

A personal trainer in an orange shirt is assisting a female client with a barbell in a gym. The trainer is looking at the client's form as she prepares to lift the barbell. The barbell has two 10 kg blue weights. The trainer's black shorts have "PERSONAL TRAINER" written on the leg.

## LifeFit Group

Q4/FY2019 - Quarterly interim unaudited report

**lifefit** | group

**December  
2019**

## 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 October 2019.
- The result of the financial year refers to the period 1 July to 31 October 2019, since the material operative business has started from the date of acquisition of the three subsidiaries Fitness First Germany GmbH, Elbgym GmbH and Barry's Bootcamp GmbH on 1 July 2019.
- Group legal structure see appendix

## 2 IFRS

- Application of IFRS 16 Leases leads
  - to the capitalization of right-of-use assets of EUR 122.2m and of lease liabilities of EUR 140.9m as of 31 October 2019
  - to a negative P/L-effect of EUR 8.9m in the short financial year 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 9.4m for the period from 1 July 2019 until 31 October 2019.

## 3 Reported Results

- The reported results as well as the presented pro forma figures are preliminary and unaudited.
- The short financial year considered 4 months of operative business. In this period, the Group posted a loss of EUR 2.2m and on sales of EUR 43.3m.
- With sales of EUR 33.2m, the group posted a loss of EUR 1.4m in Q4.
- With EUR 26.2m the Cash Flow is positive in the short financial year and with EUR -20.0m it is negative in Q4

## 4 Pro Forma

- Due to the short financial year of Lifefit Group Midco 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 2018 to 31 October 2019 and adjusted for IFRS 16 impacts
- Pro forma Total Revenue of the group was EUR 133.9m (EUR 127.9m in core business<sup>1</sup>), while every (core) segment recorded growth
- Pro forma adjusted EBITDA of the group amounts to EUR 19.4m

## 5 Outlook

- LFG will issue the audited consolidated Financial Statements for the MidCo Group for the year ended 31 October 2019 as of 28 February 2020



**Executive Summary, Strategy and Outlook**

**Pro forma Financials/KPIs LifeFit Group and by Segment**

**Appendix**



## 1 Performance above expectations and previous year (PY)

- Operational and Financial KPIs outperformed expectations and previous year in almost all areas
- Turnaround of rolling LTM Total revenue and EBITDA was followed by sustainable growth
- LifeFit Group formation was followed by fast M&A activities resulting in five brands at year end

## 2 Revenue EUR 127.9m + 3.2% vs PY

- Total revenues in core business<sup>1</sup> increased by 3.2% vs. previous year to EUR 127.9m, driven by continued growth in all segments
- The group focuses on membership dues showing significant improvement in its driving KPIs joiner yield (EUR 45.8 vs. 43.7 previous year) and retention (73.4% vs. 68.7% previous year)
- As expected side revenues slightly declined while aggregator income continuously increased

## 3 EBITDA adjusted EUR 19.4m + 61.1% vs PY Margin 15.2% + 5.5 ppt vs PY

- Adjusted EBITDA in core business increased by 61.1% vs. previous year to EUR 19.4m (previous year: EUR 12.1m) and above expectations
- In addition to revenue growth over all segments the group was able to reduce costs further
- HO and LFL employment costs could be reduced by nearly EUR 2.0m, run rate is even lower and group synergies starting to apply
- Cost efficiency program successfully progressed, first savings materialised, but still in ramp-up (e.g. cleaning, electricity)
- Portfolio optimisation resulted in profitability enhancement of more than EUR 0.5m

## 4 Net Cash Flow EUR +18.9m

- Net cash flow is driven by bond issue of EUR 40.0m and shareholder loan of EUR 10.0m
- Cash was used for the acquisition of smile X (EUR 26.6m equals 80% of the purchase price), while smile X founders reinvested 20% into the group
- The group additionally invested in the acquisition of elbgym (Dec 18) and signed a master franchise agreement Barry's Bootcamp
- Strong cash position at year end with >EUR 20.0m free cash at hand for planned capex and expansion
- EUR 10m Revolving credit facility in final stage of signing

## 5 Outlook

- Management will strongly focus on key revenue drivers joiner yield and retention, underpinning sustainable growth
- Portfolio optimisation will be more focused on best practice sharing among the group and will result in higher club profitability
- Multi-banner approach will result in additional M&A activities with further businesses and expanding existing concepts
- Franchise concepts have started to roll out and will increase revenues and profitability of the group long-term

## 1 Multi-Brand strategy

- Multi-brand fitness offering in distinct market segments and their execution was successfully initiated
- Smooth transition to newly formed senior field management at Fitness First enabled creation of strong Group & Studio format brands senior teams
- Installation of group functions well under way with focus on future process & systems set up

## 2 Fitness First

- Operational and Financial KPIs outperformed expectation and previous year in mostly all areas
- Digital strategy further improving prospect experience and flow well under way with yoy online joiners up from 2% to 15%
- Targeted investment in facility and training equipment keep estate in great shape
- Upskilling the fitness expertise of club teams will support member retention gains

## 3 smile X

- SmileX integration as well as the conversion of Fitness First clubs into SmileX clubs is in line with budget (both in terms of timing as well as costs)
- Latest new club opening successfully encouraging the build strategy. New club pipeline well under way with 2 sites signed for 2020 and further 2 in final stages; in addition to further franchise opportunities

## 4 elbgym

- Elbgyms three existing clubs have outperformed membership growth and are on track overachieving 2020s revenue targets
- First franchise club opened in Hamburg in October and various PR initiatives have resulted in strong franchisee pipeline

## 5 Studio

- Barry's Bootcamp: two studios under construction (planned opening in 2020: Frankfurt early summer, Berlin latest by fall)
- GymSociety: The new joint venture (since October) will see a first studio open in Frankfurt by early summer and locations for a second site in a rural location are well under way creating the platform for internal and franchise growth
- Mind & Body brands: In November a joint venture with the worlds biggest and most succesful curator of franchise boutique offerings US based Xponential Fitness was formed and with Pure Barre and Club Pilates two leading concepts in their fields with significant franchise growth opportunities were secured

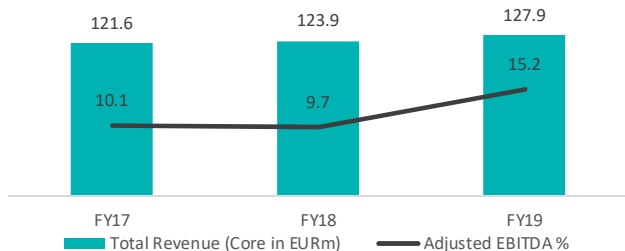


**Executive Summary, Strategy and Outlook**

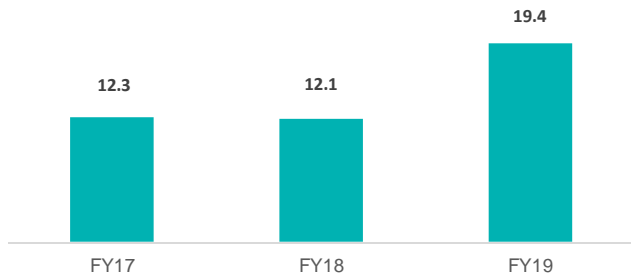
**Pro forma Financials/KPIs LifeFit Group and by Segment**

**Appendix**

## Pro forma key financials

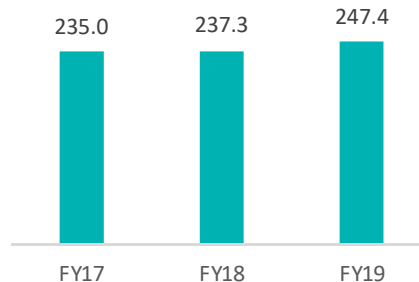


### Adjusted EBITDA (EURm)

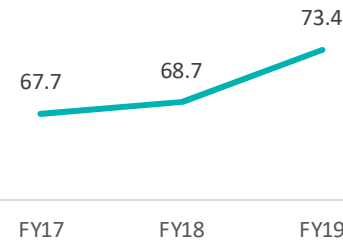


## Key performance indicators

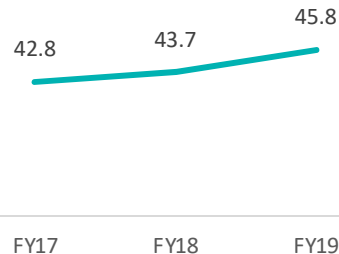
### Members ['000]



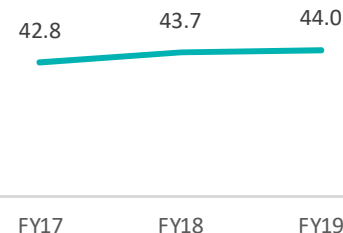
### Retention Rate [%]



### Joiner Yield [EUR]

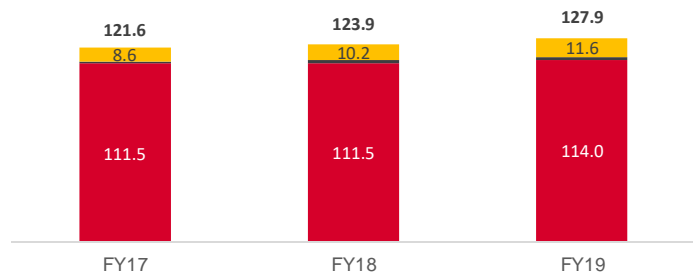


### ARPM [EUR]



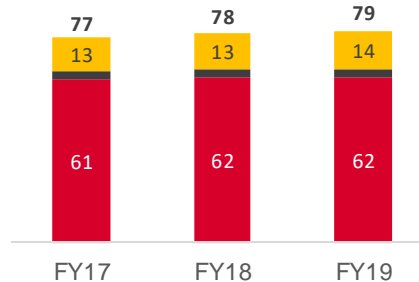
## Pro forma key financials

Total Revenue (EURm)

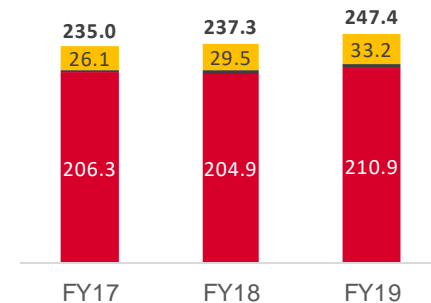


## Key performance indicators

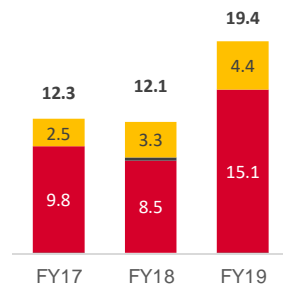
Clubs [#]



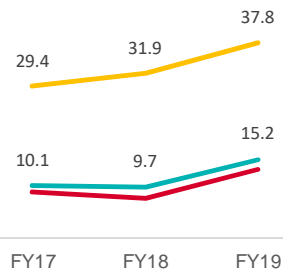
Members ['000]



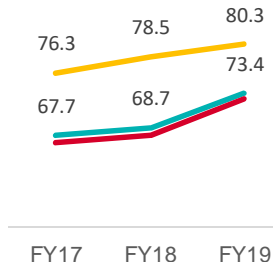
Adjusted EBITDA (EURm)



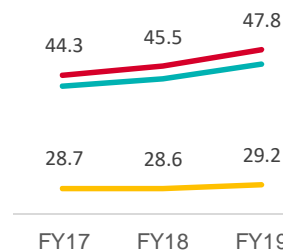
Adjusted EBITDA %



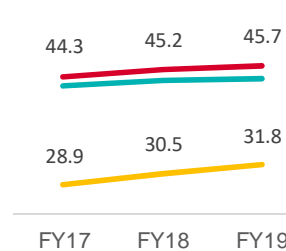
Retention Rate [%]



Joiner Yield [EUR]



ARPM [EUR]





## Key Financials

EURm	FY17	FY18	FY19	Δ% 19-18
	AC	AC	AC	
<b>Total Revenue</b>	<b>121.6</b>	<b>123.9</b>	<b>127.9</b>	<b>+3.2%</b>
thereof: Fitness First	111.5	111.5	114.0	
elbgym	1.5	2.2	2.3	
smile X	8.6	10.2	11.6	
<b>EBITDA</b>	<b>12.1</b>	<b>12.3</b>	<b>17.7</b>	<b>+44.1%</b>
thereof: Fitness First	9.6	8.7	13.4	
elbgym	0.0	0.3	-0.1	
smile X	2.5	3.3	4.4	
<b>EBITDA margin [%]</b>	<b>10.0</b>	<b>9.9</b>	<b>13.8</b>	<b>+39.6%</b>
thereof: Fitness First	8.6	7.8	11.7	
elbgym	-1.2	13.3	-3.7	
smile X	29.4	31.9	37.8	
<b>Adjustments</b>	<b>0.1</b>	<b>-0.2</b>	<b>1.7</b>	
thereof: Fitness First	0.1	-0.2	1.7	
elbgym	0.0	0.0	0.1	
smile X	0.0	0.0	0.0	
<b>Adjusted EBITDA</b>	<b>12.3</b>	<b>12.1</b>	<b>19.4</b>	<b>+61.1%</b>
thereof: Fitness First	9.8	8.5	15.1	
elbgym	0.0	0.3	0.0	
smile X	2.5	3.3	4.4	
<b>Adj. EBITDA margin [%]</b>	<b>10.1</b>	<b>9.7</b>	<b>15.2</b>	<b>+56.1%</b>
thereof: Fitness First	8.8	7.6	13.2	
elbgym	-1.2	13.3	-0.2	
smile X	29.4	31.9	37.8	

## Key Performance Indicators

	FY17	FY18	FY19	Δ% 19-18
	AC	AC	AC	
<b># of Clubs<sup>1</sup></b>	<b>77</b>	<b>78</b>	<b>79</b>	
thereof: Fitness First	61	62	62	
elbgym	3	3	3	
smile X	13	13	14	
<b>Members ['000]</b>	<b>235.0</b>	<b>237.3</b>	<b>247.4</b>	<b>+4.3%</b>
thereof: Fitness First	206.3	204.9	210.9	
elbgym	2.6	2.9	3.3	
smile X	26.1	29.5	33.2	
<b>Joiner Yield [EUR]</b>	<b>42.8</b>	<b>43.7</b>	<b>45.8</b>	<b>+4.9%</b>
thereof: Fitness First	44.3	45.5	47.8	
elbgym	65.9	66.8	70.0	
smile X	28.7	28.6	29.2	
<b>ARPM [EUR]</b>	<b>42.8</b>	<b>43.7</b>	<b>44.0</b>	<b>+0.7%</b>
thereof: Fitness First	44.3	45.2	45.7	
elbgym	55.2	65.9	60.2	
smile X	28.9	30.5	31.8	
<b>Retention %</b>	<b>67.7</b>	<b>68.7</b>	<b>73.4</b>	
thereof: Fitness First	66.8	67.6	72.6	
elbgym	76.8	68.7	64.1	
smile X	76.3	78.5	80.3	

- The LifeFit Group consists of the brands Fitness First, elbgym, smile X, Barry's Bootcamp and The Gym Society
  - Barry's Bootcamp studios will be rolled out over the coming years under an exclusive franchise agreement
  - The Gym Society is an innovative boutique fitness concept and will enter the German market in 2020
- The fiscal year of the Group ends in October, pro forma figures include historical 12 months performance of each brand
- Fitness First's numbers exclude clubs/services, which have been divested/closed over time or will not be continued (see next page for bridge to total pro forma)
- Total Revenue consists of nearly 90% subscription based membership revenue which is significantly driven by
  - Joiner yield increase due to continuous optimisation in pricing model and tiers
  - Retention improvement resulting from high member focus and optimised contractual model
- Revenue growth over all segments combined with reduction in HO and club employment costs (EUR ~2.0m) plus further cost efficiency measures lead to +61.1% increase in adjusted EBITDA

## Key Financials

EURm	FY17	FY18	FY19
	AC	AC	AC
<b>Total Revenue</b>	<b>141.4</b>	<b>135.6</b>	<b>133.9</b>
thereof: core	121.6	123.9	127.9
non-core	19.8	11.7	6.1
<b>EBITDA</b>	<b>11.8</b>	<b>11.7</b>	<b>17.0</b>
thereof: core	12.1	12.3	17.7
non-core	-0.3	-0.6	-0.7
<b>EBITDA margin [%]</b>	<b>8.3</b>	<b>8.6</b>	<b>12.7</b>
thereof: core	10.0	9.9	13.8
non-core	-1.5	-5.2	-11.8
<b>Adjustments</b>	<b>1.0</b>	<b>1.0</b>	<b>2.4</b>
thereof: core	0.1	-0.2	1.7
non-core	0.8	1.2	0.7
<b>Adjusted EBITDA</b>	<b>12.8</b>	<b>12.7</b>	<b>19.4</b>
thereof: core	12.3	12.1	19.4
non-core	0.5	0.6	0.0
<b>Adj. EBITDA margin [%]</b>	<b>9.0</b>	<b>9.4</b>	<b>14.5</b>
thereof: core	10.1	9.7	15.2
non-core	2.6	5.2	-0.7

## Key Performance Indicators

	FY17	FY18	FY19
	AC	AC	AC
<b># of Clubs<sup>1</sup></b>	<b>93</b>	<b>87</b>	<b>83</b>
thereof: core	77	78	79
non-core	16	9	4
<b>Members ['000]</b>	<b>268.1</b>	<b>255.8</b>	<b>250.8</b>
thereof: core	235.0	237.3	247.4
non-core	33.0	18.5	3.4
<b>Joiner Yield [EUR]</b>	<b>42.2</b>	<b>43.4</b>	<b>45.7</b>
thereof: core	42.8	43.7	45.8
non-core	38.7	40.3	43.3
<b>ARPM [EUR]</b>	<b>42.3</b>	<b>43.1</b>	<b>44.2</b>
thereof: core	42.8	43.7	44.0
non-core	39.6	37.7	n/a
<b>Retention %</b>	<b>67.7</b>	<b>68.7</b>	<b>73.4</b>
thereof: core	67.7	68.7	73.4
non-core	n/a	n/a	n/a

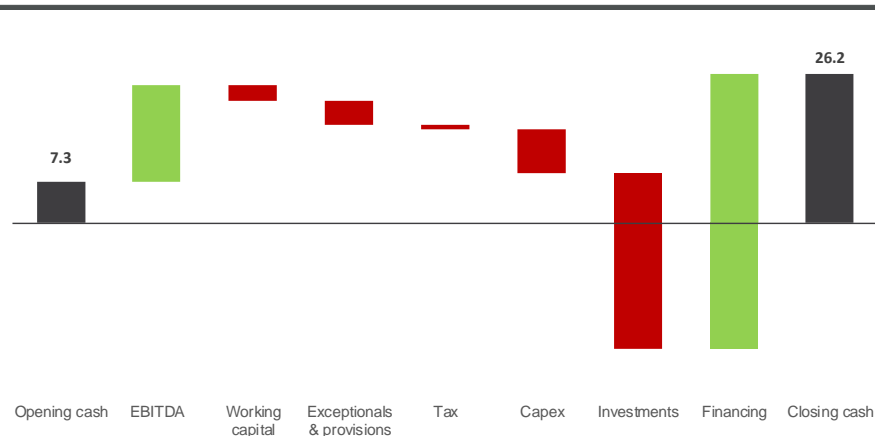
- Fitness First has gone through an portfolio optimisation process in the last years in the course of which over 18 (mostly) unprofitable clubs have been divested or closed since Nov 16
- This causes a significant decline in memberships with total revenues going down EUR -13.7m (from FY17 to FY19) while EBITDA is not impacted that much
- Table on the left shows the bridge from core business numbers (cf. previous page) to total pro forma
- As of Nov 19 only 2 clubs are left in the non-core portfolio (closures estimated in the context of lease end in spring 2020 and winter 2021/22)

## Annual cash flow (EURm)

EURm	FY17AC	FY18AC	FY19AC
EBITDA	11.8	11.7	17.0
Working capital	1.3	0.7	-2.8
Exceptionals & provisions	-3.9	-1.5	-4.4
Tax	-0.4	-0.5	-0.6
<b>OPERATING CASH FLOW</b>	<b>8.8</b>	<b>10.4</b>	<b>9.2</b>
New club capex	-2.5	-3.2	-0.1
Existing portfolio capex	-6.8	-10.1	-7.7
Capex	-9.3	-13.3	-7.8
Investments	0.0	0.0	-30.9
Cash flow from investing activities	-9.3	-13.3	-38.7
<b>FREE CASH FLOW</b>	<b>-0.5</b>	<b>-2.9</b>	<b>-29.5</b>
Cash flow from financing activities	-0.5	-0.5	48.4
<b>NET CASH FLOW</b>	<b>-0.9</b>	<b>-3.4</b>	<b>18.9</b>
operating cash conversion*	42%	14%	55%

\*defined as (EBITDA - exiting portfolio CAPEX) / EBITDA

## Cash balance bridge FY2018/19 (EURm)



- FY19 Net cash flow is driven by bond issue of EUR 40.0m and shareholder loan of EUR 10.0m
- Cash was used for the acquisition of smile X (EUR 26.6m means 80% of the purchase price), while smile X founders reinvested 20% into the group
- Working capital movement consists of additional EUR 2.0m cash rent (IAS 17 rent adjustments like LLC, rent free periods)
- Provisions and exceptionals refer to onerous lease costs, club closure costs, redundancy costs for management exits and transaction fees

Segment	Item	Comment	in kEUR
<b>Pro forma FY19 Group EBITDA</b>			<b>16,985</b>
FFG/LFG	Divestment club losses	refers to five clubs in reporting period	675
FFG/LFG	Saving on operational expenses	Initiatives already started and in ramp-up	520
FFG/LFG	HO employment cost savings	Nov19 run rate vs. LTM, >25 FTE less than in Oct18	504
FFG/LFG	Ramp-up losses	Two Clubs to become EBITDA positive	339
FFG/LFG	Year end audit fees	first time full scope IFRS consolidated accounts	100
EG	Transaction costs	Add-back of transaction costs, primarily legal and other consulting fees	79
FFG/LFG	New Business Development	HO employment costs related to new business development (Franchise, XPO)	70
FFG/LFG	New Moove normalization	Carved out into a new venture which is not any longer part of the group	54
FFG/LFG	smile X conversion one off	one off costs related to club paintings	46
FFG/LFG	Barrys set up	transaction/formation expenses	33
<b>Total Adjustments</b>			<b>2,419</b>
<b>Adjusted PF FY19 Group EBITDA</b>			<b>19,405</b>

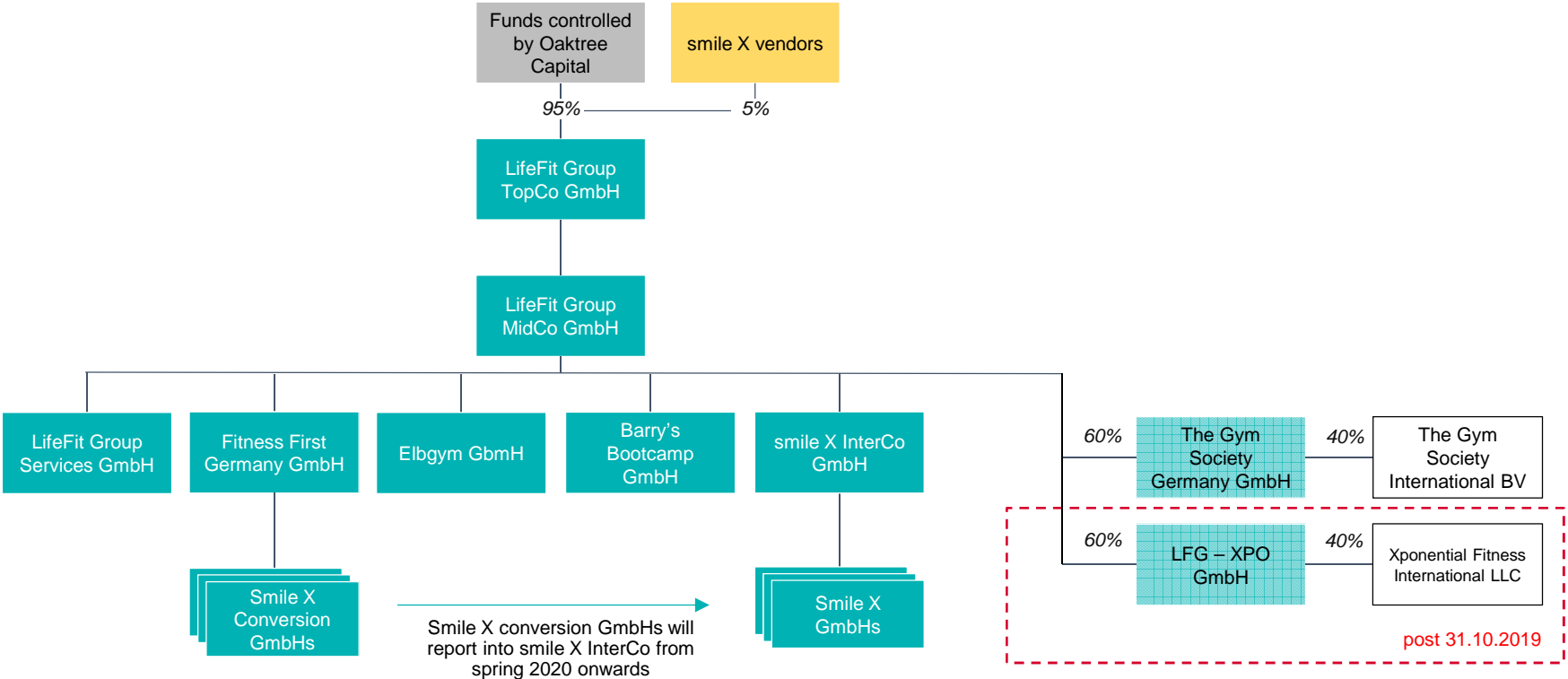




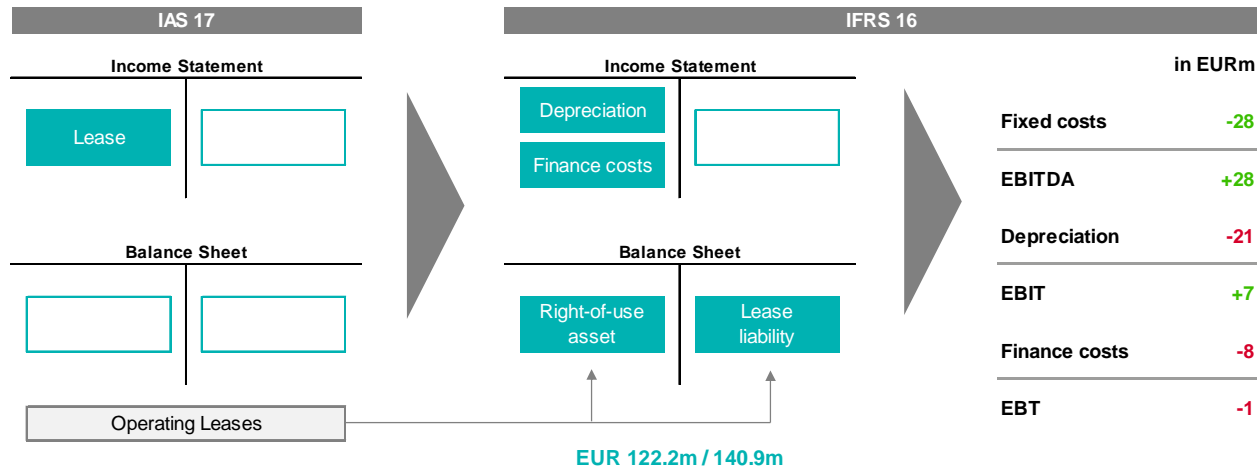
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## Impact on pro forma Financial Statements



- The first-time 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 October 2019 the group recognized the following right-of-use assets and lease liabilities
  - Buildings EUR 117.0m/135.6m
  - Machinery EUR 4.8m/4.8m
  - Vehicles EUR 0.4m/0.5m
- 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.

## Impact on Credit Stats

	x PF adjusted EBITDA FY19 (EUR 19.4m)	under IAS 17	under IFRS 16
Gross debt / PF EBITDA		2.3x	3.8x
Net debt / PF EBITDA		1.0x	3.3x

Gross debt based on EUR 40m senior secured bond and EUR 4.8m equipment finance leases (respectively EUR 140.9m lease liabilities under IFRS16), net debt reduced by EUR 26.2m cash at hand.

## Consolidated Statement of Comprehensive Income

LifeFit		Q4	2019
(Unaudited)	Note	01.08.19 - 31.10.19	01.07.19 (*) - 31.10.19
Revenue	3.5.3.1	33,191	43,329
Other operating income		540	682
Cost of materials		-1,595	-2,270
Personnel expenses	3.5.3.2	-10,262	-13,613
Other operating expenses	3.5.3.3	-12,266	-15,827
Amortization and depreciation of intangible assets, property, plant and equipment and right-of-use-assets	3.5.3.4	-7,910	-10,249
<b>Operating profit or loss</b>		1,698	2,052
Finance income		107	142
Finance costs	3.5.3.5	-3,371	-4,503
<b>Financial result</b>		-3,264	-4,361
<b>Profit or loss for the period before taxes</b>		-1,566	-2,309
Income taxes		128	144
<b>Profit or loss for the period</b>		-1,439	-2,165
Thereof attributable to:			
- equity holders of the parent		-1,439	-2,165
<b>Profit or loss for the period</b>		-1,439	-2,165
<b>Reconciliation to the consolidated statement of comprehensive income</b>			
<b>Profit or loss for the period</b>		-1,439	-2,165
<b>Total comprehensive income</b>		-1,439	-2,165

## Consolidated Cash Flow Statement

LifeFit		Q4	2019
(Unaudited)	Note	01.08.19 - 31.10.19	01.07.19 - 31.10.19
Cash flows from operating activities		6,484	8,826
Cash flows from investing activities		-29,463	-30,949
Cash flows from financing activities		2,975	48,289
<b>Cash flow for the period</b>		-20,004	26,166
Beginning cash and cash equivalents		46,195	25
<b>Closing cash and cash equivalents</b>	3.5.4.5	26,191	26,191

## Consolidated Balance Sheet

LifeFit		31 October
(Unaudited)	Note	2019
<b>Non-current assets</b>		
Intangible assets	3.5.4.2	38.792
Property, plant and equipment	3.5.4.3	44.041
Right-of-use-assets	3.5.4.4	122.244
Investments / Joint venture		17
		205.094
<b>Current assets</b>		
Inventories		703
Trade receivables		2.909
Receivables from affiliated companies		625
Current income tax assets		74
Other non-financial assets		1.931
Cash and cash equivalents	3.5.4.5	26.191
		32.433
<b>TOTAL ASSETS</b>		237.527
<b>Equity</b>	3.5.4.6	-13.882
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities	3.5.4.7	38.001
Shareholder debt	3.5.4.8	36.557
Other non-financial liabilities		28
Other provisions		6.960
Lease liabilities	3.5.4.9	121.228
Deferred tax liabilities		2.048
		204.821
<b>Current liabilities</b>		
Trade payables		16.792
Other non-financial liabilities		5.152
Other financial liabilities		1.564
Other provisions		3.138
Lease liabilities	3.5.4.9	19.632
Income tax liabilities		311
		46.588
<b>TOTAL LIABILITIES</b>		251.409
<b>TOTAL EQUITY AND LIABILITIES</b>		237.527

- In total, the consolidated equity of the group is negative. The equity position of the group has no legal impact. With EUR 97,741k the equity of LifeFit Group MidCo GmbH is positive. If the shareholder debt of EUR 36,557k were classified as equity, the consolidated equity of the group would be positive of EUR 22,675k.
- 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.

Equity as reported	-13.9
<u>pro forma classification Shareholder Loan as Equity</u>	<u>+36.6</u>
<b>pro forma Equity</b>	<b>+22.7</b>



## Pro forma Financials + IFRS 16 impacts + reported Financials

	FY2019   PRO FORMA			Q4/FY2019			FY2018/19 REPORTED
	AC19 under IAS17	Impact of IFRS16	AC19 under IFRS16	AC Q4/19 under IAS17	Impact IFRS16	AC Q4/19 under IFRS16	Jul - Oct 19 IFRS16
EURm							
<b>KPIs</b>							
# of Clubs <sup>1</sup>	83			83			
Members ['000]	250.8			250.8			
Joiner Yield [EUR]	45.7			46.2			
ARPM [EUR]	44.2			43.7			
Retention % (annualised)	73.4			73.4			
<b>Profit/Loss</b>							
Revenue	133.9			33.2			43.3
EBITDA	17.0	28.1	45.0	3.0	6.6	9.6	12.3
- Adjustments	2.4			1.7			
<b>Adjusted EBITDA</b>	<b>19.4</b>			<b>4.7</b>			
Depreciation & amortisation	-11.9	-20.7	-32.6	-3.3	-4.6	-7.9	-10.2
Exceptionals/One-off charges	-6.9		-6.9				
<b>Operating Profit/Loss</b>	<b>-1.7</b>		<b>5.6</b>	<b>-0.3</b>		<b>1.7</b>	<b>2.1</b>
Total Finance costs	-3.2	-8.4	-11.6	-1.1	-2.2	-3.3	-4.4
Total Tax	-0.6		-0.6	0.1			0.1
<b>Net Profit/Loss</b>	<b>-5.5</b>		<b>-6.6</b>	<b>-1.3</b>		<b>-1.4</b>	<b>-2.2</b>
<b>Cash Flow</b>							
EBITDA <sup>2</sup>	17.0			4.0			
Working capital	-2.8			-2.1			
Exceptionals & provisions	-4.4			-1.0			
Tax	-0.6			-0.2			
<b>OPERATING CASH FLOW</b>	<b>9.2</b>			<b>0.7</b>	<b>5.8</b>	<b>6.5</b>	<b>8.8</b>
Cash flow from investing activities	-38.7			-29.5	0.0	-29.5	-30.9
<b>FREE CASH FLOW</b>	<b>-29.5</b>			<b>-28.8</b>		<b>-23.0</b>	<b>-22.1</b>
Cash flow from financing activities	48.4			8.8	-5.8	3.0	48.3
<b>NET CASH FLOW</b>	<b>18.9</b>			<b>-20.0</b>		<b>-20.0</b>	<b>26.2</b>

**Notes**

- <sup>1</sup> excluding franchise clubs
- <sup>2</sup> excluding exceptionals/one-off charges

## Pro forma Financials by segment

EURm	FY2019   PRO FORMA (under IAS 17)				Q4 FY2019 (under IAS 17)			
	LifeFit Group	Fitness First	elbgym	smileX	LifeFit Group	Fitness First	elbgym	smileX
<b>KPIs</b>								
# of Clubs <sup>1</sup>	83	66	3	14	83	66	3	14
Members ['000]	250.8	214.3	3.3	33.2	250.8	214.3	3.3	33.2
Joiner Yield [EUR]	45.7	47.6	70.0	29.2	46.2	48.4	65.7	29.4
ARPM [EUR]	44.2	45.7	60.2	31.8	43.7	45.1	61.8	31.8
Retention % (annualised)	73.4	72.6	64.1	80.3	73.4	72.6	64.1	80.3
<b>Profit/Loss</b>								
Revenue	133.9	120.1	2.3	11.6	33.2	29.9	0.6	2.7
EBITDA <sup>2</sup>	17.0	12.7	-0.1	4.4	4.0	2.9	0.0	1.1
- Adjustments	2.4	2.3	0.1	0.0	0.7	0.7	0.0	0.0
<b>Adjusted EBITDA</b>	<b>19.4</b>	<b>15.0</b>	<b>0.0</b>	<b>4.4</b>	<b>4.7</b>	<b>3.6</b>	<b>0.0</b>	<b>1.1</b>
Depreciation & amortisation	-11.9	-10.5	-0.5	-0.9	-3.3	-2.7	-0.4	-0.2
Exceptionals/One-off charges	-6.9	-6.9	0.0	0.0	-1.0	-1.0	0.0	0.0
<b>Operating Profit/Loss</b>	<b>-1.7</b>	<b>-4.7</b>	<b>-0.6</b>	<b>3.5</b>	<b>-0.3</b>	<b>-0.8</b>	<b>-0.4</b>	<b>0.9</b>
Total Finance costs	-3.2	-3.1	0.0	-0.1	-1.1	-1.0	-0.1	0.0
Total Tax	-0.6	0.0	0.0	-0.6	0.1	0.1	0.0	0.0
<b>Net Profit/Loss</b>	<b>-5.5</b>	<b>-7.7</b>	<b>-0.7</b>	<b>2.8</b>	<b>-1.3</b>	<b>-1.6</b>	<b>-0.5</b>	<b>0.9</b>
<b>Cash Flow</b>								
EBITDA <sup>2</sup>	17.0	12.7	-0.1	4.4	4.0	2.9	0.0	1.1
Working capital	-2.8	-2.8	0.0	0.0	-2.1	-2.1	0.0	0.0
Exceptionals & provisions	-4.4	-4.4	0.0	0.0	-1.0	-1.0	0.0	0.0
Tax	-0.6	0.0	0.0	-0.6	-0.2	0.0	0.0	-0.2
<b>OPERATING CASH FLOW</b>	<b>9.2</b>	<b>5.5</b>	<b>-0.1</b>	<b>3.8</b>	<b>0.7</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.9</b>
Cash flow from investing activities	-38.7	-38.4	0.0	-0.2	-29.5	-29.4	0.0	-0.1
<b>FREE CASH FLOW</b>	<b>-29.5</b>	<b>-32.9</b>	<b>-0.1</b>	<b>3.5</b>	<b>-28.8</b>	<b>-29.7</b>	<b>0.0</b>	<b>0.9</b>
Cash flow from financing activities	48.4	49.1	-0.2	-0.5	8.8	9.0	-0.1	-0.1
<b>NET CASH FLOW</b>	<b>18.9</b>	<b>16.2</b>	<b>-0.3</b>	<b>3.1</b>	<b>-20.0</b>	<b>-20.7</b>	<b>-0.1</b>	<b>0.8</b>

**Notes**

- <sup>1</sup> excluding franchise clubs
- <sup>2</sup> excluding exceptionals/one-off charges