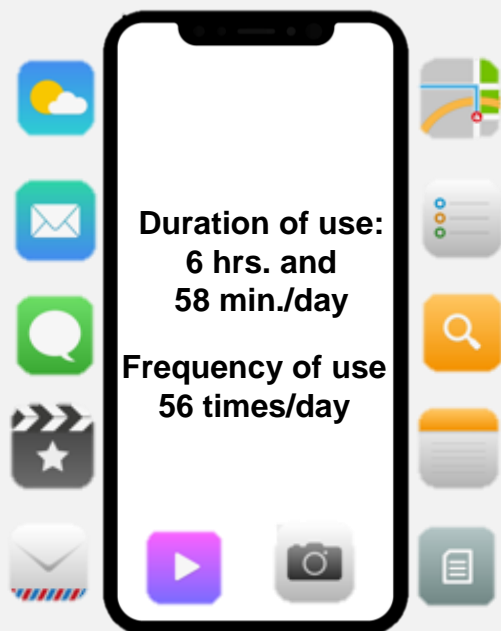
Affordable



Utilization of “spare time”

New ways of spending “spare time”

Use of a smartphone during spare time

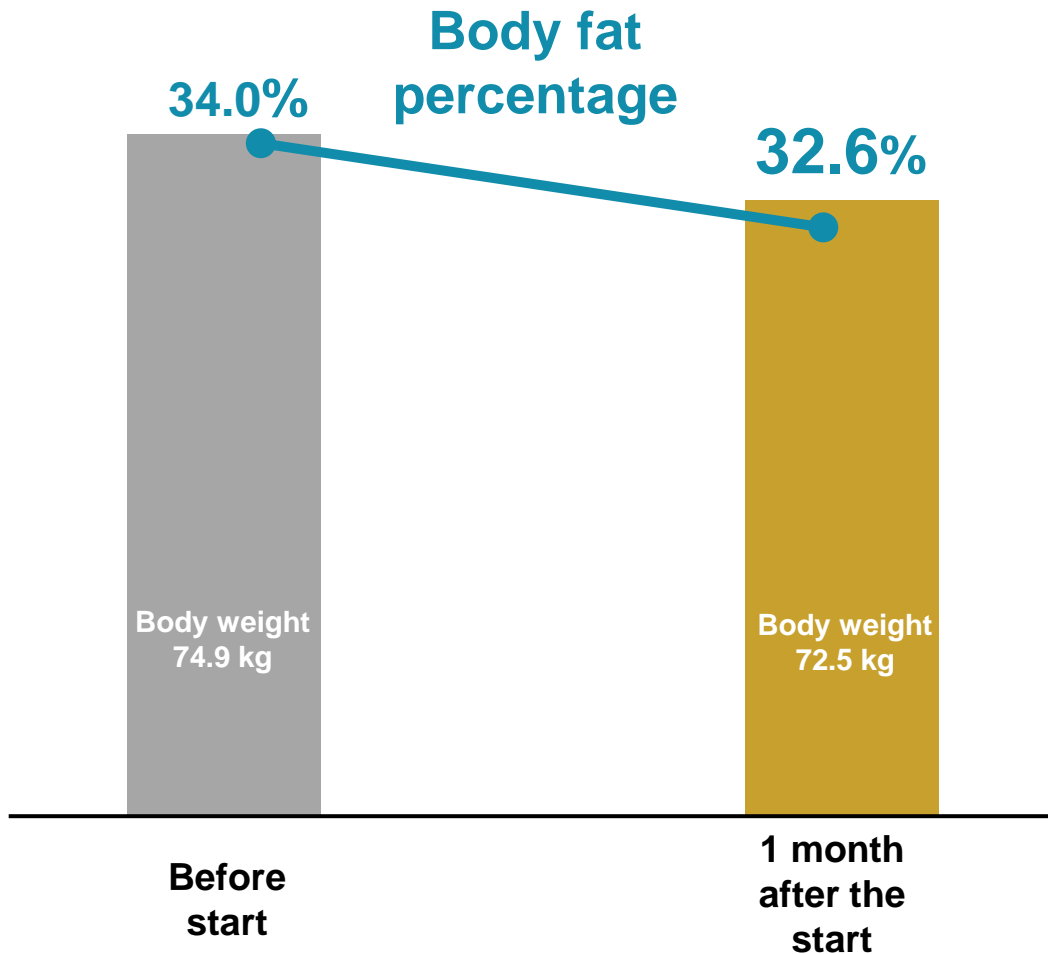


Convenience gyms during spare time



Effects of “exercising for 5 min/day”

Variations in body weight and
body fat percentage*



The proven effects of “exercising for 5 min/day” (1 month later)



- Body weight: Down 2.4 kg, body fat percentage: down 1.4%^{*1}
- Physical age: Down 8.6 years on average^{*2}
- No. of side steps: Up 7.8 at a maximum^{*3}

^{*}This slide shows the results of the test for demonstrating the effects of this program as of September 28, 2022.

^{*}The actual advertisement of this business may be different from the contents of this slide.

^{*1} Statistical results of 12 subjects (aged 38-63 years; average age: 49.7 ± 9.6 years old) who underwent chocozap's programs for fat-burning, beauty, and functional improvement

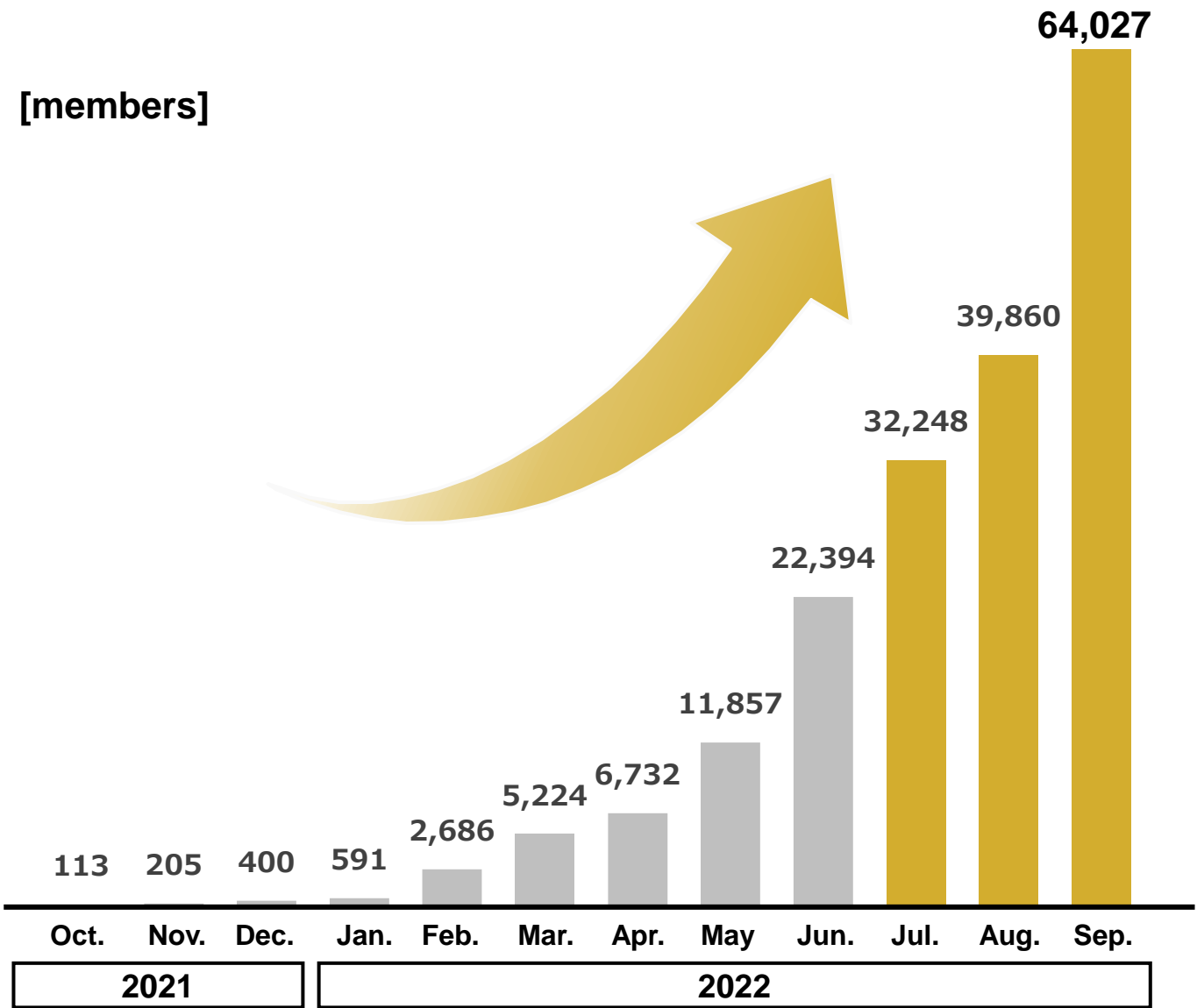
^{*2} Statistical results of 10 subjects (aged 53-75 years; average age: 63.4 ± 7.6 years old) who underwent chocozap's program for improving physical and muscular strengths

^{*3} Statistical results of 6 subjects (aged 53-64 years; average age: 58.7 ± 4.8 years old) who underwent chocozap's program for improving physical and muscular strengths

Change in the Number of Members



[members]

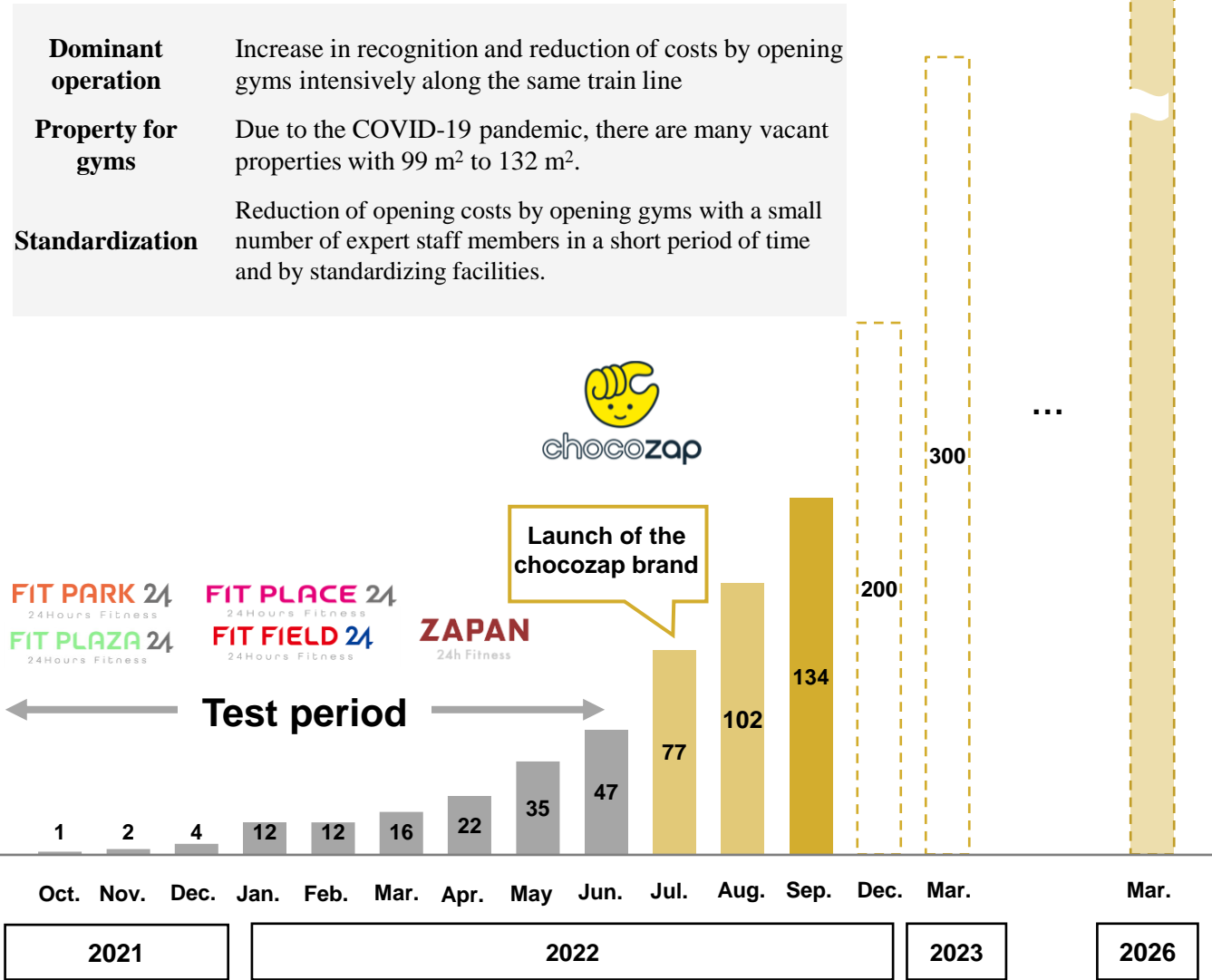


The number of members exceeded 60,000 in 1 year.

(Sales scale: 2 billion yen)

*No. of members in September: As of September 27

Change in the Number of Gyms



We aim to open 300 gyms by the end of this term



We aim to open 2,000 gyms by FY 3/26.
The number of gyms will be comparable to that of convenience stores.



Efforts for Reducing Costs

Efforts for significantly reduce costs for opening and operating gyms

Costs
for
opening
gyms

Direct procurement

(Procurement of materials, such as wallpaper and flooring)



Lump-sum purchase/in-house development

(over 2,000 units)



Visualization of costs

(Production → Transportation →
Storage → Shipping)



Unstaffed

Operation
costs



In-house Advertising

(Putting flyers into mailboxes and
distributing them by hand)



Standardization

(Flowcharts for opening gyms and
attracting customers)



chocozap for Corporate Clients



By offering chocozap for corporate clients,
we will contribute to “health-oriented business
administration”

1

Acquisition of data

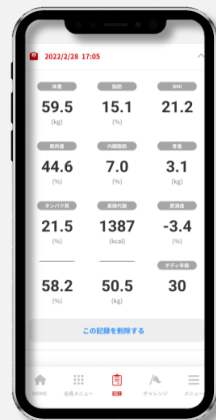
Use of body
composition analyzer
and health watch



2

Visualization

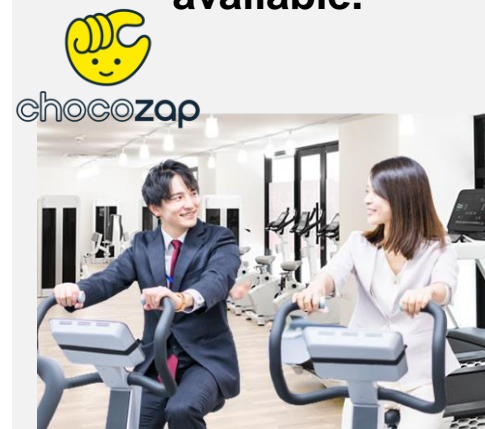
Data visualization
with an app



3

Use of chocozap

All gyms are
available.



4

Provision of services
according to health
conditions

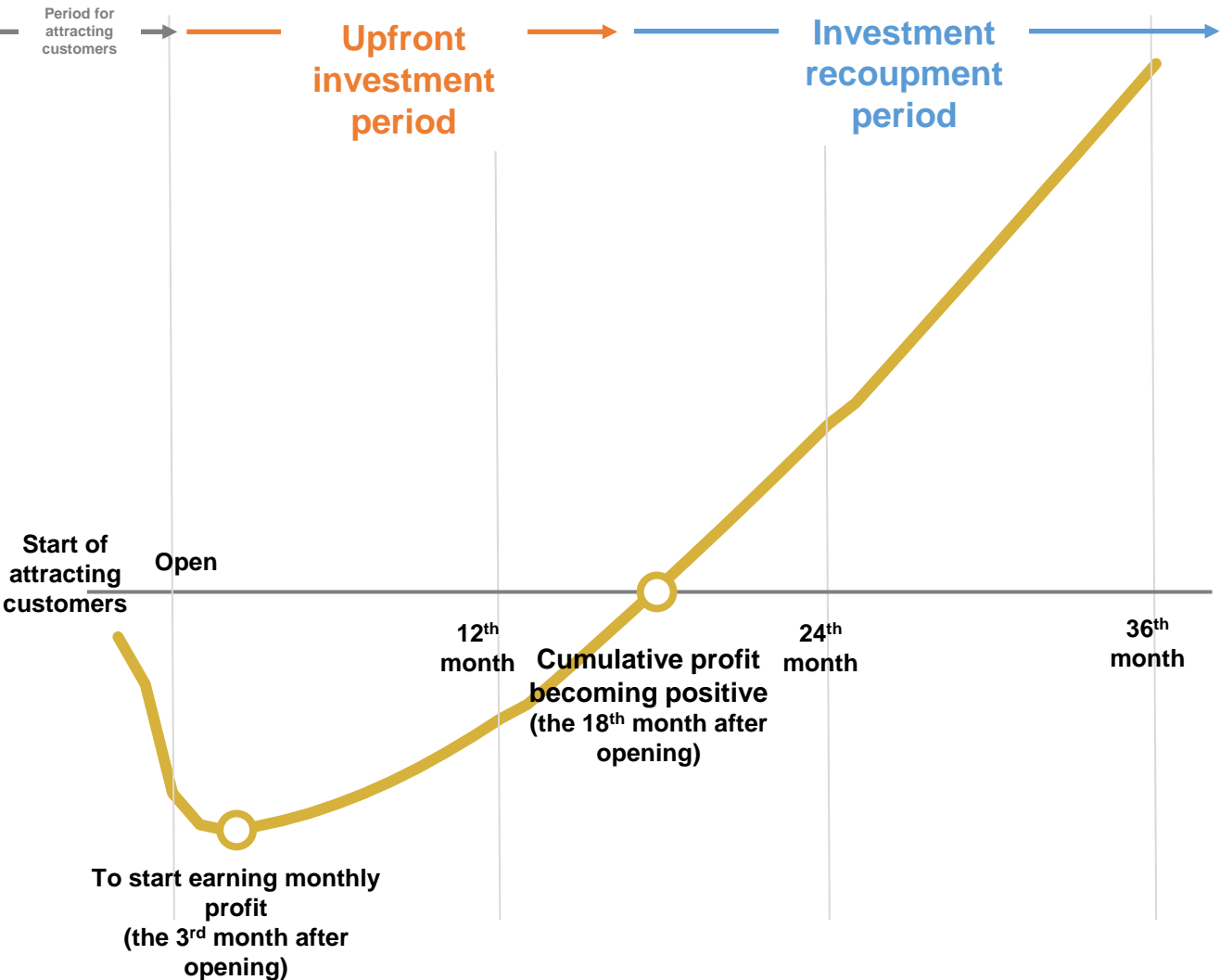
Rigorous selection of
services and products
with high discount rates



Profit/Loss per Gym



Visualized variation in operating profit/loss



After the initial investment period, the investment will start contributing to profit considerably in the second year.

	chocozap business		Other gyms ^{*2}
	1 st year ^{*1}	2 nd year	
Sales	100%	100%	100%
Rents	34%	20%	20%
Utilities costs	2%	1%	10%
Depreciation	11%	8%	10%
Personnel expenses	3%	2%	30%
Ad costs	31%	9%	-
Other	56%	25%	
Operating profit	-36%	34%	

*1 Recording from the start of attracting customers

*2 It indicates the approximate cost structure of general fitness gyms.

Criteria for Closing Gyms

To minimize the risk of closing gyms
from the time of opening them

Reduction of the cost for closing gyms

At the time
of opening
gyms

Removal of restrictions on early termination

- Negotiation for penalty conditions, etc.
- Not to select free-rent options

At the time
of closing
gyms

Minimization of the cost for closing gyms

- Work with partner firms for restoring each real estate to its original state by ourselves

Criteria for closing gyms

Condition for closing a gym

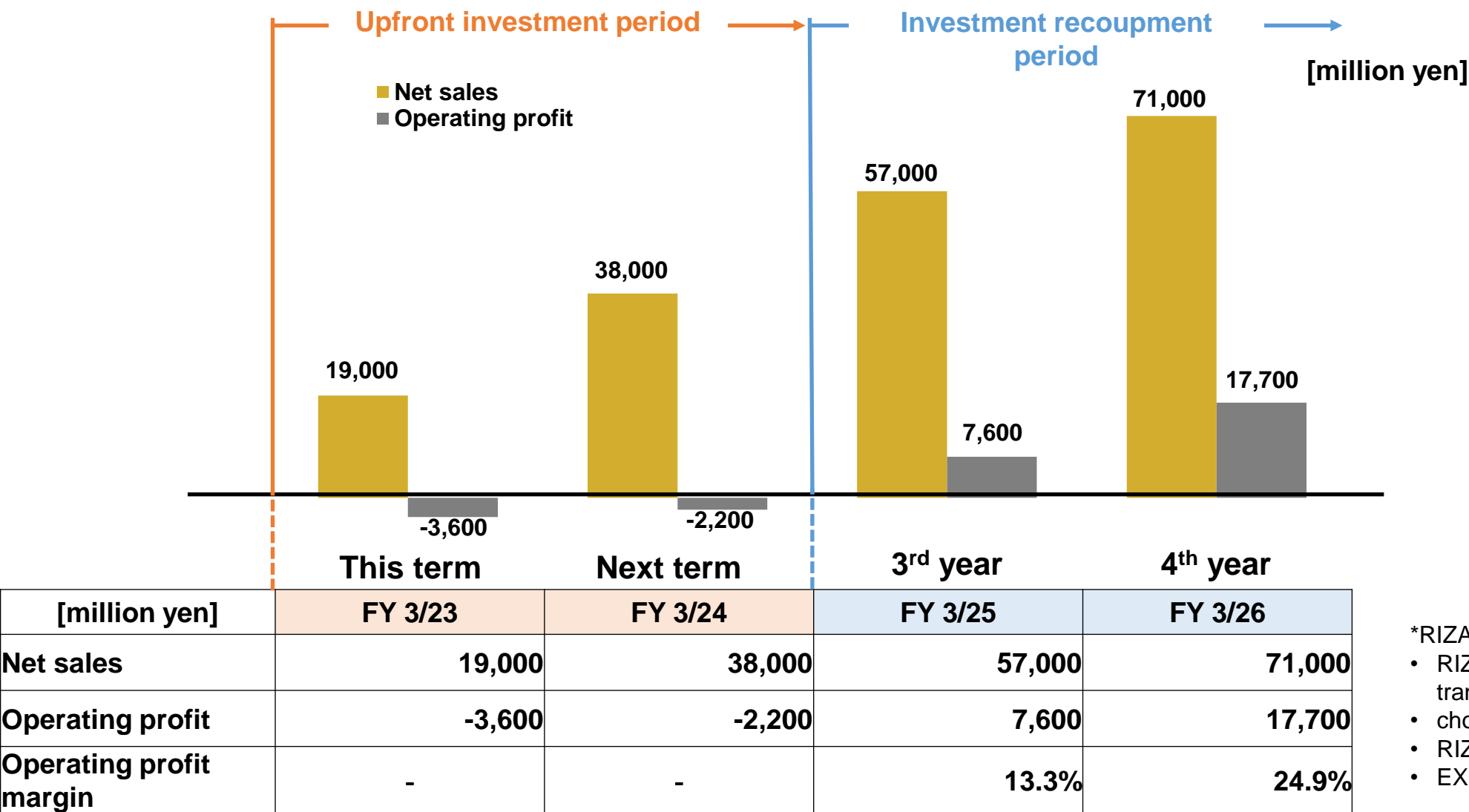
Monthly loss reaches six consecutive months.

As of now, there are no gyms to be closed.

(No gym sees a net decrease in the number of members.)

RIZAP-related Business Plan (4 years)

After the upfront investment period, we are expected to have a return on our investment from FY 3/25.



*RIZAP-related business:

- RIZAP (Body transformation)
- chocozap
- RIZAP GOLF
- EXPA, etc.

Investment Plan (chocozap business)



Investment amount (FY 3/23-FY 3/26)

Investment
in tangible
assets

**20 billion
yen**

In-gym equipment,
interior decorating,
training machines, etc.

Investment
in
intangible
assets

**30 billion
yen**

Development of apps
and systems, marketing,
recruitment and
development of DX
personnel, etc.

**To invest
50 billion
yen in 4
years**

Fund procurement policies: (1) Operating CF of existing businesses, (2) Borrowing from banks, (3) Liquidation of non-core assets, etc.

4. Medium-term Management Plan

Medium-term Management Goals

Target operating profit: 30 billion yen (FY 3/26)

Operating profit [million yen]	Term before last	Previous term
	FY 3/21	FY 3/22
Consolidated performance of RIZAP Group	1,594	5,234
RIZAP-related business (including chocozap)	-624	1,138
Other existing businesses	758	1,929
Healthcare and beauty (excluding RIZAP-related business)	-190	-62
Lifestyle	1,639	1,561
Investment	-692	431
Adjustment	1,461	2,167



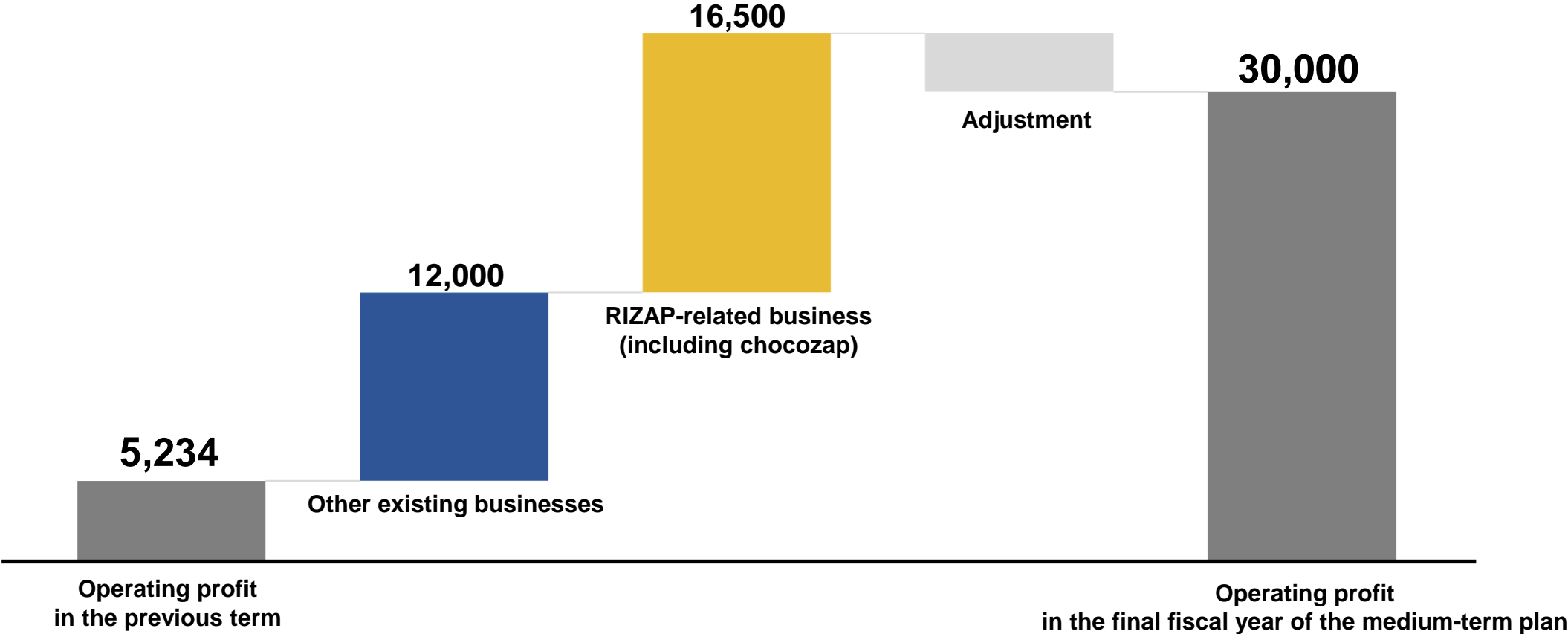
4 th year of the medium-term plan FY 3/26	Compound annual growth rate (CAGR)	Growth rate (from FY 3/22)	Remarks
30,000	154%	573%	
17,700	198%	1555%	Concentration on investment for growth
14,000	164%	725%	Sustainable profit growth
3,200	-	-	
8,500	152%	544%	
2,300	152%	534%	
-1,700	-	-	

(Note) The figures for each segment are the sums of results and forecasts of group companies.
 "Adjustment" includes consolidated adjustment, group-wide expenses, and gain from the sale of assets.

Medium-term Management Goals

Target operating profit: 30 billion yen (FY 3/26)

[million yen]



(Note) The figures for each segment are the sums of results and forecasts of group companies.
 “Adjustment” includes consolidated adjustment, group-wide expenses, and gain from the sale of assets.

Earnings Forecast for FY 3/23

Net sales: 155 billion yen (95.5% of previous term)

Operating profit: 500 to 2,500 million yen (9.6 to 47.8% of previous term)

Profit: -2 billion yen to 500 million yen

The income forecast is disclosed in ranges because the external environment is uncertain (the significant depreciation of the yen, increase in raw material prices, etc.) and we plan to open gyms earlier than scheduled if the performance of the chocozap business is healthy.

As we will open more gyms earlier than scheduled, the possibility of achieving the target profit of the medium-term management plan will increase.

Synergy between RIZAP and chocozap

chocozap will accelerate the growth of the RIZAP business



Increase of fitness club members



To support workout beginners

RIZAP members can use the chocozap gyms as much as they want



Sleep



Nutrition



Healthcare



Plentiful contents



Body composition

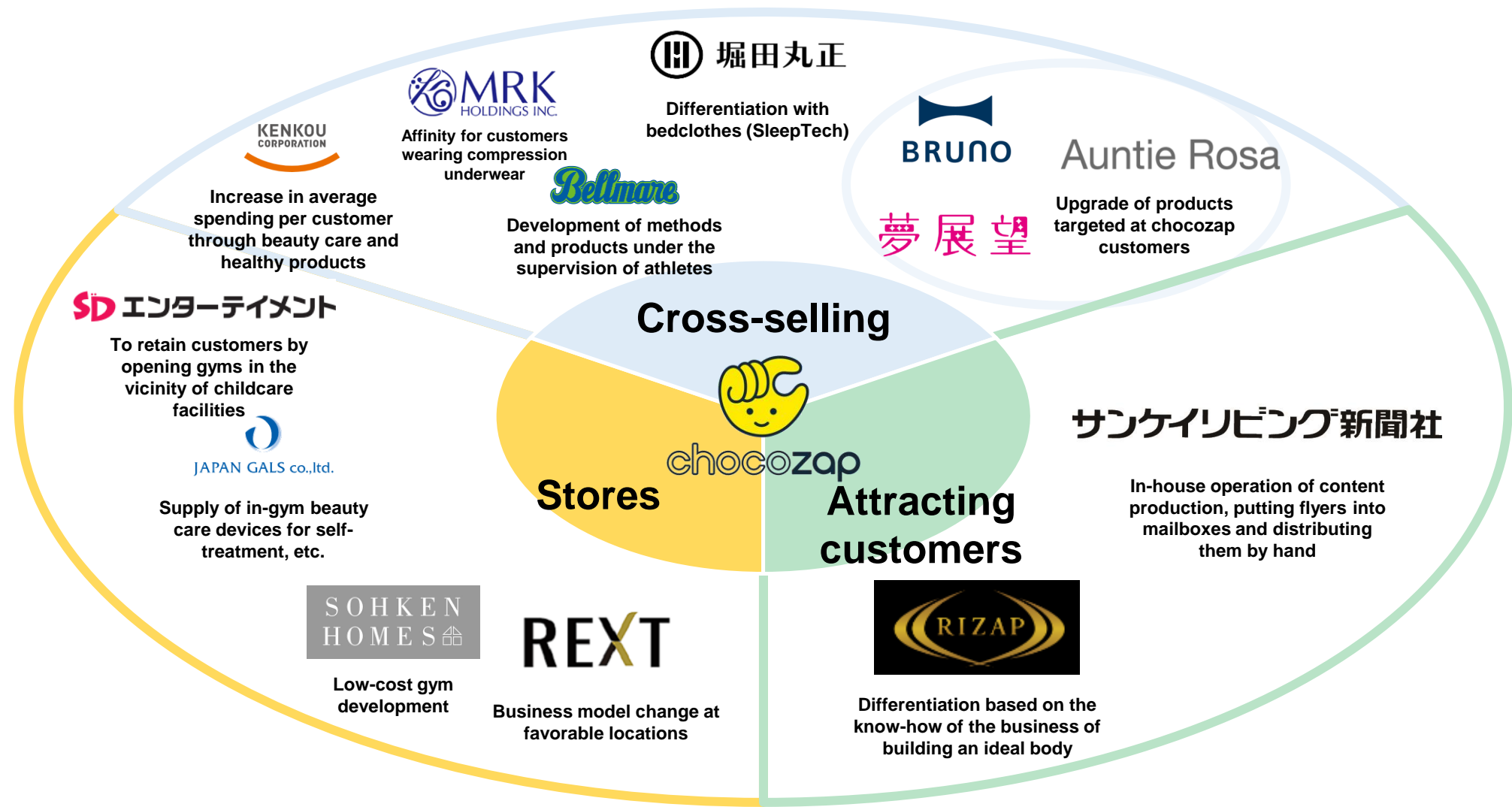


Improvement of services



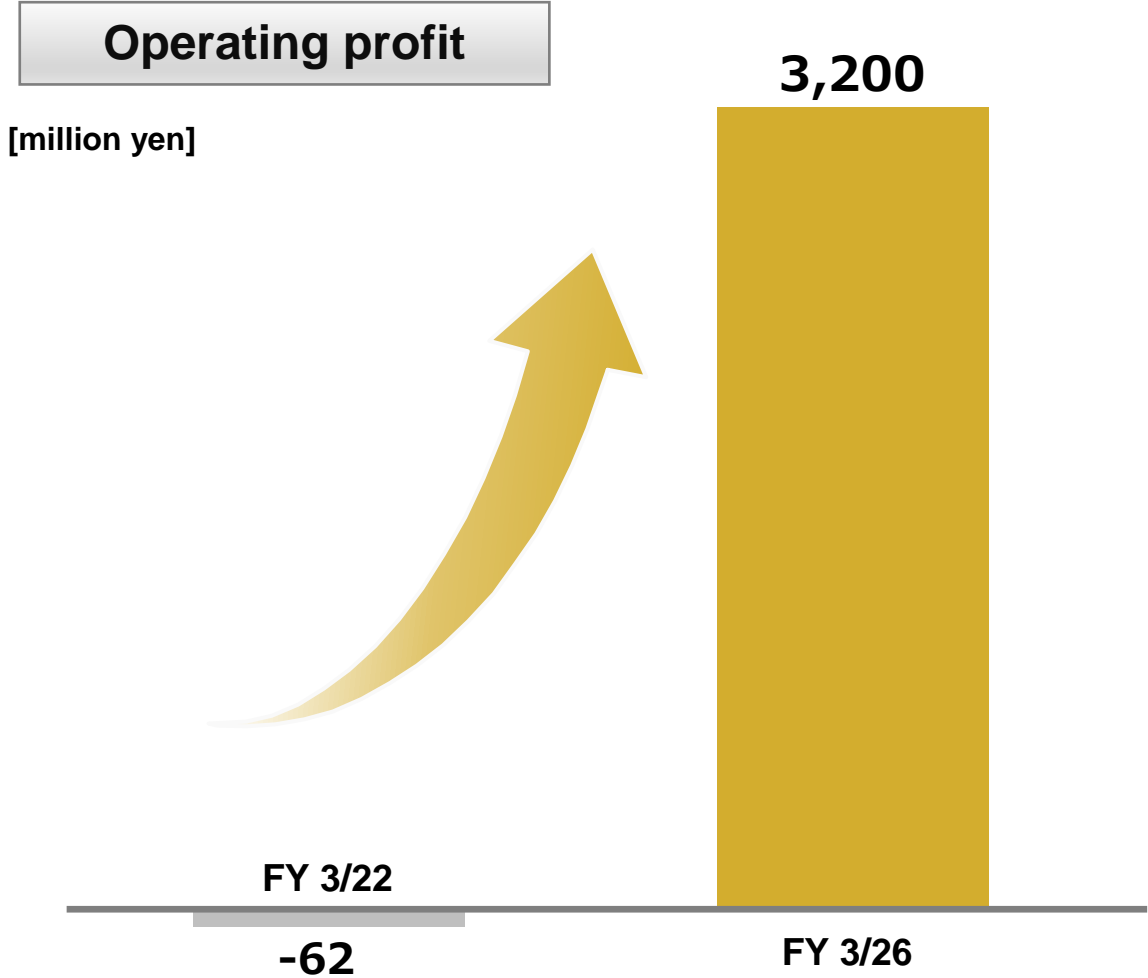
Synergy among Group Companies

Fusion of synergetic effects between the strengths of group companies and chocozap



Healthcare and Beauty Segment

(excluding RIZAP-related business)



To grow profits by maximizing the synergy with chocozap



To increase customers by enhancing EC and online counseling.
To expand sales by strengthening beauty-related products.



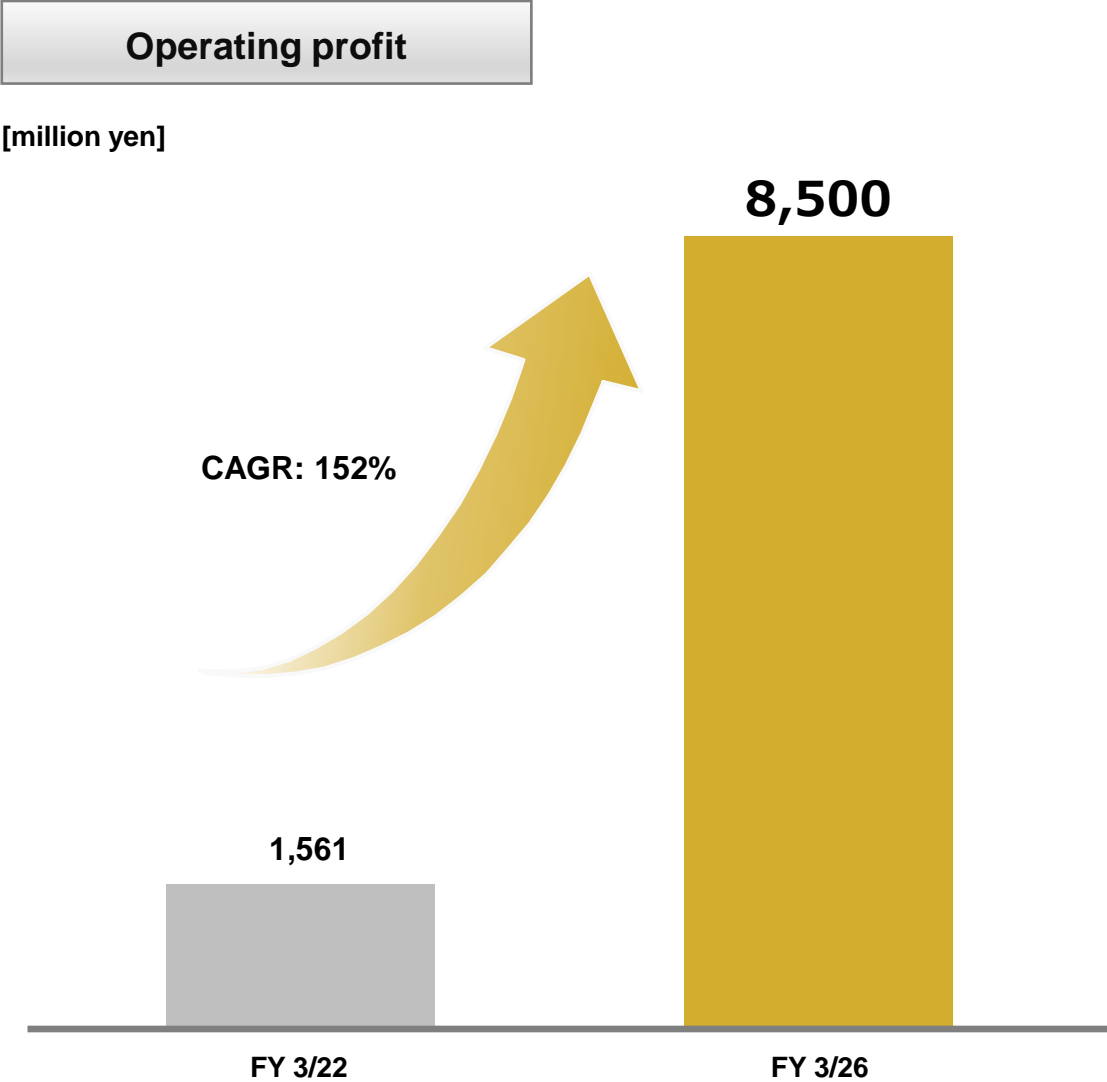
To increase the sale of beauty care devices for chocozap.
To improve profit margin by improving PB products and EC.



To concentrate managerial resources onto hit products, such as Doroawawa.
To expand the sale of healthy products, etc. for chocozap.

(Note) Sums of results and forecasts of group companies

Lifestyle Segment



To establish a stable revenue base by realizing cross-sectoral business operation and optimizing costs

REXT

To redesign our products and pricing strategy for making the business highly profitable.
To restructure and optimize the logistics and supply chain.
To unify store operation and promote DX.
To withdraw from unprofitable businesses and gyms, and reallocate managerial resources.

BRUNO

To develop new products by utilizing the forte of the BRUNO brand.
To reduce costs based on the alliances with strategic suppliers.
To curtail distribution costs by rebuilding overseas logistics networks.

夢展望

To improve profit margin by continuing a reform on our pricing strategy.
To concentrate managerial resources onto competitive brands.

Auntie Rosa

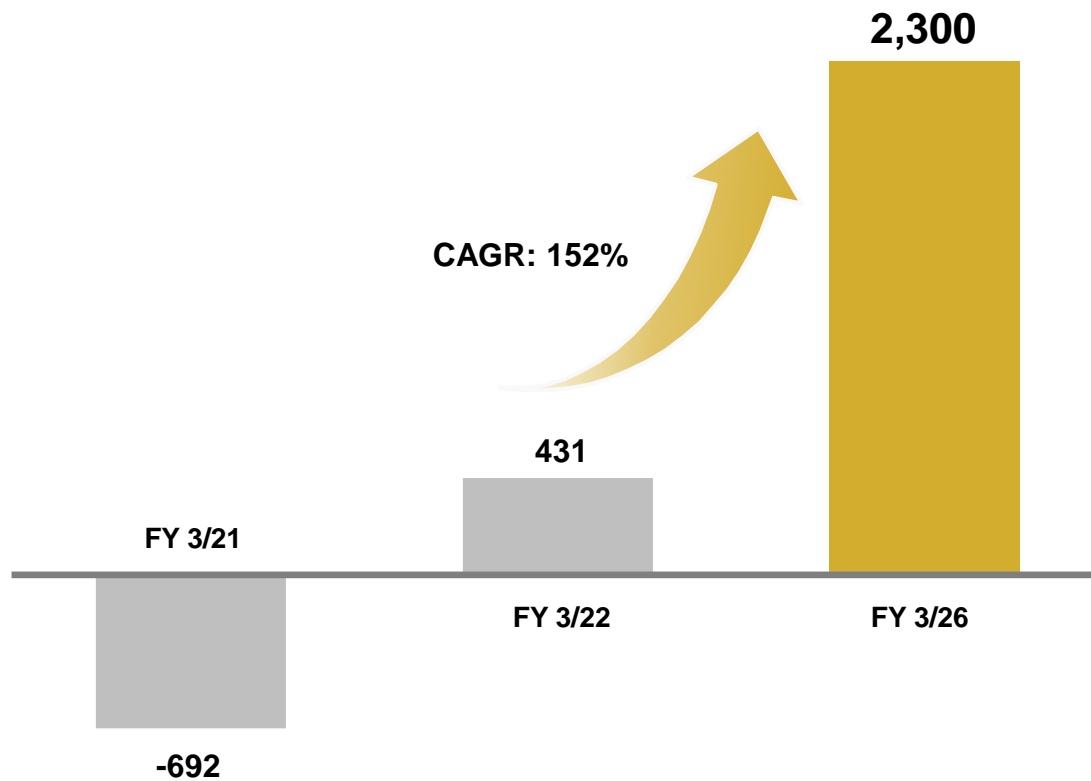
To raise profit margin through our pricing strategy and cost reduction.
To brush up the forte of the know-how to sell apparel via EC.

(Note) Sums of results and forecasts of group companies

Investment Segment

Operating profit

[million yen]



To improve the strength of each group company and contribute to all group companies with functions and revenues

 エンターテイメント

To concentrate managerial resources onto the revenue-earning business (childcare and nursing care).
To optimize the cost structure of the fitness business.

 堀田丸正


To further differentiate the fancy twisted yarn business and boost overseas sales.
To launch the SleepTech business in the bedclothes business.

 GORIN
GORIN PACKING

To grow sales by strengthening automobile-related parts.

 SOHKEN
HOMES

To improve profit margin by reducing the costs for housing with high added value.

 一新時計

To enhance the sales promotion of Patek Philippe, which is the mainstay.

 Bellmore

To enhance measures for recovering the number of spectators after the end of the coronavirus pandemic.

サンケイリビング新聞社

To improve the function to produce contents in our corporate group.

Change in the definition of the Investment segment (From October 2022)

Investment businesses in our corporate group, and businesses whose reconstruction should be accelerated



Functional companies that support synergy among group companies

(Note) Sums of results and forecasts of group companies

5. For Sustainable Growth

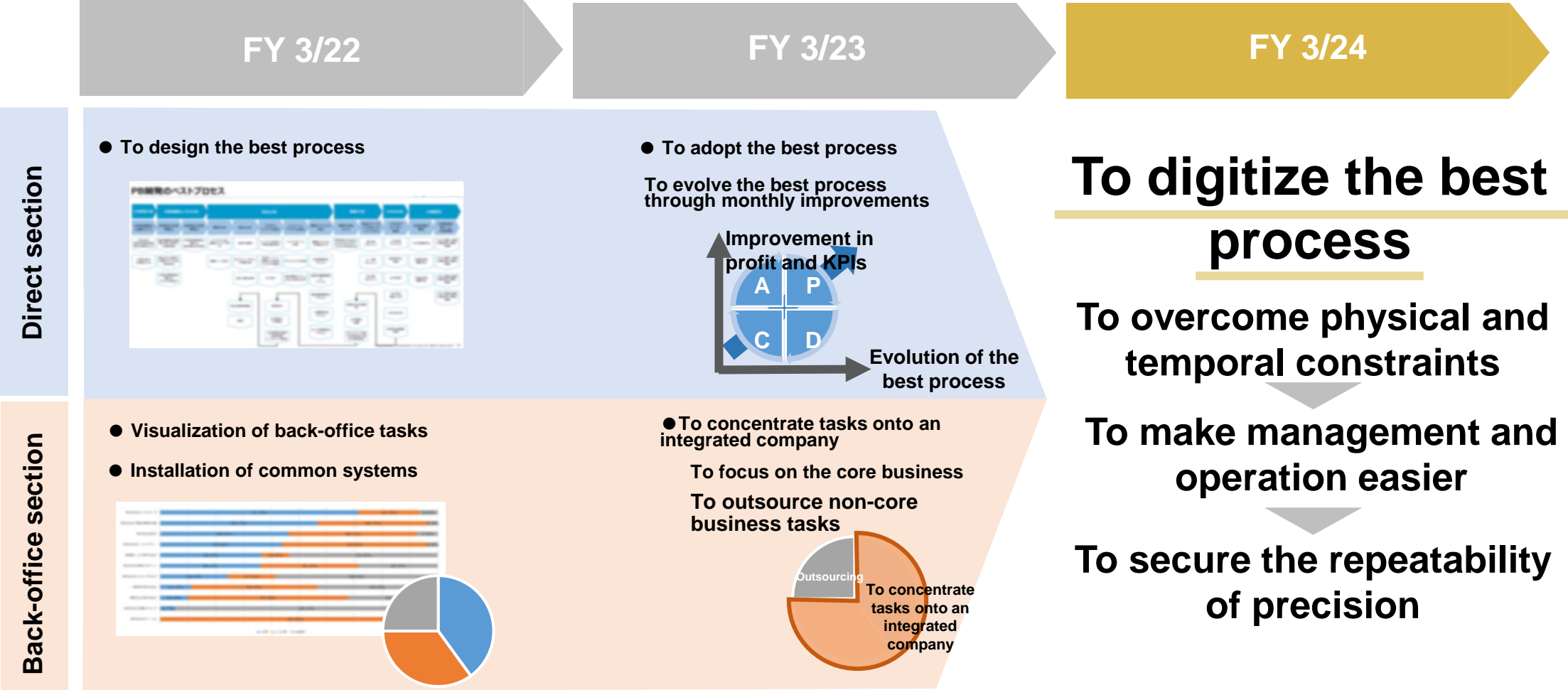
Measures for Tightening Governance (1)

We plan to comply with all principles of the Corporate Governance Code, by the end of the 4-year period of the medium-term management plan

No.	Major item	Our response	Schedule	Principles of the Code
1	Establishment and development of a Nomination/Remuneration Committee	We have already established an arbitrary “Nomination/Remuneration Committee.”	Completed (FY 3/22)	4. Duties of the board of directors, etc.
2	Basic policy for the business portfolio	We have already adopted “the standards for business management” for monitoring group companies and businesses.		5. Dialogue with shareholders
3	Establishing diversity among employees	Setting of policies and goals regarding the promotion of women, non-Japanese employees, and mid-career workers to managerial positions, etc.	This term (FY 3/23)	2. Appropriate cooperation with stakeholders
4	Enrichment of information disclosure	Disclosure of information in English (brief financial reports, material for briefing sessions, etc.)		3. Appropriate information disclosure and securing of transparency
5	Initiatives for sustainability	Disclosure in accordance with the measures for carbon neutrality and TCFD		3. Appropriate information disclosure and securing of transparency
6	Skill matrix of directors	Disclosure of the skill matrix, which lists knowledge, experiences, abilities, etc.		4. Duties of the board of directors, etc.
7	Policy for dialogue with shareholders	Development of a system for promoting the dialogue with shareholders, involving outside directors, and formulation of policies		5. Dialogue with shareholders
8	Establishment of a special committee	Establishment of a “special committee” for protecting minority shareholders of listed subsidiaries		4. Duties of the board of directors, etc.
9	Basic capital policy	Formulation of a basic capital policy after the upfront investment period (from FY 3/25)	Next term (FY 3/24)	1. Securing the rights and equality of shareholders
10	Effective utilization of independent outside directors	Outside director already accounts for a majority of directors, and a representative independent outside director will be selected.		4. Duties of the board of directors, etc.

Measures for Tightening Governance (2)

To fortify the system for managing group companies by realizing the best process for business operations and developing a shared platform



Initiatives for Carbon Neutrality

Group-wide initiatives for carbon neutrality

Gyms / Stores



- Shift to renewable energy
- Installation of LED lamps
- Change of packaging materials and digitization of receipts
- Use of sustainable materials for interior and exterior finishing
- Visualization of environmental burdens of products with carbon footprints

Development of PB products



- Promotion of recycling of raw materials and products, selection of suppliers of raw materials
- Sale of energy-saving products, and launch of new brands specializing in sustainability
- To increase the ratio of products that satisfy the environmental standards
- Sale of products supporting the carbon offset program

Logistics section



- Promotion of modal shift to transportation with railways and ships with lower environmental burden
- Enlargement of trucks for transportation, and streamlining of logistics efficiency through improvement in loading ratio
- Digitization of delivery slips and simplification of product inspection
- Reduction of redelivery cases by enriching product handover sites

Group-wide



- To use clean electric power
- To curtail power consumption
- (Reconsideration of air conditioners, replacement of transformers, installation of LED lamps, etc.)
- Reduction of paper consumption through digitization
- Reconsideration of the use of materials with high environmental burdens (Abolishment of special inks, use of bioplastics, etc.)

Investment Strategy for Human Resources

To continuously secure and train personnel who will lead sustainable growth

Up until now

Headhunting from outside



- Short HR cycle
- Average age got older
- Reduction of educational costs



From now on

To recruit more new graduates
To train internal personnel, including new graduates, trainers, and sales staff, to promote them to executives



- Mid/long-term reshuffling, promotion
- Rejuvenation of the entire organization
- Adoption of programs for reskilling employees for DX and producing managers

Establishment of a Subsidiary Specializing in DX

Established a subsidiary specializing in DX named “RIZAP TECHNOLOGIES, Inc.” in June this year.
Acceleration of active recruitment and training of DX personnel

Web/UIUX designers

Designs of EC sites and apps



- To design large-scale apps
- Production of landing pages and banners to keep up with the increasing business speed

Digital marketers

CRM and digital advertising



- Design and implementation of web/app marketing strategies
- Design of marketing linked with offline ads, such as TV commercials
- Design of cross-selling strategies combined with the existing businesses

Data analysts

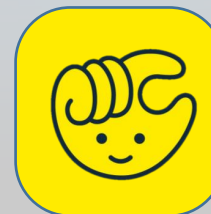
Growth of apps and gyms of chocozap



- Analysis of data on about 200,000 members of RIZAP
- To design new exercise programs based on data
- To automate spatial optimization inside each gym

Engineers

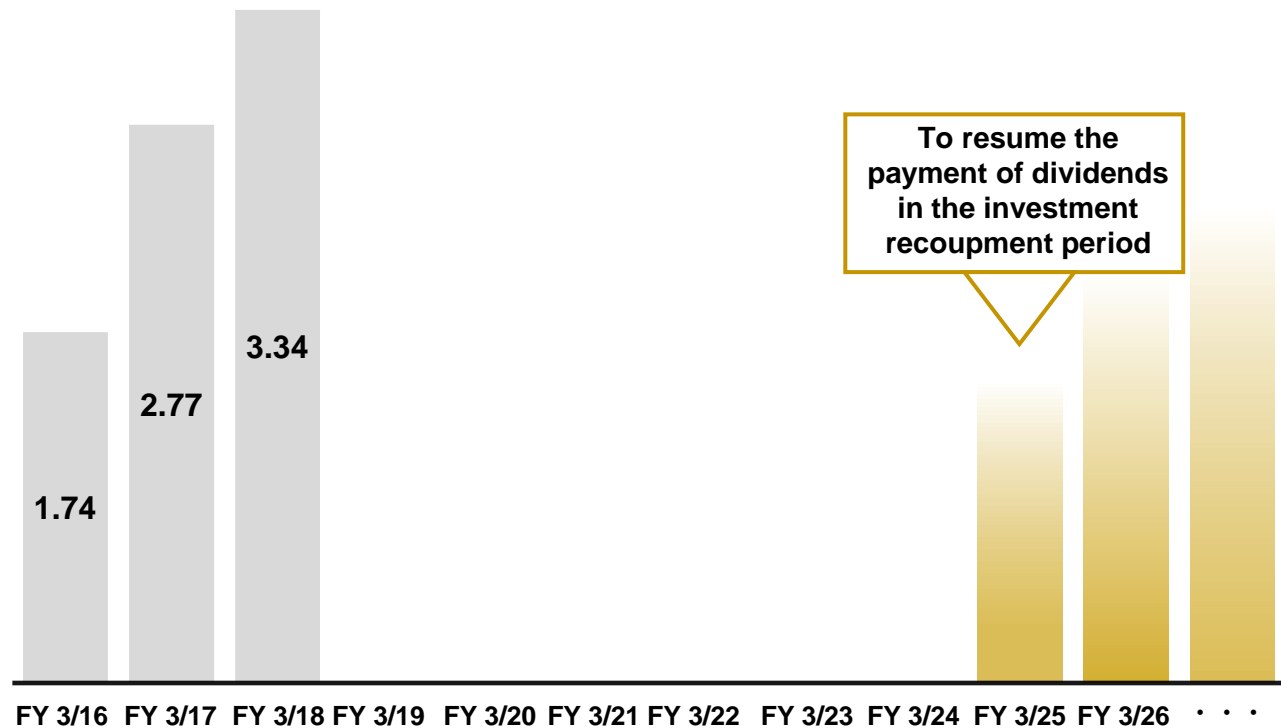
Development of apps and services



- Development of large-scale apps, and in-house production
- Seamless development of service plans from upstream processes

Dividend Policy

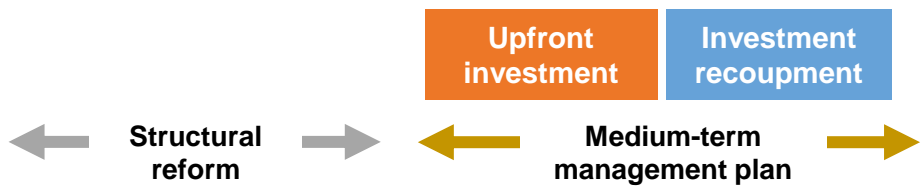
Dividend per share (yen)*



To resume the payment of dividends in the investment recoupment period

Plan to resume the payment of dividends in FY 3/25

From the 4th year of the medium-term management plan, we will pay dividends continuously. (We plan to specify other standards.)



*Graph indicates dividend per share converted to the number of shares as of the end of March 2022.

Enrichment of Shareholders' Benefits

Offering of “special benefits for commemorating the launch of chocozap” at the end of this December



To present a coupon for using chocozap for 3 months as much as shareholders want.

The coupon will be effective at all gyms around Japan.

***Shareholders registered as of the end of December 2022**

Summary

Easy

Convenient

Affordable

Creation of chocozap, a convenience gym born from RIZAP

**chocozap
special campaign
for commemorating the grand opening**

Initial cost: 0 yen

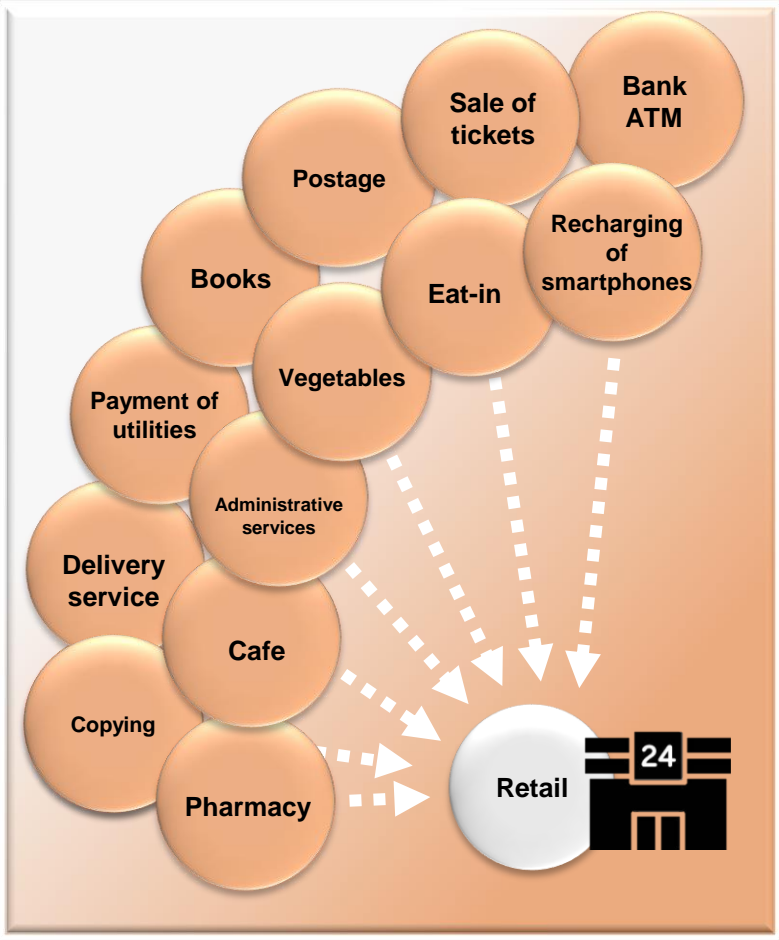
(Initial membership fee and handling charges)

Until November 15

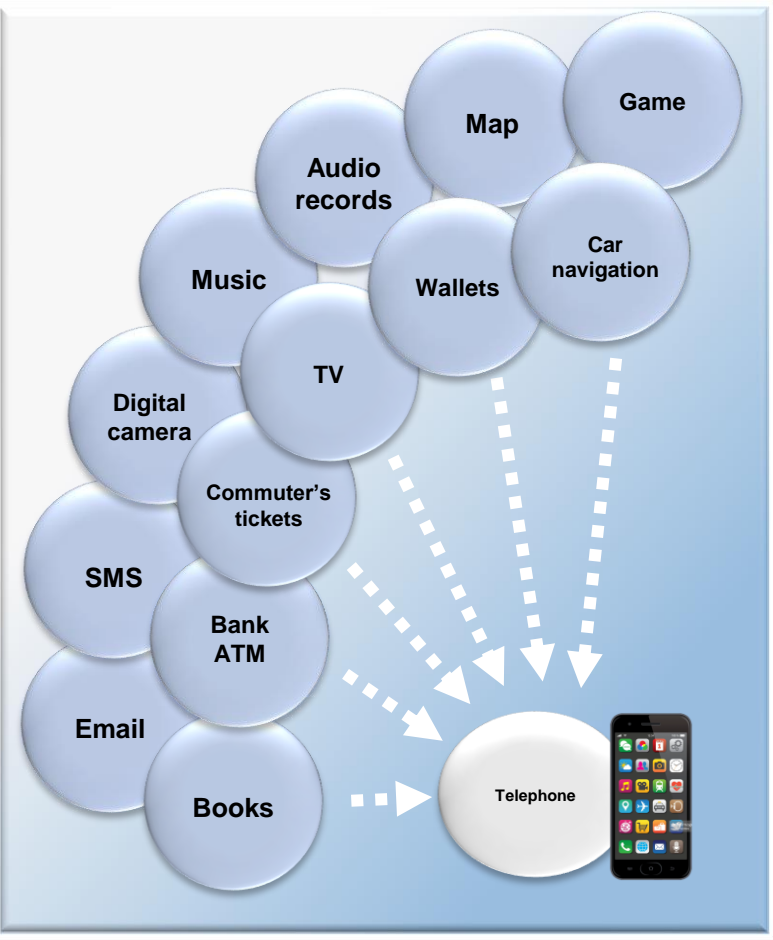
Expansion to the Business Domain Surrounding chocozap

To realize a “convenience gym,” which will keep evolving

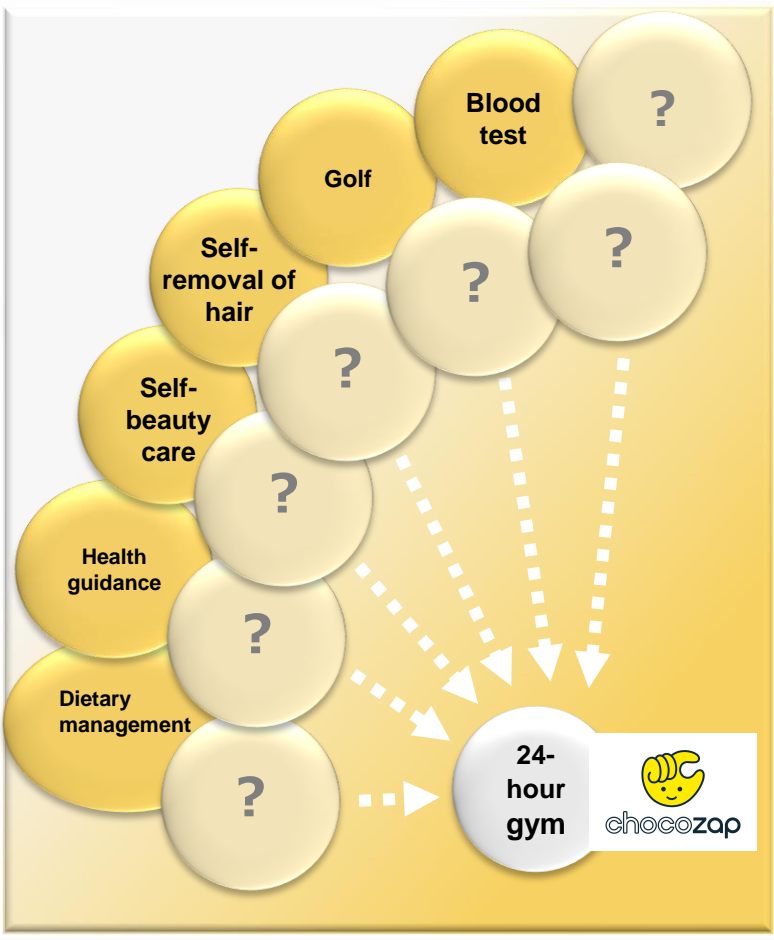
Convenience stores



Smartphones



Convenience gyms



Potential Market Scale of chocozap (TAM)*¹



29.2 trillion yen

21.8 trillion yen or more*²

Market scale of the healthcare industry
(enhancement/maintenance of health and beauty care) *excluding treatment, etc.

6.5 trillion yen

Potential market of beauty care (1 trillion yen*³) & golf (5.5 trillion yen*⁴)

0.9 trillion yen*⁵
24 million people x 36,000 yen

Ratio of fitness club members: 20% chocozap fee/year

*1 TAM = Total Available Market (maximum possible share in a certain market)

*2 Calculated by our company with reference to "METI's policy for the healthcare industry: With the aim of developing a society in which everyone can flourish throughout his/her life," METI, 2020

*3 Calculated by our company with reference to "[Beauty Sense, 1H of 2019] <<Beauty Salon>> Survey on the actual situation of use of beauty salons by men and women aged 15-69 years," Recruit Lifestyle, 2019

*4 Calculated by our company with reference to "How to grasp the fact that there are 5.2 million golf players in Leisure Whitepaper 2021" (Japan GOLF INDUSTRY NEWS, 2021)

*5 Calculated by our company with the goal of reaching the standard ratio of fitness club members in the U.S. (20%)

Creation of Markets with chocozap



Middle/
high-end
model



Personal
golf lesson



Personal
training



Beauty-care devices,
cosmetics, healthy products,
etc.



Entry model
(Increase of
customers)



Golf



5-min training



Beauty
(Self-beauty care and self-
removal of hair)



We create a market based on the chocozap services

Evolution of RIZAP Business

RIZAP From 2012

GOLF From 2015

ENGLISH From 2016

COOK From 2016

WOMAN From 2018

EXPA From 2018



Face-to-face
guidance based on
data



Non-face-to-face
guidance based on
big data



Commitment to
individuals



Outstanding
personalized care



Many people will get
results with a 5-min.
workout.



Meticulous
support through
DX



chocoZAP, which improved the quality
of services through DX, will further
accelerate the growth of the RIZAP
business.

RIZAP Group's vision is to make the most contributions to the wellness of humankind



SUSTAINABLE DEVELOPMENT GOALS



Please watch the video

RIZAP Group's vision is to make the most contributions to the wellness of humankind

Knowledge of RIZAP



Unnecessary to change clothes
A 5-min. workout would be effective

Access to health



Nationwide operation
24 hours/day, 365 days/year

Community



Development of a platform for
mutual support

Health data



Acquisition of all kinds
of data

Disclaimer

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.

This material includes forward-looking statements, such as the outlooks, plans, and goals of our company or our corporate group. These contents are produced based on the information our company obtained before producing this material and the predictions at the time of producing this material under certain assumptions. These contents or assumptions may be incorrect from an objective viewpoint or may not become true, so there is a possibility that actual results may vary from the future outlook.