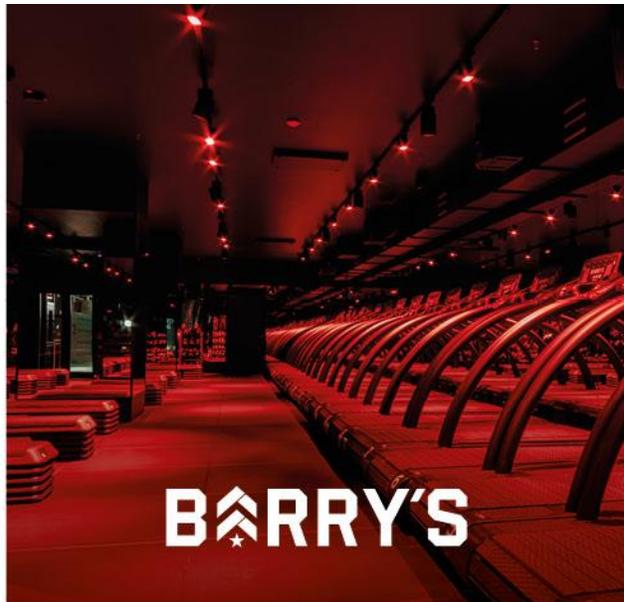




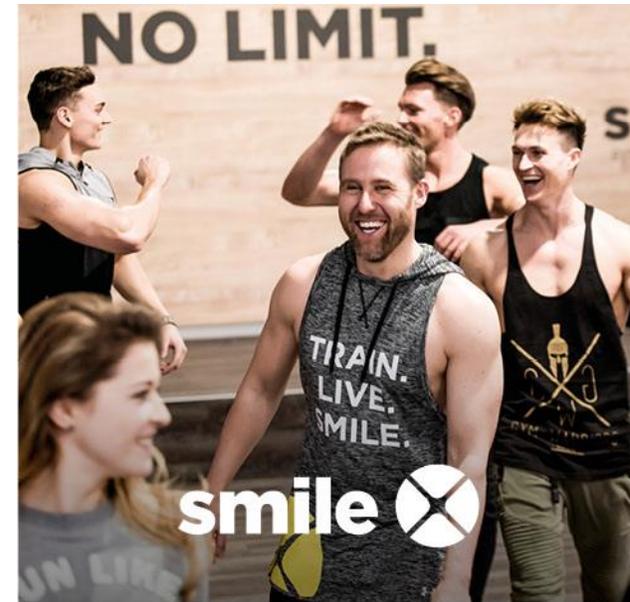
F Fitness First



BARRY'S



ELBGYM



smile 

lifefit | group



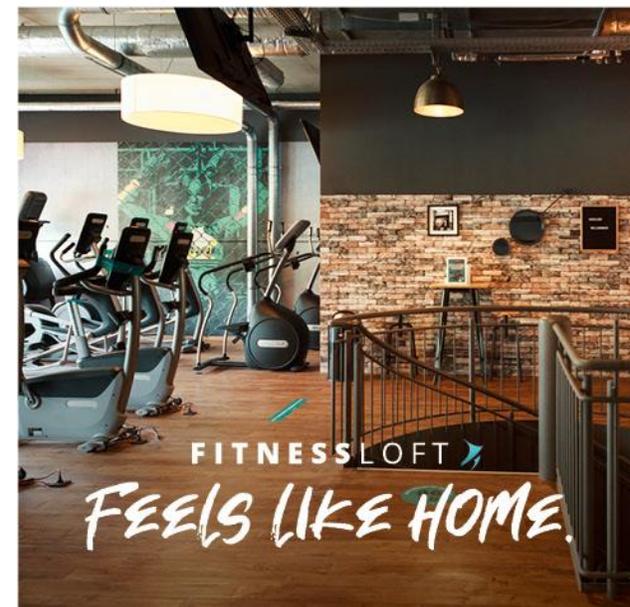
the Gym Society
customized fitness



CLUB PILATES 




InShape
FITNESS CLUB



FITNESSLOFT 

FEELS LIKE HOME.

A personal trainer in an orange shirt is assisting a female client with a barbell in a gym. The trainer is leaning in, providing guidance as the client prepares to lift. The barbell has two 10 kg blue weights. The background shows various gym equipment and a bright, modern fitness environment.

LifeFit Group

FY2022 – ANNUAL REPORT PRESENTATION

lifefit | group

Mar
2023

1 General Information / FY22 Results

- First year audit performed by Mazars (previous years were audited by EY)
- According to Q4/22 interim reporting, LFG reported an adjusted EBITDA of EUR -7.6m. As a result of extensive discussions and expert sessions with the new auditor Mazars, the following prior year's transactions are restated and affect the reported EBITDA for FY2022
 - Restatement of membership dues received in corona lockdowns periods (EUR +1.6m)
 - Recognition of a portion of the government support that originally was recorded as income in FY2021 (EUR +3.0m)
 - Other adjustments amount to EUR +0.3m
- **In total, the adjusted EBITDA increased to EUR -2.7m (EUR +4.9m)**
- The restatement of IFRS16 lease contracts in consideration of current market interest rate of borrowings results in lower ROUA/liabilities as well as lower depreciation, additional impairment and higher finance costs (no impact on Adjusted EBITDA)
- **All restatements refer to amendments of the respective accounting treatment but do not have any impact on projected cashflows**

2 Successful M&A / Financing

- **Successful acquisition of FitnessLOFT**, a group of 27 clubs in the northern part of Germany with a projected EBITDA contribution of EUR 5.0m
- **EUR 12.0m equity injection** by Oaktree in Dec-22
- **Extension of the bonds until Jan-25 and tap issue of EUR 15.0m in Dec-22**
- Extension of super-senior RCF until Sep-24
- **Cash balance of EUR 15.8m as of Jan-23**

3 Outperforming business in Q1/23

- Q1/23 KPIs above plan – a strong indicator for further recovery and future growth of the business
- **~25k net members (incl. aggregator equivalents) gained throughout Q1/23**
- LFL membership back at around 96% of pre-covid levels
- In combination with higher average dues, the group reached **revenue recovery in Jan-23**
- **PF adjusted EBITDA of the group already back at EUR 1.5m monthly run-rate in Jan-23, on a 12 month forward looking rate already EUR 18.0m**

RESTATEMENT OF RECEIVED MEMBERSHIP DUES DURING COVID-19 LOCKDOWNS

1 Initial situation

LifeFit Group continued to collect membership fees via direct debit during the two lockdowns (03-05/20 and 11/20-05/21) and received membership dues of around **EUR 55.5m** (Lockdown 1 EUR 19.3m, Lockdown 2 EUR 36.2m).

The following options were offered as compensation:

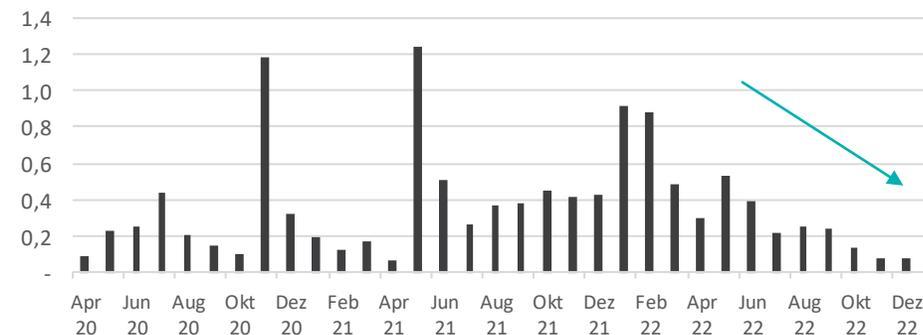
- 1) Freeze period during the lockdown: In the last month of the lockdown, up to 45% of customers took advantage of this, so that no further contributions were collected
- 2) Upgrade to full network and other compensating items
- 3) Non-contributory training time: Customers receive a non-contributory training period as part of their current basic term, which corresponds to the individually overpaid period during the lockdown
- 4) Refund of the overpaid amount: Customers are reimbursed for the individually overpaid period during the lockdown

2 Compensations

Since March 2020, a total of around EUR 12.0m has been compensated, with peaks after the two lockdowns as well as in Jan 22 (expiry of the German corona voucher law) and May 22 (high court ruling). Since then, only compensation option 4) has been used and the individually overpaid contribution reimbursed.

In addition, the volume has been constantly declining since Jan 22 and is currently **leveling off at around EUR 50-75k** refunds per month.

Compensations/Refunds until today in EURm



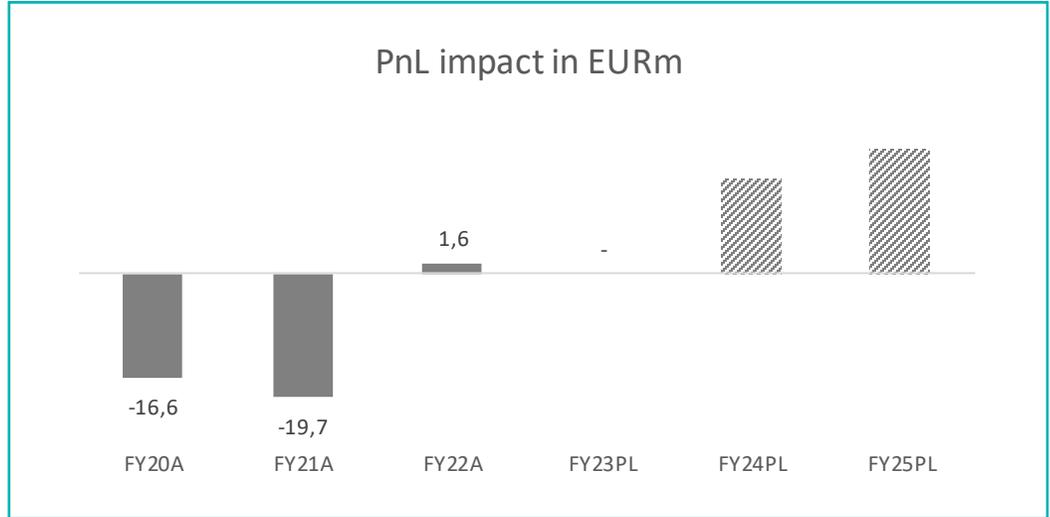
3 Previous Procedure

In consultation with the previous auditor EY, the contributions received were not completely accrued, but deferred within the framework of the true and fair view and according to IFRS 15 distributed evenly over the term of the membership contracts, taking into account a probability of occurrence and using a membership based model. This would have resulted in a **deferred revenue amount of EUR 12.0m** as of Oct-22.

4 New approach and restatement impact

In consultation with the new auditor Mazars, revenue in the 2020 and 2021 financial years should have been lower and recognized as a liability in the balance sheet. The latter will be reduced monthly by the amount of the compensation and completely dissolved after the statute of limitations has expired.

This results in a negative effect of EUR -16.6m in the PnL for the 2020 financial year and EUR -19.7m for 2021 (opposite increase in the liability). In the 2022 financial year, there will be a positive effect due to the opposite reversal of liabilities in the course of compensation paid (EUR +1.6m).



5 Outlook

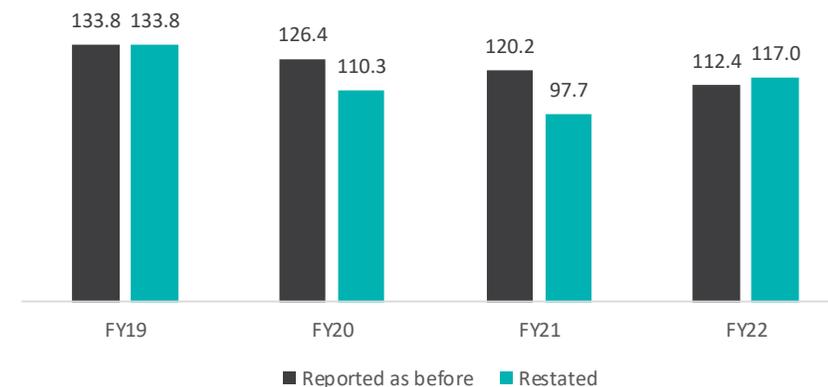
The LifeFit Group management assumes that further compensation payments of EUR 2.0 - 3.0m will be made by the time the respective statute of limitations expires. The remaining liability will then be released at the time of the statute of limitations, resulting in positive PnL effects in FY2024 and FY2025.

Important: There is not a change in cash flow assumptions, only a change in accounting.

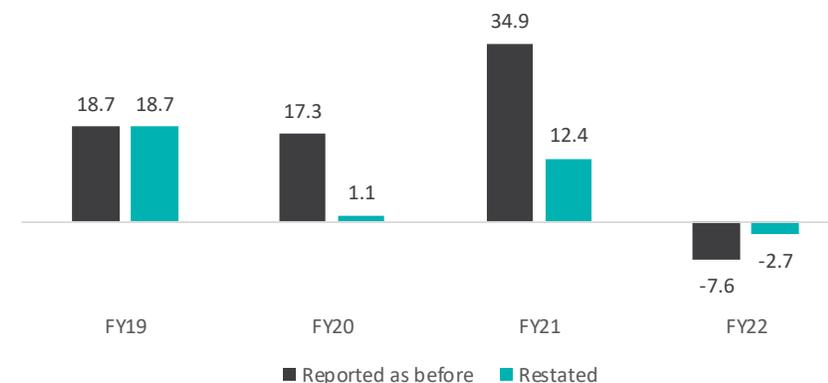
RESTATEMENT/ADJUSTMENT IMPACT ON PRO FORMA FINANCIALS

in EURm	FY19	FY20	FY21	FY22
Core Business				
Revenue				
Reported as before	133.8	126.4	120.2	112.4
Restated	133.8	110.3	97.7	117.0
Δ	-	-16.2	-22.5	4.5
thereof: lockdown membership dues	-	-16.2	-19.5	1.6
corona governmental support	-	-	-3.0	3.0
other	-	-	-	-0.1
Adjusted EBITDA				
Reported as before	18.7	17.3	34.9	-7.6
Restated	18.7	1.1	12.4	-2.7
Δ	-	-16.2	-22.5	4.9
thereof: lockdown membership dues	-	-16.2	-19.5	1.6
corona governmental support	-	-	-3.0	3.0
other	-	-	-	0.2
Total incl. non-core business				
Revenue				
Reported as before	141.8	129.6	121.0	112.4
Restated	141.8	113.0	98.3	116.9
Δ	-	-16.6	-22.7	4.6
thereof: lockdown membership dues	-	-16.6	-19.7	1.7
corona governmental support	-	-	-3.0	3.0
other	-	-	-	-0.1
Adjusted EBITDA				
Reported as before	18.6	17.3	35.0	-7.6
Restated	18.6	1.1	12.5	-2.7
Δ	-	-16.2	-22.5	4.9
thereof: lockdown membership dues	-	-16.2	-19.5	1.6
corona governmental support	-	-	-3.0	3.0
other	-	-	-	0.2

Total Revenue in EURm (MidCo Core Business)



Adjusted EBITDA in EURm (MidCo Core Business)



REPORTED FINANCIALS FY2022 AND BRIDGE TO Q4/22 UNAUDITED INTERIM REPORT



ELBGYM



BARRY'S



Consolidated Statement of Comprehensive Income

in EURk	FY2022	FY2021 restate*	change
Revenue	104.710	45.254	59.456
Covid-19 government aid	8.291	47.466	-39.175
Other operating income	2.245	2.100	145
Cost of materials	-8.145	-5.872	-2.273
Personnel expenses	-33.548	-24.485	-9.063
Other operating expenses	-55.830	-31.427	-24.403
Depreciation and amortisation	-32.565	-30.215	-2.350
Operating profit or loss (EBIT)	-14.841	2.821	-17.662
Income from at equity investments	-276	-194	-82
Finance income	341	160	181
Finance costs	-23.972	-23.837	-136
Financial result	-23.631	-23.677	45
Profit or loss before income taxes	-38.749	-21.050	-17.699
Income taxes	2.354	3.666	-1.312
Profit or loss for the period	-36.394	-17.384	-19.010

Consolidated Cash Flow Statement

in EURk	FY2022	FY2021 restate*	change
Operating cash flow	32.560	2.000	30.561
Investment cash flow	-17.375	-4.880	-12.496
Financing cash flow	-29.821	3.369	-33.190
Cash flow for the period	-14.636	490	-15.126
Beginning cash	23.041	22.551	
Closing cash	8.404	23.041	

Consolidated Balance Sheet

in EURk	31 October 2022	31 October 2021 restate*
Non-current assets		
Intangible assets	41.501	33.805
Property, plant and equipment	43.794	38.766
Right-of-use-assets	89.535	94.808
Non-current trade receivables	1.871	1.676
Investments / Joint venture	1	1
Deferred tax assets	5.262	3.375
	181.964	172.431
Current assets		
Inventories	698	865
Trade receivables	1.839	913
Receivables from affiliated companies	700	602
Current income tax assets	171	396
Other non-financial assets	3.285	27.205
Other financial assets	988	0
Cash and cash equivalents	8.404	23.040
	16.084	53.022
TOTAL ASSETS	198.048	225.453
Equity	-96.878	-60.482
Liabilities		
Non-current liabilities		
Financial liabilities	0	38.935
Shareholder debt	43.790	38.097
Other non-financial liabilities	0	0
Other financial liabilities	46	294
Other provisions	2.639	2.478
Lease liabilities	112.651	116.479
Deferred tax liabilities	1	0
	159.126	196.283
Current liabilities		
Financial liabilities	49.853	10.113
Trade payables	13.789	14.163
Other non-financial liabilities	4.457	4.682
Other financial liabilities	50.264	47.176
Other provisions	719	601
Lease liabilities	16.619	12.737
Income tax liabilities	99	181
	135.800	89.652
TOTAL LIABILITIES	294.926	285.935
TOTAL EQUITY AND LIABILITIES	198.048	225.453

- In total, the consolidated equity of the group is negative. The equity position of the group has no legal impact. A test for balance sheet over-indebtedness is carried out at the level of LifeFit Group MidCo GmbH. As of the balance sheet date, the company's unaudited annual financial statements according to the German GAAP (HGB) show positive equity of approximately EUR 30.0m.
- Besides the accumulated losses until 31 October 2022 the negative consolidated equity of the group results from the difference of the purchase price of the acquisition of shares in Fitness First Germany GmbH, Elbgym GmbH and Barry's Bootcamp GmbH by LifeFit Group MidCo GmbH and Fitness First Germany GmbH's book value of net assets. The transaction had to be accounted for as a "transaction under common control" and no hidden reserves of Fitness First Germany GmbH, such as brand name, customer contracts or goodwill were considered. Had the transaction happened under third parties, the consolidated equity of the group would be substantially positive.

Consolidated Statement of Comprehensive Income

in kEUR	Unaudited interim report (Q4)	Annual report	Δ
	FY22	FY22	
Revenue	102.482	104.710	2.228 1)
Covid-19 government aid	5.423	8.291	2.868 2)
Other operating income	255	2.245	1.990
Cost of materials	-9.343	-8.145	1.198
Personnel expenses	-34.667	-33.548	1.119
Other operating expenses	-48.848	-55.830	-6.982
Depreciation and amortisation	-38.107	-32.565	5.542 3)
Operating profit or loss (EBIT)	-22.804	-14.841	7.963
Income from at equity investments	-217	-276	-59
Finance income	50	341	291
Finance costs	-16.908	-23.972	-7.065 3)
Financial result	-16.858	-23.631	-6.774
Profit or loss before income taxes	-39.879	-38.749	1.130
Income taxes	684	2.354	1.670 4)
Profit or loss for the period	-39.194	-36.394	2.800

Consolidated Cash Flow Statement

in kEUR	Unaudited interim report (Q4)	Annual report	Δ
	FY22	FY22	
Cash flows from operating activities	28.864	32.560	3.696 3)
Cash flows from investing activities	-18.132	-17.375	757
Cash flows from financing activities	-25.368	-29.821	-4.454 3)
Cash flow for the period	-14.636	-14.636	0
Beginning cash and cash equivalents	23.040	23.041	0
Closing cash and cash equivalents	8.405	8.404	-1

Consolidated Balance Sheet

in kEUR	Unaudited interim report (Q4)	Annual report	Δ
	31 Oct 2022	31 Oct 2022	
Non-current assets			
Intangible assets	41.332	41.501	169
Property, plant and equipment	43.109	43.794	685
Right-of-use-assets	114.229	89.535	-24.694 3)
Non-current trade receivables	1.995	1.871	-124
Investments / Joint venture	1	1	0
Deferred tax assets	0	5.262	5.262 4)
	200.667	181.964	-18.703
Current assets			
Inventories	698	698	0
Trade receivables	1.932	1.839	-94
Receivables from affiliated companies	1.775	700	-1.075
Current income tax assets	171	171	0
Other non-financial assets	3.211	3.285	74
Other financial assets	0	988	988
Cash and cash equivalents	8.405	8.404	0
	16.192	16.084	-108
TOTAL ASSETS	216.858	198.048	-18.810
Equity	-61.715	-96.878	-35.162
Non-current liabilities			
Financial liabilities	39.689	0	-39.689 5)
Shareholder debt	43.790	43.790	0
Other non-financial liabilities	0	0	0
Other financial liabilities	2.488	46	-2.442 1)
Other provisions	2.639	2.639	0
Lease liabilities	117.099	112.651	-4.448 3)
Deferred tax liabilities	3.753	1	-3.753 4)
	209.459	159.126	-50.332
Current liabilities			
Financial liabilities	10.454	49.853	39.399 5)
Trade payables	17.386	13.789	-3.597
Other non-financial liabilities	14.609	4.457	-10.152 1)
Other financial liabilities	3.230	50.264	47.034 1)
Other provisions	719	719	0
Lease liabilities	22.618	16.619	-5.999 3)
Income tax liabilities	99	99	0
	69.115	135.800	66.685
TOTAL LIABILITIES	278.573	294.926	16.353
TOTAL EQUITY AND LIABILITIES	216.858	198.048	-18.810

Commentary

- 1) Restatement* of corona liabilities out of received membership dues within the lockdowns result in additional liabilities (> EUR 30.0m) and positive PnL impact from release of liabilities in FY22 in the amount of EUR 1.6m.
- 2) Restatement*/Recognition of additional EUR 3.0m governmental support which had been recorded in FY21
- 3) Restatement* of IFRS16 lease contracts in consideration of current market interest rate of borrowings results in lower ROUA/liabilities as well as lower depreciation, additional impairment and higher finance costs
- 4) Above restatements* have impact on deferred taxes
- 5) Reclass bond into current liabilities (successful extension of the bond until Jan-25 after reporting date)

NOTE: all other variances result from reclassifications (i.e. not net income relevant). For more details on the different items we refer to the report.

Pro forma Financials + IFRS 16 impacts + Reported Financials

EURm	FY2022			FY2022
	AC pre IFRS16	Impact of IFRS16	AC under IFRS16	AC IFRS16
KPIs				
# of Clubs ¹	93			
Members ['000]	216.6			
Joiner Yield [EUR]	49.0			
ARPM [EUR]	47.3			
Retention % (annualised)	67.3			
Profit/Loss				
Revenue	116.9			104.7
EBITDA ²	-5.3	26.0	20.7	17.7
- Adjustments	2.6			
Adjusted EBITDA	-2.7			
Depreciation & amortisation	-13.6	-19.8	-33.4	-32.6
Exceptionals/One-off charges	-2.2			
Operating Profit/Loss	-21.2		-14.9	-14.8
Income from at equity investments	-0.3			-0.3
Total Finance costs	-7.8	-16.3	-24.1	-23.6
Total Tax	2.4			2.4
Net Profit/Loss	-26.9		-36.9	-36.4
Cash Flow				
EBITDA ²	-5.3			
Working capital	16.5			
Exceptionals & provisions	-2.6			
Interest paid	-3.3			
Tax	0.0			
OPERATING CASH FLOW	5.3			32.6
Cash flow from investing activities	-18.1			-17.4
FREE CASH FLOW	-12.8			15.2
Cash flow from financing activities	-1.8			-29.8
NET CASH FLOW	-14.6			-14.6

Pro forma Financials by Segment

EURm	FY2022				
	LifeFit Group	Fitness First	elbgym	smile X	In Shape
KPIs					
# of Clubs ¹	93	60	7	13	13
Members ['000]	216.6	166.1	5.1	28.7	16.7
Joiner Yield [EUR]	49.0	50.7	72.1	33.4	43.6
ARPM [EUR]	47.3	49.4	73.6	30.2	49.6
Retention % (annualised)	67.3	67.5	48.9	72.0	62.2
Profit/Loss					
Revenue	116.9	93.0	4.0	10.2	9.7
EBITDA ²	-5.3	-6.2	-0.8	0.7	1.0
- Adjustments	2.6	2.6	0.0	0.0	0.0
Adjusted EBITDA	-2.7	-3.6	-0.8	0.7	1.0
Depreciation & amortisation	-13.6	-9.6	-0.6	-2.3	-1.1
Exceptionals/One-off charges	-2.2	-3.7	0.2	1.3	0.0
Operating Profit/Loss	-21.2	-19.6	-1.2	-0.3	-0.1
Income from at equity investments	-0.3	-0.3	0.0	0.0	0.0
Total Finance costs	-7.8	-7.7	0.0	0.0	-0.1
Total Tax	2.4	1.6	0.0	0.6	0.2
Net Profit/Loss	-26.9	-25.9	-1.2	0.3	0.0
Cash Flow					
EBITDA ²	-5.3	-6.2	-0.8	0.7	1.0
Working capital	16.5	14.0	0.4	2.2	0.0
Exceptionals & provisions	-2.6	-2.4	-0.1	0.0	0.0
Interest paid	-3.3	-3.3	0.0	0.0	0.0
Tax	0.0	0.0	0.0	0.0	0.0
OPERATING CASH FLOW	5.3	2.0	-0.6	2.9	1.0
Cash flow from investing activities	-18.1	-16.8	-2.6	-0.3	1.6
FREE CASH FLOW	-12.8	-14.8	-3.2	2.6	2.5
Cash flow from financing activities	-1.8	-1.5	-0.1	-0.2	-0.1
NET CASH FLOW	-14.6	-16.3	-3.3	2.5	2.5



Inspiring each other
and always winning
as a team



Blowing away customer
expectations with our love for
health and fitness



Taking responsibility,
being entrepreneurial
and always keep going



Always striving
for excellence



Doing the right
thing – every time