Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 7092
June 6, 2025
(Date of commencement of electronic provision measures: June 3, 2025)

To Our
Shareholders

Kiyoaki Yamabe
President and Representative Director
Fast Fitness Japan, Inc.
Shinjuku-I-Land Wing 10F,
6-3-1 Nishishinjuku, Shinjuku-ku, Tokyo

Notice of the 15th Ordinary General Meeting of Shareholders

We would like to express our sincere appreciation to all our shareholders for your support.

We are pleased to announce the 15th Ordinary General Meeting of Shareholders of Fast Fitness Japan, Inc. (the "Company"). The meeting will be held as stated below. For the convening of this General Meeting of Shareholders, we have taken measures to electronically provide the information, and matters subject to the measures for electronic provision are posted on the following websites on the Internet as the Notice of the 15th Ordinary General Meeting of Shareholders. Please visit either of the websites below to examine the notice.

The Company's website
https://www.fastfitnessjapan.jp/en/ir/meeting/

Tokyo Stock Exchange website
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

(Please visit the website above, enter/search "Fast Fitness Japan" under "Issue name (company name)" or its securities code "7092" under "Code," and choose "Basic information," "Documents for public inspection/PR information" and "Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting.")

You may exercise your voting rights in advance in writing or via the Internet in lieu of voting in person at the meeting. After reviewing the Reference Documents for the General Meeting of Shareholders included in the matters provided electronically, please exercise your voting rights following the instructions below no later than 7:00 p.m. on Monday, June 23, 2025 (JST).

Details

1. Date and Time: 10:00 a.m. on Tuesday, June 24, 2025 (reception starts at 9:30 a.m.) (JST)
2. Place: Belle Salle Shinjuku Grand Conference Center Room G+H, Sumitomo Fudosan Shinjuku Grand Tower 5F, 8-17-1 Nishishinjuku, Shinjuku-ku, Tokyo
3. Meeting Agenda:

Matters to be Reported:

1. The Business Report, Consolidated Financial Statements for the Company's 15th fiscal year (from April 1, 2024 to March 31, 2025) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 15th fiscal year (from April 1, 2024 to March 31, 2025)

Proposals to be Resolved:

Proposal 1: Election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members)

Proposal 2: Election of three (3) Directors who are Audit & Supervisory Committee Members

- If there are any changes to the matters subject to the measures for electronic provision, we will post the corrections on each website.
- The documents sent to you also include documents stating the matters subject to the measures for electronic provision delivered on request for the delivery of documents. Please note that under laws and regulations and the Company's Articles of Incorporation, the documents below are not included. The documents are thus part of the documents that the Audit & Supervisory Committee and the accounting auditor audited to prepare an audit report.
  - Consolidated Statement of Changes in Equity
  - Notes to Consolidated Financial Statements
  - Non-consolidated Statement of Changes in Equity
  - Notes to Non-Consolidated Financial Statements

Guidance for Exercising Voting Rights

The exercise of voting rights at the Company's General Meeting of Shareholders is shareholders' important right.

Please review the Reference Documents for the General Meeting of Shareholders provided as the matters subject to the measures for electronic provision and exercise your voting rights.

There are three ways to exercise your voting rights as described below.

■ **When exercising voting rights by attending the meeting in person**
Date and time of the meeting: 10:00 a.m., Tuesday, June 24, 2025 (reception starts at 9:30 a.m.) (JST)
Please submit the Voting Rights Exercise Form at the reception desk.

■ **When exercising voting rights in writing by postal mail**
Exercise deadline: To be arrived no later than 7:00 p.m. on Monday, June 23, 2025 (JST)
Please indicate your vote of approval or disapproval of each proposal on the Voting Rights Exercise Form and return the completed Voting Rights Exercise Form to the Company without a postage stamp. If there is no indication of approval or disapproval of each proposal on the Voting Rights Exercise Form, we will treat it as an indication of your approval.

■ **When exercising voting rights via the Internet**
Exercise deadline: To be entered no later than 7:00 p.m. on Monday, June 23, 2025 (JST)
Please follow the instructions on the next page to enter your vote of approval or disapproval.

How to fill out the Voting Rights Exercise Form
Please indicate your vote of approval or disapproval of each proposal here.

For Proposal 1 and Proposal 2
- If you approve of all of the candidates, please mark a circle in the box labeled "賛" [Approve].
- If you disapprove of any of the candidates, please mark a circle in the box labeled "賛" [Approve] and then indicate the number(s) of the candidate(s) you disapprove of.
- If you disapprove of all of the candidates, please mark a circle in the box labeled "否" [Disapprove].

If you exercise your voting rights both via the Internet and in writing, the vote via the Internet will be deemed valid. If you exercise your voting rights multiple times via the Internet, only the final vote will be deemed valid. In addition, if no indication of approval or disapproval is provided for each proposal, it will be deemed approved.

How to Exercise Voting Rights via the Internet

By scanning the QR code
You can log in to the Voting Right Exercise Website without having to enter your “Login ID” and “Temporary password” provided on the Voting Rights Exercise Form.

1. Scan the QR code provided on the Voting Rights Exercise Form.
   *QR code is a registered trademark of DENSO WAVE INCORPORATED.

2. Follow on-screen instructions to indicate your approval or disapproval of each proposal.

By entering login ID and temporary password
Voting Right Exercise Website: https://evote.tr.mufg.jp/

1. Access the Voting Right Exercise Website.

2. Enter your “Login ID” and “Temporary password” provided on the Voting Rights Exercise Form and click on “Log in.”
   Enter “Login ID” and “Temporary password”
   Click on “Log in”

3. Follow on-screen instructions to indicate your approval or disapproval of each proposal.

For inquiries regarding how to operate your computer, smartphone or any other device to exercise voting rights via the Internet, please contact the following.

Corporation Agency Division (Help Desk)
Mitsubishi UFJ Trust and Banking Corporation
Tel: 0120-173-027 (toll-free)(available in Japanese only)
Service hours: 9:00 a.m.–9:00 p.m. (JST)

Institutional investors may use the electronic voting platform for institutional investors operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Matters

Proposal 1: Election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all the four Directors (excluding Directors who are Audit & Supervisory Committee members; the same shall apply to this proposal), Akira Okuma, Kiyoaki Yamabe, Mitsuhiko Uehira and Sachiko Ohi, will expire at the conclusion of this year's Ordinary General Shareholders' Meeting. Accordingly, the Company proposes the election of four (4) Directors including two (2) Outside Directors. The Director candidates are as follows.

No.	Name (Date of birth)	Brief career summary, position, and main responsibilities at the Company (Important concurrent position)	Number of the Company's shares owned
1	Akira Okuma (December 26, 1936) Reappointed Board meeting attendance rate: 81.25% (13 out of 16)	April 1955 Joined Ohkuma Ind. Co., Ltd. July 1986 President and Representative Director, Ohkuma Ind. Co., Ltd. (current position) May 2010 Director, the Company July 2010 Director, AFJ Project, Inc. September 2011 President and Representative Director, the Company September 2011 President and Representative Director, AFJ Project, Inc. June 2014 Chairman and Representative Director, the Company June 2014 Chairman and Representative Director, AFJ Project, Inc. December 2014 Director, Saya Pte. Ltd. (current position) November 2015 President, Oak Co., Ltd. (current position) June 2018 Director and Chairman, the Company (current position) June 2018 Chairman and Director, AFJ Project, Inc. (current position) May 2024 Director, Eighty 8 Health & Fitness GmbH (now Fast Fitness Brands GmbH) (current position) May 2024 Director, Eighty 8 First Club GmbH (now AF Gütersloh GmbH) (current position) (Important concurrent position) President and Representative Director, Ohkuma Ind. Co., Ltd. Chairman and Director, AFJ Project, Inc. President, Oak Co., Ltd. (current position) Director, Saya Pte. Ltd. Director, Fast Fitness Brands GmbH Director, AF Gütersloh GmbH	10,915,300 shares
	Reason for nomination as a candidate for Director: Mr. Akira Okuma invested in the Company when it was founded, taking advantage of his management experience and investment experience, and contributed to establishing the Company. He became a Director of the Company in May 2010 and became President and Representative Director in September 2011. In June 2018, he became Chairman and Director. He has been contributing to the growth of the Company as a Director since its founding and is judged to be the right person to pursue sustainable growth in the Company's corporate value, and we propose to nominate him as a Director candidate again.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Brief career summary, position, and main responsibilities at the Company
(Important concurrent position)</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">2</td><td>Kiyoaki Yamabe
(October 10, 1960)

Reappointed

Board meeting attendance rate:
100% (16 out of 16)</td><td>April 1984 Joined Japan Roche
January 1997 Joined Hilti Japan
November 1999 Joined Fast Retailing Co., Ltd.
June 2000 Head, Fast Retailing UK Ltd.
September 2002 President, Spine Company, Johnson & Johnson Depuy Japan K.K.
August 2004 Managing Director, General Manager of Health Division, Kodak Japan Ltd.
May 2007 Representative Director and President, Carestream Health Japan Co., Ltd.
May 2008 Representative Director and President, CSL Behring K.K.
June 2017 COO and Acting CEO, Global Health Innovative Technology Fund (GHIT Fund)
June 2022 Outside Director, the Company
June 2022 Director, AFJ Project, Inc.
June 2023 President and Representative Director, the Company
June 2023 President and Representative Director, AFJ Project, Inc. (current position)
April 2024 CEO, Representative Director for Overseas Business, the Company
April 2024 Director, Saya Pte. Ltd. (current position)
May 2024 Director, Eighty 8 Health & Fitness B.V. (now Fast Fitness Brands, B.V.) (current position)
May 2024 Director, Eighty 8 Health & Fitness GmbH (now Fast Fitness Brands GmbH) (current position)
May 2024 Director, Eighty 8 Health & Fitness Club GmbH (now AF Gütersloh GmbH) (current position)
October 2024 CEO, Representative Director for Overseas Business and FC Business, the Company (current position)

(Important concurrent position)
President and Representative Director, AFJ Project, Inc.
Director, Saya Pte. Ltd.
Director, Fast Fitness Brands, B.V.
Director, Fast Fitness Brands GmbH
Director, AF Gütersloh GmbH</td><td>8,400 shares</td></tr>
<tr><td colspan="3">Reason for nomination as a candidate for Director:
Mr. Kiyoaki Yamabe has held important posts at a number of companies and has a wide range of experience, particularly at overseas companies, including experience in business development, launching new businesses, changing types of business and starting new companies. He also has extensive experience related to the Company’s operations, including retail and healthcare. In addition, he has provided useful knowledge to the Company from a broad perspective. He became President and Representative Director of the Company in June 2023. He has been contributing to the expansion of new business since then. Based on this achievement, we propose to nominate him as a Director candidate again.</td></tr>
</table>

No.	Name (Date of birth)	Brief career summary, position, and main responsibilities at the Company (Important concurrent position)	Number of the Company's shares owned
3	Mitsuhiko Uehira (February 19, 1956) Reappointed Board meeting attendance rate: 100% (16 out of 16)	April 1979 Joined Tokio Marine & Fire Insurance Co., Ltd. (now Tokio Marine & Nichido Fire Insurance Co., Ltd.) June 2012 Executive Officer and General Manager of Domestic Business Planning Department, Tokio Marine Holdings, Inc. June 2013 Managing Executive Officer, Japan Post Insurance Co., Ltd. June 2015 Senior Managing Executive Officer, Japan Post Insurance Co., Ltd. June 2017 Director and President, CEO Representative Executive Officer, Japan Post Insurance Co., Ltd. June 2017 Director, JAPAN POST HOLDINGS Co., Ltd. June 2022 Outside Director, the Company (current position) June 2022 Director, AFJ Project, Inc. (current position) (Important concurrent position) Director, AFJ Project, Inc.	3,900 shares
	Reason for nomination as a candidate for Outside Director and expected roles: Mr. Mitsuhiko Uehira has held important posts at Tokio Marine Holdings, Inc. and Japan Post Insurance Co., Ltd. and has many years of experience in sales and planning departments and extensive experience as corporate executives. Based on this experience, he provides useful knowledge to the Company, and we propose to nominate him as an Outside Director candidate again.		

No.	Name (Date of birth)	Brief career summary, position, and main responsibilities at the Company (Important concurrent position)	Number of the Company's shares owned
4	Sachiko Ohi (January 26, 1958) Reappointed Board meeting attendance rate: 100% (16 out of 16)	January 1988 Joined Meiji Life Insurance Company (now Meiji Yasuda Life Insurance Company) June 1989 Joined Moody's Investors Service June 1991 Vice President in charge of fixed-income research at Lehman Brothers Holdings Inc. July 1992 Vice President, Bond Sales, Kidder, Peabody & Co. (now UBS Group AG) January 1995 Representative, Strategic Alternative Investment Logistics, LLC July 2007 Executive Vice President, Sales Strategy Department, UBP Investments January 2009 President SAIL, Co. Ltd. (current position) April 2014 Visiting professor and Research Fellow at Institute of Political Science & Economics, Musashino University (current position) June 2018 Director at Research Institute for Policies on Pension & Aging (current position) June 2019 Director at Universal Communication Design Association (current position) June 2023 Outside Director, the Company (current position) June 2023 Director, AFJ Project, Inc. (current position) (Important concurrent position) President SAIL, Co. Ltd. Visiting professor and Research Fellow at Institute of Political Science & Economics, Musashino University Director at Research Institute for Policies on Pension & Aging Director at Universal Communication Design Association Director, AFJ Project, Inc.	3,000 shares
	Reason for nomination as a candidate for Outside Director and expected roles: Having many years of experience in investment banking, asset-backed securities credit rating, and bond markets in Japan and the United States, Ms. Oi has a wide range of connections in financial, economic and political circles in Japan and the United States and is well versed in international financial information. Expecting her to provide useful knowledge to the Company from a broad perspective, we propose to nominate her as an Outside Director candidate.		

(Notes)
1. The number of shares of the Company held by Mr. Akira Okuma includes the number of shares held by Oak Co., Ltd., his asset management company, and the number of shares held under the names of The Nomura Trust and Banking Co., Ltd. (trust account 2052248 and trust account 2052249), which are held by relatives by blood within the second degree of kinship of Mr. Okuma. Mr. Okuma holds a majority stake in the Company and is a parent company, etc. of the Company. Each candidate other than Mr. Okuma does not have any special interest in the Company.
2. Mr. Mituhiko Uehira and Ms. Sachiko Ohi are Outside Directors.
3. The Company has registered Mr. Mituhiko Uehira and Ms. Sachiko Ohi, who are candidates for Directors, as Independent Officers pursuant to the provisions of the Tokyo Stock Exchange.
4. Mr. Mitsuhiko Uehira and Ms. Sachiko Ohi will have been Outside Directors for three years and two years, respectively, at the conclusion of this General Meeting of Shareholders.
5. Mr. Mituhiko Uehira and Ms. Sachiko Ohi, under Article 427, Paragraph 1 of the Companies Act, have concluded liability limitation agreements with the Company to limit the amount of liability set out in Article 423, Paragraph 1 of the Companies Act to the amount provided for in Article 425, Paragraph 1 of the Companies Act.
6. The Company has concluded an agreement on liability insurance for officers provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The liability insurance will compensate the insured officers for claims based on liability for damages as a result of actions that they have taken as officers of the Company and the cost of disputes, etc. In the event that each candidate is appointed as Director and takes office, we plan to cover all Directors with the insurance. The contract period for the insurance is 1 year, and we plan to renew the contract before that period ends based on a resolution of the Board of Directors.
7. AFJ Project, Inc., Saya Pte. Ltd. and Fast Fitness Brands, B.V. are subsidiaries of the Company, and Fast Fitness Brands GmbH and AF Gütersloh GmbH are group companies of Fast Fitness Brands, B.V.
8. In addition to the Board of Directors meetings mentioned above, there were four written resolutions deemed to be resolutions of the Board of Directors under Article 370 of the Companies Act and Article 27 of the Articles of Incorporation.

Proposal 2: Election of three (3) Director who are Audit & Supervisory Committee Members

The term of office of four (4) Directors serving as Audit & Supervisory Committee Members (Mr. Hirofumi Kubota, Mr. Maki Imura, Mr. Masami Hamaoka and Mr. Daisuke Sakai) expires when this General Meeting ends. Accordingly, we propose to appoint three (3) Directors who serve as Audit & Supervisory Committee Members. When this proposal is approved, Audit & Supervisory Committee will have one (1) less member, making it a four-member organization (including four Outside Directors.) However, we believe we can continuously secure the effectiveness of audit.

The Audit & Supervisory Committee has approved the submission of this item.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

<table>
<tr><th>No.</th><th>Name (Date of birth)</th><th>Brief career summary, position, and main responsibilities at the Company (Important concurrent position)</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">1</td><td>Hirofumi Kubota
(March 17, 1960)

Reappointed

Board meeting attendance rate:
100% (16 out of 16)

Audit & Supervisory Committee meeting attendance rate:
100% (14 out of 14)</td><td>October 1985 Joined Asahi Shinwa & Co. (now KPMG AZSA LLC)
July 2019 Member of the Management Oversight Committee at KPMG AZSA LLC
July 2022 Chief of the Kubota certified public accountant firm (current position)
July 2022 Representative Director, Ishikettei Consulting K.K. (current position)
April 2023 Business Administration Professor, Otemae University (current position)
June 2023 Outside Director (Audit & Supervisory Committee Member), the Company (current position)
June 2023 Auditor, AFJ Project, Inc. (current position)

(Important concurrent position)
Certified public accountant (chief of the Kubota certified public accountant firm)
Representative Director, Ishikettei Consulting K.K.
Business Administration Professor, Otemae University
Auditor, AFJ Project, Inc.</td><td>3,000 shares</td></tr>
<tr><td colspan="3">Reason for nomination as a candidate for Outside Director and expected roles:
Mr. Hirofumi Kubota is judged to be able to appropriately execute his duties as an Outside Director based on his viewpoints as a certified public accountant, knowledge and experiences at an auditing firm and wealth of experience as a management executive and also as an Audit & Supervisory Committee Member. Expecting him to conduct audit and supervision on management from the objective viewpoint independent from the management team that executes business operations, we propose to nominate him as a candidate for an Outside Director who is an Audit & Supervisory Committee Member again. There are no business relationships or interdependence between the Company and Ishikettei Consulting K.K. and there are no concerns of a conflict of interest between him and general shareholders. He is thus positioned as an independent officer.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name (Date of birth)</th><th>Brief career summary, position, and main responsibilities at the Company
(Important concurrent position)</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">2</td><td>Masami Hamaoka
(June 2, 1955)

Reappointed

Board meeting attendance rate:
100% (16 out of 16)

Audit & Supervisory Committee meeting attendance rate:
100% (14 out of 14)</td><td>April 1979 Joined the Bank of Japan
June 2011 Outside Auditor, The Daisan Bank, Ltd. (now San ju San Bank Ltd.)
September 2018 Chief Executive Officer, President & Board Member, Navel Japan (current position)
November 2021 Auditor, Silicagen Co., Ltd. (current position)
March 2023 Executive Director, Harada Sekizenkai Foundation (current position)
June 2023 Outside Director (Audit & Supervisory Committee Member), the Company (current position)
June 2023 Auditor, AFJ Project, Inc. (current position)

(Important concurrent position)
Chief Executive Officer, President & Board Member, Navel Japan
Auditor, Silicagen Co., Ltd.
Executive Director, Harada Sekizenkai Foundation
Auditor, AFJ Project, Inc.</td><td>3,000 shares</td></tr>
<tr><td colspan="3">Reason for nomination as a candidate for Outside Director and expected roles:
Mr. Masami Hamaoka is judged to be able to appropriately execute his duties as an Outside Director based on his knowledge and experiences at the Bank of Japan and wealth of experience as a management executive and as an Audit & Supervisory Committee Member. Expecting him to conduct audit and supervision on management from the objective viewpoint independent from the management team that executes business operations, we propose to nominate him as a candidate for an Outside Director who is an Audit & Supervisory Committee Member again. There are no business relationships or interdependence between the Company, Navel Japan, and Silicagen Co., Ltd. and there are no concerns of a conflict of interest between him and general shareholders. He is thus positioned as an independent officer.</td></tr>
</table>

No.	Name (Date of birth)	Brief career summary, position, and main responsibilities at the Company (Important concurrent position)	Number of the Company's shares owned
3	Daisuke Sakai (March 27, 1976) Reappointed Board meeting attendance rate: 100% (16 out of 16) Audit & Supervisory Committee meeting attendance rate: 100% (14 out of 14)	October 2003 Registered as attorney-at-law (training period: 56th period) October 2003 Joined Kitahama Partners September 2009 Joined KPMG India (Delhi Office) September 2010 Registered as attorney-at-law in New York State, USA Associate of Kitahama Partners January 2012 Partner of Kitahama Partners (current position) June 2023 Outside Director (Audit & Supervisory Committee Member), the Company (current position) June 2023 Auditor, AFJ Project, Inc. (current position) (Important concurrent position) Attorney-at-law (Kitahama Partners) Auditor, AFJ Project, Inc.	3,000 shares
	Reason for nomination as a candidate for Outside Director and expected roles: Mr. Daisuke Sakai is judged to be able to appropriately execute his duties as an Outside Director based on his wealth of experience in legal practice in Japan and the U.S. Expecting him to conduct audit and supervision on management from the objective viewpoint independent from the management team that executes business operations, we propose to nominate him as a candidate for an Outside Director who is an Audit & Supervisory Committee Member again. There are no business relationships or interdependence between the Company and Kitahama Partners and there are no concerns of a conflict of interest between him and general shareholders. He is thus positioned as an independent officer.		

(Notes) 1 Each candidate does not have any special interest in the Company.
2. Mr. Hirofumi Kubota, Mr. Masami Hamaoka and Mr. Daisuke Sakai are candidates for Outside Directors.
3. The Company has registered Mr. Hirofumi Kubota, Mr. Masami Hamaoka and Mr. Daisuke Sakai as Independent Officers pursuant to the provisions of the Tokyo Stock Exchange.
4. Mr. Hirofumi Kubota, Mr. Masami Hamaoka and Mr. Daisuke Sakai will have been Outside Directors who are Audit & Supervisory Committee Members for two years at the conclusion of this General Meeting of Shareholders.
5. Mr. Hirofumi Kubota, Mr. Masami Hamaoka and Mr. Daisuke Sakai, under Article 427, Paragraph 1 of the Companies Act, have concluded liability limitation agreements with the Company to limit the amount of liability set out in Article 423, Paragraph 1 of the Companies Act to the amount provided for in Article 425, Paragraph 1 of the Companies Act.
6. The Company has concluded an agreement on liability insurance for officers provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The liability insurance will compensate the insured officers for compensation based on liability for damages as a result of actions that they will have taken as officers of the Company and court costs, etc. If each candidate is elected and takes office as a Director, he or she will be an insured officer under the insurance agreement.
7. The contract period for the insurance is 1 year, and we plan to renew the contract before that period ends based on a resolution of the Board of Directors.
8. AFJ Project, Inc. is a subsidiary of the Company.

(For reference) The Board of Directors' D Skills Matrix (To be effective from Tuesday, June 24, 2025)

Name of board member	Term of office	Age	Gender	Independent Outside Directors	Corporate management and corporate strategy	Branding and marketing	Finance and accounting	Legal and compliance	Human resources, human resources develop-ment	Public relations	Sustainability and ESG	Certification
Directors												
Akira Okuma (Reappointment)	15 yrs	88	Male		●					●		
Kiyoaki Yamabe (Reappointment)	3 yrs	64	Male		●	●			●	●	●	
Mitsuhiko Uehira (Reappointment)	3 yrs	69	Male	●	●							
Sachiko Ohi (Reappointment)	2 yrs	67	Female	●	●					●		
Directors who are Audit & Supervisory Committee Members												
Masahiro Tanida	1 yr	64	Male	●	●		●	●				
Hirofumi Kubota (Reappointment)	2 yrs	65	Male	●	●		●					Certified Public Accountant
Masami Hamaoka (Reappointment)	2 yrs	70	Male	●	●		●				●	
Daisuke Sakai (Reappointment)	2 yrs	49	Male	●				●		●		Attorney-at-law

(Note) The above composition of the Board of Directors is based on the assumption that the proposal for the election of Directors at this General Meeting of Shareholders will be approved as originally proposed.

Business Report

(April 1, 2024–March 31, 2025)

1. Matters Concerning Present State of the Group

(1) Overview and results of operations

During the fiscal year under review, the Japanese economy showed a gradual recovery trend due to the effects of various policies supported by improvements in employment and income environment. On the other hand, it is necessary to keep a close watch on the impact of factors including the unstable global situation and high prices of resources and raw materials on consumer spending leading to a downturn in consumer confidence, developments in US trade policy including tariff policies under the new administration, and the effects of monetary policy in various countries on the economy.

Regarding the market environment surrounding the Company, needs for exercise opportunities continue to grow across the wide range of age groups due to the spread of health promotion efforts, such as the recent heightened health consciousness and corporate promotion of health management. The fitness club participation rate in Japan increased by 0.8 percentage points from 3.68% in 2022 to 4.48%* in 2023. Additionally, in the 24-hour fitness gym category, which offers highly convenient training environments, the number of clubs continues to expand, exceeding 5,000 (as of March 31, 2025, according to the survey by the Company).
*Source: Trends in Japan's Fitness Club Industry 2023

In this environment, our core Anytime Fitness business in Japan differentiates us from competitors that focus on price policies by not only creating an environment where members can fully concentrate on training but also pursuing a value-driven club model that positions Anytime Fitness as a "place to support self-realization." Through this approach, we have established a position of competitive advantage in the fitness market.

We position this period as a phase for further reinforcing our core domestic Anytime Fitness business, while simultaneously pursuing our medium-term growth strategies and making strategic investments with an eye to expanding our market and business areas in the long term. We are steadily implementing investments aimed at achieving sustainable growth through the expansion and diversification of our business portfolio, such as the expansion of the domestic business earnings base (creation of new added value) by leveraging the Anytime Fitness clubs and member base, and the development of new growth areas and establishment of an earnings base.

In our domestic Anytime Fitness business, we leveraged our nationwide presence across all 47 prefectures to enhance our scale advantage while increasing brand recognition and attracting new members. To reinforce a positive growth cycle that leads to new club openings, we conducted strategic nationwide promotions from June to July 2024 and December 2024 to January 2025. As a result of these strategic marketing investments, as of the end of March 2025, the number of Anytime Fitness members in Japan reached 974,000 (up 133,000 year on year), including 138,000 for directly operated clubs and 836,000 for franchised clubs. Along with the increase in membership, the number of clubs also saw significant growth, reaching 1,194 (up 60 year on year), including 184 directly operated clubs and 1,010 franchised clubs.

Moreover, with a view to expanding the earnings base of our domestic business by leveraging the Anytime Fitness clubs and member base, we released an Anytime Fitness application in August 2024 to improve member satisfaction, prevent cancellations, and promote the use of paid services at clubs such as personal training. In December 2024, we opened our official online store A PROP to strengthen our e-commerce and merchandise sales for existing Anytime Fitness members in Japan, although there was a slight delay from the original plan.

The online store is based on the concept of "a place where you can find high-quality items to support your lifestyle." In order to make it accessible not only to Anytime Fitness members but also to a broader audience, the product categories mainly consist of "apparel (ranging from training wear to everyday wear)," "miscellaneous goods (ranging from training products to household goods)," "protein supplements (planned)," and "Women's." We also plan to offer a large number of original Anytime Fitness products.

As part of our growth strategy to explore new growth areas, we started expanding overseas in April 2024. First, we succeeded to the master franchise rights for Anytime Fitness in Germany and acquired the shares of a company operating two Anytime Fitness clubs in Singapore, making it a consolidated subsidiary. These initiatives mark the beginning of our global expansion, leveraging the club operation and development expertise we have cultivated in Japan.

In Germany, although we had only one directly operated club at the time of inheriting the master franchise rights, after a preparatory period to establish systems for local club development and franchise development in anticipation of expansion, and despite significant delays from the initial plan at the beginning of the fiscal year, we opened our second directly operated club in April 2025.

In Singapore, we have commenced operations of two Anytime Fitness franchise stores.

Additionally, in April 2024, we concluded a master franchise agreement for the new brand "the bar method" targeting women, and in November 2024, we opened the first directly operated store under this brand, in Jiyugaoka.

As a result, the Company posted net sales of 18,009 million yen (up 13.8% year on year) for the fiscal year under review. On the other hand, in terms of profitability, expenses were incurred ahead of sales growth due to investments and strengthened development efforts aimed at diversifying and expanding our business portfolio for sustainable growth. Consequently, the Company posted operating profit of 3,339 million yen (down 4.7% year on year), EBITDA of 4,425 million yen (up 1.1% year on year), and ordinary profit of 3,326 million yen (down 8.5% year on year).

In addition, due to factors including the recognition of impairment losses of 248 million yen on 16 clubs where an improvement in performance is expected to take a prolonged period, the Company posted extraordinary losses of 396 million, resulting in profit attributable to owners of parent of 2,026 million yen (down 4.5% year on year).

Although profits decreased year on year as planned at the beginning of the fiscal year, the strong performance of the core Anytime Fitness business in Japan performed well and profit levels ended within the range of the plan at the beginning of the fiscal year.

(Note) EBITDA = Operating profit + Depreciation + Amortization of goodwill + Amortization of leasehold and guarantee deposits + Amortization of franchise fees

(2) Capital investments

Total capital investments of the Group for the fiscal year under review amounted to 2,345 million yen. These investments were primarily related to new club openings, including the acquisition of buildings and structures, as well as tools, furniture and fixtures. The total amount also includes leasehold and guarantee deposits of 129 million yen paid to lessors in connection with the new club openings.

(3) Financing activities

Not applicable.

(4) Transfers of business, absorption-type company splits or incorporation-type company splits

Not applicable.

(5) Acceptance of a transfer of business from other companies

Not applicable.

(6) Succession to rights and obligations for business undertakings of another corporation, etc. through an absorption-type merger or an absorption-type company split

Not applicable.

(7) Acquisition or disposal of shares or other equity interests or stock acquisition rights in another company

On April 1, 2024, the Company acquired all shares of Saya Pte. Ltd., making it a consolidated subsidiary. In addition, on April 30, 2024, the Company acquired 85% of the issued shares (representing 100% of the voting rights) of Eighty 8 Health & Fitness B.V. (currently Fast Fitness Brands B.V.), making it a consolidated subsidiary.

(8) Issues to be addressed

Under our Corporate Philosophy that serves as our Purpose of “Get to a healthier place,” Mission of “To make fitness a part of people’s everyday lives and help create a vibrant and emotionally fulfilling society,” and Vision of “To be an essential partner in society, supporting the lifestyle of every individual,” the Group’s fundamental management policy is to achieve sustainable growth and enhance corporate value over the medium to long term through the realization of these principles.

The business environment in which the Group operates is expected to remain uncertain due to concerns such as persistently high energy and raw material prices, continued labor shortages, and the impact of US trade policy developments, and we recognize that we will be required to respond more flexibly to changes in the external environment than ever before.

In the domestic fitness industry, where the Group operates, the Group expects there will be a continued increase in demand for workout opportunities due to rising health awareness. Twenty-four fitness gyms specializing in machine workouts are expected to be divided into two business models. One model focuses on values. The Anytime Fitness gyms operated by the Company are classified into this model. The other model focuses on prices. Low-priced gyms are classified into this model.

To respond to changes in the business environment, the Group formulated a revised Medium-Term Management Plan (April 1, 2024 to March 31, 2027), which was announced on May 14, 2024. The Group regards this period as a time to establish a foundation for further growth, and the qualitative goal is to transition to a new stage of growth. Under this plan, the Group aims to maximize its advantage in its core Anytime Fitness business in Japan and actively invest in new growth areas to expand its business and increase profitability. The Group sees these initiatives as challenges to be addressed in the medium term and is working towards their realization.

The basic strategies set forth in the Medium-Term Management Plan are outlined as follows:

(i) Further expansion of the scale of the Anytime Fitness business in Japan
Stable new club openings

(ii) Expansion of the domestic business earnings base (creation of new added value) by leveraging the Anytime Fitness clubs and member base
Rollout of the AF app (Anytime Fitness application)
Cultivation and rollout of e-commerce and merchandise sales

(iii) Development of new growth areas and establishment of an earnings base
Expansion of overseas business
Cultivation and rollout of new brands

(iv) Promotion of ESG management
Advancement of governance
Practice of human capital management

(v) Utilization of M&A and alliances
Continuation of M&A
Collaboration with local governments, corporations, etc.

In the fiscal year under review, the Group steadily made investments aligned with the above basic strategies, which led to the launch of new growth area businesses of the overseas Anytime Fitness, new brands, and EC/merchandise sales.

In the fiscal year ending March 31, 2026, the second year of the Plan, the Group will maintain stable growth in its existing core business, the domestic Anytime Fitness business, while continuing to make necessary and sufficient investments in the newly designated growth areas. Through business management that places greater emphasis on developing these new businesses, the Group aims to secure future growth potential.

Specifically, in the EC/merchandise sales business, in addition to measures to raise awareness of and attract customers to the official online store A PROP, we are also strengthening our investment and development of the online store, including building up a product lineup that includes subscription products and regularly introducing new products.

In the overseas Anytime Fitness business, we are steadily progressing toward club expansion and franchise development, including the planned opening of the directly operated third and fourth clubs, as well as the conclusion of the first franchise agreement, in Germany.

In Singapore, we are preparing to open our third franchise club, partly to accumulate know-how on opening new stores overseas, from our system of operating two Anytime Fitness franchise stores.

For the new brand “the bar method,” in order to accumulate know-how on operating multiple bar exercise studios with a view to early franchise development, we will open our second directly managed club in Futakotamagawa in June 2025 to strengthen investment in and development of this brand.

Going forward, the Group will continue working to increase fitness participation in Japan and promote fitness as a standard part of everyday culture. At the same time, the Group will strive to make Anytime Fitness a more socially accessible fitness club by creating both social and economic value, contributing to the realization of a sustainable society, and enhancing its corporate value.

We respectfully ask for your continued and exceptional support as our valued shareholders.

(9) Assets and profits and losses

(Million yen, unless otherwise specified)

	12th fiscal year (ended March 31, 2022)	13th fiscal year (ended March 31, 2023)	14th fiscal year (ended March 31, 2024)	15th fiscal year (ended March 31, 2025) (Fiscal year under review)
Net sales	13,097	14,787	15,825	18,009
Profit attributable to owners of parent	1,702	1,914	2,123	2,026
Basic earnings per share (Yen)	91.05	102.37	113.45	108.19
Total assets	21,429	21,195	21,798	21,918
Net assets	9,662	11,221	12,900	13,906
Net assets per share (Yen)	516.92	599.90	689.03	742.11

(10) Principal parent and subsidiaries

(i) Parent

Not applicable.

(ii) Significant subsidiaries

Company name	Paid-in capital (Million yen)	Shareholding ratio (%)	Description of business
AFJ Project, Inc.	145	100	Fitness club operation
Saya Pte. Ltd.	90	100	Fitness club operation
Fast Fitness Brands B.V.	172	85 (100% of the voting rights)	Fitness club operation

Notes: 1. On April 1, 2024, the Company acquired all shares of Saya Pte. Ltd., making it a consolidated subsidiary.
2. On April 30, 2024, the Company acquired 85% of the issued shares (representing 100% of the voting rights) of Eighty 8 Health & Fitness B.V. (currently Fast Fitness Brands B.V.), making it a consolidated subsidiary.

(iii) Specified wholly owned subsidiaries as of the end of the fiscal year under review

Not applicable.

(11) Principal business (as of March 31, 2025)

Business	Main business operations
Fitness Club Operation Business	The Group is a master franchisee of Anytime Fitness in Japan, a fitness club chain that features 24-hour gyms where people can exercise using machines. In this role, the Group manages the entire franchise system and also has directly operated clubs.

(12) Principal offices (as of March 31, 2025)

(i) The Company

Head office	Shinjuku-ku, Tokyo

(ii) Subsidiaries

Company name	Location	Number of clubs
AFJ Project, Inc.	Shinjuku-ku, Tokyo	184 clubs across 27 prefectures
Saya Pte. Ltd.	Republic of Singapore	2 clubs
Fast Fitness Brands B.V.	Kingdom of the Netherlands	1 club in Germany

Note: The number of clubs operated by AFJ Project, Inc. does not include the number of clubs (1 club) operated under the A “the bar method.”

(13) Employees (as of March 31, 2025)

(i) Employees of the Group

Number of employees	Year-on-year change
274 (479)	Increase of 19 (Increase of 34)

Notes: 1. The number of employees refers to the number of regular personnel employed. The figures in parentheses indicate the average number of temporary employees over the past year, converted to full-time equivalents based on an eight-hour workday.
2. Temporary employees include part-time workers and exclude dispatched workers.

(ii) Employees of the Company

Number of employees	Year-on-year change	Average age	Average years of service
255 (6)	No change (Decrease of 1)	34.7 years	4.3 years

Notes: 1. The number of employees refers to the number of regular personnel employed. The figures in parentheses indicate the average number of temporary employees over the past year, converted to full-time equivalents based on an eight-hour workday.
2. Temporary employees include part-time workers and exclude dispatched workers.

(14) Principal lenders and outstanding loan balances (as of March 31, 2025)

(Million yen)

Lender	Outstanding balance
Saitama Resona Bank, Limited	840
Mizuho Bank, Ltd.	475
MUFG Bank, Ltd.	392
Sumitomo Mitsui Banking Corporation	115
The Chiba Bank, Ltd.	40
Volksbank in Ostwestfalen	4

(15) Other matters concerning present state of the Group

Not applicable.

2. Matters concerning Company Shares (as of March 31, 2025)

(1) Total number of shares authorized to be issued by the Company: 31,200,000 shares

(2) Total number of shares issued: 18,755,980 shares

(3) Number of shareholders: 4,010 shareholders

(4) Principal shareholders (top ten)

Shareholder	Number of shares held (Shares)	Shareholding ratio (%)
OAK Co., Ltd.	9,108,900	48.61
RM Japan, LLC	1,443,000	7.70
HIKARI TSUSHIN, INC.	966,600	5.16
The Master Trust Bank of Japan, Ltd. (trust account)	953,900	5.09
The Nomura Trust and Banking Co., Ltd. (trust account 2052248)	702,000	3.75
The Nomura Trust and Banking Co., Ltd. (trust account 2052249)	702,000	3.75
Jun Takashima	428,680	2.29
Akira Okuma	402,400	2.15
Takayuki Maeda	260,000	1.39
Custody Bank of Japan, Ltd. (trust account)	226,000	1.21

Notes: 1. The Company issued 16,800 shares of common stock to nine Directors as restricted stock, with July 24, 2024 as the payment date.
2. The 702,000 shares held under The Nomura Trust and Banking Co., Ltd. (trust account 2052248) and the 702,000 shares under The Nomura Trust and Banking Co., Ltd. (trust account 2052249) were entrusted by Mr. Shota Okuma and Ms. Ayako Okuma, who are parties with special interests in the Company (as relatives by blood within the second degree of kinship of Mr. Akira Okuma, Director and Chairman of the Company). The shares were entrusted based on trust agreements in which they are both trustors and beneficiaries, and the voting rights associated with these shares are exercised in accordance with their instructions.
3. Shareholding ratios are calculated excluding 16,568 shares of treasury stock.

(5) Shares granted as compensation for execution of duties during the fiscal year under review

Category	Number of shares	Number of recipients
Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors)	7,000	2
Outside Directors (excluding Directors who are Audit & Supervisory Committee Members)	2,800	2
Directors who are Audit & Supervisory Committee Members	7,000	5

Note: Details of stock compensation are provided in “4. Matters concerning Company Officers, (4) Remuneration, etc. for Directors.”

3. Matters concerning Stock Acquisition Rights issued by the Company

(1) Stock acquisition rights granted as compensation for execution of duties and held by officers of the Company as of the end of the fiscal year under review
Not applicable.

(2) Stock acquisition rights granted as compensation for execution of duties to employees and others during the fiscal year under review
Not applicable.

(3) Other significant matters regarding stock acquisition rights
Not applicable.

4. Matters concerning Company Officers

(1) Directors (as of March 31, 2025)

Position & responsibilities	Name	Important concurrent positions
Director and Chairman	Akira Okuma	President and Representative Director, Ohkuma Ind. Co., Ltd. Chairman and Director, AFJ Project, Inc. President, Oak Co., Ltd. Representative Director, Saya Pte. Ltd. Director, Fast Fitness Brands GmbH Director, AF Gütersloh GmbH
President and Representative Director, CEO for Overseas Business and FC Business	Kiyoaki Yamabe	President and Representative Director, AFJ Project, Inc. Director, Saya Pte. Ltd. Director, Fast Fitness Brands B.V. Director, Fast Fitness Brands GmbH Director, AF Gütersloh GmbH
Director	Mitsuhiko Uehira	Director, AFJ Project, Inc.
Director	Sachiko Ohi	President, SAIL, Co. Ltd. Visiting professor and Research Fellow at Institute of Political Science & Economics, Musashino University Director at Research Institute for Policies on Pension & Aging Director at Universal Communication Design Association Director, AFJ Project, Inc.
Director (Audit & Supervisory Committee Member) Full-time Audit & Supervisory Committee Member	Masahiro Tanida	Outside Director (Audit and Supervisory Committee Member), OVERLAP HOLDINGS, Inc. Outside Director (Audit & Supervisory Committee Member), AC works Co., Ltd. Auditor, AFJ Project, Inc.
Director (Audit & Supervisory Committee Member)	Hirofumi Kubota	Certified Public Accountant (Chief of the Kubota certified public accountant firm) Representative Director, Ishikettei Consulting K.K. Business Administration Professor, Otemae University Auditor, AFJ Project, Inc.
Director (Audit & Supervisory Committee Member)	Maki Imura	Outside Director (Audit & Supervisory Committee Member), TANABE CONSULTING GROUP CO., LTD. Auditor, AFJ Project, Inc.
Director (Audit & Supervisory Committee Member)	Masami Hamaoka	Chief Executive Officer, President & Board Member, Navel Japan Auditor, Silicagen Co., Ltd. Executive Director, Harada Sekizenkai Foundation Auditor, AFJ Project, Inc.
Director (Audit & Supervisory Committee Member)	Daisuke Sakai	Attorney-at-law (Partner of Kitahama Partners) Auditor, AFJ Project, Inc.

Notes:
1. Mr. Mitsuhiko Uehira and Ms. Sachiko Ohi, Directors (non-Audit & Supervisory Committee Members), and Mr. Masahiro Tanida, Mr. Hirofumi Kubota, Ms. Maki Imura, Mr. Masami Hamaoka, and Mr. Daisuke Sakai, Directors who are Audit & Supervisory Committee Members, are Outside Directors as defined in Article 2, Item (xv) of the Companies Act.
2. The Company has designated and registered Mr. Mitsuhiko Uehira and Ms. Sachiko Ohi, Directors (non-Audit & Supervisory Committee Members), and Mr. Masahiro Tanida, Mr. Hirofumi Kubota, Ms. Maki Imura, Mr. Masami Hamaoka, and Mr. Daisuke Sakai, Directors who are Audit & Supervisory Committee Members, as Independent Officers pursuant to the provisions of the Tokyo Stock Exchange.
3. Mr. Hirofumi Kubota, a Director who is an Audit & Supervisory Committee Member, is a certified public accountant and possesses considerable expertise in finance and accounting.
4. To strengthen the audit and supervisory functions of the Audit & Supervisory Committee, enhance information gathering, and ensure close cooperation with the Internal Audit Office, the Company has appointed Mr. Masahiro Tanida as a full-time Audit & Supervisory Committee Member.
5. Mr. Naoki Inoue, a Director who was an Audit & Supervisory Committee Member, retired upon the expiration of his term of office at the conclusion of the 14th Ordinary General Meeting of Shareholders held on June 26, 2024.
6. Mr. Masahiro Tanida was elected and took office as a Director who is an Audit & Supervisory Committee Member at the 14th Ordinary General Meeting of Shareholders held on June 26, 2024.

(2) Outline of liability limitation agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company provides in the Articles of Incorporation that it may enter into contracts with Directors (excluding those who are Executive Directors, etc. to limit their liabilities stipulated in Article 423, Paragraph 1 of the same Act to the extent permitted by laws and regulations. Based on this provision, the Company has entered into such liability limitation contracts with Directors (excluding those who are Executive Directors, etc.).

(3) Outline of agreement on liability insurance for officers

The Company has entered into an agreement on liability insurance for officers with an insurance company, as provided for in Article 430-3, Paragraph 1 of the Companies Act. The insured persons under this policy include Directors (including those who are Audit & Supervisory Committee Members), Executive Officers, managerial

employees, officers seconded to outside organizations, and former officers. All insurance premiums are paid by the Company. The policy covers compensation for damages, such as legal liabilities and litigation costs, to be borne by the insured persons as a result of acts committed in the course of performing their duties as officers of the Company.

(4) Remuneration, etc. for Directors

Category	Total remuneration, etc. (Million yen)	Breakdown by type (Million yen)			Number of eligible officers (Persons)
		Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
Directors (excluding Directors who are Audit & Supervisory Committee Members [of which Outside Directors]	118 [26]	85 [22]	14 [–]	18 [4]	4 [2]
Directors who are Audit & Supervisory Committee Members [of which Outside Directors]	27 [18]	21 [14]	– [–]	6 [4]	6 [5]
Total [of which Outside Directors]	145 [44]	106 [36]	14 [–]	24 [8]	10 [7]

Notes: 1. The amount of remuneration, etc. paid to Directors does not include employee salaries paid to Directors who concurrently serve as employees.

2. The 9th Ordinary General Meeting of Shareholders held on June 28, 2019 resolved to set the maximum annual amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) at 250 million yen and for Directors who are Audit & Supervisory Committee Members at 70 million yen. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) was five (including one Outside Director) and three Directors who are Audit & Supervisory Committee Members (including two Outside Directors) as of the conclusion of the said General Meeting of Shareholders.

   In addition to the monetary remuneration, the 13th Ordinary General Meeting of Shareholders held on June 23, 2023 resolved to set the maximum annual amount of remuneration for granting restricted stock to Directors (excluding Directors who are Audit & Supervisory Committee Members) at 50 million yen (of which up to 10 million yen is allocated to Outside Directors) and to Directors who are Audit & Supervisory Committee Members at 15 million yen. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) was four (including two Outside Directors) and five Directors who are Audit & Supervisory Committee Members (including four Outside Directors) as of the conclusion of the said General Meeting of Shareholders.

3. Non-monetary remuneration, etc. refers to the Company's restricted stock compensation. The terms and conditions of the allotment are as presented in "4. Matters concerning Company Officers, (5) Policy on the determination of remuneration, etc. for Directors." The status of grants during the fiscal year under review is described in "2. Matters concerning Company Shares, (5) Shares granted as compensation for execution of duties during the fiscal year under review." The stated amounts represent the expenses recorded for restricted stock compensation for the fiscal year under review.

4. The Company abolished the retirement benefit system for officers as of the conclusion of the 11th Ordinary General Meeting of Shareholders held on June 24, 2021. Accordingly, for Directors who continued in office, the retirement benefits for their service up to the conclusion of the said General Meeting of Shareholders will be paid upon their retirement, as resolved at the said General Meeting of Shareholders.

(5) Policy on the determination of remuneration, etc. for Directors

(i) Policy and method for determining the amount of remuneration, etc. for officers

The Company's policy for determining the amount of remuneration, etc. for officers is as follows. The total remuneration limits for Directors (excluding those who are Audit & Supervisory Committee Members) and for Directors who are Audit & Supervisory Committee Members are resolved at the General Meeting of Shareholders. Based on these limits, the Board of Directors establishes the Rules on Officer Remuneration and the Rules on Performance-linked Remuneration and resolves individual remuneration amounts according to each Director's role and position.

In the fiscal year under review, the Board of Directors resolved individual remuneration, etc. for each Director at its meeting held on June 26, 2024. Prior to this resolution, the Board of Directors consulted with the Nomination and Remuneration Committee in advance and received its recommendation regarding the details of the resolution. At the said meeting, the Board of Directors confirmed that the method for determining the details of remuneration, etc. and the details as determined were consistent with the above-mentioned policy and that the committee's recommendation had been fully taken into account. Based on this confirmation, the resolution is in line with the Company's policy.

(ii) Outline of the officer remuneration system

a. Remuneration, etc. for Directors (excluding those who are Audit & Supervisory Committee Members)

The remuneration for the Company's Directors (excluding those who are Audit & Supervisory Committee Members) consists of basic remuneration as fixed remuneration and performance-linked remuneration as variable remuneration. The details of each type of remuneration are as follows:

Basic remuneration

The basic remuneration for Directors is determined based on the position of each Director, in accordance with the Rules on Officer Remuneration.

The basic remuneration for Outside Directors is individually determined by resolution of the Board of Directors upon their appointment.

Performance-linked remuneration

The performance-linked remuneration for Directors is calculated by applying a performance-based coefficient to a base amount set according to each Director's position, as stipulated in the Rules on Performance-linked Remuneration.

Outside Directors are not eligible for performance-linked remuneration.

Non-monetary remuneration

The non-monetary remuneration for Directors has been determined by the Board of Directors with an annual maximum of 50,000 shares.

Of the above number of shares, the non-monetary remuneration for Outside Directors is determined by the Board of Directors with an annual maximum of 10,000 shares.

Shares are granted within a certain period following the conclusion of each Ordinary General Meeting of Shareholders, subject to continued service for the period from the date of the Ordinary General Meeting of Shareholders to the date of the following fiscal year's Ordinary General Meeting of Shareholders. The per-share paid-in amount is determined based on the closing price of the Company's common stock on the business day immediately preceding each resolution date of the Board of Directors (or, if no trading occurred on that day, the closing price on the most recent trading day prior thereto).

b. Remuneration, etc. for Directors who are Audit & Supervisory Committee Members

The remuneration for Directors who are Audit & Supervisory Committee Members does not include performance-linked remuneration in order to ensure their independence. It consists of fixed basic remuneration and non-monetary remuneration, as stipulated in the Rules on Officer Remuneration.

The remuneration, etc. for Outside Directors is individually determined by resolution of the Board of Directors upon their appointment.

Basic remuneration

The basic remuneration for Directors who are Audit & Supervisory Committee Members is determined in accordance with the Rules on Officer Remuneration.

The basic remuneration for Outside Directors is individually determined by resolution of the Board of Directors upon their appointment.

Non-monetary remuneration

The non-monetary remuneration for Directors who are Audit & Supervisory Committee Members has been determined by the Board of Directors with an annual maximum of 15,000 shares.

Shares are granted within a certain period following the conclusion of each Ordinary General Meeting of Shareholders, subject to continued service for the period from the date of the Ordinary General Meeting of Shareholders to the date of the following fiscal year's Ordinary General Meeting of Shareholders. The per-share paid-in amount is determined based on the closing price of the Company's common stock on the business day immediately preceding each resolution date of the Board of Directors (or, if no trading occurred on that day, the closing price on the most recent trading day prior thereto).

c. Ratio of basic remuneration, performance-linked remuneration, and non-monetary remuneration

The ratio of basic remuneration, performance-linked remuneration, and non-monetary remuneration on a standard payment basis is approximately as follows, where total remuneration is represented as 10.

Officer category	Basic remuneration	:	Performance-linked remuneration	:	Non-monetary remuneration
Directors (excluding those who are Audit & Supervisory Committee Members and Outside Directors)	6.5	:	2.0	:	1.5
Outside Directors (excluding those who are Audit & Supervisory Committee Members)	6.5	:	0	:	3.5
Directors who are Audit & Supervisory Committee Members (excluding Outside Directors)	7.5	:	0	:	2.5
Outside Directors (Directors who are Audit & Supervisory Committee Members)	6.5	:	0	:	3.5

d. Scheme of performance-linked remuneration

Performance-linked remuneration is based on two indicators: consolidated net sales and consolidated operating profit, measured by comparing business plan targets and actual results. These indicators were selected because they reflect the revenues and profits generated through the Company's ordinary business activities, and are therefore considered optimal indicators of the Company's current performance.

The amount of performance-linked remuneration is calculated by applying a performance-based payment percentage to a base amount set according to each Director's position. This payment percentage varies from 70% to 150%, depending on the performance achievement rate. In calculating the performance achievement rate, the weighting assigned to the target achievement rate of each performance indicator is 40% for consolidated net sales and 60% for consolidated operating profit.

For the fiscal year under review, consolidated net sales amounted to 18,009 million yen, and consolidated operating profit was 3,339 million yen.

(6) Matters concerning Outside Officers

(i) Important concurrent positions held at other corporations, etc. and relationship between the Company and such corporations, etc.

- There are no special relationships between the Company and the corporations, etc. at which the Outside Directors listed in "(1) Directors (as of March 31, 2025)" above concurrently serve in significant positions.
- AFJ Project, Inc., where certain Outside Directors and Outside Directors (Audit & Supervisory Committee Members) concurrently serve in significant positions, is a wholly owned subsidiary of the Company.

(ii) Activities of Outside Officers

Category	Name	Summary of activities
Outside Director	Mitsuhiko Uehira	He attended all 16 out of 16 (100%) meetings of the Board of Directors held during the fiscal year under review. Leveraging his deep insight developed through his proven track record in key positions at large corporations and as a corporate executive, he provided advice and recommendations from an objective standpoint at meetings of the Board of Directors to ensure the adequacy and appropriateness of decision-making. In addition, he served as the chairperson of the Nomination and Remuneration Committee, an advisory body to the Board of Directors.
Outside Director	Sachiko Ohi	She attended all 16 out of 16 (100%) meetings of the Board of Directors held during the fiscal year under review. Leveraging her deep insight developed through many years of experience in investment banking and bond markets in Japan and the U.S., she provided advice and recommendations from an objective standpoint at meetings of the Board of Directors to ensure the adequacy and appropriateness of decision-making. In addition, she served as a member of the Nomination and Remuneration Committee, an advisory body to the Board of Directors.
Outside Director (Audit & Supervisory Committee Member) Full-time Audit & Supervisory Committee Member	Masahiro Tanida	He attended all 12 out of 12 (100%) meetings of the Board of Directors and all 10 out of 10 (100%) meetings of the Audit & Supervisory Committee held after his appointment. Based on his experience in key positions in the finance, accounting and administration divisions of prime-listed companies and in franchise businesses, he provided advice and recommendations from an objective standpoint at meetings of the Board of Directors to ensure the adequacy and appropriateness of decision-making. In addition, at meetings of the Audit & Supervisory Committee, he made necessary statements as appropriate, including the exchange of opinions on audit results.
Outside Director (Audit & Supervisory Committee Member)	Hirofumi Kubota	He attended all 16 out of 16 (100%) meetings of the Board of Directors and all 14 out of 14 (100%) meetings of the Audit & Supervisory Committee held during the fiscal year under review. Based on his professional perspective as a certified public accountant and his extensive knowledge and experience at an audit firm, he provided advice and recommendations from an objective standpoint at meetings of the Board of Directors to ensure the adequacy and appropriateness of decision-making. In addition, he served as the chairperson of the Audit & Supervisory Committee, where he made and coordinated necessary statements, including the exchange of opinions on audit results.
Outside Director (Audit & Supervisory Committee Member)	Maki Imura	She attended all 16 out of 16 (100%) meetings of the Board of Directors and all 14 out of 14 (100%) meetings of the Audit & Supervisory Committee held during the fiscal year under review. Leveraging her extensive proven track record as a corporate executive and an Audit & Supervisory Committee Member, as well as her deep insight developed through many years of experience in the fields of marketing and communications, she provided advice and recommendations from an objective standpoint at meetings of the Board of Directors to ensure the adequacy and appropriateness of decision-making. In addition, at meetings of the Audit & Supervisory Committee, she made and coordinated necessary statements, including the exchange of opinions on audit results.

Category	Name	Summary of activities
Outside Director (Audit & Supervisory Committee Member)	Masami Hamaoka	He attended all 16 out of 16 (100%) meetings of the Board of Directors and all 14 out of 14 (100%) meetings of the Audit & Supervisory Committee held during the fiscal year under review. Based on his knowledge and experience gained at the Bank of Japan, as well as his extensive experience as a corporate executive and an auditor, he provided advice and recommendations from an objective standpoint at meetings of the Board of Directors to ensure the adequacy and appropriateness of decision-making. In addition, at meetings of the Audit & Supervisory Committee, he made necessary statements as appropriate, including the exchange of opinions on audit results.
Outside Director (Audit & Supervisory Committee Member)	Daisuke Sakai	He attended all 16 out of 16 (100%) meetings of the Board of Directors and all 14 out of 14 (100%) meetings of the Audit & Supervisory Committee held during the fiscal year under review. From his professional perspective as an attorney-at-law, he provided advice and recommendations from an objective standpoint at meetings of the Board of Directors to ensure the adequacy and appropriateness of decision-making. In addition, at meetings of the Audit & Supervisory Committee, he made necessary statements as appropriate, including the exchange of opinions on audit results. He also served as a member of the Nomination and Remuneration Committee, an advisory body to the Board of Directors.

Note: In addition to the meetings of the Board of Directors mentioned above, there were four written resolutions deemed to have been adopted by the Board of Directors pursuant to Article 370 of the Companies Act and Article 27 of the Company's Articles of Incorporation.

5. Accounting Auditor

(1) Name

PricewaterhouseCoopers Japan LLC

(2) Amount of remuneration, etc.

	Amount paid
Amount of remuneration to be paid to the Accounting Auditor for the fiscal year under review	58 million yen
Total amount of money and other financial benefits to be paid by the Company and its subsidiaries to the Accounting Auditor	58 million yen

(Notes) 1. In the audit agreement between the Company and the Accounting Auditor, a distinction is not made between the remuneration for auditing based on the Companies Act and that for auditing based on the Financial Instruments and Exchange Act, nor is such distinction effectively possible. Therefore, the amount of the remuneration, etc. of the Accounting Auditor for the fiscal year under review includes the amount of remuneration, etc. for auditing based on the Companies Act and the Financial Instruments and Exchange Act.

2. The Audit & Supervisory Committee has confirmed the past performance of financial audits and remuneration history of the Accounting Auditor and reviewed the details of the audit plan of the Accounting Auditor and the calculation basis for the estimated amount of remuneration for the fiscal year under review by obtaining necessary materials and hearing reports from Directors, the Internal Audit Office, Finance and Accounting Department and the Accounting Auditor. As a result, the Audit & Supervisory Committee has determined that the amount of remuneration, etc. paid to the Accounting Auditor is appropriate and has given its consent under Article 399, Paragraphs 1 and 3 of the Companies Act.

(3) Policy for decisions on the dismissal or non-appointment of the Accounting Auditor

If it is determined by the Audit & Supervisory Committee that the dismissal or non-appointment of the accounting auditor is necessary due to an inability to implement their duties, the Audit & Supervisory Committee shall determine the content of a proposal regarding the dismissal or non-reappointment of the Accounting Auditor to be submitted to a general meeting of shareholders.

The Audit & Supervisory Committee may dismiss the Accounting Auditor with the approval of each Audit & Supervisory Board Member if the circumstances outlined in the respective provisions of Article 340, Paragraph 1 of the Companies Act apply. In this case, the Audit and Audit & Supervisory Committee Members selected by the Audit & Supervisory Committee shall present a report stating the purport of the dismissal of the Accounting Auditor and the reasons thereof to the first general meeting of shareholders convened after the dismissal.

(4) Details of limited liability agreement

Pursuant to Article 423, Paragraph 1 of the Companies Act, the Company has entered the limited liability agreement with the Accounting Auditor, PricewaterhouseCoopers Japan LLC. The limit of liability for damages under the agreement is the minimum amount of liability set forth under

Article 425, Paragraph 1 of the same Act.

6. Systems for ensuring the appropriateness of operations and the implementation status

(1) Systems to ensure the appropriateness of operations

Systems to ensure the execution of duties by directors complies with laws and regulations and the Articles of Incorporation, and other necessary systems to ensure the appropriateness of the company's operations are outlined below:

(i) System to ensure the adherence to laws, regulations, and the articles of incorporation by directors and employees in their execution of duties

Board of Directors meetings are held in accordance with the Board of Directors Regulations, and resolutions are made on matters stipulated by laws and regulations and the Articles of Incorporation, as well as on important business matters such as basic management policies.

(ii) System for storage and management of information related to the execution of duties by directors

Information related to the execution of duties by directors is recorded in documents and stored in accordance with the Document Management Regulations. The Human Resources Dept. and the Legal Dept. appropriately record information related to the execution of duties by directors, and store and manage such information strictly for the period stipulated in accordance with the retention periods required by laws and regulations. In addition, the documents are available to the directors and Audit & Supervisory Committee Members at all times.

(iii) Regulations and other systems concerning management of risk of loss

Directors and employees execute their duties within the scope of their authority in accordance with the Regulations on Administrative Authority, and manage the respective risks inherent in each duty.

The division in charge of administration, as the division responsible for internal control functions, monitors the risks of each department, promptly reports any increase in risk to the directors and Audit & Supervisory Committee Members, and implements countermeasures.

(iv) System to ensure the efficient execution of duties by directors

The Board of Directors establishes the division of duties for each director, clarifies where responsibilities and authority lie, and ensures the efficient execution of duties in accordance with the Regulations on Administrative Authority. In addition, the Board of Directors manages the progress of the business plan in comparison with the monthly financial statements in order to monitor the achievement of the business plan, and analyzes and evaluates the efficiency of operations in order to achieve the goals of the business activities.

(v) System to ensure that the execution of duties by employees complies with laws and regulations and the Articles of Incorporation

Employees faithfully execute their duties within the scope stipulated by internal regulations. Authority and responsibility for the execution of duties are clearly stipulated in the Regulations on Division of Duties, Regulations on Administrative Authority, and other internal regulations, and duties are executed in a timely and appropriate manner.

(vi) System to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries

The Board of Directors makes decisions to ensure the soundness, legal compliance, and transparency of the operations of the entire Group, thereby ensuring the appropriateness of operations.

(vii) Matters concerning employees to assist Audit & Supervisory Committee Members in the event that they request the appointment of employees to assist them in their duties, and matters concerning the independence of such employees from directors

In the event that Audit & Supervisory Committee Members request that employees be assigned to assist them in their duties, the Company will assign such employees to assist them in their duties.

Assistant employees may serve concurrently, but shall not be subject to the direction and orders of directors or other employees when performing such duties.

(viii) Matters concerning ensuring the effectiveness of instructions given by Audit & Supervisory Committee Members to employees who are to assist them in the performance of their duties

Directors and employees shall cooperate in the development of the audit environment to facilitate the smooth performance of the duties of assistant employees.

(ix) System for directors and employees to report to Audit & Supervisory Committee Members of the Company

Audit & Supervisory Committee Members may attend meetings of the Board of Directors and other important meetings, hear from directors and employees about the status of business execution, and inspect related materials. Directors and employees promptly report to Audit & Supervisory Committee Members any violations of laws, regulations, and the Articles of Incorporation, as well as any facts that may have a significant impact on the Company's operations or business performance.

(x) System to ensure that a person who makes a report as described in the preceding item will not be treated disadvantageously because of such a report

Audit & Supervisory Committee Members shall have no obligation to report the information obtained from directors or employees to the third parties. With respect to the transfer, evaluation, and disciplinary action

imposed on employees who have made a report, the Company may request disclosure of the reasons for such action.

(xi) Matters concerning procedures for prepayment or reimbursement of expenses incurred in the performance of Audit & Supervisory Committee Member's duties and other matters concerning policies for the treatment of expenses or liabilities incurred in the performance of said duties
When Audit & Supervisory Committee Members request advance payment of expenses incurred in the performance of their duties, reimbursement of expenses paid or reimbursement of debts incurred, the Company shall comply with such request, unless it can be demonstrated that such expenses are not incurred in the performance of their duties as an Audit & Supervisory Committee Member.

(xii) Other systems to ensure that the audits of Audit & Supervisory Committee Members are conducted effectively
The Audit & Supervisory Committee Members maintain close contact with the Internal Audit Office, and may request the Internal Audit Office to conduct investigations as necessary. Audit & Supervisory Committee Members may, at their discretion, engage attorneys-at-law or other outside experts other than the Company's legal counsel when deemed necessary to conduct an audit.

(xiii) System for preventing damage caused by antisocial forces
The Company firmly rejects antisocial forces that threaten the order and safety of civil society and takes resolute company-wide action against such forces. In addition, the Legal Office has been designated as the department responsible for handling legal risks, and a system is in place to cooperate with legal counsel on a regular basis. In the unlikely event of unreasonable demands from antisocial forces, the Company will consult with the police department or other relevant authorities with jurisdiction at an early stage and respond with appropriate guidance.

(xiv) System to ensure the reliability of financial reporting
To ensure the reliability of financial reporting, the Company takes necessary corrective measures while receiving reviews from auditing firms and tax accountants.

(2) Status of implementation
As for the above systems to ensure the appropriateness of operations, we have constantly confirmed and investigated the development and implementation status from their initial development stage, and such details are reported to the Board of Directors. Further, we take corrective measures for the issues identified from the results of confirmation and investigation and strive to implement more appropriate internal control systems as below:

(i) Compliance and risk management system
The Company has established at the Company and its subsidiaries the Risk Management Committee chaired by the President of the Company. The Risk Management Committee will consider and deliberate on countermeasures for the incidents and such results are reported to the Board of Directors. Further, a whistleblowing contact point is established and the addressee will be external attorneys-at-law and the Head of Internal Audit Office. Compliance cases and conflicts of interest are reported to the Board of Directors.

(ii) Audit system of the Audit & Supervisory Committee Members
The Company's Audit & Supervisory Committee Members hold the Audit & Supervisory Committee meetings regularly or specially to exchange information and ask for reporting on the matters related to the execution of duties of the Group's executives and employees as necessary, to improve effectiveness of audits

7. Policy on decision on dividends from surplus, etc.

The Company positions the return of profits to shareholders as an important management issue. It determines its shareholder return policy in consideration of medium- to long-term profits, cash flows and other factors, while simultaneously seeking to increase corporate value through the sustainable expansion of its core Anytime Fitness business in Japan, the implementation of growth investment for the development of new growth areas and the reinforcement of the foundations of its business.

Regarding dividends, the Company will comprehensively consider ROE and equity ratio conditions, which are important indicators, while facilitating investments for the expansion of business and the improvement of efficiency and enhancing its internal reserves, and it will seek to further clarify its stance of dividend policy for stable and continuous dividend payments, while limiting the impact of the fluctuation of short-term financial results attributable to active growth investments during the period of the Medium-term Management Plan. From these perspectives, during this period, the Company has decided to set a consolidated dividend payout ratio of 40% as a dividend guideline and a DOE of 4.5% as the lower limit to offer higher and more stable dividends.

(Note) The amounts stated in this business report are rounded down to the nearest unit.

Consolidated Balance Sheets

(As of March 31, 2025)

(Million yen)

Assets	
Current assets:	
Cash and deposits	8,085
Accounts receivable – trade	1,186
Merchandise	161
Prepaid expenses	458
Other	859
Allowance for doubtful accounts	(5)
Total current assets	10,747
Non-current assets:	
Property, plant and equipment:	
Buildings and structures	8,850
Tools, furniture and fixtures	4,457
Accumulated depreciation	(6,123)
Land	0
Construction in progress	8
Total property, plant and equipment	7,193
Intangible assets:	
Goodwill	466
Software	20
Other	0
Total intangible assets	487
Investments and other assets:	
Investment securities	2
Long-term prepaid expenses	703
Leasehold and guarantee deposits	1,571
Deferred tax assets	954
Long-term loans receivable	243
Long-term accounts receivable	81
Other	15
Allowance for doubtful accounts	(81)
Total investment and other assets	3,489
Total non-current assets	11,170
Total assets	21,918

Consolidated Balance Sheets

(As of March 31, 2025)

(Million yen)

Liabilities	
Current liabilities:	
Accounts payable – trade	69
Current portion of long-term borrowings	1,169
Accounts payable – other	1,060
Income taxes payable	653
Contract liabilities	1,817
Provision for bonuses	247
Provision for bonuses for directors (and other officers)	14
Other	311
Total current liabilities	5,344
Non-current liabilities:	
Bonds payable	275
Long-term borrowings	698
Asset retirement obligations	1,534
Other	158
Total non-current liabilities	2,667
Total liabilities	8,011
Net assets	
Shareholders' equity:	
Share capital	2,207
Capital surplus	2,147
Retained earnings	9,613
Treasury shares	(48)
Total shareholders' equity	13,920
Accumulated other comprehensive income:	
Valuation difference on available-for-sale securities	0
Foreign currency translation adjustment	(14)
Total accumulated other comprehensive income	(13)
Total net assets	13,906
Total liabilities and net assets	21,918

Consolidated Statement of Income

(For the year ended March 31, 2025)

(Million yen)

Net sales		18,009
Cost of sales		9,985
Gross profit		8,023
Selling, general and administrative expenses		4,684
Operating profit		3,339
Non-operating income:		
Commission income	46	
Insurance claim income	11	
Penalty income	16	
Other	31	107
Non-operating expenses:		
Interest expenses	38	
Foreign exchange losses	26	
Commission expenses	5	
Miscellaneous losses	49	
Other	0	120
Ordinary profit		3,326
Extraordinary income:		
Gain on bargain purchase	16	
Gain on sale of businesses	75	91
Extraordinary losses:		
Cancellation penalties	11	
Loss on sale and retirement of non-current assets	136	
Impairment losses	248	396
Profit before income taxes		3,021
Income taxes – current	1,165	
Income taxes – deferred	(171)	994
Profit		2,026
Profit attributable to owners of parent		2,026

Non-consolidated balance sheets

As of March 31, 2025

(Million yen)

Assets	
Current assets:	
Cash and deposits	6,611
Accounts receivable – trade	887
Merchandise	142
Supplies	0
Prepaid expenses	212
Advances paid	70
Short-term loans receivable from subsidiaries	769
Current portion of long-term loans receivable from subsidiaries and associates	2,517
Other	188
Allowance for doubtful accounts	(460)
Total current assets	10,939
Non-current assets:	
Property, plant and equipment:	280
Building	167
Tools, furniture and fixtures	239
Accumulated depreciation	(127)
Land	0
Total property, plant and equipment	5,833
Intangible assets:	
Software	13
Other	0
Total intangible assets	13
Investments and other assets:	
Investment securities	2
Long-term loans receivable	562
Leasehold and guarantee deposits	73
Deferred tax assets	271
Long-term loans receivable from subsidiaries and associates	3,838
Shares of subsidiaries and associates	790
Investment in capital	0
Total investments and other assets	5,539
Total non-current assets	5,833
Total assets	16,772

Non-consolidated balance sheets

(As of March 31, 2025)

	(Million yen)
Liabilities	
Current liabilities:	
Accounts payable – trade	65
Current portion of long-term borrowings	1,164
Accounts payable - other	517
Accrued expenses	24
Income taxes payable	242
Accrued consumption taxes	130
Advances received	2
Contract liabilities	2,111
Deposits received	76
Provision for bonuses	247
Provision for bonuses for directors (and other officers)	14
Other	0
Total current liabilities	4,599
Non-current liabilities:	
Long-term borrowings	698
Long-term accounts payable - other	62
Asset retirement obligations	29
Total non-current liabilities	791
Total liabilities	5,390
Net assets	
Shareholders' equity:	
Share capital	2,207
Capital surplus	2,157
Legal capital surplus	2,157
Retained earnings	7,064
Other retained earnings	7,064
Retained earnings brought forward	7,064
Treasury shares	(48)
Total shareholders' equity	11,381
Valuation and translation adjustments	0
Valuation difference on available-for-sale securities	0
Total net assets	11,382
Total liabilities and net assets	16,772

Non-consolidated Statement of Income

(For the year ended March 31, 2025)

(Million yen)

Net sales		8,283
Cost of sales		3,384
Gross profit		4,898
Selling, general and administrative expenses		3,186
Operating profit		1,711
Non-operating income:		
Dividend income	42	
Penalty income	16	
Other	9	68
Non-operating expenses:		
Interest expenses	18	
Provision of allowance for doubtful accounts	460	
Foreign exchange losses	26	
Commission expenses	5	
Miscellaneous losses	49	
Other	0	560
Ordinary profit		1,219
Extraordinary losses:		
Loss on retirement of non-current assets	26	26
Profit before income taxes		1,193
Income taxes – current	472	
Income taxes – deferred	(126)	346
Profit		847

Accounting Auditor's Report Concerning the Consolidated Financial Statements

Independent Auditor's Report

May 26, 2025

To the Board of Directors of Fast Fitness Japan, Inc.

PricewaterhouseCoopers Japan LLC
Tokyo Office
Designated Limited Liability Partner Engagement Partner Chie Ukai, CPA
Designated Limited Liability Partner Engagement Partner Yuichiro Amano, CPA

Opinion
Pursuant to the provisions of Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, and notes to the consolidated financial statements of Fast Fitness Japan, Inc. (the "Company") applicable to the fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the aforementioned consolidated financial statements present fairly, in all material respects, the financial position and results of operations of the corporate group comprised of the Company and its consolidated subsidiaries for the period covered by the consolidated financial statements in conformity with the accounting standards generally accepted in Japan.

Basis for Opinion
We conducted our audit in accordance with the auditing standards generally accepted in Japan. Our responsibility under those standards is described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" hereunder. We are independent of the Company and its consolidated subsidiaries in compliance with the code of professional ethics in Japan, while fulfilling other ethical responsibilities as an auditor. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for expressing our opinion.

Other Information
The other information comprises the business report and the supplementary schedules. The management is responsible for preparing and disclosing the other information. Meanwhile, the Audit & Supervisory Committee is responsible for supervising the execution of duties by Directors in the development and operation of the reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an opinion regarding it.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, while also paying our attention to whether the other information otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are requested to report that fact.
We have nothing to report in this regard.

Responsibilities of the Management and the Audit & Supervisory Committee for the Consolidated Financial Statements
The management is responsible for preparing and fairly presenting the consolidated financial statements in compliance with the accounting standards generally accepted in Japan, which involves the responsibilities for developing and operating internal controls as considered necessary by the management for preparing and fairly presenting the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements based on the going concern assumption, and, if required to disclose matters related to the going concern under the accounting standards generally accepted in Japan, for disclosing such matters.

Meanwhile, the Audit & Supervisory Committee is responsible for supervising the execution of duties by Directors in the development and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion on the consolidated financial statements, based on our audit. Misstatements can arise due to fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and perform audit procedures responsive to those risks. Selection and adoption of audit procedures shall be in our discretion. Furthermore, obtain audit evidence that is sufficient and appropriate to provide a basis for expressing opinion;
- In making those risk assessments, examine the audit-related internal controls for the purpose of formulating audit procedures that are appropriate in the circumstances, while the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the Company's internal control;
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes;
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, we are required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While our conclusions are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern;
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based; and
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which provides the basis for expressing our audit opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the consolidated financial statements, and are solely responsible for the audit opinion.

We report to Audit & Supervisory Committee Members and the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

We report to Audit & Supervisory Committee Members and the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on our independence, any measures taken to remove obstacles or any safeguards that are applied to reduce obstacles to an acceptable level, if any.

Conflicts of Interest
Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Accounting Auditor's Report Concerning the Non-Consolidated Financial Statements

Independent Auditor's Report

May 26, 2025

To the Board of Directors of Fast Fitness Japan, Inc.

PricewaterhouseCoopers Japan LLC
Tokyo Office
Designated Limited Liability Partner Engagement Partner Chie Ukai, CPA
Designated Limited Liability Partner Engagement Partner Yuichiro Amano, CPA

Opinion
Pursuant to the provisions of Article 436, Paragraph 2, Item (i) of the Companies Act, we have audited the non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, notes to the non-consolidated financial statements, and the supplementary schedules of Fast Fitness Japan, Inc. (the "Company") applicable to the 15th fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the aforementioned non-consolidated financial statements and the supplementary schedules present fairly, in all material respects, the financial position and results of operations of the Company for the period covered by the non-consolidated financial statements and the supplementary schedules in conformity with the accounting standards generally accepted in Japan.

Basis for Opinion
We conducted our audit in accordance with the auditing standards generally accepted in Japan. Our responsibility under those standards is described in the "Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements and the Supplementary Schedules" hereunder. We are independent of the Company in compliance with the code of professional ethics in Japan, while fulfilling other ethical responsibilities as an auditor. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for expressing our opinion.

Other Information
The other information comprises the business report and the supplementary schedules. The management is responsible for preparing and disclosing the other information. Meanwhile, the Audit & Supervisory Committee is responsible for supervising the execution of duties by Directors in the development and operation of the reporting process of the other information.

Our opinion on the non-consolidated financial statements and the supplementary schedules does not cover the other information and we do not express an opinion regarding it.

In connection with our audit of the non-consolidated financial statements and the supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements and the supplementary schedules or our knowledge obtained in the audit, while also paying our attention to whether the other information otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are requested to report that fact.

We have nothing to report in this regard.

Responsibilities of the Management, the Audit & Supervisory Committee for the Non-Consolidated Financial Statements and the Supplementary Schedules

The management is responsible for preparing and fairly presenting the non-consolidated financial statements and the supplementary schedules in compliance with the accounting standards generally accepted in Japan, which involves the responsibilities for developing and operating internal controls as considered necessary by the management for preparing and fairly presenting the non-consolidated financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements and the supplementary schedules, the management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements and the supplementary schedules based on the going concern assumption, and, if required to disclose matters related to the going concern under the accounting standards generally accepted in Japan, for disclosing such matters.

Meanwhile, the Audit & Supervisory Committee is responsible for supervising the execution of duties by Directors in the development and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the non-Consolidated Financial Statements and the Supplementary Schedules

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion on the non-consolidated financial statements and the supplementary schedules, based on our audit. Misstatements can arise due to fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the non-consolidated financial statements and the supplementary schedules.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and perform audit procedures responsive to those risks. Selection and adoption of audit procedures shall be in our discretion. Furthermore, obtain audit evidence that is sufficient and appropriate to provide a basis for expressing opinion;
- In making those risk assessments, examine the audit-related internal controls for the purpose of formulating audit procedures that are appropriate in the circumstances, while the purpose of the audit of the non-consolidated financial statements and the supplementary schedules is not to express an opinion on the effectiveness of the Company's internal control;
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes;
- Determine whether it is appropriate for management to prepare the non-consolidated financial statements and the supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, we are required to call attention to the notes to the non-consolidated financial statements and the supplementary schedules in the audit report, or if the notes to the non-consolidated financial statements and the supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the non-consolidated financial statements and the supplementary schedules. While our conclusions are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern; and
- Besides assessing whether the presentation of and notes to the non-consolidated financial statements and the supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the non-consolidated financial statements and the supplementary schedules including related notes, and whether the non-consolidated financial statements and the supplementary schedules fairly present the transactions and accounting events on which they are based.

We report to Audit & Supervisory Committee Members and the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

We report to Audit & Supervisory Committee Members and the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on our independence, any measures taken to remove obstacles or any safeguards that are applied to reduce obstacles to an acceptable level, if any.

Conflicts of Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Audit report by the Audit & Supervisory Committee

Audit Report

The Audit & Supervisory Committee has audited the execution of duties by Directors during the 15th fiscal year (from April 1, 2024 to March 31, 2025) and hereby reports the methods and the result of the audit as follows.

1. Method and Details of Audits
   With respect to the details of the resolution made by the Board of Directors and the system developed based on such resolution (internal control systems) provided for in Article 399-13, Paragraph 1, Item(i), (b) and (c) of the Companies Act, the Audit & Supervisory Committee periodically received reports from Directors, employees, and others regarding the status of the establishment and operation of those systems and as necessary requested explanations and expressed opinions in regard thereto, in addition to which the Audit & Supervisory Committee conducted audits using the following methods.
   (i) In accordance with the provisions including the audit policy and the division of duties set down by the Audit & Supervisory Committee, we held regular monthly meetings, exchanged opinions, and, in collaboration with the Internal Audit Office and other divisions, attended important meetings, received reports on matters related to the execution of duties from Directors and employees, and sought explanations as necessary. We also examined important approval documents and inspected operations and financial affairs at the head office and other major business locations. We conducted audits in the same manner for subsidiaries.
   (ii) We monitored and examined whether the Accounting Auditor maintained its independence and properly conducted the audit and received reports from the Accounting Auditor concerning the status of the performance of its duties. We are also notified by the Accounting Auditor that it had in place the “systems for ensuring that the performance of the duties of financial auditor is being carried out correctly” (matters listed in each item of Article 131 of the Regulations for Corporate Accounting) in accordance with the “Standards on Quality Control for Audits” (by the Business Accounting Council) and other standards. We requested further explanations as necessary.

   Using the methods above, the Audit & Supervisory Committee examined the business report, the supplementary schedules, the non-consolidated financial statements (i.e., the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, and notes to the non-consolidated financial statements), and the consolidated financial statements (i.e., the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, and notes to the consolidated financial statements) for the fiscal year under review.

2. Audit results

(1) Results of audit of business report and others

(i) We find that the business report and the supplementary schedules accurately present the status of the Company in accordance with laws, regulations, and the Articles of Incorporation.

(ii) We do not find any misconduct nor any material fact constituting a violation of any law, regulation, or the Articles of Incorporation in relation to the Directors' performance of duties.

(iii) We find the content of the resolution of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not find any matters that should be commented upon in regard to the statements in the business report or the Directors' performance of their duties relating to the internal control systems.

(2) Results of audit of non-consolidated financial statements and the supplementary schedules
We find the methods and results of the audit by the accounting auditor, PricewaterhouseCoopers Japan LLC, to be reasonable.

(3) Results of audit of consolidated financial statements
We find the methods and results of the audit by the accounting auditor, PricewaterhouseCoopers Japan LLC, to be reasonable.

May 22, 2025

The Audit & Supervisory Committee
Fast Fitness Japan, Inc.

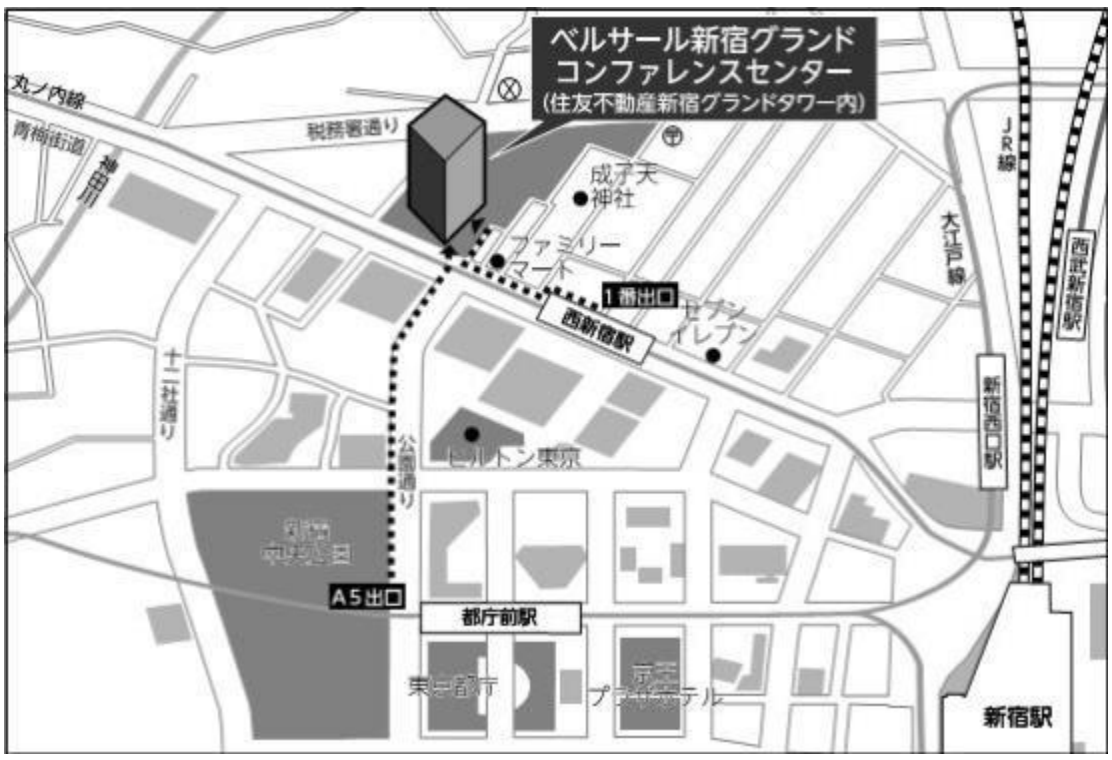
Full-time Audit & Supervisory Committee Member	Masahiro Tanida
Audit & Supervisory Committee Member	Hirofumi Kubota
Audit & Supervisory Committee Member	Maki Imura
Audit & Supervisory Committee Member	Masami Hamaoka
Audit & Supervisory Committee Member	Daisuke Sakai

(Note) Audit & Supervisory Committee Members of Masahiro Tanida, Hirofumi Kubota, Maki Imura, Masami Hamaoka and Daisuke Sakai are Outside Directors as prescribed under Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.

Memo

Map to the venue of the Ordinary General Meeting of Shareholders

Venue Belle Salle Shinjuku Grand Conference Center Room G+H,
Sumitomo Fudosan Shinjuku Grand Tower 5F,
8-17-1 Nishishinjuku, Shinjuku-ku, Tokyo



Access by public transportation

Ⓜ	Nishi-shinjuku Station (Marunouchi Line)	3-min walk from Exit 1
Ⓔ	Tochomae Station (Oedo Line)	8-min walk from Exit A5
	Shinjuku Station (JR and other lines)	20-min walk from West Exit

- Please refrain from driving to the venue.
- A designated space is available for shareholders in wheelchairs.
- Please ask for help at the reception if you need assistance finding your seats or the restroom.