



lifefit | group



A male personal trainer with a beard, wearing an orange long-sleeved shirt, is assisting a female client with blonde hair in a ponytail. They are in a gym setting. The woman is holding a barbell with two 10 kg blue weight plates. The trainer is leaning in, looking at the barbell. The background is a blurred gym with various equipment.

LifeFit Group

Q3/FY2021 - QUARTERLY INTERIM UNAUDITED REPORT

lifefit | group

Sep
2021



EXECUTIVE SUMMARY & UPDATE MULTIBRAND STRATEGY

STATUS UPDATE ON COVID-19 BUSINESS IMPLICATIONS

PRO FORMA FINANCIALS/KPIs LIFEFIT GROUP AND BY SEGMENT

APPENDIX

1 LTM Performance affected by covid-19 impacts, now recovering

- Operational KPIs went down with members at 245k in Q1/20 to around 180k post second lockdown (driven by lack of joiners), now starting to recover with 186k members in Q3/21
- Financial KPIs in the third quarter benefit by significant part of the governmental support package (+EUR 10.0m)
- Since mid of June 2021 all clubs are operating again with encouraging membership recovery

2 LTM Revenue EUR 90.7m - 23.0% vs FY20

- LifeFit was able to collect for membership dues within the club closure periods
- Total revenues have been impacted negatively by frozen memberships, rejects and refunds as well as missing side revenues (e.g. PT income, F&B, aggregator income) during the lockdown and will decrease further in future due to missing members out of the lockdown and forthcoming compensations

3 LTM EBITDA adj. EUR 10.6m - 35.8% vs FY20 Margin 11.6% - 2.4ppt vs FY20

- LTM Adjusted EBITDA is affected by above mentioned revenue impacts out of the covid-19 club closures
- Initiated cost actions during the lockdown (esp. short-time work) and governmental support packages were able to largely compensate revenue shortfall in the short term
- With 131% joiner value and 91% visitation after reopening compared to 2019 driving KPIs make confident for a rapid operational rebound of the business

4 Q3/FY21 Net Cash Flow EUR +6.5m Cash at Bank EUR 20.5m (30.5m Aug-21)

- Q3/FY21 Net cash flow is characterised by EUR 10.0m governmental support and positive working capital movements (IFRS15 deferred revenue effect, VAT reimbursements and short-time work payments)
- Strong cash position at quarter end with more than EUR 20.5m cash at bank, which increased to more than EUR 30.5m after reporting date (end of Aug 21)

5 Covid-19 creates opportunities

- LifeFit Group has implemented a business transformation program to mitigate the covid-19 crisis implications and which gives the chance for sustainable increase in profitability long-term
- Undifferentiated growth of multiple operators over the last 5 years is now starting to crack, with more gym-sellers than buyers in the market resulting in consolidation
- Strong pipeline of M&A opportunities in core markets focusing on growth brands

KEY FIGURES ¹	Q3 2021	CHANGE VS. Q3 2020
TOTAL REVENUE	26.0m	-1.1%
ADJ. EBITDA BEFORE IFRS 16	5.5m	+67.8%
ADJ. EBITDA BEFORE IFRS 16 MARGIN	21.1%	+8.6ppt
CASH AT BANK	20.5m	-5.9m
CASH AT BANK (AUG 21)	30.5m	

LEVERAGE RATIOS	pre IFRS 16	under IFRS 16
GROSS DEBT/ PF EBITDA	5.1x	5.6x
NET DEBT/ PF EBITDA	3.1x	5.0x



EARLY ACHIEVEMENTS (AFTER WEEK #2)

- 100+ classes with 1,000+ participants
- Two fully booked weekends
- 450+ unique participants
- 100+ users with more than 3 workouts



Operating brands

To be rolled out



28 Clubs (of which 9 Franchise)



Fitness First

52 Clubs

ELBGYM

7 Clubs (of which 3 Franchise)

the Gym Society
customized fitness

1 Club

BARRY'S

2 Clubs

pure barre

CLUB PILATES

2021 tbc

Price

Mid-range

Upper range

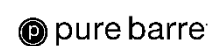
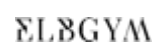
Premium

Studio / Boutique

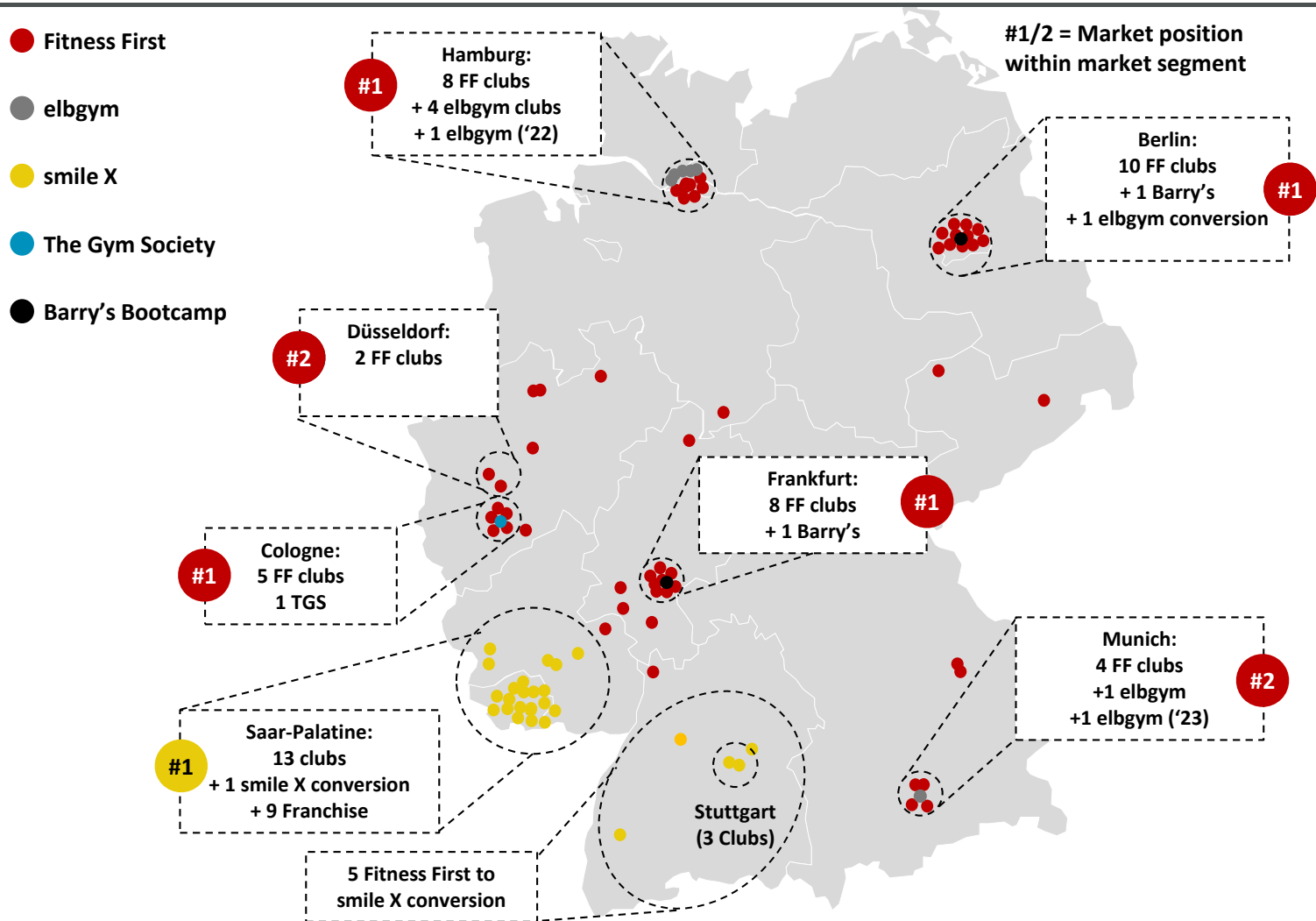
Offering/focus	<ul style="list-style-type: none"> Modular, smaller towns 	<ul style="list-style-type: none"> Wellness & full service 	<ul style="list-style-type: none"> Performance, strength 	<ul style="list-style-type: none"> Boutique fitness / PT 	<ul style="list-style-type: none"> Boutique fitness 	<ul style="list-style-type: none"> Boutique fitness
Description	<ul style="list-style-type: none"> Leading value fitness chain in the Saar-Palatinate region with focus on offering young customers high value for money 	<ul style="list-style-type: none"> #1 premium health and fitness club operator in Germany with strong nationwide brand awareness 	<ul style="list-style-type: none"> Premium chain in Hamburg, Berlin, Augsburg and Munich offering high-intensity fitness courses with state-of-the-art machines as well as cross-fit 1 conversion from FF 	<ul style="list-style-type: none"> Personalized, high-quality, digitally supported workout with permanent access to lifestyle coaches 	<ul style="list-style-type: none"> US-based pioneer of indoor high-intensity interval training combining cardio and strength training 	<ul style="list-style-type: none"> US-based leading boutique brands in pilates and barre with 1.000+ studios in USA
Avg. retention	<ul style="list-style-type: none"> 70%+ 			<ul style="list-style-type: none"> ~ 70% 	<ul style="list-style-type: none"> PAYG 	<ul style="list-style-type: none"> ~ 55%
# of members	<ul style="list-style-type: none"> ~225,000 			<ul style="list-style-type: none"> N/A 		
Expansion in 2021+	<ul style="list-style-type: none"> 2+ Franchise tbc 1 Greenfield tbc 	<ul style="list-style-type: none"> 1 Re-location (Regensburg) 	<ul style="list-style-type: none"> 1-3 Greenfield tbc 1 Franchise (Munich '23) 	<ul style="list-style-type: none"> Utilisation of business partners to speed up roll-out 	<ul style="list-style-type: none"> 2022 tbc 	<ul style="list-style-type: none"> 2021 tbc



6 Fitness First studios have already been successfully converted into smile X high value for money clubs



LifeFit Group combines successful fitness brands from the boutique, „high-value-low-price” and premium segments under 1 roof:





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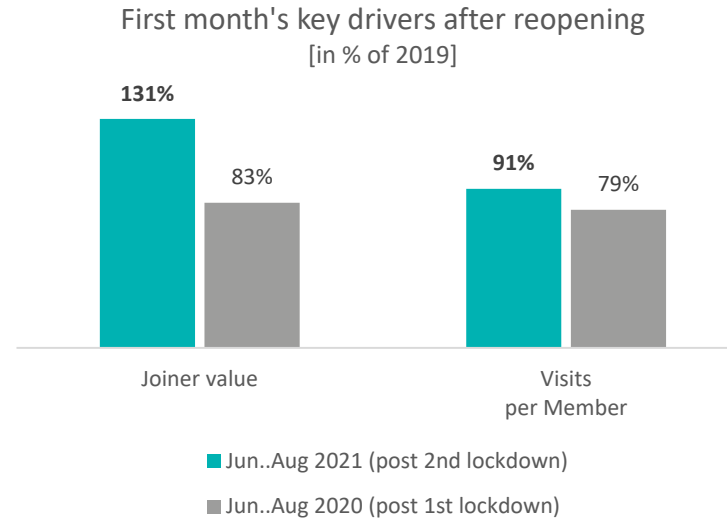
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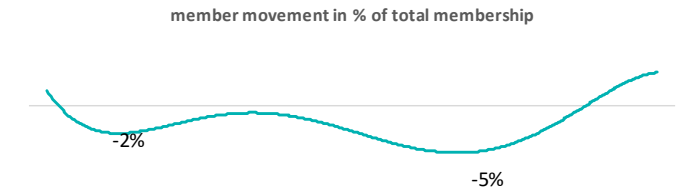
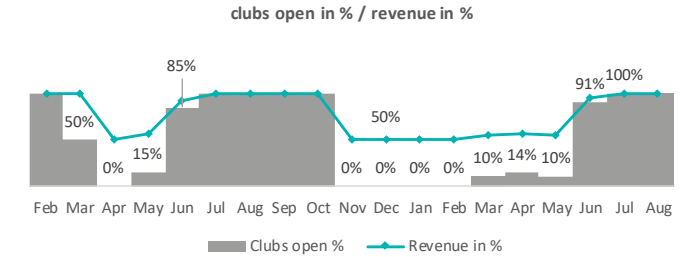
Timeline

- Opening of the second Barry's in Berlin (Sep 21)
- Since mid of June all of our clubs have been operating, including the first Barry's in Frankfurt
- A dozen of clubs were able to reopen for some weeks in Mar/Apr before they had to close again
- Industry-wide cooperation accelerated
- Quick response with prepared measures (e.g. short-time work in all clubs, simplified compensation tools etc.)
- 2nd lockdown with nation wide club closures from 2 Nov 20 onwards
- Re-Opening from May 20 onwards in some federal states with limited members allowed per sqm, online class booking is mandatory
- Engagement with industry associations and politics to discuss re-opening scenarios
- Mid of April refurb in clubs accelerated (concierge project)
- Club teams and part of head office in short-time work
- Augmented digital offering, Website & Social Media as central communication tool
- Governmental nation wide lockdown with gym closures in Germany from mid of March 2020

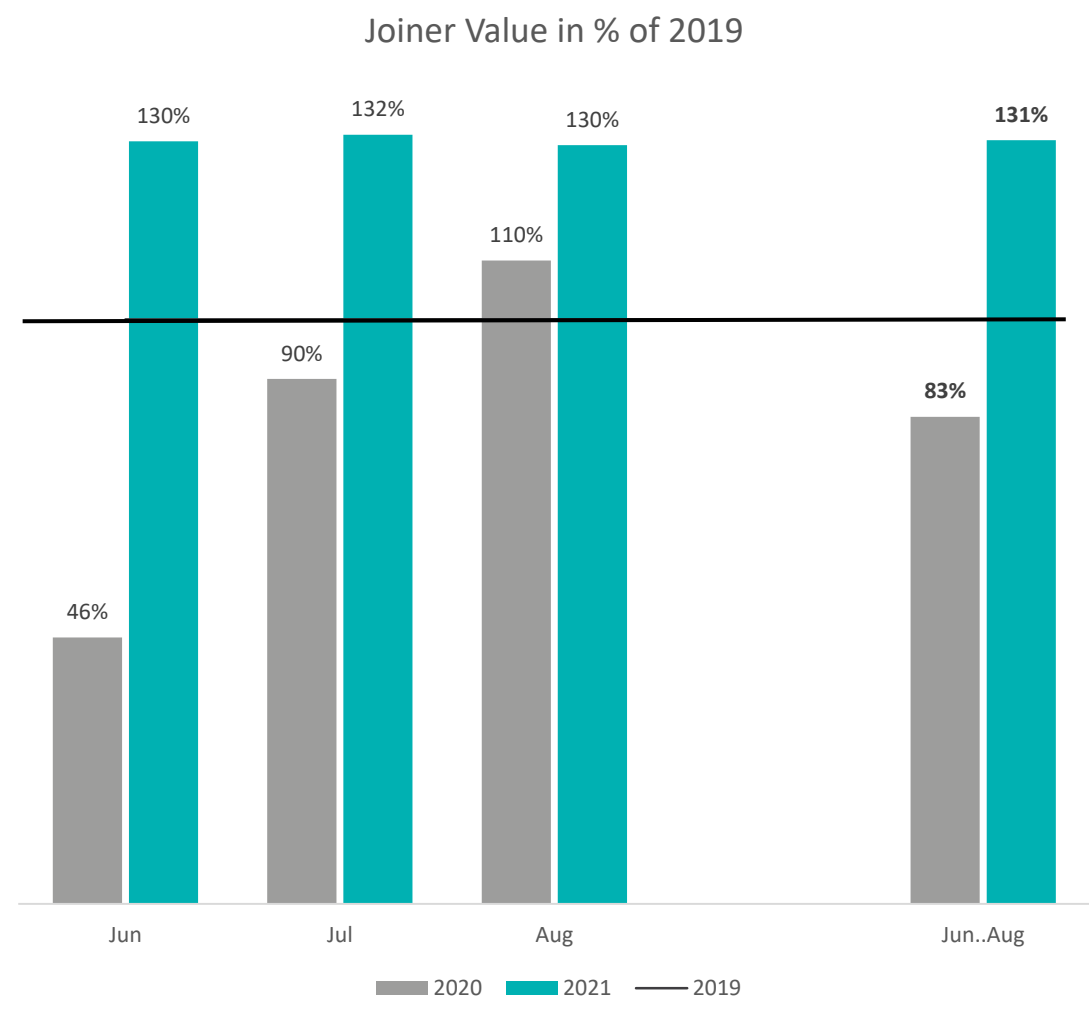
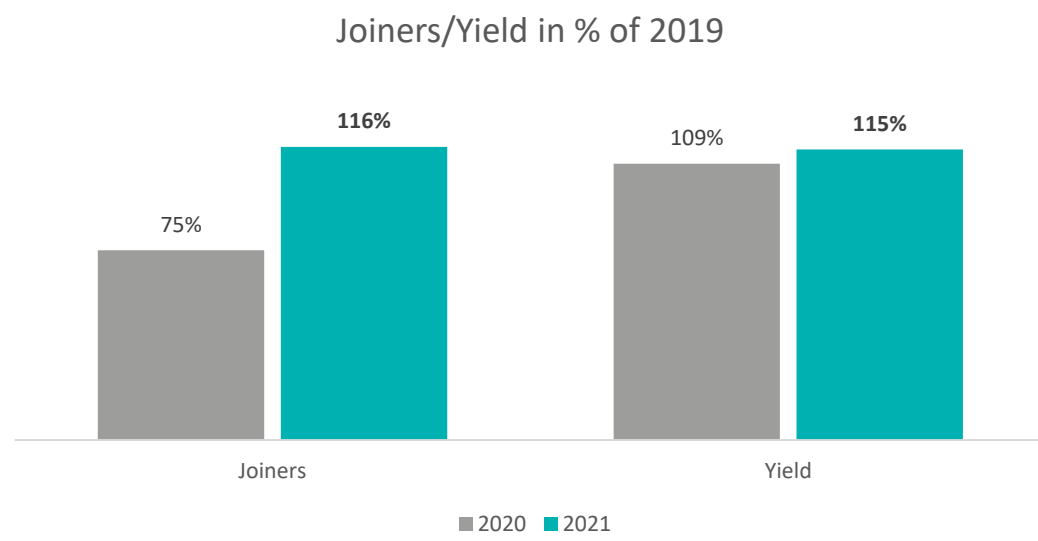
Driving KPIs make confident for a rapid operational rebound of the business



- Joiner value per club considerably exceeds 2019 as well as 2020 reopening numbers, with stronger metropolitan than regional performance
- Joiners and visitation mix first recorded a shift towards younger male heavy-users, which normalises over time
- Visitation per member increases week by week (although still restricted) and are clearly above 2020 reopening
- Incoming cancellations (relative) are below the usual level, while they reached their interim peak after the first lockdown



- Studios have been closed for 2.5 months on average in spring 2020 and for around 7.0 months since Nov 20
- All clubs are operating again since mid of June 21
- Still collected 50%+ revenue despite long lockdown period
- Membership base is primary impacted by missing joiners out of lockdown periods and is now starting to rebound
- Increased flexibility as value added in new customer contracts could result in slightly higher cancellation rates in autumn



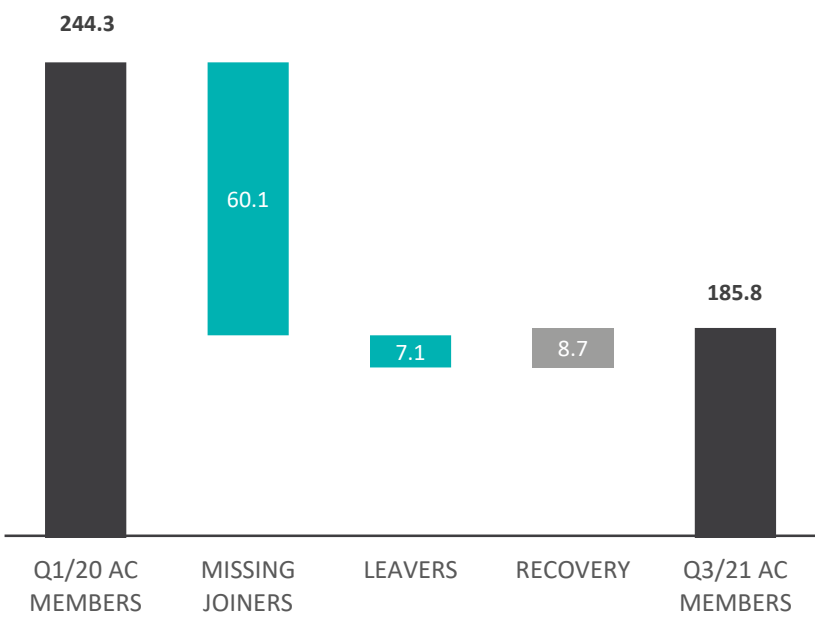
Sales highlights (Jun – Aug)

- **Plus 31% joiner value**
- **Online Joining:** 90% of all joiners are online joiner by now at Fitness First, 60% at elbgym and 20% at smile X
- **Transferred best in class** digital sales approach from i.e. Netflix utilizing new data driven marketing, online joining platform and automated CRM

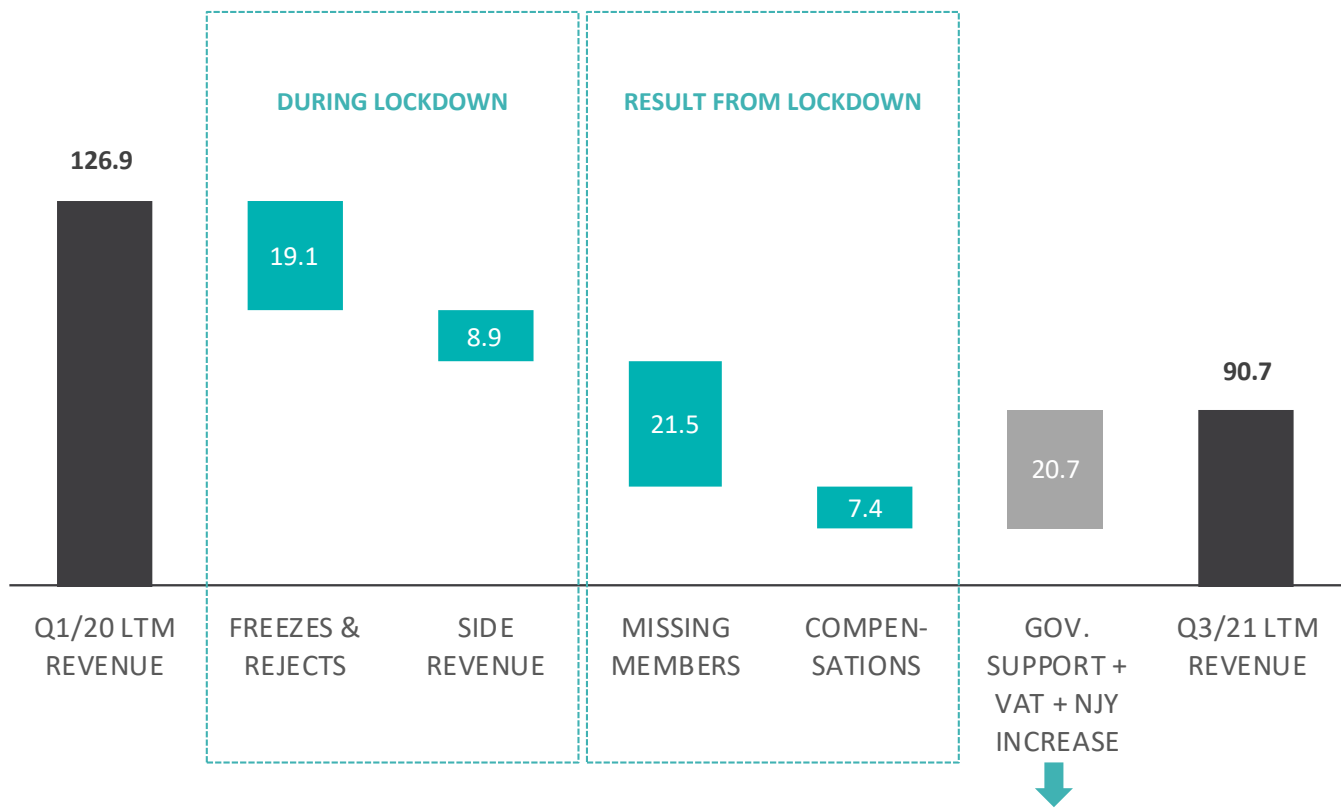
PEOPLE	PORTFOLIO	PRODUCT & MEMBER EXPERIENCE	PRICE & MARKETING	PROCESSES & COMMERCIAL MANAGEMENT
<ul style="list-style-type: none"> Club teams reduced to a highly motivated core team (partly still furloughed or support customer service) Regional training camps before reopening to secure best-in class operating processes Driver based employment model based on customer journey Kept moral up at support center (NPS of 32+) despite short-time work and other covid impacts 	<ul style="list-style-type: none"> Engage with LLs to reduce rent payments and find long term win-win solutions continues In club digital supported group classes roll out started Members acknowledge investment of EUR 4m+ in our facility and equipment Expansion opportunities to support growth strategy increase (corporate and franchise studios) Attractive M&A transactions in preparation and strong pipeline available 	<ul style="list-style-type: none"> Ensure simple and fast compensation of lockdown membership dues Training slot approach ensuring 100% availability has proven to be a success 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 62+ 	<ul style="list-style-type: none"> Website as central tool for communication with social media channels feeding traffic Flexibility and safety standards are more important to customers than price Quadrupling to 80%+ online joiners including in-club digital joining (via tablet) Increased member satisfaction after reopening with google ratings improved by 10%+ 	<ul style="list-style-type: none"> Liquidity management continues to be the key focus Prepare quantification and analysis for different rebound and further lockdown scenarios Take actions based on financial forecast with landlords, governmental support, members handling, overall cost base Prepare applications for the governmental support programmes launched to mitigate covid impacts

MEMBER/REVENUE SHORTFALL AS A RESULT OF COVID-19 LOCKDOWNS...

Members shortfall driven by joiners



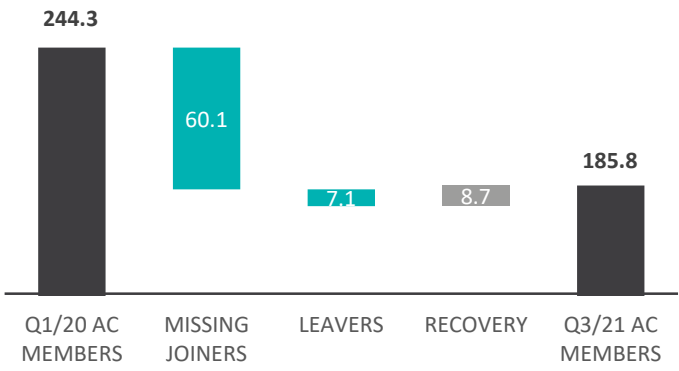
Revenue impacted by covid-19 lockdown and related compensations



The VAT reimbursement refers to the membership dues collected during the first and second lockdown, for which there was no exchange of services. The basis for this is around 60% of total membership dues (= expected sum of membership dues without compensation). Governmental support so far includes EUR 12.0m out of programs “November-/Dezemberhilfe” and “Überbrückungshilfe III”.

...ENFORCES SIGNIFICANT COST INITIATIVES TO MITIGATE SHORT-TERM EBITDA IMPACT

Member shortfall driven by joiners...



...and need for business transformation

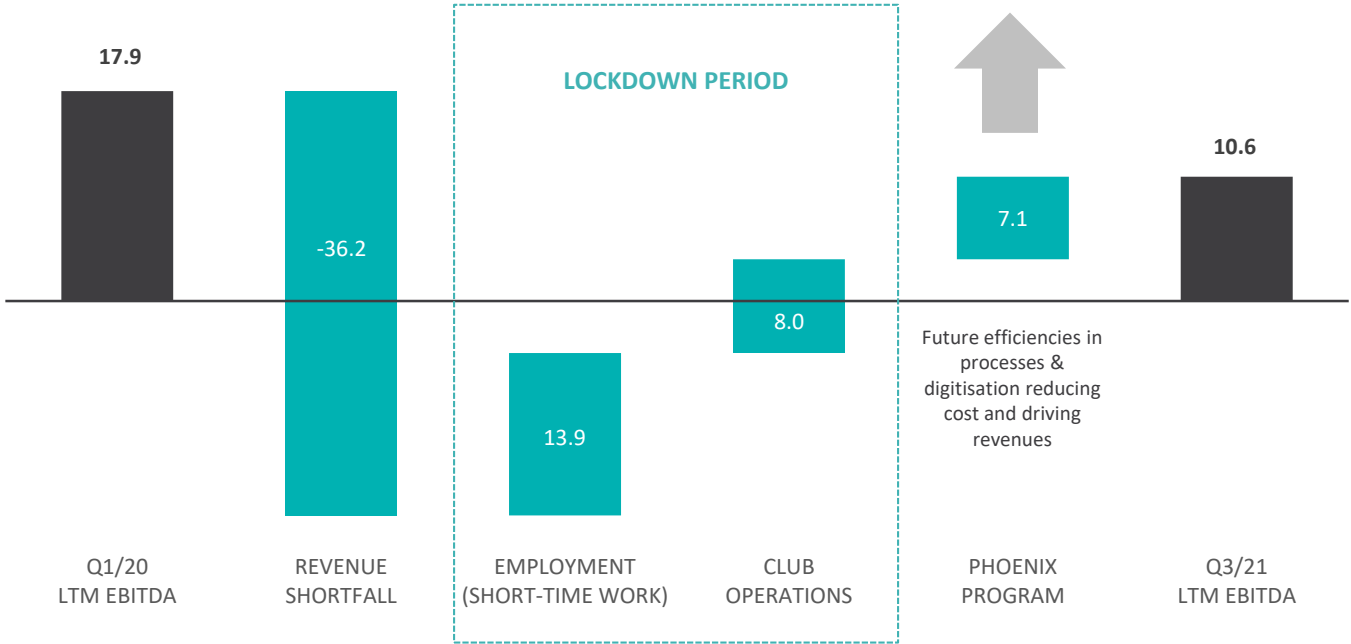
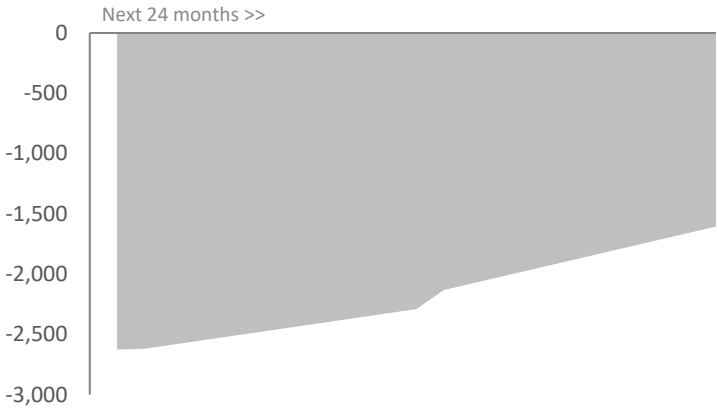
Phoenix program mitigates short-term EBITDA impact and gives the chance for sustainable increase in profitability long-term



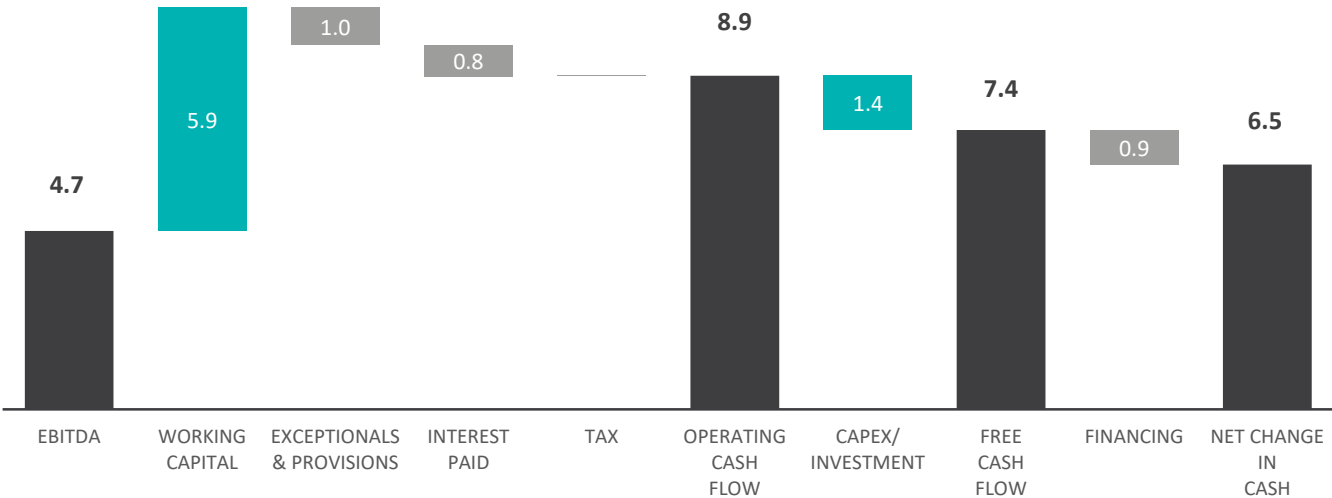
PEOPLE	PORTFOLIO	PRODUCT & MEMBER EXPERIENCE	PRICE & MARKETING	PROCESSES & FINANCES
Club team reduction @ FF	Leases 2.0	Enhance studio & club lighting @ 1.5m	Sales Teles	Brand benchmarking driving efficiency & revenues
Inhouse daytime cleaning @ FF	Postpone boutique brands	Future digital & other offerings post pandemic gym model	App incl. class booking, tailored CRM, visit rating	Monetary government support & insurances
Senior, brands & central support team reduction	Accelerate SX franchise	Technology supported functional training	Intensify aggregator partnerships	OCM short term cash funding
M&A opportunities (members)				
E-learning & cross functional	Essential maintenance only @ 1.5m & 1m CBC	Essential equipment exchange @ 0.75m	Web group platform	IT accelerated roadmap
	M&A opportunities	Infrequent user focus	Churnbot	Additional Risks/Opportunities
		Retail simplified	Compensation options	

...will impact future revenues...

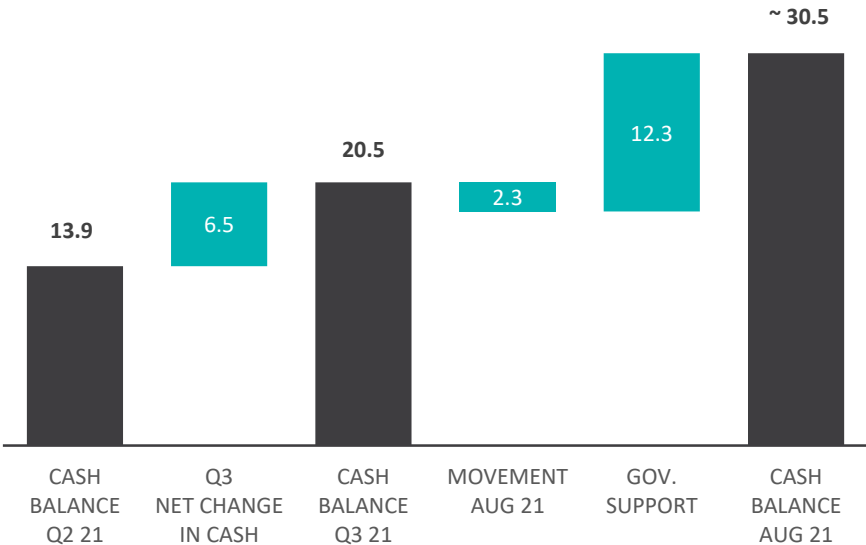
Estimated impact from missing members on next 24 months revenue in kEUR b/f revenue initiatives/rebound (59k members on 28% attrition)



Net Change in Cash in Q3 / FY2021 (EURm)



Liquidity position (EURm)



- Q3/21 EBITDA contains of EUR 10.0m governmental support package “Ueberbrueckungshilfe III”
- Working capital primary contains positive effects with IFRS 15 impact on deferred revenue vs. EBITDA and favourable VAT reimbursement re. lockdown membership dues as well as deferred short-time work payments
- Capex is mainly characterised by sound & light concept investment into existing portfolio to support the rebound effect
- Exceptionals and provisions primary refer to onerous lease and club closure costs

- While permanently declining number of members and increasing freezes during lockdown drive revenues and EBITDA further down in Q3, governmental support program helps to strengthen the cash position
- Continuous liquidity management and successful application in the governmental support program results in more than EUR 30.5m cash balance per end of August



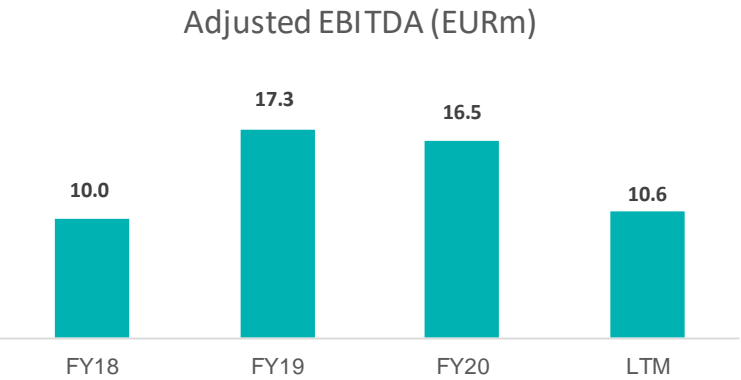
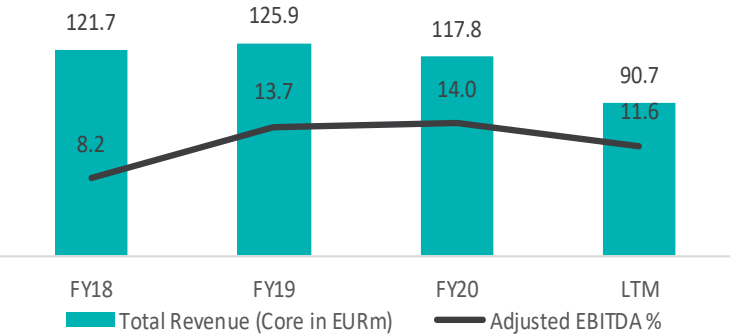
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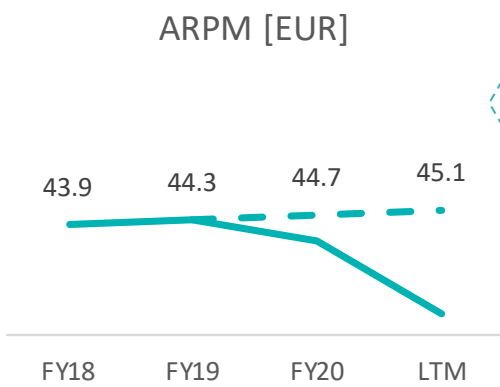
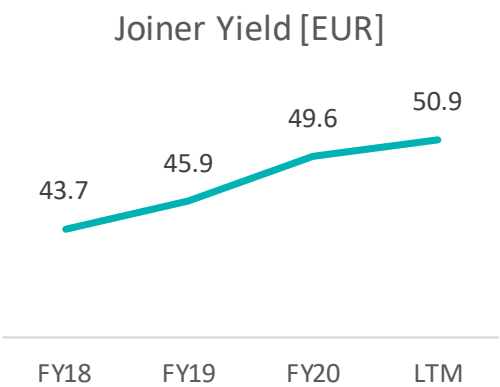
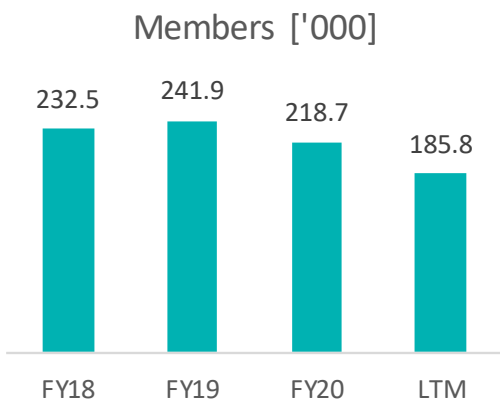
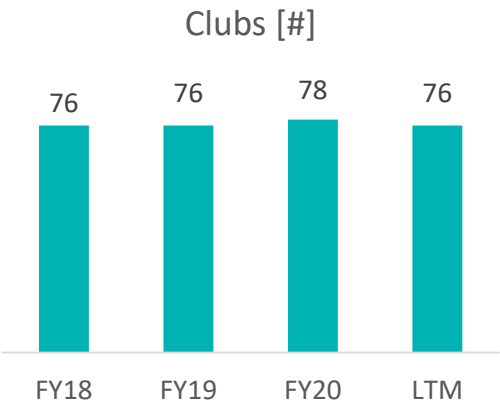
PRO FORMA FINANCIALS/KPIs LIFEFIT GROUP AND BY SEGMENT

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Pro forma key financials



Key performance indicators



As expected FY20 and LTM ARPM is affected by compensations (freezes, rejects, refunds) and missing side revenues in the course of covid-19 club closures, adjusted at around EUR 45.1

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

LIFEFIT GROUP PRO FORMA HISTORICAL PERFORMANCE (CORE BUSINESS)

Key Financials

EURm	FY18 AC	FY19 AC	FY20 AC	LTM AC	Δ% LTM-20
Total Revenue	121.7	125.9	117.8	90.7	-23.0%
thereof: Fitness First	109.4	112.0	102.9	76.6	
elbgym	2.2	2.3	2.7	2.4	
smile X	10.2	11.6	12.2	11.7	
EBITDA	10.2	15.5	15.3	8.9	-41.9%
thereof: Fitness First	6.6	11.2	10.8	4.3	
elbgym	0.3	-0.1	0.1	-0.1	
smile X	3.3	4.4	4.5	4.7	
EBITDA margin [%]	8.4	12.4	13.0	9.8	-24.6%
thereof: Fitness First	6.1	10.0	10.5	5.6	
elbgym	13.3	-3.7	2.9	-4.0	
smile X	31.9	37.8	36.7	40.4	
Adjustments	-0.2	1.7	1.1	1.7	
thereof: Fitness First	-0.2	1.7	1.1	1.7	
elbgym	0.0	0.1	0.0	0.0	
smile X	0.0	0.0	0.0	0.0	
Adjusted EBITDA	10.0	17.3	16.5	10.6	-35.8%
thereof: Fitness First	6.4	12.9	11.9	5.9	
elbgym	0.3	0.0	0.1	-0.1	
smile X	3.3	4.4	4.5	4.7	
Adj. EBITDA margin [%]	8.2	13.7	14.0	11.6	-16.6%
thereof: Fitness First	5.9	11.5	11.6	7.8	
elbgym	13.3	-0.2	2.9	-4.0	
smile X	31.9	37.8	36.7	40.4	

Key Performance Indicators

	FY18 AC	FY19 AC	FY20 AC	LTM AC	Δ% LTM-20
# of Clubs¹	76	76	78	76	
thereof: Fitness First	60	60	62	59	
elbgym	3	3	3	4	
smile X	13	13	13	13	
Members ['000]	232.5	241.9	218.7	185.8	-15.0%
thereof: Fitness First	200.1	206.4	183.9	155.5	
elbgym	2.9	3.3	3.6	4.0	
smile X	29.5	32.1	31.2	26.3	
Joiner Yield [EUR]	43.7	45.9	49.6	50.9	+2.7%
thereof: Fitness First	45.6	47.9	52.2	53.1	
elbgym	66.8	71.4	72.1	67.6	
smile X	28.6	29.2	30.8	30.6	
ARPM [EUR]	43.9	44.3	42.6	36.7	-13.8%
thereof: Fitness First	45.5	45.9	44.0	36.8	
elbgym	65.9	60.2	64.4	53.5	
smile X	30.5	31.8	32.1	34.0	
Retention %	68.7	73.4	70.4	61.8	
thereof: Fitness First	67.6	72.6	69.6	60.5	
elbgym	68.7	64.1	69.9	59.0	
smile X	78.5	80.3	75.7	69.6	

- Club closures due to the covid-19 lockdown result in missing joiners and consequently lower membership base (more than 65k members less vs. Q1/20 post second lockdown), which will continuously recover over the future months
- Corona crisis has impacted retention and will go down further as received cancellations will become effective next months, the new joiners with 90%+ long-term contracts will reverse this trend
- Revenue/ARPM is impacted by missing members, freezes, rejects/refunds as well as missing and decreased side revenues
- IFRS15 impact out of deferred revenue from covid-19 compensation tools amounts to EUR 7.4m at the end of Jul 21 (LTM)
- LifeFit has implemented a new pricing for its brand Fitness First in Dec 19, which is primary characterized by
 - Weekly pricing instead of monthly
 - Reduced price points by only offering multiclub usage
 - Implementation of a 6 month revolving training fee
 - Immediate contract start
- LTM joiner yield increased by 11% vs. FY19 to EUR 50.9



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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.
- The result of the third quarter FY2021 refers to the period 1 May 2021 to 31 July 2021.
- Group legal structure see appendix

2 IFRS

- Application of IFRS 16 Leases leads
 - to the capitalization of right-of-use assets of EUR 118.9m and of lease liabilities of EUR 142.6m as of 31 July 2021
 - to a negative P/L-effect of EUR 7.4m 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 6.7m for the period from 1 May 2021 to 31 July 2021.

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 1.3m and sales of EUR 26.0m.
- With EUR +6.5m the Cash Flow is positive in the quarter, Cash balance as of 31 July 2021 is EUR 20.5m.

4 Financial KPIs

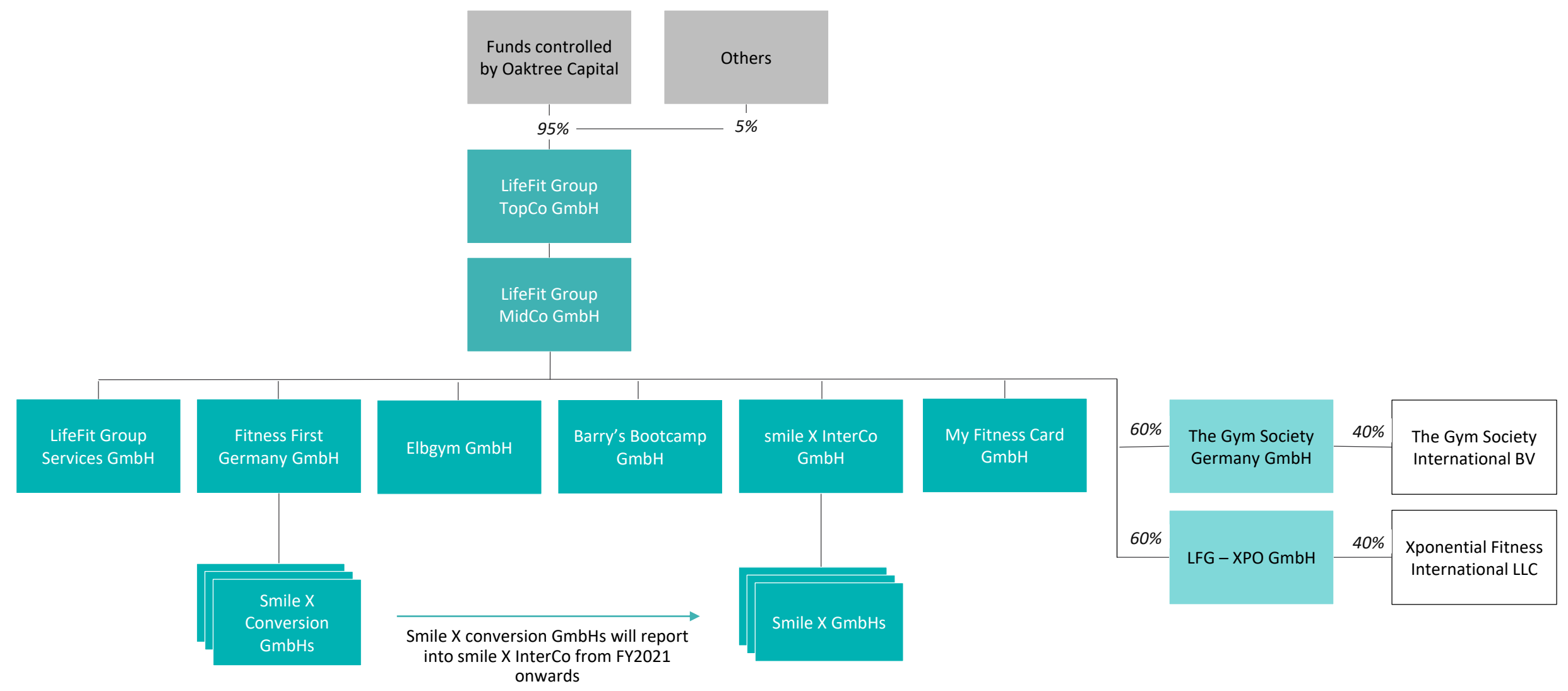
- LifeFit Group has updated its Financial KPIs in FY2019/20 in the course of IFRS 16 changes
- This mainly impacts Reported Adjusted EBITDA, which includes cash rents and excludes IAS 17 rent adjustments (see appendix for previously reported results)

5 Pro Forma

- Due to the short financial year of Lifefit Group MidCo for FY19 and FY20 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 August 2020 to 31 July 2021 and adjusted for IFRS 16 impacts
- Pro forma Total Revenue of the group was EUR 91.9m (EUR 90.7m in core business¹)
- Pro forma adjusted EBITDA of the group amounts to EUR 10.6m (core business)

6 Outlook

- The quarterly interim unaudited report for Q4 FY2020/21 is planned to be published on 31 Dec 2021



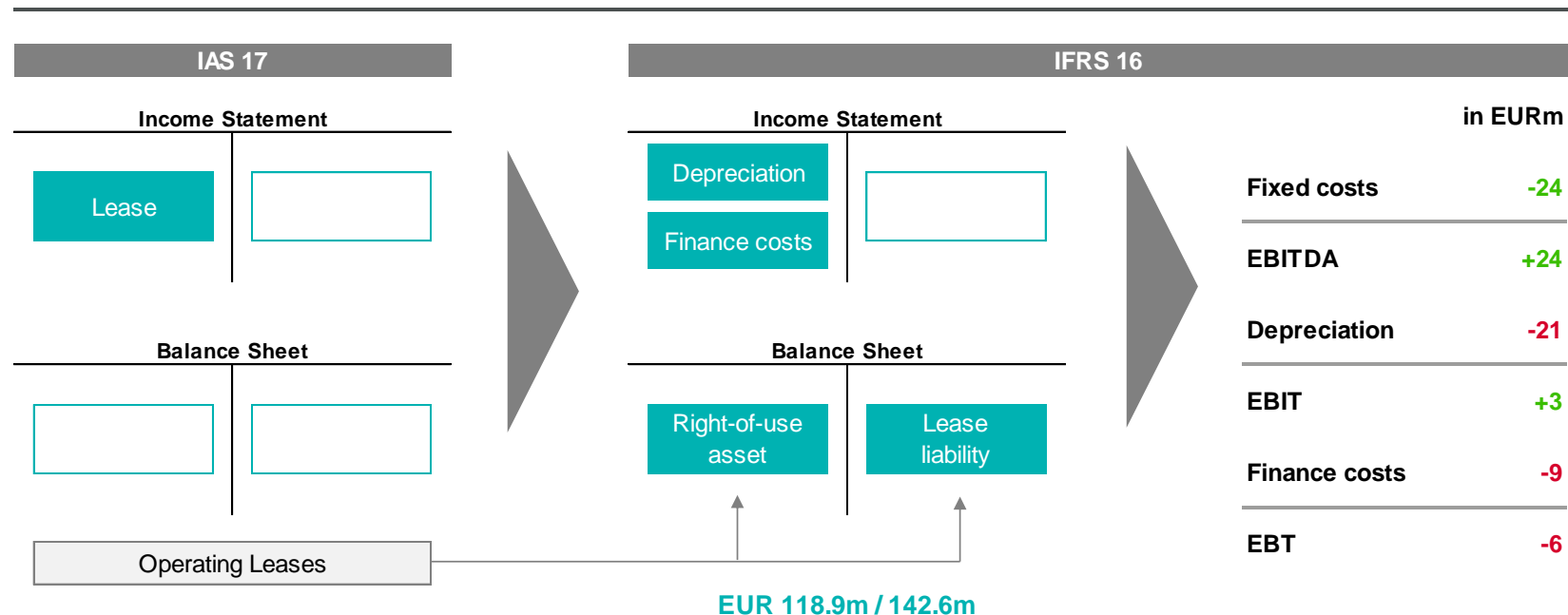
FY17..FY19 Bridge to Reported Adjusted EBITDA

	FY17	FY18	FY19
Core Business in EURm	AC	AC	AC
Total Revenue	121,6	123,9	127,9
- Cost of sales / controllable costs ...			
- Total Rent	-21,3	-22,6	-23,0
thereof: cash rent	-23,2	-24,7	-25,1
IAS 17 rent adjustments	1,9	2,1	2,0
IAS 17 Adjusted EBITDA	12,3	12,1	19,4
Less: IAS 17 rent adjustments	-1,9	-2,1	-2,0
Reported Adjusted EBITDA	10,4	10,0	17,4

Changes in Financial KPIs

- Due to changes in accounting standards following the adoption of IFRS16, we are changing our Adjusted EBITDA definition by
 - removing the former IAS17 Rent Adjustments (Rent Control Account, which primary comprise landlord contributions and rent free periods) from EBITDA and
 - release these monthly within the depreciation (cf. depreciation of right-of-use-assets in report), but
 - keep cash rents within Reported Adjusted EBITDA for comparable reason
- Furthermore Reported Adjusted EBITDA is adjusted for exceptional items, site opening cost and negative EBITDA ramp up (new clubs/formats)
- According to this Reported Adjusted EBITDA for FY19 of EUR 19.4m is reduced by IAS17 Rent Adjustments of EUR 2.0m and amounts to EUR 17.4 under new definition

Impact on pro forma Financial Statements



- 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 July 2021 the group recognized the following right-of-use assets and lease liabilities
 - Buildings EUR 116.0m/139.0m
 - Other EUR 2.9m/3.6m
- 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 Jul-21 LTM (EUR 10.6m)	pre IFRS 16	under IFRS 16
Gross debt / PF EBITDA		5.1x	5.6x
Net debt / PF EBITDA		3.1x	5.0x

Gross debt based on EUR 40m senior secured bond, EUR 10m RCF and EUR 3.6m equipment finance leases (respectively EUR 142.6m lease liabilities under IFRS16), net debt reduced by EUR 20.5m cash at bank.

Key Financials

EURm	FY18 AC	FY19 AC	FY20 AC	LTM AC
Total Revenue	135.6	133.9	121.0	91.9
thereof: core	121.7	125.9	117.8	90.7
non-core	13.8	7.7	3.1	1.1
EBITDA	9.5	14.8	15.2	8.8
thereof: core	10.2	15.5	15.3	8.9
non-core	-0.7	-0.7	-0.2	-0.1
EBITDA margin [%]	7.0	11.1	12.5	9.6
thereof: core	8.4	12.4	13.0	9.8
non-core	-5.1	-9.5	-5.5	-8.6
Adjustments	1.0	2.4	1.3	1.8
thereof: core	-0.2	1.7	1.1	1.7
non-core	1.2	0.7	0.2	0.1
Adjusted EBITDA	10.5	17.2	16.5	10.6
thereof: core	10.0	17.3	16.5	10.6
non-core	0.5	-0.1	0.0	0.0
Adj. EBITDA margin [%]	7.7	12.9	13.6	11.5
thereof: core	8.2	13.7	14.0	11.6
non-core	3.7	-0.8	0.0	0.0

Key Performance Indicators

	FY18 AC	FY19 AC	FY20 AC	LTM AC
# of Clubs¹	87	82	80	76
thereof: core	76	76	78	76
non-core	11	6	3	0
Members ['000]	255.8	249.8	224.2	185.8
thereof: core	232.5	241.9	218.7	185.8
non-core	23.3	7.9	5.5	0.0
Joiner Yield [EUR]	43.4	45.8	49.4	50.9
thereof: core	43.7	45.9	49.6	50.9
non-core	40.0	42.7	43.0	44.0
ARPM [EUR]	43.1	44.2	42.5	36.7
thereof: core	43.9	44.3	42.6	36.7
non-core	37.3	n/a	n/a	n/a
Retention %	68.7	73.4	70.4	61.8
thereof: core	68.7	73.4	70.4	61.8
non-core	n/a	n/a	n/a	n/a

- 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 -12.7m (from FY18 to Jul-21 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
- Portfolio is currently under review in consideration of the second lockdown from Nov 20 onwards and the related impacts

Segment	Item	Comment	LTM Jul-21
Pro forma LTM Group EBITDA			8,840
FFG/LFG	Ramp-up losses	One club to become EBITDA positive	577
FFG/LFG	Barrys set up/ramp-up	transaction/formation expenses and ramp-up losses	963
FFG/LFG	Divestment club losses	refers to four clubs in reporting period	98
FFG/LFG	New Business Development	HO employment costs related to new business development (Franchise, XPO)	122
Total Adjustments			1,760
Adjusted PF LTM Group EBITDA			10,600

Consolidated Statement of Comprehensive Income

LifeFit	Q3/21	Q3/20		YTD	YTD
	01.05.21 -	01.05.20 -		01.11.20 -	01.11.19 -
(Unaudited)	31.07.21	31.07.20	change	31.07.21	31.07.20
	EUR k	EUR k	EUR k	EUR k	EUR k
Revenue	20.885	26.018	-5.133	53.093	88.949
Other operating income	5.135	597	4.538	7.691	973
Cost of materials	-760	-990	230	-1.104	-4.123
Personnel expenses	-6.843	-7.511	668	-16.582	-27.981
Other operating expenses	-7.623	-8.597	974	-23.124	-28.744
Amortization and depreciation	-8.267	-7.780	-487	-26.023	-26.889
Operating profit or loss	2.527	1.737	790	-6.049	2.184
Income from at equity investments	-93	0	-93	-143	0
Finance income	0	0	0	0	0
Finance costs	-3.835	-3.459	-376	-11.455	-10.773
Financial result	-3.835	-3.459	-376	-11.455	-10.773
Profit or loss for the period before taxes	-1.401	-1.722	321	-17.647	-8.589
Income taxes	111	115	-4	346	41
Profit or loss for the period	-1.290	-1.607	317	-17.301	-8.548

Consolidated Cash Flow Statement

LifeFit	Q3/21	Q3/20		YTD	YTD
	01.05.21 -	01.05.20 -		01.11.20 -	01.11.19 -
(Unaudited)	31.07.21	31.07.20	change	31.07.21	31.07.20
	EUR k	EUR k	EUR k	EUR k	EUR k
Operating cash flow	17.338	9.128	8.210	25.077	22.098
Investment cash flow	-1.444	-6.224	4.780	-6.668	-11.588
Financing cash flow	-9.389	-6.100	-3.289	-20.505	-10.287
Cash flow for the period	6.506	-3.196	9.702	-2.095	223
Beginning cash	13.950	29.610		22.551	26.191
Closing cash	20.456	26.414		20.456	26.414

Consolidated Balance Sheet

LifeFit	31 July	31 October
(Unaudited)	2021	2020
Non-current assets		
Intangible assets	34.443	35.728
Property, plant and equipment	37.488	45.366
Right-of-use-assets	118.924	131.619
Investments / Joint venture	0	1
	192.415	212.714
Current assets		
Inventories	885	742
Trade receivables	2.088	2.224
Receivables from affiliated companies	2.053	1.322
Current income tax assets	74	67
Other non-financial assets	7.762	6.584
Cash and cash equivalents	20.455	22.551
	33.318	33.490
TOTAL ASSETS	225.733	246.204
Equity	-39.906	-22.606
Liabilities		
Non-current liabilities		
Financial liabilities	38.584	38.584
Shareholder debt	37.219	34.735
Other non-financial liabilities	700	728
Other financial liabilities	2.296	2.180
Other provisions	2.452	2.674
Lease liabilities	121.856	133.111
Deferred tax liabilities	56	515
	203.163	212.527
Current liabilities		
Financial liabilities	10.000	10.000
Trade payables	13.766	15.871
Other non-financial liabilities	14.723	3.925
Other financial liabilities	818	3.121
Other provisions	1.913	1.544
Lease liabilities	20.744	21.112
Income tax liabilities	511	414
	62.476	56.282
TOTAL LIABILITIES	265.639	268.809
TOTAL EQUITY AND LIABILITIES	225.733	246.204

- In total, the consolidated equity of the group is negative. The equity position of the group has no legal impact. With EUR 70.0m the equity of LifeFit Group MidCo GmbH is positive. If the shareholder debt of EUR 37.2m were classified as equity, the consolidated equity of the group would amount to EUR -2.7m.
- Besides the accumulated losses until 31 July 2021 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	-39,9
pro forma classification Shareholder Loan as Equity	+37,2
pro forma Equity	-2,7

Pro forma Financials + IFRS 16 impacts + Reported Financials

	Jul-21 LTM			Q3/FY2021			Q3/FY2021 REPORTED
	AC pre IFRS16	Impact of IFRS16	AC under IFRS16	AC pre IFRS16	Impact IFRS16	AC under IFRS16	AC IFRS16
EURm							
KPIs							
# of Clubs ¹	76			76			
Members ['000]	185,8			185,8			
Joiner Yield [EUR]	50,9			50,5			
ARPM [EUR]	36,7			47,6			
Retention % (annualised)	61,8			61,8			
Profit/Loss							
Revenue	91,9			26,0			26,0
EBITDA ²	8,8	23,5	32,4	4,7	6,6	11,3	10,7
- Adjustments	1,8			0,6			
Adjusted EBITDA	10,6			5,3			
Depreciation & amortisation	-14,5	-21,3	-35,8	-3,0	-5,2	-8,3	-8,3
Exceptionals/One-off charges	-2,9			-0,6			
Operating Profit/Loss	-8,5		-6,3	1,1		2,4	2,4
Total Finance costs	-7,3	-8,7	-16,0	-1,7	-2,1	-3,8	-3,8
Total Tax	1,1			0,1			0,1
Net Profit/Loss	-14,7		-21,2	-0,5		-1,3	-1,3
Cash Flow							
EBITDA ²	8,8			4,7			
Working capital	5,4			5,9			
Exceptionals & provisions	-2,6			-1,0			
Interest paid	-3,3			-0,8			
Tax	0,0			0,0			
OPERATING CASH FLOW	8,3			8,9	8,5	17,3	17,3
Cash flow from investing activities	-10,7			-1,4	0,0	-1,4	-1,4
FREE CASH FLOW	-2,4			7,4		15,9	15,9
Cash flow from financing activities	-3,6			-0,9	-8,5	-9,4	-9,4
NET CASH FLOW	-6,0			6,5		6,5	6,5

Notes

¹ excluding franchise clubs

² excluding exceptionals/one-off charges

Pro forma Financials by Segment

	Jul-21 LTM				Q3/FY2021			
	LifeFit Group	Fitness First	elbgym	smileX	LifeFit Group	Fitness First	elbgym	smileX
EURm								
KPIs								
# of Clubs1	76	59	4	13	76	59	4	13
Members ['000]	185,8	155,5	4,0	26,3	185,8	155,5	4,0	26,3
Joiner Yield [EUR]	50,9	53,0	67,6	30,6	50,5	51,7	62,6	30,8
ARPM [EUR]	36,7	36,8	53,5	34,0	47,6	48,7	55,9	39,1
Retention % (annualised)	61,8	60,5	59,0	69,6	61,8	60,5	59,0	69,6
Profit/Loss								
Revenue	91,9	77,8	2,4	11,7	26,0	22,2	0,7	3,1
EBITDA ²	8,8	4,2	-0,1	4,7	4,7	3,5	-0,1	1,4
- Adjustments	1,8	1,8	0,0	0,0	0,6	0,6	0,0	0,0
Adjusted EBITDA	10,6	6,0	-0,1	4,7	5,3	4,1	-0,1	1,4
Depreciation & amortisation	-14,5	-11,8	-0,2	-2,4	-3,0	-2,3	-0,1	-0,6
Exceptionals/One-off charges	-2,9	-2,8	0,0	0,0	-0,6	-0,6	0,0	0,0
Operating Profit/Loss	-8,5	-10,4	-0,4	2,3	1,1	0,6	-0,2	0,8
Total Finance costs	-7,3	-7,3	0,0	0,0	-1,7	-1,7	0,0	0,0
Total Tax	1,1	0,3	0,0	0,8	0,1	0,0	0,0	0,1
Net Profit/Loss	-14,7	-17,4	-0,4	3,1	-0,5	-1,1	-0,2	0,9
Cash Flow								
EBITDA ²	8,8	4,2	-0,1	4,7	4,7	3,5	-0,1	1,4
Working capital	5,4	4,8	0,3	0,3	5,9	5,8	0,2	0,0
Exceptionals & provisions	-2,6	-2,6	0,0	0,0	-1,0	-1,0	0,0	0,0
Interest paid	-3,3	-3,3	0,0	0,0	-0,8	-0,8	0,0	0,0
Tax	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
OPERATING CASH FLOW	8,3	3,1	0,2	5,0	8,9	7,5	0,1	1,4
Cash flow from investing activities	-10,7	-9,9	-0,4	-0,4	-1,5	-1,3	0,0	-0,2
FREE CASH FLOW	-2,4	-6,8	-0,2	4,6	7,4	6,2	0,1	1,2
Cash flow from financing activities	-3,6	-3,0	-0,2	-0,4	-0,9	-0,8	0,0	-0,1
NET CASH FLOW	-6,0	-9,8	-0,4	4,3	6,5	5,4	0,0	1,1

Notes

¹ excluding franchise clubs

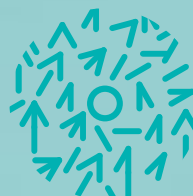
² excluding exceptionals/one-off charges



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