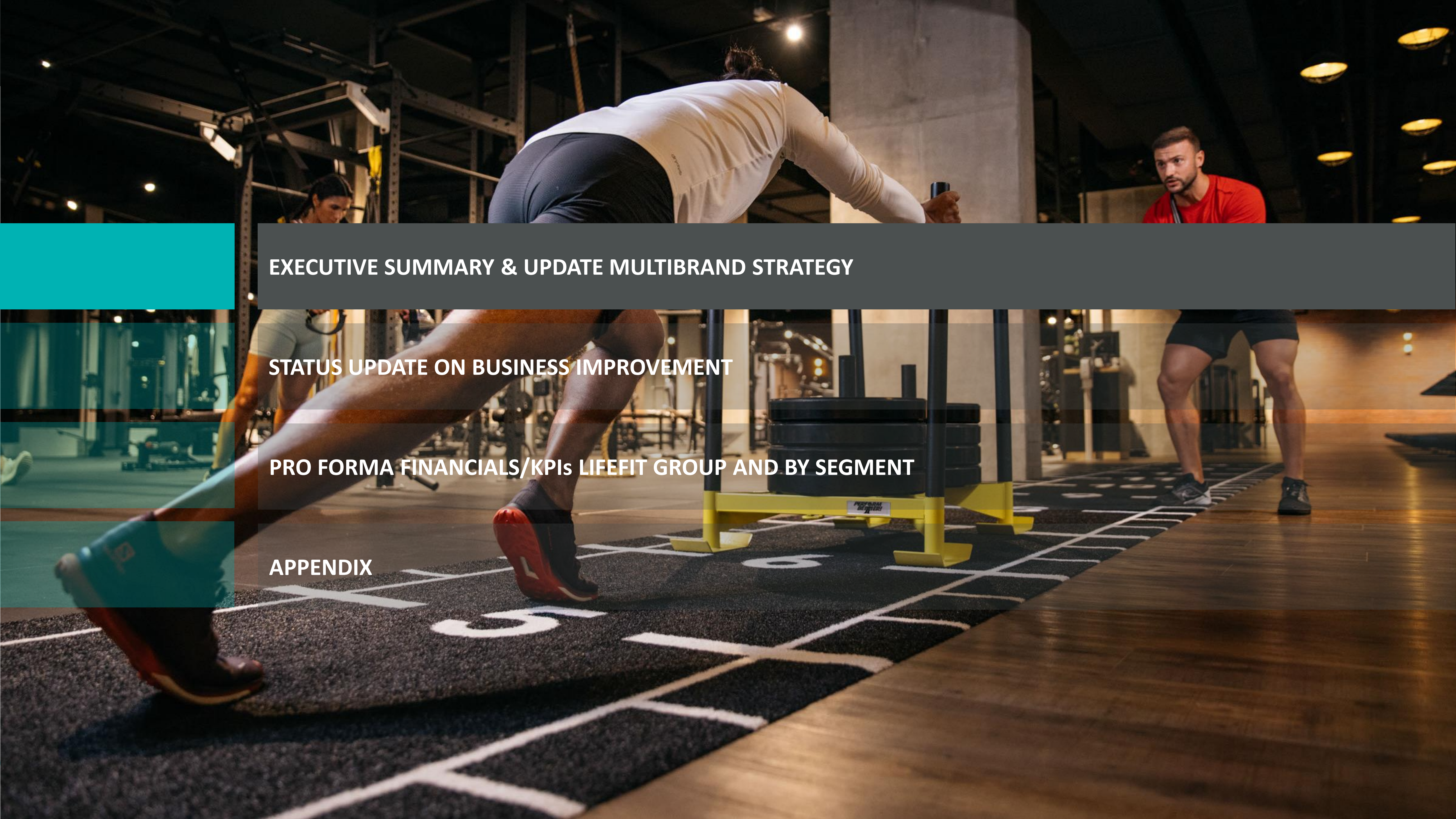
lifefit group

Q4/FY2023

Quarterly interim unaudited report

December 2023



EXECUTIVE SUMMARY & UPDATE MULTIBRAND STRATEGY

STATUS UPDATE ON BUSINESS IMPROVEMENT

PRO FORMA FINANCIALS/KPIs LIFEFIT GROUP AND BY SEGMENT

APPENDIX

EXECUTIVE SUMMARY

1 Accelerating membership rebound driven by market recovery and offer segmentation	▪ Q4/23 Operational KPIs are continuing to strive with membership[2] (equivalent) increasing to 346k+ in Oct-23, with +9k members added in Q4 contrary to summer seasonality ▪ Strong progress in aligning the FSBP studios re product offering, marketing and pricing as well as supporting processes and comprehensive staff training enabled successful rebranding into Fitness First in Oct-23
2 LTM Revenue[1] EUR 169.8m **+24.9% vs. FY22**	▪ Consistent membership growth in combination with higher average dues result in monthly increase in membership fees which is the key driver in revenue ▪ Aggregator income continuously improves with month-by-month growth rates at ~7% in the FY (now 8% of total) ▪ Rebranding of acquired brands into Fitness First includes further growth potential
3 LTM EBITDA adj. [1] EUR 23.6m **Oct-23 run-rate > EUR 27m+**	▪ LTM adjusted EBITDA shows strong growth with EUR +7.4m compared to the previous quarter ▪ Consistent monthly EBITDA increase results in EUR 2.3m+ adjusted EBITDA in Oct-23, giving an attractive run-rate projection of EUR 27m+ ▪ Revenue increase driven by membership fees and PAYG income overcompensates inflation/cost increase
4 Q4/FY23 Net Cash Flow EUR +4.7m Cash at Bank EUR 20.8m	▪ Q4/FY23 net cash flow of EUR +4.7m is characterised by monthly increasing EBITDA and positive working capital impacts from deferred revenue and aggregator prepayment (EUR +1.0m) ▪ Cash position increases to EUR 20.8m at the end of Oct-23, month-by-month improving free cash flow will be used for earn-outs, vendor loan repayments, net debt redemption and product and facility investment
5 Future growth potential	▪ LifeFit signed acquisition of 19+ club strong FSBP network in the Stuttgart metropolitan area with around 40k members in Nov-23 (closing expected in early Feb-24), which increases LifeFit's portfolio to more than 140 studios ▪ Opening of the first Club Pilates Franchise near to Frankfurt in Oct-23; franchise growth potential due to strong and increasing lead pool; the second Xponential concept YogaSix will open next door to the Club Pilates in Frankfurt in spring 2024 ▪ Already well-filled M&A (FSBP & premium) pipeline will enable further growth opportunities

KEY FIGURES[1]	Q4 2023	CHANGE VS. Q4 2022
TOTAL REVENUE	45.8m	+32.4%
ADJ. EBITDA BEFORE IFRS 16	8.4m	+10.2m
ADJ. EBITDA BEFORE IFRS 16 MARGIN	18.4%	n/a
CASH AT BANK	20.8m	

NOTE: Quarterly Total Revenue and pre-IFRS 16 EBITDA above have been adjusted for governmental support packages included in these periods (if applicable); Q4/23 includes non-recurring year end items of around EUR +1.1m

1) Core business excludes all clubs/services, which already have been divested/closed or will not be continued. 2) Members have been normalised for 5.5k members, which are currently transferred to aggregator after sale of the subsidised corporate business. Numbers presented in the quarterly report are including the acquisition of In Shape and the acquisition of Fitness LOFT.

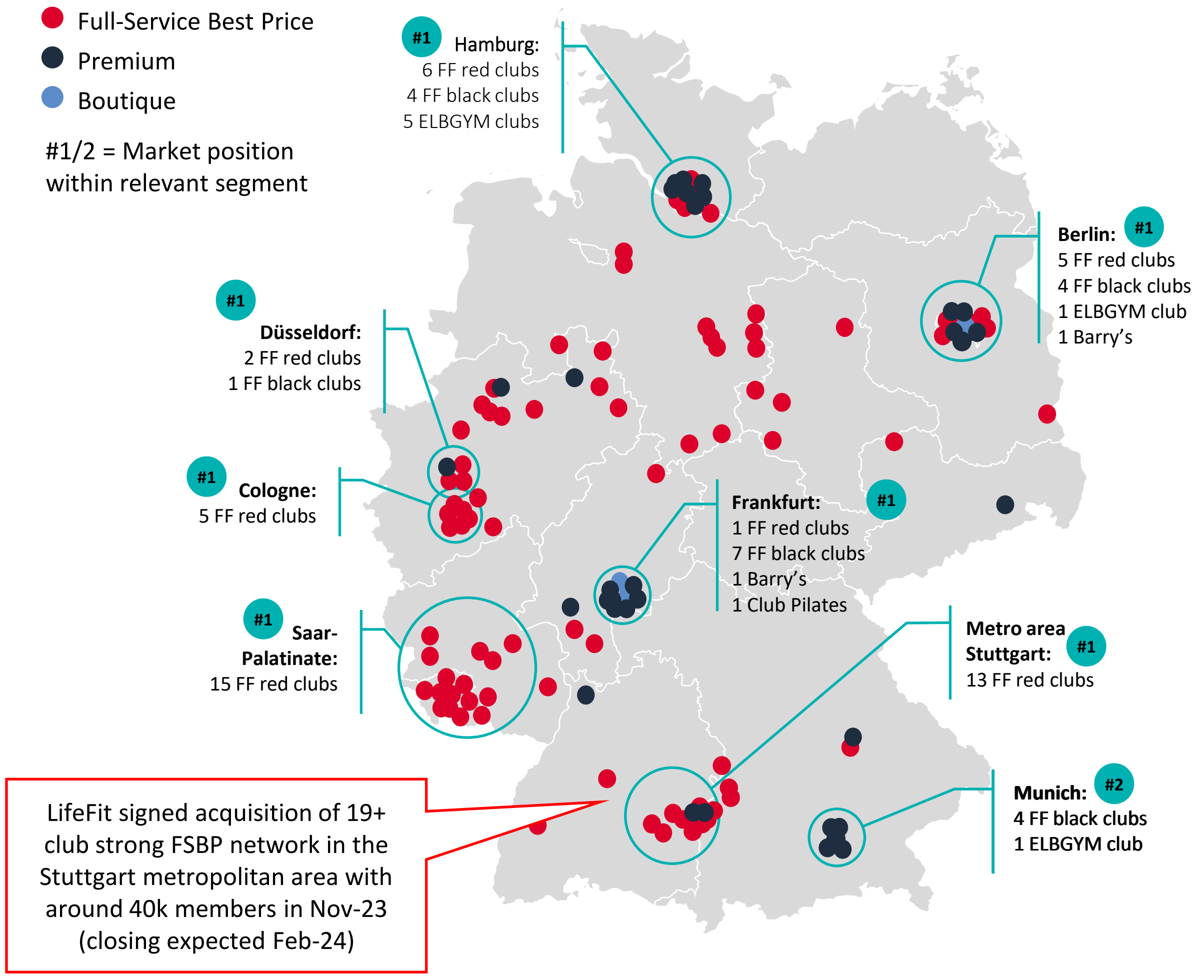
REBRANDING INTO FITNESS FIRST SUCCESSFULLY ACTIVATED IN OCT-23

Segment/Price	Discount	Full Service Best Price	Mid-market	Premium	Micro/Boutique
lifefit group		Fitness First RED 78 clubs Oct-23 rebrand to smile X, FITNESSLOFT (Feels like home), In Shape Fitnessclubs		Fitness First BLACK 33 clubs ELBGYM 7 clubs	BARRY'S 2 studios (Berlin & Frankfurt) In addition: Master-Franchise rights for best in class US boutique brands to be utilised 2023+ CLUB PILATES: 1 (Frankfurt) & 1 YOGASIX: (spring 2024) the Gym Society
121 corporate & 4 franchise	0	78 & 3		40	3 & 1
# of Members		215.000+		130.000+	Pay as you go
Normalised EBITDA allocation		53%		46%	1%
Description		▪ **Fitness First** with strong nationwide awareness (regional strongholds and metropolitan clubs) offering a best in class product range at local best price ▪ **smile X** as the leading value fitness chain in the Saar-Palatinate region with focus on offering customers high value for money ▪ **In Shape** as local champion between Stuttgart and Ulm offering customized FSBP training and health concepts ▪ **Fitness LOFT** as a leading operator in the FSBP segment with high quality interior design focused on northern Germany		▪ **Fitness First Black** as #1 premium health and fitness club operator in Germany with strong nationwide brand awareness ▪ **elbgym** as premium chain in Hamburg, Berlin and Munich offering performance focused training incl. cross-fit ▪ **In Shape** with five high-end clubs around Stuttgart offering wellness and full service	▪ **Barry's** as US-based pioneer of indoor high-intensity interval training combining cardio and strength ▪ US-based leading boutique brands in **pilates** and **yoga** with 1.000+ studios ▪ **The Gym Society** offers personalized, digitally supported workouts

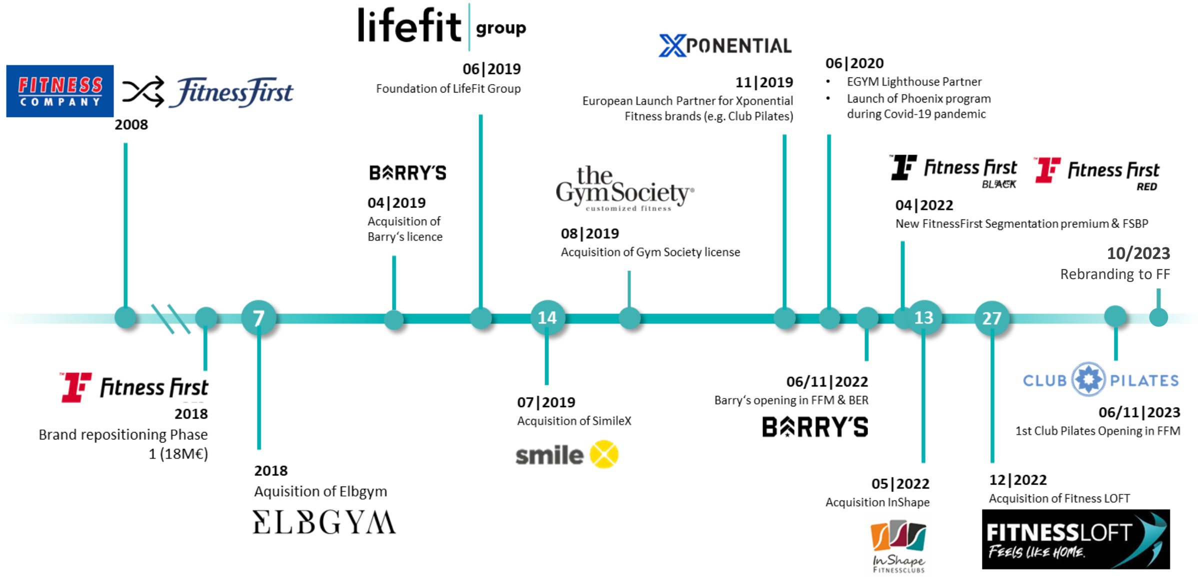
LifeFit signed acquisition of 19+ club strong FSBP network in the Stuttgart metropolitan area with around 40k members in Nov-23 (closing expected Feb-24)

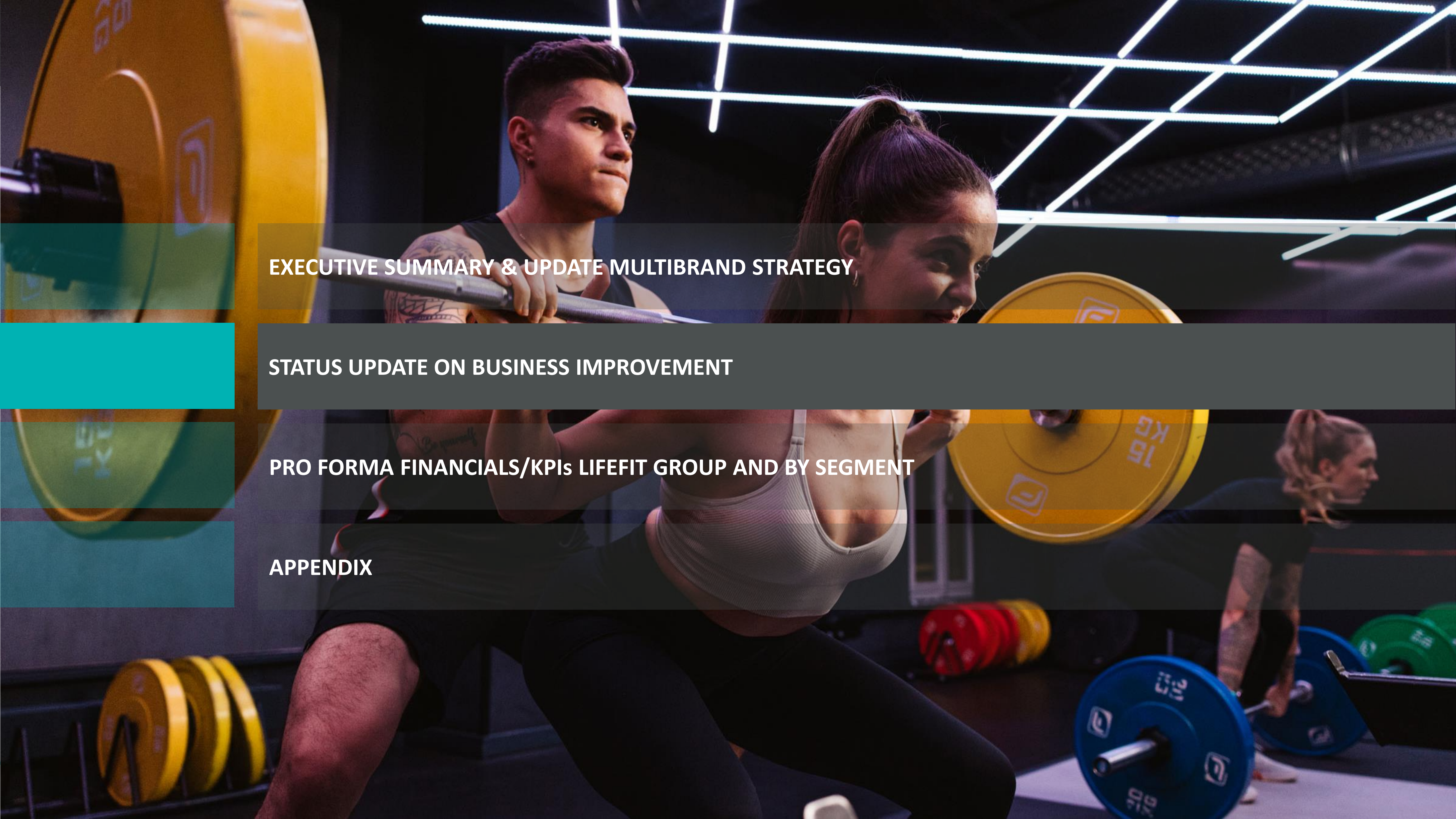
GERMANY'S BEST PLUG & PLAY PLATFORM WITH AMPLE GROWTH OPPORTUNITIES

Combining successful fitness brands from the FSBP, premium and boutique segments under one roof creating strong networks



- **ROI and Market Leadership:** LifeFit Group, a market leader often securing top positions, is set to amplify ROI in the German fitness market's key segments.
- **Strong Club Network:** Our 120+ corporate-owned clubs are central in full-service best price and premium segments. Meanwhile, our franchise business is gearing up to lead in the high-end boutique studio market.
- **M&A Expansion:** Leverage significant opportunities in regional M&A to enhance our network, supported by a proven 'plug-and-play' strategy.
- **Effective Integration: 12–24-month** integration program and exclusive capability in complex acquisitions, as showcased with InShape, ensures smooth transitions and optimized results.
- **Tailored Offerings / Brand Streamlining:** Our customer-focused offerings meet diverse regional demands. Active brand streamlining for new clubs' further bolsters returns and market leadership.

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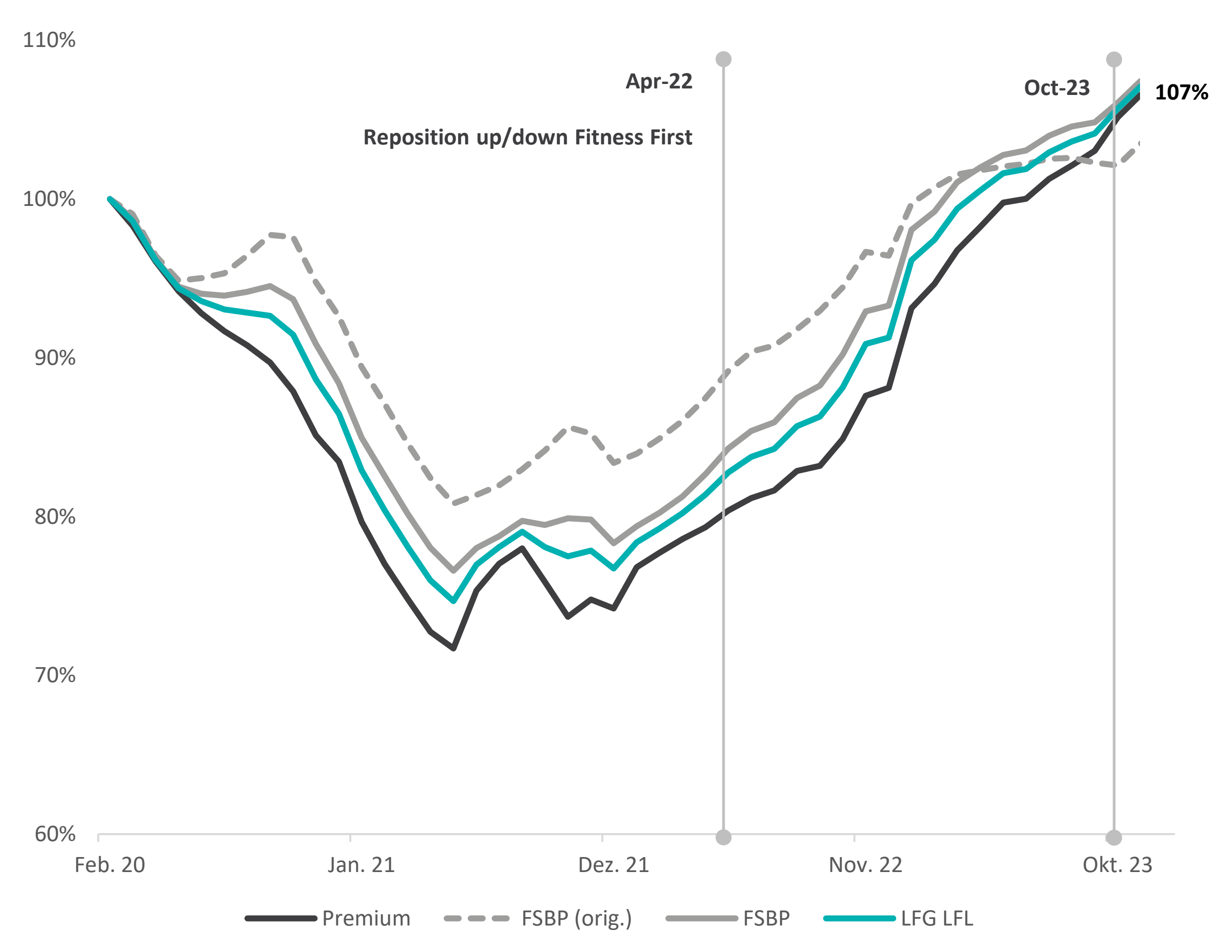
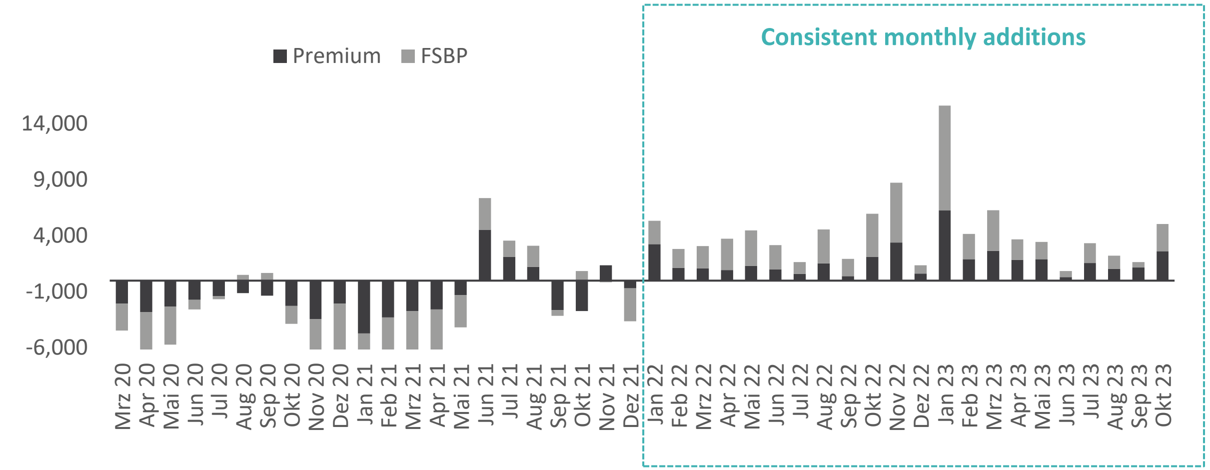
POST RECOVERY INCREASE IN MEMBERSHIP DEFIES SEASONALITY

LFL Member (equivalent) base development (indexed)



Monthly LFL net member (equivalent) movement (Mar-20 to Oct-23)



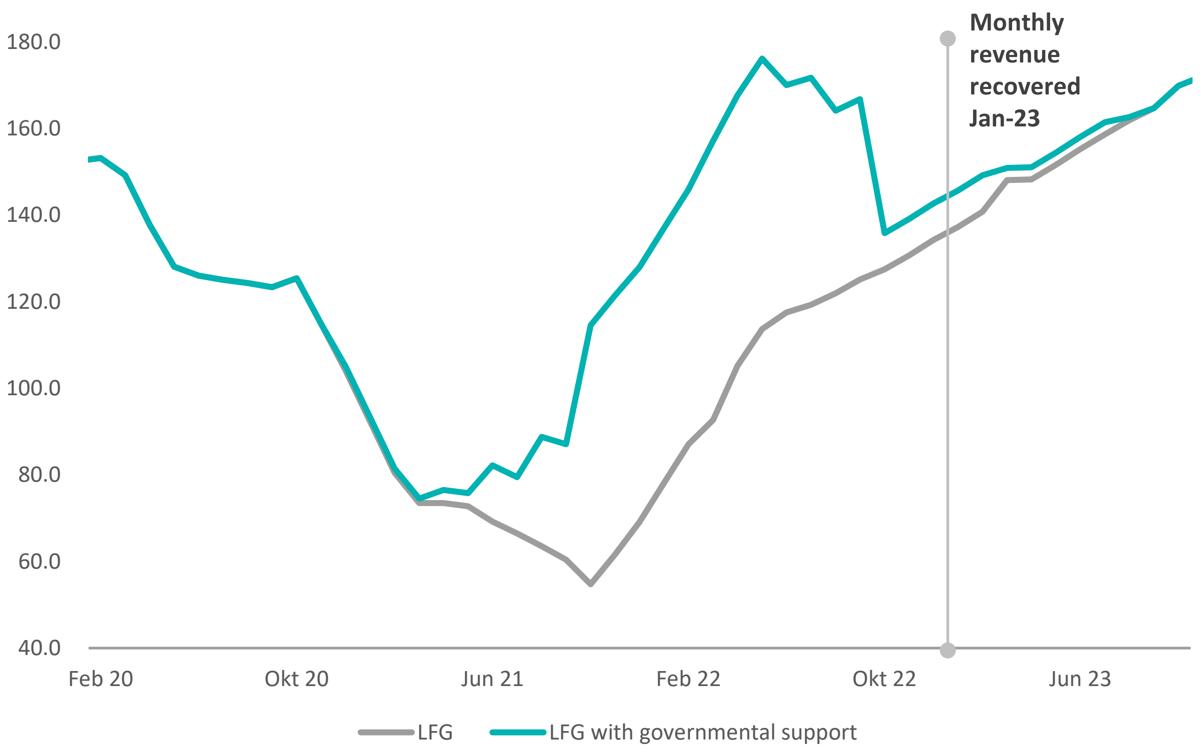
Commentary

- Healthy recovery followed by consistent monthly additions in all market segments
- The FSBP segment was less hit by member losses, bottoming out at 20% of pre-Covid levels, and has recovered significantly faster than the rest of the Group, with already confirmed full recovery in members for smile X, In Shape and Fitness First Red
- Compared to Feb-20, the Group's membership base had shrunk by 26% gaining back 100k members as per end of Oct-23/Q2, which means full recovery and increasing further over summer/fall to 107%
- Because of higher pricing compared to pre-covid across all segments a full revenue recovery (monthly run-rate) was achieved in Jan-23 prior to a full recovery of member numbers and despite drop in secondary income (PT, F&B etc.)

NOTE: FSBP segment shown above includes 24 Fitness First RED studios, which were repositioned in Apr-22 into FSBP

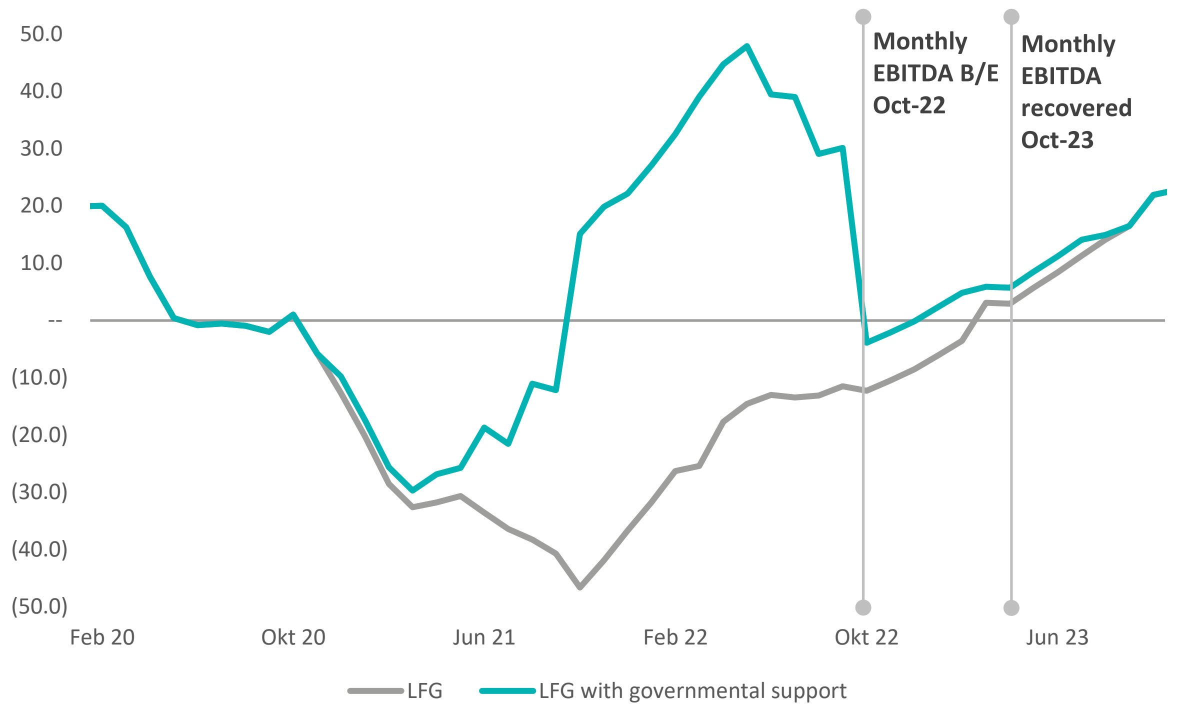
…WITH REVENUE AND EARNINGS SET TO REBOUND AT A QUICKER PACE

LTM revenue development (Feb-20 to Oct-23, in EURm)



- Membership and revenue run-rate recovery (Apr-23/Jan-23) combined with price increases (existing and new members) as well as continuously rising aggregator income provides confidence in achieving clearly higher revenue levels than pre-covid
- Government support packages fade out in five stages, ended in Sep-23

LTM EBITDA development (Feb-20 to Oct-23, in EURm)



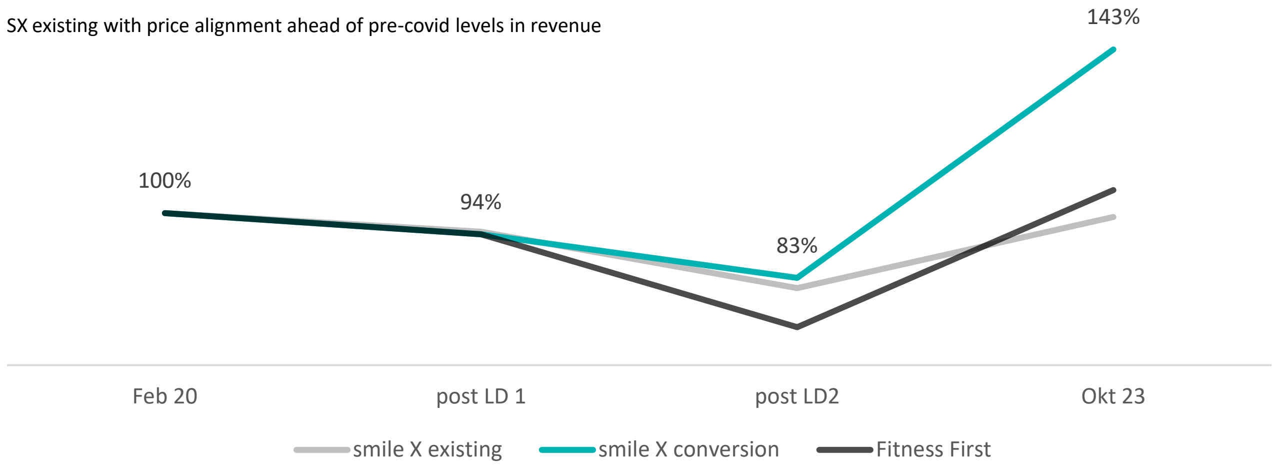
- The Phoenix business transformation programme has mitigated the EBITDA impact of the revenue shortfall and facilitates a quicker earnings recovery and stronger long-term margins
- With continuous revenue improvement and sustainable cost reductions realised, LTM EBITDA excluding governmental support rebounded above pre-covid levels in Oct-23
- After break-even in Oct-22, monthly adjusted EBITDA strongly and continuously increased to EBITDA recovery in Apr-23, showing monthly improvement afterwards despite summer

Fitness First BARRY'S ELBGYM CLUB PILATES YOGASIX the GymSociety

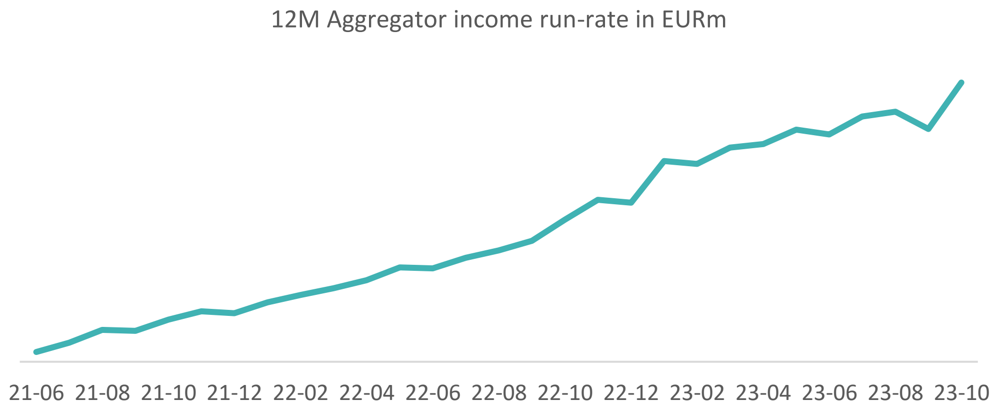
NOTE: Including In Shape and Fitness LOFT; EBITDA b/f adjustments

CONSISTENT STRONG DRIVING KPIS UNDERLINE FUTURE GROWTH POTENTIAL

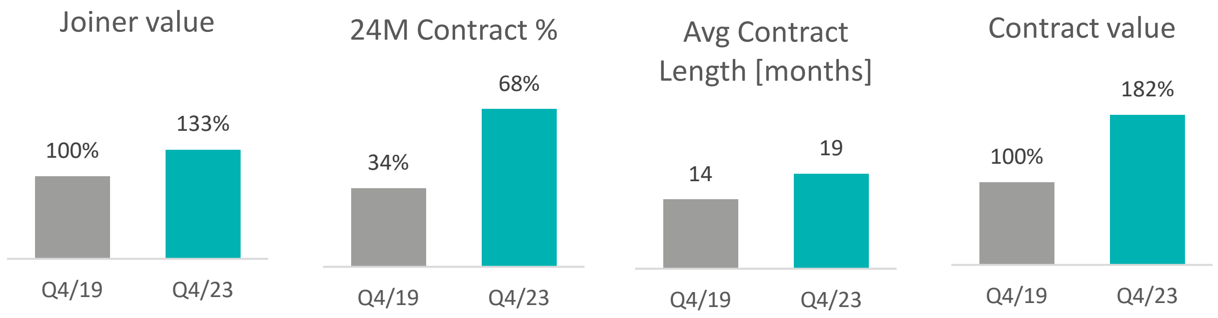
Fitness First (mid-market) into smile X (FSBP) conversion clubs show fastest recovery…

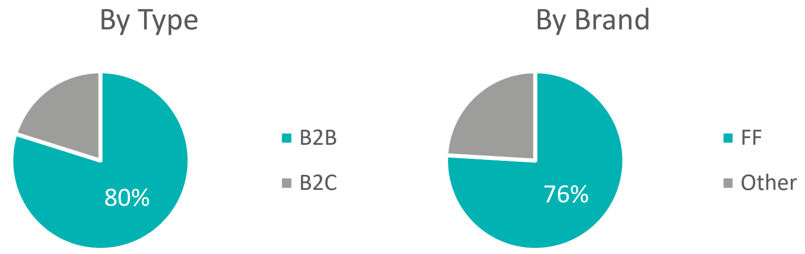


Aggregator income shows ~7% month-by-month growth YTD



… while best practice approach at FF clubs with successful KPIs





the strategic set up maximising revenue utilising aggregators continues to flourish

Fitness First   BARRY'S   ELBGYM   CLUB PILATES   YOGASIX   the GymSociety

NOTE: Aggregator income excluding Fitness LOFT

LIFEFIT GROUP'S SET UP FOR FUTURE GROWTH

PEOPLE

- Driver based employment model based on customer journey
- Moral at all time high and willingness for best practice sharing throughout the group at highest level
- Long term strategy of LifeFit makes for more attractiveness for existing as well as potential future employees
- **smile X, In Shape and Fitness Loft integrated into Fitness First operational structure (Oct-23)**

PORTFOLIO

- Engage with LLs to mitigate inflation driven rent increases
- Members acknowledge investment of EUR 15m+ in our facility and equipment
- Attractive M&A transactions successfully closed and strong pipeline available – In Shape (May-22) and Fitness LOFT executed (Dec-22)
- **Signing of 19+ club strong network in the Stuttgart metropolitan area (Project Smart) in Nov-23**
- Reposition of FF club portfolio to optimise offering, pricing and cost base successfully executed (Mar-22)
- Opening of first Club Pilates in Frankfurt in May-23 with franchise growth potential

PRODUCT & MEMBER EXPERIENCE

- Compensation of lockdown membership dues phasing out
- Launch of Member and Trainer App at FF with check-in, training and support functionality with 50%+ uptake from members and 4.5+ stars rating from users
- Member feedback about in club experience result in a NPS of 40+ and google ratings of 4.4+ (last 3 mths avg. 4.9)
- **Strong progress in aligning the FSBP studios re product offering, marketing and pricing as well as supporting processes to create the best out of all worlds**

PRICE & MARKETING

- Website as central tool for communication with social media channels feeding traffic
- Optimised join online processes resulting in 80%+ online joiners including in-club digital joining (via tablet)
- Successful increase of existing member pricing results in EUR 500k+ additional revenues per month (from Sep 22 (400k) / May-23 (100k) onwards)
- In Shape and Fitness LOFT to follow price increase approach with achieved EUR 100k+ per month (Jan 23 onwards)
- Utilise price know-how across the group to increase yield
- **Rebranding of SX/INS/FL to Fitness First (Oct-23)**

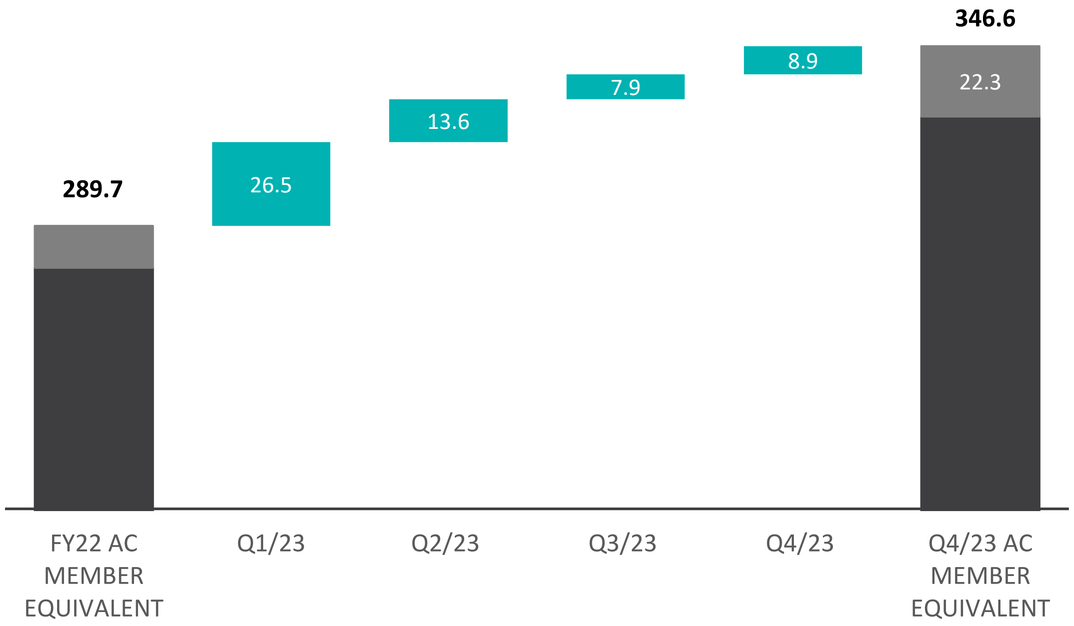
PROCESSES & COMMERCIAL MANAGEMENT

- Liquidity build-up continues to be the key focus
- Prepare quantification and analysis for different growth scenarios
- Governmental support programmes successfully launched resulting in EUR 55m+ (99% of framework)
- **Changed from SPOT market to tranche procurement (electricity) and secured 2024 tranche at business plan level**
- Successful bond top-up (EUR 15m + EUR 12m OCM equity contribution) and extension of financing instruments
- **All 52 FF (original) + 27 FL clubs successfully migrated to new membership system w/o performance shortfall**

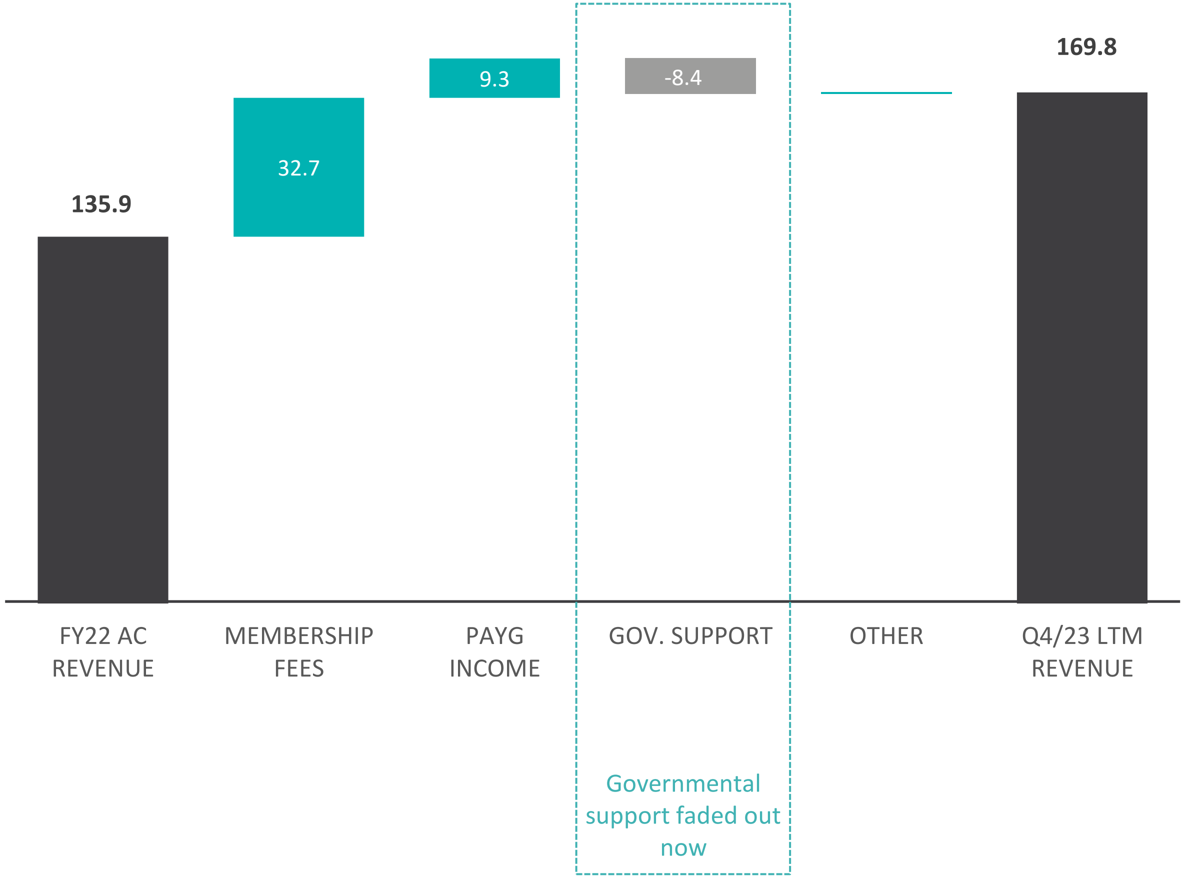
CONTINUOUS GROWTH IN MEMBERSHIP AND YIELD ENSURES REVENUE INCREASE

Post recovery increase in membership defies seasonality

Membership shown in black, Aggregator equivalents in grey



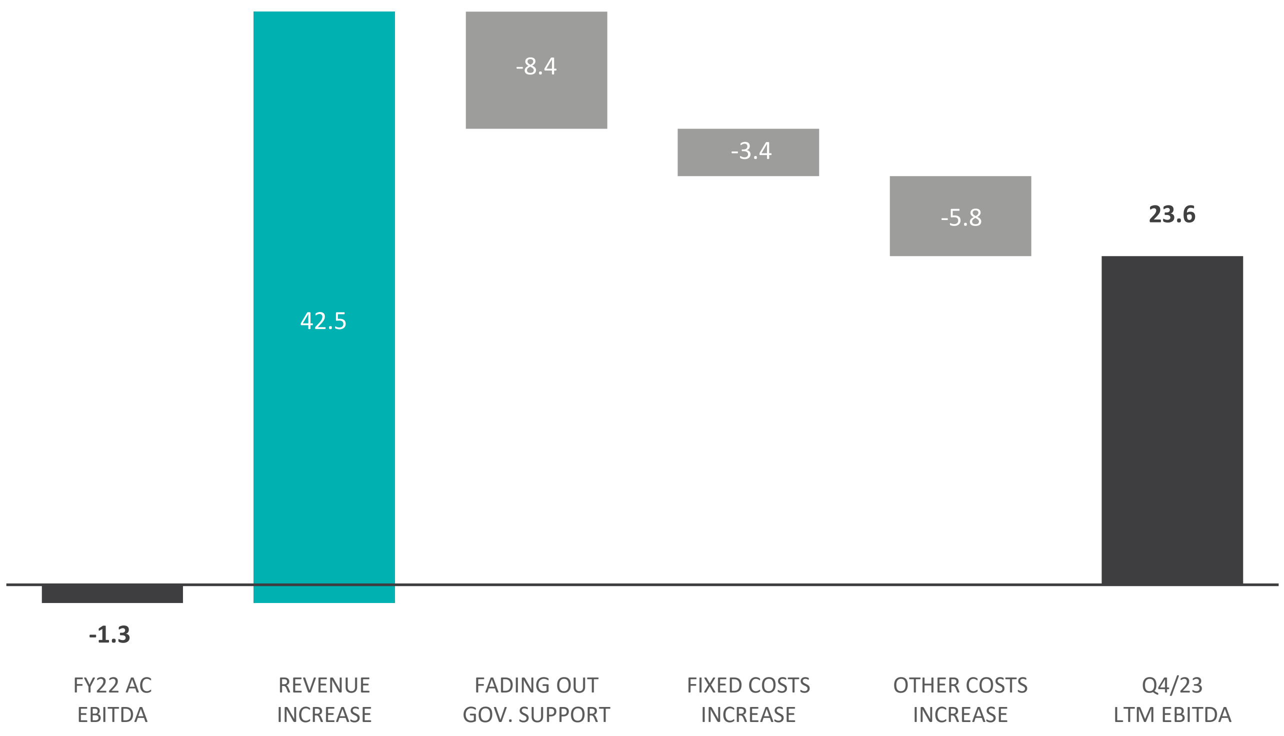
Membership Fees and PAYG income as key drivers for LTM Revenue increase



NOTE: Including In Shape and Fitness LOFT on pro forma base, FF Members have been normalised for 5.5k members, which are currently transferred to aggregator after sale of the subsidised corporate business

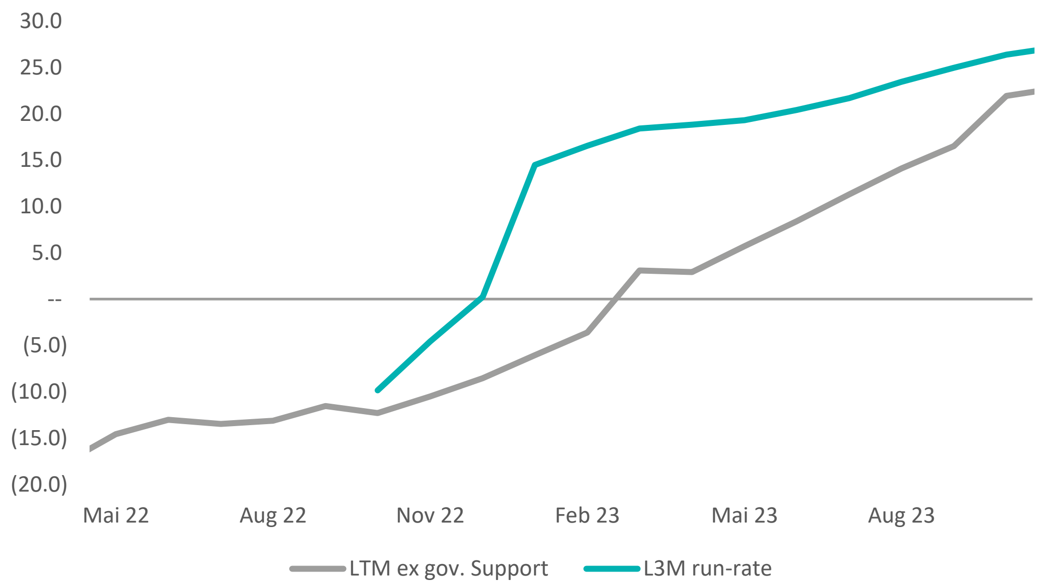
CONSISTENT EBITDA INCREASE RESULTS IN ATTRACTIVE RUN-RATE PROJECTION

Revenue increase overcompensates inflation/cost increase



Last 3 month run-rate already above EUR 25m

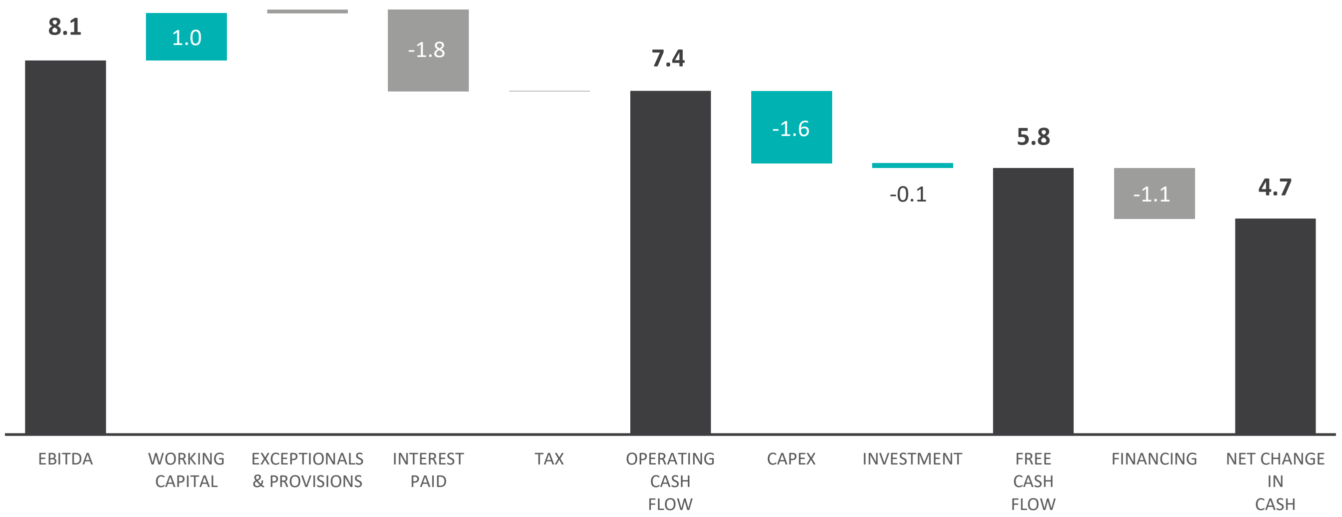
Numbers are b/f adjustments



NOTE: Including In Shape and Fitness LOFT on pro forma base

INCREASING CASH POSITION TO BE USED FOR CAPEX AND M&A COMMITMENTS

Net change in cash in Q4/FY2023 (EURm)

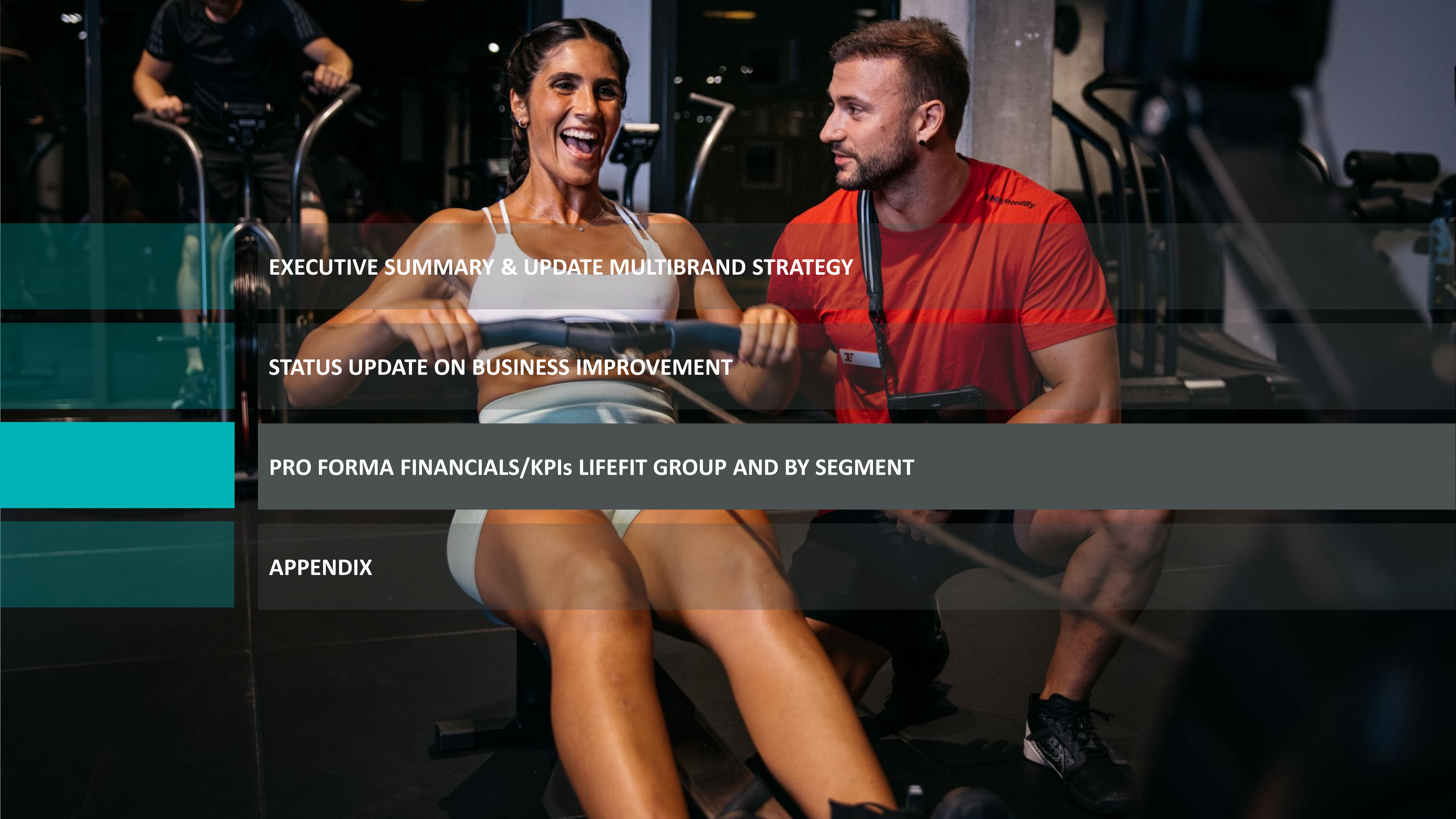


- Underlying monthly EBITDA increased significantly due to membership/revenue improvement currently stating EUR 2.3m per month (Oct-23); in addition, Q4/23 benefits from non-recurring year end accounting entries of EUR +1.1m[1]
- Working capital primary contains positive deferred revenue impacts as well as prepayments received from aggregators (EUR +1.0m)
- Capex includes defined summer initiatives in the portfolio to increase the member experience as well as some new club capex regarding the relocation in Wolfenbuettel (Fitness First Red)
- Exceptionals and provisions primary refer to onerous lease, restructuring and transaction costs; inversely sale proceeds of the corporate subsidised business

Liquidity position (EURm)

- Cash position increases to EUR 20.8m
- Improving underlying free cash flow will be used for M&A commitments, i.e. earn-out components, redemption of debt-like items and vendor loan repayments and will reduce cash balance accordingly at the corresponding times

NOTE: 1) Non-recurring items primary related to i) EUR 1.0m additional aggregator income recognized on an accrual basis (Oct-23 includes Sep-23 and Oct-23), ii) EUR +0.4m one-off impact from first time application on IFRS15 on POS fees and iii) EUR -0.3m other items



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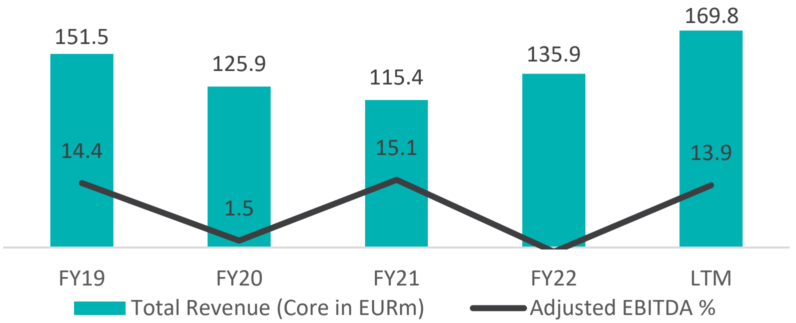
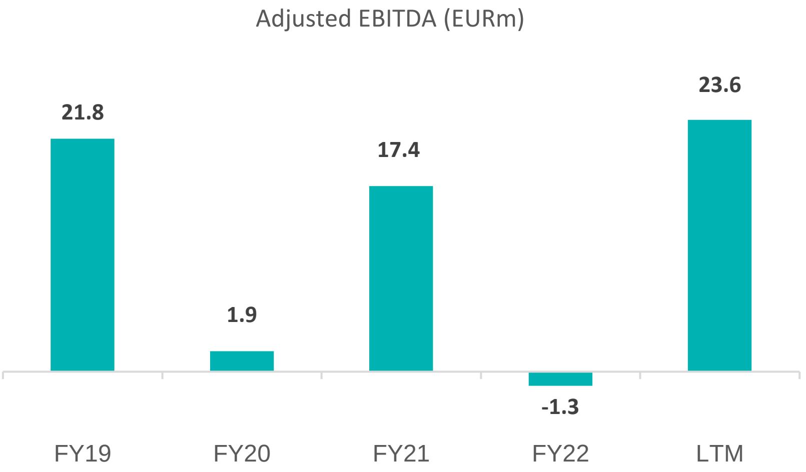
LIFEFIT GROUP PRO FORMA AT A GLANCE (CORE BUSINESS[1])

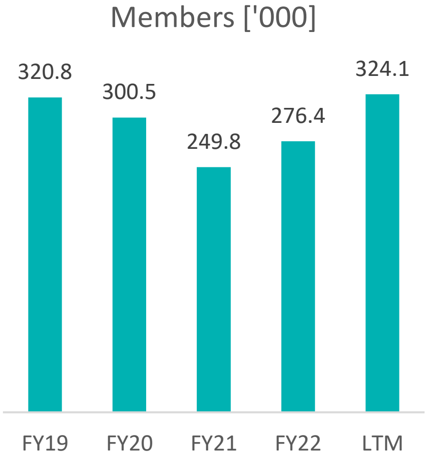
Pro forma key financials

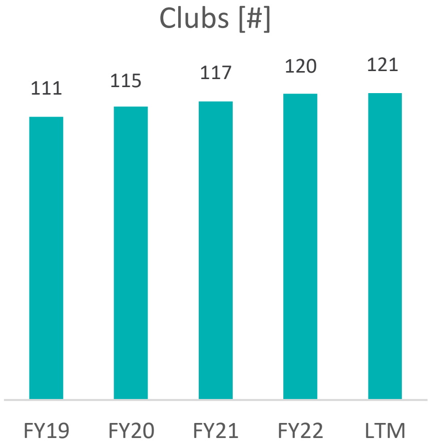


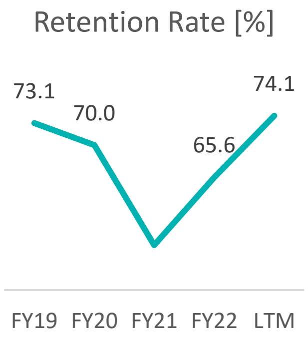


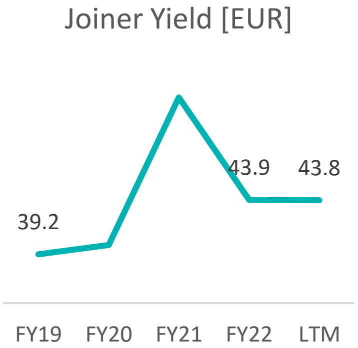
FY21 significantly benefits from governmental support (> EUR 50.0m), monthly underlying EBITDA recovered in Apr-23, current run-rate > EUR 25m

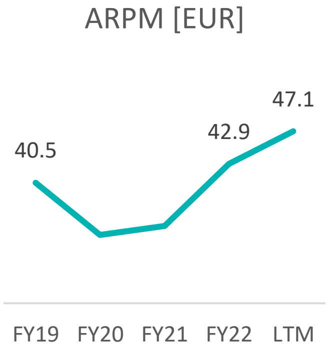
Key performance indicators[2]











Portfolio segmentation leads to decrease in joiner yield, but above pre-covid due to increased pricing in Dec-19, FY21 peak due to more short-term contracts

FY20 and FY21 are affected by covid-19 club closures, FY21 significantly benefits from governmental support

Fitness First BARRY'S ELBGYM CLUB PILATES YOGASIX the GymSociety

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lifefit group

LIFEFIT GROUP PRO FORMA HISTORICAL PERFORMANCE (CORE BUSINESS)

Key Financials

EURm	FY19 AC	FY20 AC	FY21 AC	FY22 AC	LTM AC	Δ% LTM-22
Total Revenue	**151.5**	**125.9**	**115.4**	**135.9**	**169.8**	**+24.9%**
thereof: Fitness First	112.0	88.8	77.6	93.0	119.4	
elbgym	2.3	2.3	2.9	4.0	6.1	
smile X	11.6	10.6	10.7	10.2	11.3	
In Shape	7.9	8.6	6.4	9.7	10.6	
Fitness Loft	17.7	15.7	17.7	19.0	22.5	
EBITDA	**20.1**	**0.8**	**15.6**	**-3.9**	**22.0**	
thereof: Fitness First	11.2	-3.4	6.3	-6.1	13.4	
elbgym	-0.1	-0.3	0.0	-0.8	0.9	
smile X	4.4	2.8	4.2	0.7	2.2	
In Shape	1.4	0.8	0.0	1.0	1.2	
Fitness Loft	3.2	0.8	5.0	1.3	4.4	
EBITDA margin [%]	**13.3**	**0.6**	**13.5**	**-2.9**	**13.0**	
thereof: Fitness First	10.0	-3.8	8.1	-6.6	11.2	
elbgym	-3.7	-13.9	-0.7	-20.3	14.5	
smile X	37.8	26.9	39.4	7.3	19.1	
In Shape	17.3	9.5	0.8	10.1	11.3	
Fitness Loft	17.9	5.2	28.2	7.1	19.4	
Adjustments	**1.7**	**1.1**	**1.9**	**2.6**	**1.6**	
thereof: Fitness First	1.7	1.1	1.9	2.6	1.6	
elbgym	0.1	0.0	0.0	0.0	0.0	
smile X	0.0	0.0	0.0	0.0	0.0	
In Shape	0.0	0.0	0.0	0.0	0.0	
Fitness Loft	0.0	0.0	0.0	0.0	0.0	
Adjusted EBITDA	**21.8**	**1.9**	**17.4**	**-1.3**	**23.6**	
thereof: Fitness First	12.9	-2.2	8.2	-3.6	15.0	
elbgym	0.0	-0.3	0.0	-0.8	0.9	
smile X	4.4	2.8	4.2	0.7	2.2	
In Shape	1.4	0.8	0.0	1.0	1.2	
Fitness Loft	3.2	0.8	5.0	1.3	4.4	
Adj. EBITDA margin [%]	**14.4**	**1.5**	**15.1**	**-1.0**	**13.9**	
thereof: Fitness First	11.5	-2.5	10.5	-3.8	12.5	
elbgym	-0.2	-13.9	-0.7	-20.3	14.5	
smile X	37.8	26.9	39.4	7.3	19.1	
In Shape	17.3	9.5	0.8	10.1	11.7	
Fitness Loft	17.9	5.2	28.2	7.1	19.4	

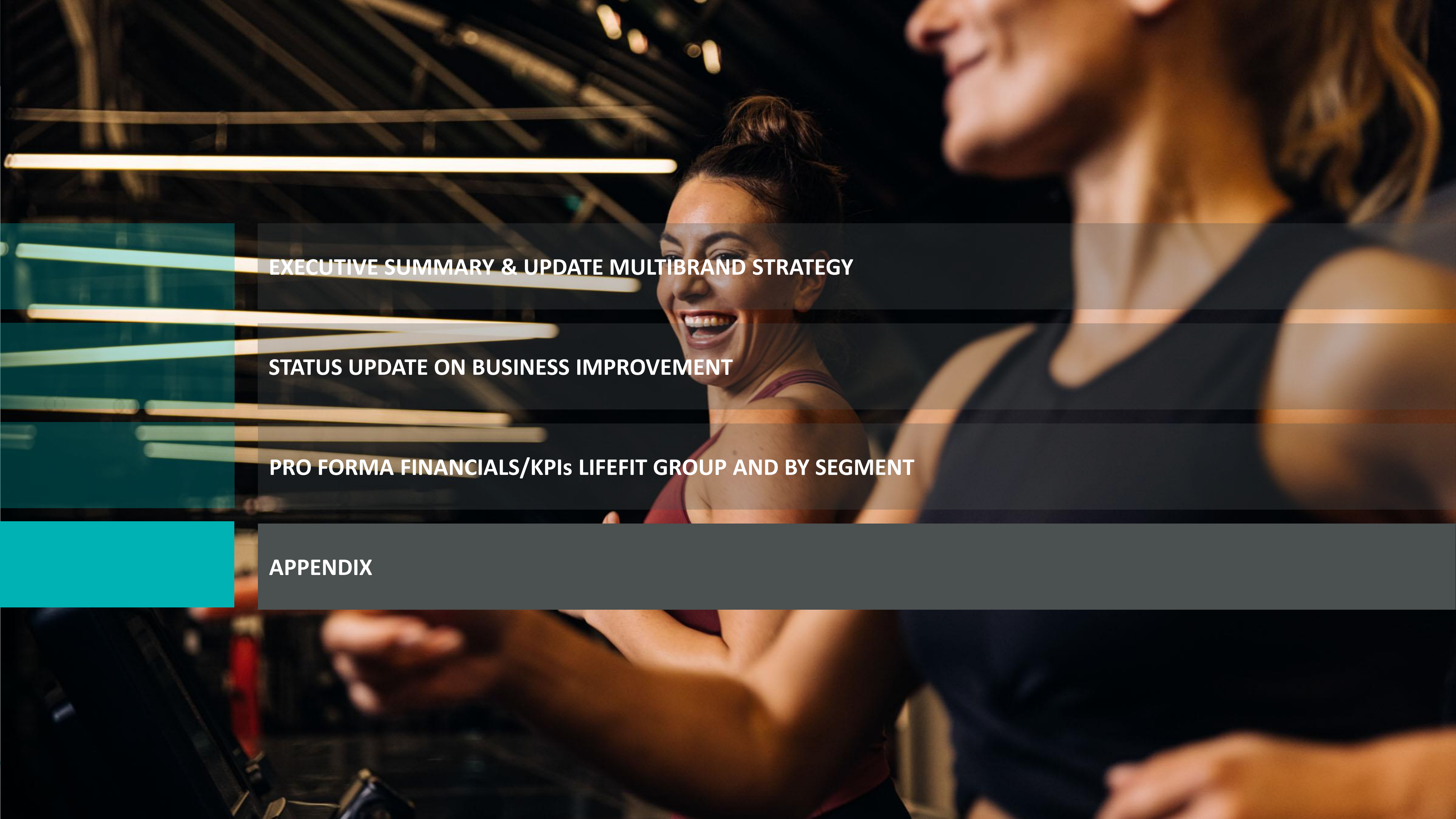
Key Performance Indicators

	FY19 AC	FY20 AC	FY21 AC	FY22 AC	LTM AC	Δ% LTM-22
# of Clubs[1]	**111**	**115**	**117**	**120**	**121**	
thereof: Fitness First	60	61	60	60	61	
elbgym	3	3	4	7	7	
smile X	13	13	13	13	13	
In Shape	11	12	13	13	13	
Fitness Loft	24	26	27	27	27	
Members ['000]	**320.8**	**300.5**	**249.8**	**276.4**	**324.1**	**+17.3%**
thereof: Fitness First	205.0	182.1	145.6	162.4	204.0	
elbgym	3.3	3.6	4.0	5.1	5.5	
smile X	32.1	31.2	27.3	28.7	32.2	
In Shape	17.1	16.2	14.5	16.7	18.8	
Fitness Loft	63.2	67.4	58.5	63.5	63.6	
Joiner Yield [EUR]	**39.2**	**40.0**	**52.7**	**43.9**	**43.8**	**-0.0%**
thereof: Fitness First	48.2	52.7	61.7	51.8	51.1	
elbgym	71.4	72.1	63.5	72.1	71.8	
smile X	29.2	30.8	30.8	33.4	31.1	
In Shape	35.0	41.5	41.9	43.6	41.7	
Fitness Loft	21.2	20.4	23.1	26.0	28.2	
ARPM [EUR]	**40.5**	**33.8**	**34.9**	**42.9**	**47.1**	**+9.8%**
thereof: Fitness First	46.2	38.2	39.5	50.4	54.3	
elbgym	60.2	54.9	63.8	73.6	95.5	
smile X	31.8	27.8	30.4	30.2	30.9	
In Shape	45.3	43.0	34.9	49.6	49.9	
Fitness Loft	24.0	20.0	23.4	25.9	29.5	
Retention %	**73.1**	**70.0**	**56.2**	**65.6**	**74.1**	
thereof: Fitness First	72.5	69.4	48.6	66.9	80.0	
elbgym	64.1	69.9	52.7	48.9	64.7	
smile X	80.3	75.7	69.9	72.0	81.7	
In Shape	73.9	66.4	66.6	62.2	66.0	
Fitness Loft	70.8	71.0	68.2	61.3	57.1	

- Club closures due to the covid-19 lockdown resulted in missing joiners and consequently lower membership base (more than 80k members less vs. Q1/20 post second lockdown), which already recovered (incl. aggregator equivalents) and show consistent increase month by month (now 107%)
- Corona crisis has impacted retention, the new joiners with 70%+ long-term contracts reverse this trend clearly and lead to an all-time high
- FY20 and FY21 revenue/ARPM is impacted by missing members, freezes, rejects/refunds as well as missing and decreased side revenues, but significantly benefits from governmental support (> EUR 50m in FY21)
- FY22 and LTM revenues are characterized by consistent membership increase resulting in monthly revenue run-rate recovery in Jan-23 and monthly EBITDA recovery in Apr-23, followed by continuous monthly improvement
- FY21 joiner yield increase is primary driven by shifted mix towards Fitness First with more short-term contracts (out of a 40 day trial period offer)
- FY22 decrease and LTM stabilization in yield results from focus on long-term contracts (contract value clearly improves) and -20% price reduction in Fitness First Red after portfolio segmentation (24 clubs moved into FSBP segment)

1) Excluding 2 smile X and 1 Fitness LOFT franchise club; 6 SX conversion clubs + 2 Barry's in FF segment 2) FF Members have been normalised for 5.5k members, which are currently transferred to aggregator after sale of the subsidised corporate business

NOTE: For Fitness LOFT, new joiner yield currently represented by the use of average dues.



GENERAL INFORMATION/PREPARATION OF FINANCIAL STATEMENTS

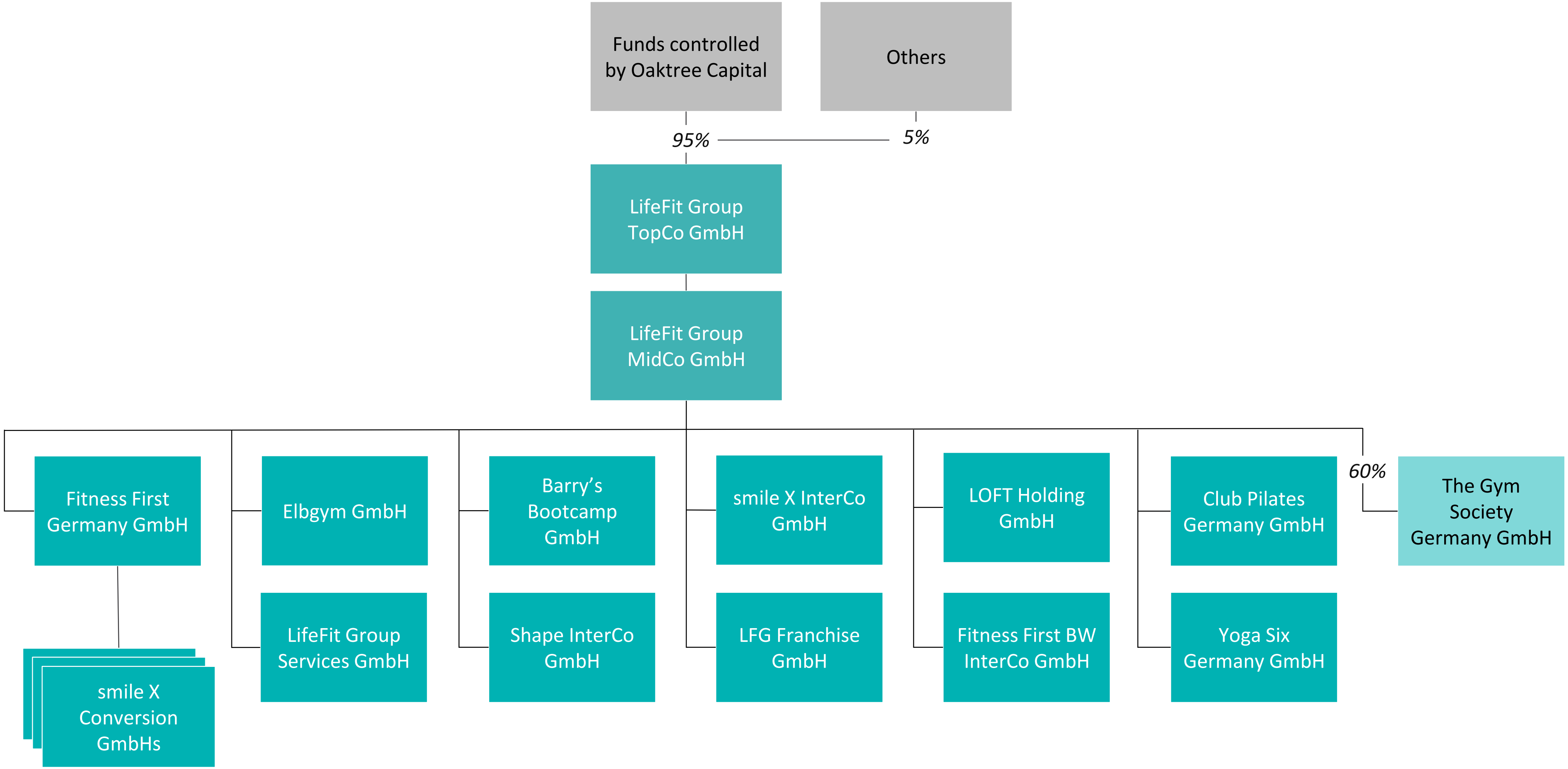
1 Consolidation group	▪ The newly formed Lifefit Group MidCo was established 13 March 2019. The first financial year started with the entry in the commercial register on 9 April 2019 and ended on 31 December 2019. The following financial years will end in October. ▪ In May 22 (effective) the group acquired the 13 club strong network In Shape, in Dec 22 LifeFit acquired the 27 club strong group Fitness LOFT ▪ The result of the fourth quarter FY2023 refers to the period 1 Aug 2023 to 31 Oct 2023. ▪ Group legal structure see appendix

2 IFRS	▪ Application of IFRS 16 Leases leads
	  ▪ to the capitalization of right-of-use assets of EUR 100.2m and of lease liabilities of EUR 129.3m as of 31 Oct 2023
	  ▪ to a negative P/L-effect of EUR 8.4m in the quarter caused by depreciation expenses of right-of-use assets and of interest expenses on lease liabilities (compared to the discontinuation of lease expenses in a comparable amount)
	▪ The Group had total cash outflows for leases of EUR 35.6m for the period from 1 Nov 2022 to 31 Oct 2023.

3 Reported Results	▪ The reported results as well as the presented pro forma figures are preliminary and unaudited. ▪ In the reporting period, the Group posted a loss of EUR -5.8m and sales of EUR 47.8m. ▪ With EUR +4.7m the Cash Flow is positive in the quarter, Cash balance as of 31 Oct 2023 is EUR 20.8m.
4 Financial KPIs	▪ LifeFit Group has updated its Financial KPIs in FY2019/20 in the course of IFRS 16 changes ▪ This mainly impacts Reported Adjusted EBITDA, which includes cash rents and excludes IAS 17 rent adjustments ▪ FY22 annual report includes restatement re membership dues received during corona club closures, a bridge can be found in the annual report presentation
5 Pro Forma	▪ Due to the short financial years of Lifefit Group MidCo for FY19 and FY20, the acquisition of In Shape and FitnessLOFT in FY22/FY23 and for a better understanding of the financial results of the whole group LifeFit Group presents pro forma f/s considering the 12 months period 1 November to 31 October and adjusted for IFRS 16 impacts ▪ Pro forma LTM Total Revenue of the group was EUR 169.8m ▪ Pro forma adjusted LTM EBITDA of the group amounts to EUR 23.6m (core business[1])
6 Outlook	▪ The quarterly interim unaudited report for Q1 FY2022/23 is planned to be published on 29 Mar 2024

1) Core business excludes all clubs/services, which already have been divested/closed or will not be continued.

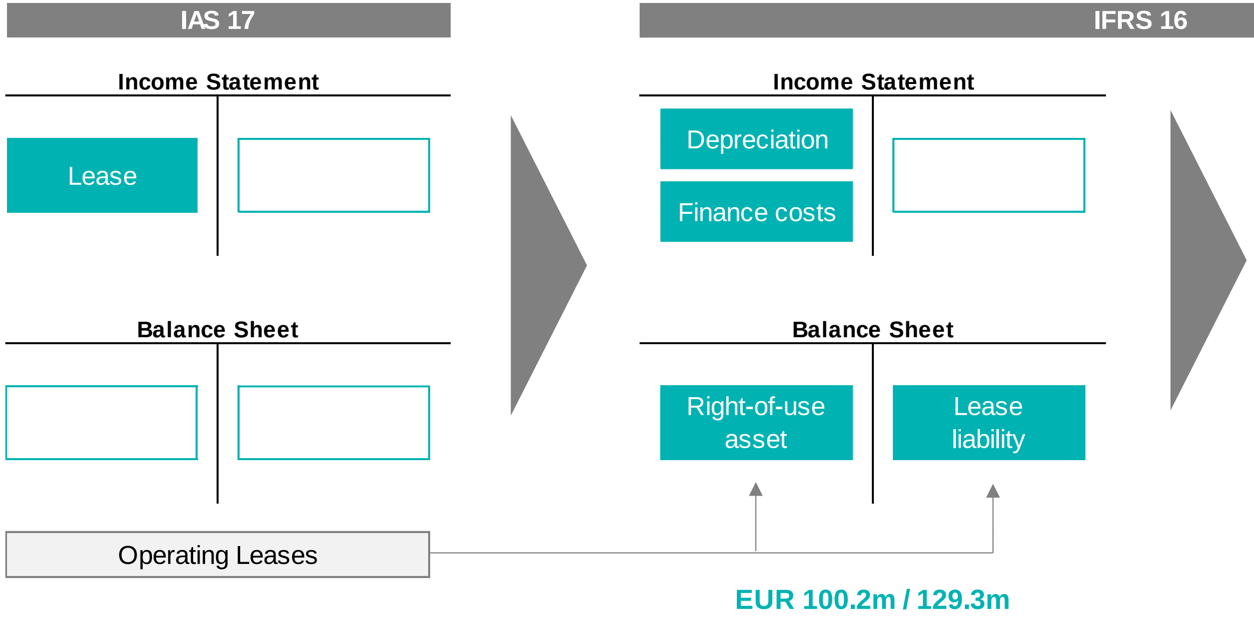
PROJECTED GROUP LEGAL STRUCTURE AS OF 31 OCT 2023



NOTE: Effective as of 30 June 2023 LifeFit Group MidCo GmbH ("LFG") acquired the 40% stake of Xponential Fitness Brands International LLC ("XPO") in LFG – XPO GmbH. The Master Franchise Agreement of LFG – XPO GmbH with XPO was amended and restated to reflect the new ownership structure in LFG – XPO GmbH and to continue the partnership between LFG and XPO established in 2019

IFRS 16 IMPACT

Impact on pro forma Financial Statements



in EURm

Fixed costs	**-28**
EBITDA	**+28**
Depreciation	**-19**
EBIT	**+9**
Finance costs	**-18**
EBT	**-9**

Impact on Credit Stats

x PF adjusted EBITDA Oct-23 LTM (EUR 23.6m)	pre IFRS 16	under IFRS 16
Gross debt / PF EBITDA	3.0x	3.8x
Net debt / PF EBITDA	2.1x	3.4x

Gross debt based on EUR 55m senior secured bond, EUR 10m RCF and EUR 4.8m equipment finance leases (respectively EUR 129.3m lease liabilities under IFRS16), net debt reduced by EUR 20.8m cash at bank.

- The application of IFRS 16 leases leads to a negative effect on the profit and loss of the period
- The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets
- LifeFit has lease contracts for various items of buildings (studios, offices, and warehouses), vehicles and fitness equipment. Leases of buildings generally have a non-cancelable lease term of 15 to 20 years, while vehicle and machinery leases have a lease term of 3 to 5 years.
- As of 31 Oct 2023 the group recognized the following right-of-use assets and lease liabilities
  - Buildings EUR 97.8m/124.5m
  - Other EUR 2.3m/4.8m
- The variance between the carrying amount of right-of-use assets and the lease liability results from deferred rent free periods, land lord contributions and impairments which are included in the business acquired.

BRIDGE TO TOTAL PRO FORMA (INCL. NON-CORE BUSINESS FINANCIALS)

Key Financials

EURm	FY19 AC	FY20 AC	FY21 AC	FY22 AC	LTM AC
Total Revenue	**159.6**	**128.7**	**116.0**	**135.9**	**169.8**
thereof: core	151.5	125.9	115.4	135.9	169.8
non-core	7.7	2.7	0.6	0.0	0.0
EBITDA	**19.3**	**0.2**	**14.9**	**-4.0**	**21.8**
thereof: core	20.1	0.8	15.6	-3.9	22.0
non-core	-0.7	-0.6	-0.6	-0.1	-0.2
EBITDA margin [%]	**12.1**	**0.2**	**12.9**	**-2.9**	**12.8**
thereof: core	13.3	0.6	13.5	-2.9	13.0
non-core	n/a	n/a	n/a	n/a	n/a
Adjustments	**2.4**	**1.7**	**2.5**	**2.6**	**1.8**
thereof: core	1.7	1.1	1.9	2.6	1.6
non-core	0.7	0.6	0.6	0.1	0.2
Adjusted EBITDA	**21.8**	**1.9**	**17.4**	**-1.3**	**23.6**
thereof: core	21.8	1.9	17.4	-1.3	23.6
non-core	-0.1	0.0	0.0	0.0	0.0
Adj. EBITDA margin [%]	**13.6**	**1.5**	**15.0**	**-1.0**	**13.9**
thereof: core	14.4	1.5	15.1	-1.0	13.9
non-core	n/a	n/a	n/a	n/a	n/a

Key Performance Indicators

	FY19 AC	FY20 AC	FY21 AC	FY22 AC	LTM AC
# of Clubs[1]	**117**	**118**	**117**	**120**	**121**
thereof: core	111	115	117	120	121
non-core	6	3	0	0	0
Members ['000]	**328.7**	**306.0**	**249.8**	**276.4**	**324.1**
thereof: core	320.8	300.5	249.8	276.4	324.1
non-core	7.9	5.5	0.0	0.0	0.0
Joiner Yield [EUR]	**39.3**	**40.0**	**52.7**	**43.9**	**43.8**
thereof: core	39.2	40.0	52.7	43.9	43.8
non-core	42.7	43.0	39.4	n/a	n/a
ARPM [EUR]	**40.6**	**33.8**	**34.8**	**42.9**	**47.1**
thereof: core	40.5	33.8	34.9	42.9	47.1
non-core	n/a	n/a	n/a	n/a	n/a
Retention %	**73.1**	**70.0**	**56.2**	**65.6**	**74.1**
thereof: core	73.1	70.0	56.2	65.6	74.1
non-core	n/a	n/a	n/a	n/a	n/a

[1] excluding franchise clubs

- Fitness First has gone through an portfolio optimisation process in the last years in the course of which more than 20 (mostly) unprofitable clubs have been divested or closed since Nov 16
- This causes a significant decline in memberships with total revenues going down EUR -7.7m (from FY19 to LTM) while EBITDA is not impacted that much
- Table on the left shows the bridge from core business numbers (cf. section on pro forma financials) to total pro forma

1) Excluding franchise clubs

ADJUSTMENTS TO PF LTM GROUP EBITDA

Segment	Item	Comment	LTM Oct-23
Pro forma LTM Group EBITDA			**21,821**
FFG/LFG	Barrys set up/ramp-up	transaction/formation expenses and ramp-up losses	1,464
FFG/LFG	Divestment clubs & discontinued	refers to two clubs in reporting period	225
FFG/LFG	Ramp-up losses	One club to become EBITDA positive	-
FFG/LFG	New Business Development	HO employment costs related to new business development (Franchise, XPO)	93
Total Adjustments			**1,782**
Adjusted PF LTM Group EBITDA			**23,603**

REPORTED FINANCIALS Q4/FY2023 | CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

in EUR k	4th Quarter - unaudited - 2022/2023	2021/2022	change	Year-to-Date - unaudited - 2022/2023	2021/2022	change
Revenue	47,798	33,576	14,223	166,348	104,710	61,638
State Aid	0	2,922	-2,922	0	8,291	-8,291
Other operating income	2,796	-1,713	4,509	4,685	2,245	2,440
Cost of materials	2,697	2,147	4,410	9,659	8,145	1,515
Personnel expenses	11,742	9,525	9,594	45,175	33,548	11,626
Other operating expenses	20,122	12,729	7,393	67,927	55,829	12,098
Amortisation and depreciation	13,391	13,144	248	39,705	32,565	7,140
Operating profit	**2,642**	**-2,760**	**-5,835**	**8,567**	**-14,840**	**23,407**
Income from at-equity	133	-89	222	0	-276	276
Finance income	74	18	56	97	341	-244
Finance costs	9,297	5,574	3,724	32,570	23,972	8,598
Financial result	**9,223**	**5,556**	**3,667**	**32,473**	**23,631**	**8,842**
Loss before taxes	**-6,448**	**-8,405**	**-9,281**	**-23,906**	**-38,747**	**14,841**
Income taxes	653	213	439	1,688	2,354	-666
Net loss for the period	**-5,795**	**-8,192**	**-8,842**	**-22,218**	**-36,393**	**14,175**

Consolidated Cash Flow Statement

in EUR k	4th Quarter - unaudited - 2022/2023	2021/2022	change	Year-to-Date - unaudited - 2022/2023	2021/2022	change
Operating cash flow	7,429	5,581	1,848	19,269	28,864	-9,595
Investing cash flow	-1,667	-2,644	977	-18,013	-18,132	119
Financing cash flow	-1,094	-4,952	3,858	11,128	-25,368	36,496
Cash flow for the period	**4,668**	**-2,016**	**6,684**	**12,384**	**-14,636**	**27,020**
Beginning cash	16,120	10,421		8,404	23,040	
Closing cash	**20,788**	**8,405**		**20,788**	**8,404**	

Consolidated Balance Sheet

in EUR k	-unaudited - 31.10.2023	31.10.2022
NON-CURRENT ASSETS		
Goodwill	59,592	32,943
Intangible assets	6,886	8,558
Property, plant and equipment	46,833	43,794
Right-of-use-assets	100,150	89,535
Non-current trade receivables	1,553	1,871
Investments / Joint venture	0	1
Deferred tax assets	5,389	5,262
	220,403	181,963
CURRENT ASSETS		
Inventories	773	698
Trade receivables	1,972	1,839
Receivables from related parties	715	700
Current income tax assets	380	171
Other non-financial assets	2,863	3,285
Other financial assets	3,333	988
Cash and cash equivalents	20,788	8,404
	30,825	16,085
TOTAL ASSETS	**251,227**	**198,048**
EQUITY	-119,096	-96,878
NON- CURRENT LIABILITIES		
Financial liabilities	55,981	0
Shareholder debt	56,718	43,790
Other non-financial liabilities	188	0
Other financial liabilities	2,529	46
Other provisions	2,869	2,639
Lease liabilities	119,660	112,651
Deferred tax liabilities	0	0
	237,946	159,126
CURRENT LIABILITIES		
Financial liabilities	10,375	49,853
Trade payables	15,133	13,789
Other non-financial liabilities	8,614	4,457
Other financial liabilities	73,325	50,264
Payables to related parties	2,892	0
Other provisions	528	719
Lease liabilities	21,210	16,619
Income tax liabilties	301	99
	132,377	135,800
TOTAL EQUITY AND LIABILITIES	**251,227**	**198,049**

- 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 25.0m.
- Besides the accumulated losses until 31 October 2023 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.

LIFEFIT GROUP PRO FORMA FINANCIALS Q4/FY2023

Pro forma Financials + IFRS 16 impacts + Reported Financials

EURm	Oct-23 LTM AC pre IFRS16	Oct-23 LTM Impact of IFRS16	Oct-23 LTM AC under IFRS16	Q4/FY2023 AC pre IFRS16	Q4/FY2023 Impact IFRS16	Q4/FY2023 AC under IFRS16	Q4/FY2023 REPORTED AC IFRS16
KPIs							
# of Clubs[1]	121			121			
Members ['000]	324			324			
Joiner Yield [EUR]	43.8			42.1			
ARPM [EUR]	47.1			47.6			
Retention % (annualised)	74.1			74.1			
Profit/Loss							
Revenue	169.8			45.8			50.6
EBITDA²	21.8	27.9	49.8	8.1	10.2	18.3	16.0
- Adjustments	1.8			0.3			
Adjusted EBITDA	**23.6**			**8.4**			
Depreciation & amortisation	-22.3	-19.2	-41.5	-9.3	-4.1	-13.4	-13.4
Exceptionals/One-off charges	-3.5			-2.1			
Operating Profit/Loss	**-4.0**		**4.8**	**-3.3**		**2.8**	**2.6**
Income from at equity investments	-0.1			0.0			0.1
Total Finance costs	-15.9	-18.0	-33.9	-4.9	-4.3	-9.2	-9.2
Total Tax	1.6			0.7			0.7
Net Profit/Loss	**-18.5**		**-27.7**	**-7.6**		**-5.8**	**-5.8**
Cash Flow							
EBITDA²	21.8			8.1			
Working capital	-1.6			1.0			
Exceptionals & provisions	-2.6			0.1			
Interest paid	-6.2			-1.8			
Tax	0.0			0.0			
OPERATING CASH FLOW	**11.5**			**7.4**			**7.4**
Cash flow from investing activities	-18.0			-1.7			-1.7
FREE CASH FLOW	**-6.5**			**5.8**			**5.8**
Cash flow from financing activities	18.9			-1.1			-1.1
NET CASH FLOW	**12.4**			**4.7**			**4.7**

Notes
[1] excluding franchise clubs
² exluding exceptionals/one-off charges

Pro forma Financials by Segment

EURm	Oct-23 LTM LifeFit Group	Oct-23 LTM Fitness First	Oct-23 LTM elbgym	Oct-23 LTM smile X	Oct-23 LTM In Shape	Oct-23 LTM FitnessLOFT	Q4/FY2023 LifeFit Group	Q4/FY2023 Fitness First	Q4/FY2023 elbgym	Q4/FY2023 smile X	Q4/FY2023 In Shape	Q4/FY2023 FitnessLOFT
KPIs												
# of Clubs1	121	61	7	13	13	27	121	61	7	13	13	27
Members ['000]	324.1	204.0	5.5	32.2	18.8	63.6	324.1	204.0	5.5	32.2	18.8	63.6
Joiner Yield [EUR]	43.8	51.1	71.8	31.1	41.7	28.2	42.1	46.2	71.8	32.7	45.8	25.2
ARPM [EUR]	47.1	54.3	95.5	30.9	49.9	29.5	47.6	55.2	92.2	28.0	47.9	30.2
Retention % (annualised)	74.1	80.0	64.7	81.7	66.0	57.1	74.1	80.0	64.7	81.7	66.0	57.1
Profit/Loss												
Revenue	169.8	119.4	6.1	11.3	10.6	22.5	45.8	33.1	1.5	2.7	2.7	5.9
EBITDA²	21.8	13.2	0.9	2.2	1.2	4.4	8.1	5.7	0.2	0.6	0.3	1.2
- Adjustments	1.8	1.8	0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.0	0.0	0.0
Adjusted EBITDA	**23.6**	**15.0**	**0.9**	**2.2**	**1.2**	**4.4**	**8.4**	**6.1**	**0.2**	**0.6**	**0.3**	**1.2**
Depreciation & amortisation	-22.3	-10.6	-0.6	-5.6	-1.6	-4.0	-9.3	-4.5	-0.1	-3.9	-0.7	0.0
Exceptionals/One-off charges	-3.5	-3.0	0.0	-0.1	-0.3	-0.2	-2.1	-1.7	0.0	-0.1	-0.1	-0.2
Operating Profit/Loss	**-4.0**	**-0.3**	**0.3**	**-3.6**	**-0.6**	**0.2**	**-3.3**	**-0.5**	**0.1**	**-3.4**	**-0.5**	**1.0**
Income from at equity investments	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Finance costs	-15.9	-15.4	0.0	0.0	-0.2	-0.4	-4.9	-4.8	0.0	0.0	0.0	-0.1
Total Tax	1.6	0.0	0.0	1.6	0.1	-0.2	0.7	0.0	0.0	1.1	0.0	-0.5
Net Profit/Loss	**-18.5**	**-15.8**	**0.3**	**-2.0**	**-0.6**	**-0.3**	**-7.6**	**-5.3**	**0.1**	**-2.2**	**-0.5**	**0.4**
Cash Flow												
EBITDA²	21.8	13.2	0.9	2.2	1.2	4.4	8.1	5.7	0.2	0.6	0.3	1.2
Working capital	-1.6	-1.3	-0.1	0.0	0.0	-0.2	1.0	0.7	0.1	0.2	0.1	-0.1
Exceptionals & provisions	-2.6	-2.5	0.0	0.0	-0.2	0.0	0.1	0.1	0.0	0.0	0.0	0.0
Interest paid	-6.2	-6.2	0.0	0.0	0.0	0.0	-1.8	-1.8	0.0	0.0	0.0	0.0
Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OPERATING CASH FLOW	**11.5**	**3.3**	**0.8**	**2.2**	**1.1**	**4.1**	**7.4**	**4.8**	**0.3**	**0.8**	**0.4**	**1.1**
Cash flow from investing activities	-18.0	-22.0	-0.1	-0.2	-0.2	4.5	-1.7	-0.8	-0.1	-0.1	-0.1	-0.6
FREE CASH FLOW	**-6.5**	**-18.7**	**0.7**	**2.0**	**0.9**	**8.6**	**5.8**	**4.0**	**0.2**	**0.7**	**0.4**	**0.5**
Cash flow from financing activities	18.9	19.4	-0.1	-0.3	-0.2	0.0	-1.1	-1.0	0.0	0.0	0.0	0.0
NET CASH FLOW	**12.4**	**0.7**	**0.6**	**1.7**	**0.7**	**8.6**	**4.7**	**3.0**	**0.2**	**0.7**	**0.3**	**0.5**

Notes
[1] excluding franchise clubs
² exluding exceptionals/one-off charges

NOTE: Reported financials include Fitness LOFT from Jan-23 onwards, whereas pro forma financials are shown for the full quarter/year

lifefit | group

Fitness First BARRY'S ELBGYM CLUB PILATES YOGASIX the Gym Society customized fitness