



**F** Fitness First



**BARRY'S**



**ELBGYM**

# lifefit | group



**smile**



**the Gym Society**  
customized fitness



**CLUB PILATES**



**InShape**  
FITNESS CLUBS



# LifeFit Group

Q2/FY2022 - QUARTERLY INTERIM UNAUDITED REPORT

lifefit | group

Jun  
2022



**EXECUTIVE SUMMARY & UPDATE MULTIBRAND STRATEGY**

**STATUS UPDATE ON COVID-19 BUSINESS IMPLICATIONS**

**PRO FORMA FINANCIALS/KPIs LIFEFIT GROUP AND BY SEGMENT**








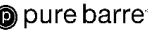


**APPENDIX**

<p>1 LTM Performance affected by covid-19 impacts, now recovering</p>	<ul style="list-style-type: none"> <li>Operational KPIs are improving with membership increasing to 196k in Q2/22 (pre-covid 245k members)</li> <li>Initially market share (joiners) was gained focusing on short-term memberships month-by-month; meanwhile shift towards long-term contracts achieved (90%+) which increases confidence of operational recovery of the business</li> </ul>
<p>2 LTM Revenue EUR 125.5m + 10.3% vs FY21</p>	<ul style="list-style-type: none"> <li>Total revenues have started to recover driven by consistent monthly membership growth (+6.0k in Q2) and aggregator income (+2.3k member equivalent) plus reduced rejects and refunds</li> <li>Side revenues are slower to recover (e.g. PT income, F&amp;B)</li> <li>Aggregator income continuously improves with month-by-month growth rates at ~10-15% since reopening</li> <li>LTM revenues clearly benefit from governmental support packages (EUR 53.0m) to mitigate the covid impacts</li> </ul>
<p>3 LTM EBITDA adj. EUR 27.6m - 20.8% vs FY21 Margin 22.0% - 8.7ppt vs FY21</p>	<ul style="list-style-type: none"> <li>LTM Adjusted EBITDA is affected by above mentioned revenue impacts out of the covid-19 club closures</li> <li>Initiated cost actions during the lockdown (esp. short-time work) and governmental support packages were able to overcompensate revenue shortfall in the short term</li> <li>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</li> </ul>
<p>4 Q2/FY22 Net Cash Flow EUR +16.2m Cash at Bank EUR 25.5m</p>	<ul style="list-style-type: none"> <li>Q2/FY22 Net cash flow is characterised by investment in digital and improved offerings to support the membership recovery and payments for a new elbgym club in Hamburg.</li> <li>Cash position could be increased to more than EUR 25.5m in Apr 22 as a result of outstanding payments from governmental support packages</li> </ul>
<p>5 Covid-19 creates opportunities</p>	<ul style="list-style-type: none"> <li>Fitness First reposition out of mid-market in Full Service Best Price (FSBP) and Premium (24/28 clubs) improving product offering based on target market, adjusting price (-20% / +10%) and reduce employment costs (FSBP)</li> <li>LifeFit Group has acquired the 13 club strong network In Shape in the south-west of Germany in May 22, which will strengthen the metro area Stuttgart and will create more opportunities in that region</li> <li>Further attractive M&amp;A transactions in preparation and strong pipeline available</li> </ul>

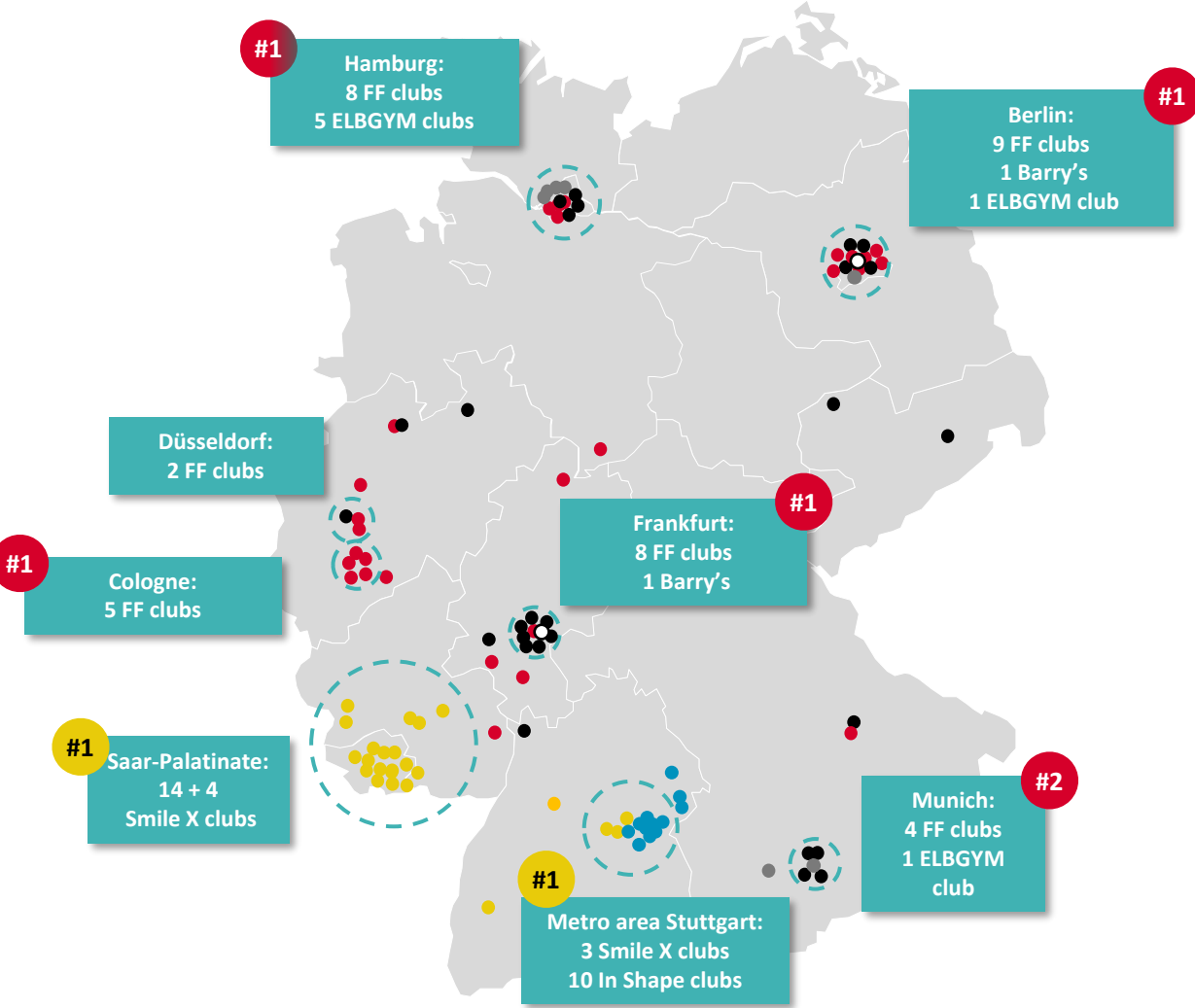
KEY FIGURES <sup>1</sup>	Q2 2022	CHANGE VS. Q2 2021
TOTAL REVENUE	25.7m	+70.8%
ADJ. EBITDA BEFORE IFRS 16	-2.9m	n/a
ADJ. EBITDA BEFORE IFRS 16 MARGIN	-11.2%	n/a
CASH AT BANK	25.5m	+8.2m

LEVERAGE RATIOS	pre IFRS 16	under IFRS 16
GROSS DEBT/ PF EBITDA	1.9x	3.3x
NET DEBT/ PF EBITDA	1.0x	2.9x

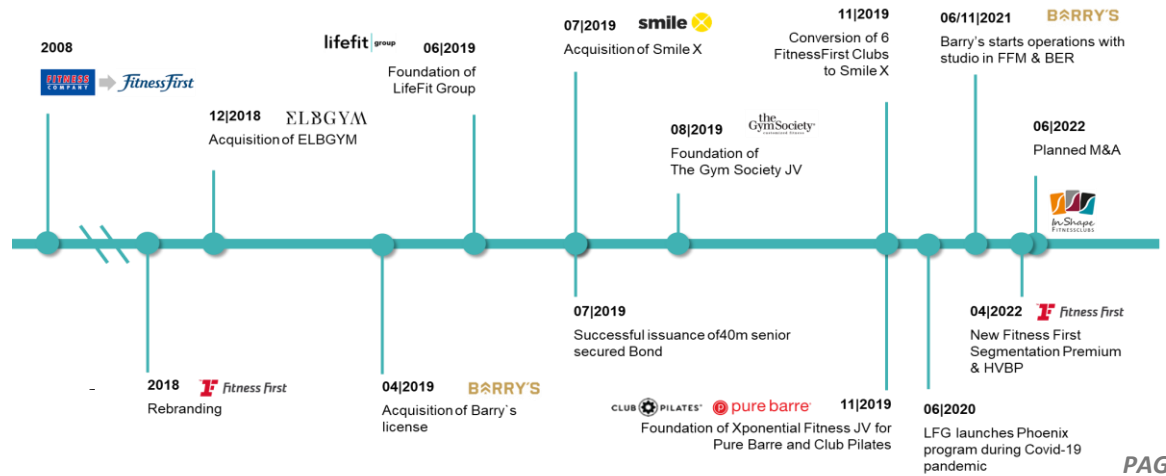
1) Core business excludes all clubs/services, which already have been divested/closed or will not be continued. Numbers presented in the quarterly report are LFG stand alone before acquisition of In Shape.

Segment/Price	Discount	Full Service Best Price	Mid-market	Premium	Micro/Boutique
lifefit group		 <p><b>Fitness First</b> 24 clubs</p>  <p><b>smile X</b> 19 clubs &amp; 4 franchise</p>  <p><b>InShape</b> FITNESSCLUBS 11 clubs</p>		 <p><b>Fitness First</b> 28 clubs <b>BLACK</b></p>  <p><b>ELBGYM</b> 7 clubs &amp; 1 franchise</p>  <p><b>InShape</b> FITNESSCLUBS 2 clubs</p>	 <p><b>BARRY'S</b> 2 studios (Berlin &amp; Frankfurt)</p> <p>In addition: Master-Franchise rights for best in class US boutique brands to be utilised 2022+</p>   
	<b>93 + 5 operating</b>	<b>0</b>	<b>54 &amp; 4</b>	<b>0</b>	<b>37 &amp; 1</b>
<b># of Members</b>		<b>125.000+</b>		<b>100.000+</b>	<b>Pay as you go</b>
<b>Normalised EBITDA allocation</b>		<b>52%</b>		<b>47%</b>	<b>1%</b>
<b>Description</b>		<ul style="list-style-type: none"> <li>▪ <b>Fitness First</b> with strong nationwide awareness (regional strongholds and metropolitan clubs) offering a best in class product range at local best price</li> <li>▪ <b>smile X</b> as the leading value fitness chain in the Saar-Palatinate region with focus on offering customers high value for money</li> <li>▪ <b>In Shape</b> as local champion between Stuttgart and Ulm offering customized FSBP training and health concepts</li> </ul>		<ul style="list-style-type: none"> <li>▪ <b>Fitness First Black</b> as #1 premium health and fitness club operator in Germany with strong nationwide brand awareness</li> <li>▪ <b>elbgym</b> as premium chain in Hamburg, Berlin and Munich offering performance focused training incl. cross-fit</li> <li>▪ <b>In Shape</b> with two high-end clubs around Stuttgart offering wellness and full service</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Barry's</b> as US-based pioneer of indoor high-intensity interval training combining cardio and strength</li> <li>▪ US-based leading boutique brands in <b>pilates</b> and <b>barre</b> with 1.000+ studios</li> <li>▪ <b>The Gym Society</b> offers personalized, digitally supported workouts</li> </ul>

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



- LifeFit Group is set up as a platform to enable attractive ROI in growth segments of the German fitness market utilising best in class brands
- The 90+ corporate owned & managed clubs are at the core of the proposition in the full-service best price and premium segments whereas franchise will play the main role in the high-end boutique studio market
- With the acquisition of In Shape, the Group has 93 clubs nation-wide with a significant number of “local hero” positions
- Fitness First Black, ELBGYM & boutique studios focus on high-end and metro areas
- Fitness First & smile X are more versatile with expansion opportunities through corporate gyms
- In Shape is the local fitness champion in the region between Stuttgart and Ulm set up for regional growth
- Streamlining of brands across the LFG segments has been postponed due to Covid and provides opportunities to further increase returns in the future





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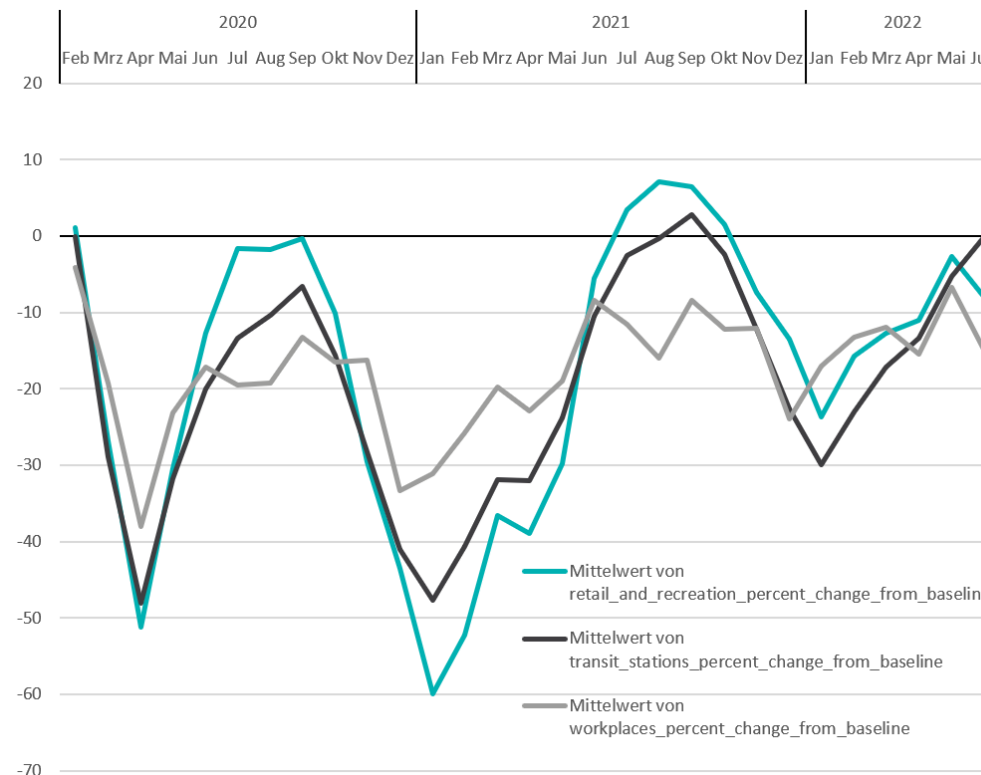
**PRO FORMA FINANCIALS/KPIs LIFEFIT GROUP AND BY SEGMENT**

**APPENDIX**

## Timeline

- Restrictions lifted from Apr 22 onwards
- Restrictions had become stronger since mid of Oct 21, all clubs had to introduce 2G (vaccinated, recovered access only), partly + test; two studios were closed 22 Nov 21 – mid Jan 22 (Saxony)
- Opening of the second Barry's in Berlin (Sep 21)
- Since mid of June 21 all of our clubs have been operating, including the first Barry's in Frankfurt
- Industry-wide cooperation accelerated; a dozen of clubs were able to reopen for some weeks in Mar/Apr 21 before they had to close again
- Quick response with prepared measures (e.g. short-time work in all clubs, simplified compensation tools etc.)
- 2<sup>nd</sup> lockdown with nation-wide closures from Nov 20 onwards
- Re-Opening from May 20 onwards in some federal states with limitations and online booking mandatory
- Refurb in clubs accelerated (concierge project); engagement with industry associations and politics to discuss re-opening scenarios
- Augmented digital offering, Website & Social Media as central communication tool, club teams and part of head office in short-time work
- Governmental nation wide 1st lockdown with gym closures in Germany from mid of March 2020

## Google Mobility Report Germany

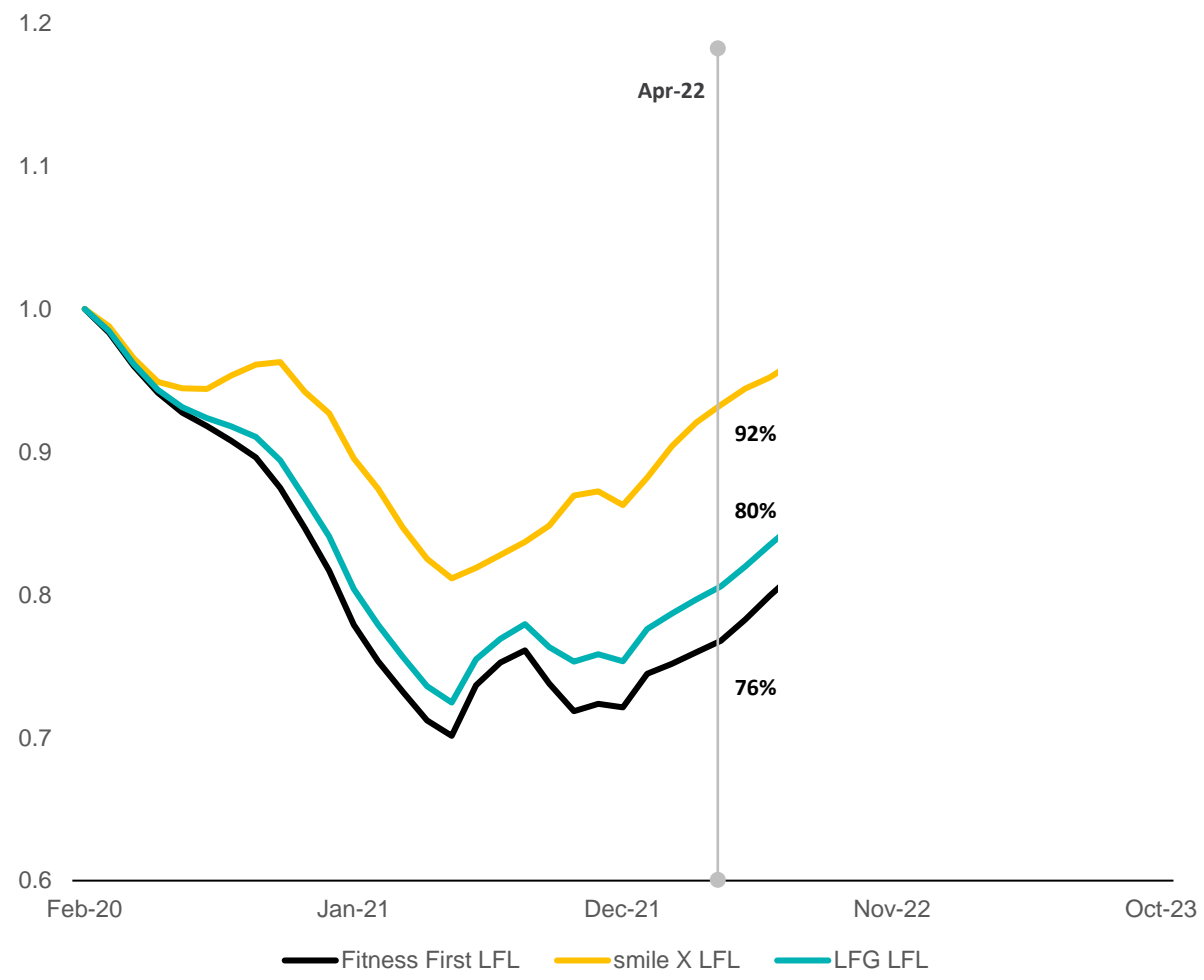


<https://www.google.com/covid19/mobility/>

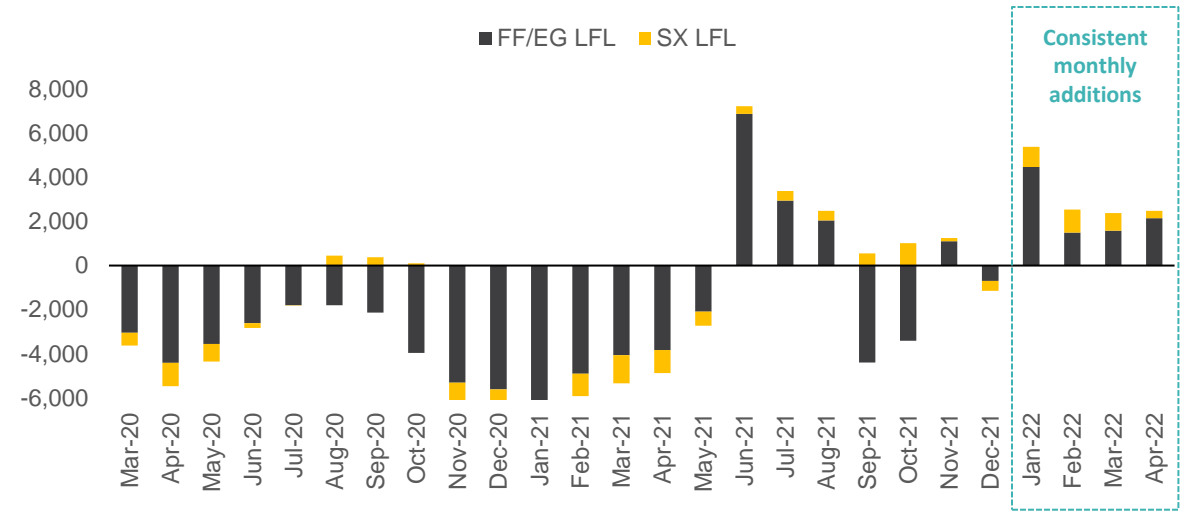
The mobility reports are therefore intended to provide information on what has changed as a result of the schemes to address the Corona crisis. The reports present movement trends in chart form, broken down by geographical regions and categories of place - for example, retail and leisure, convenience stores, parks, stations and stops, places of work and places of residence.



## Member base development (indexed)



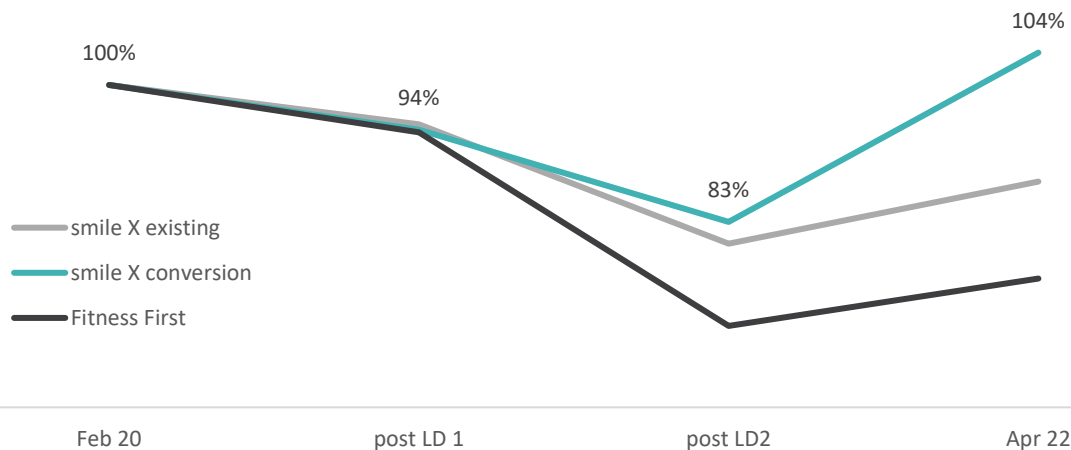
## Monthly net member movement (Mar-20 to Apr-22)



## Commentary

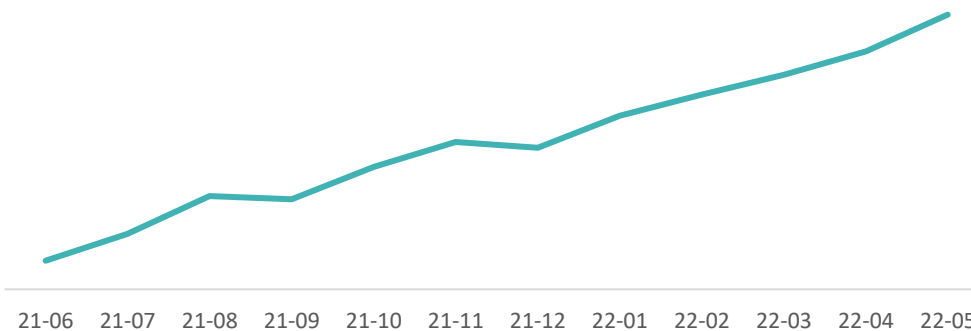
- Healthy recovery underway in all market segments, FSBP outperforming by volume, but premium was able to increase prices
- The FSBP segment was less hit by member losses, bottoming out at 18% of pre-Covid levels, and has recovered significantly faster than the rest of the Group, with full recovery in members expected already during the autumn of 2022
- Compared to its peak in Feb-20, the Group's membership base had shrunk by 28% gaining 8%
- International insight supports the LFG strategy whereby rebound in cites/CBDs happens across all market segments but outside Discount & FSBP rebounding faster & stronger (exception UK with all market segments rebounding equally also outside)
- Because of higher pricing compared to pre-covid across all segments a full revenue recovery will be achieved prior to a full recovery of member numbers

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

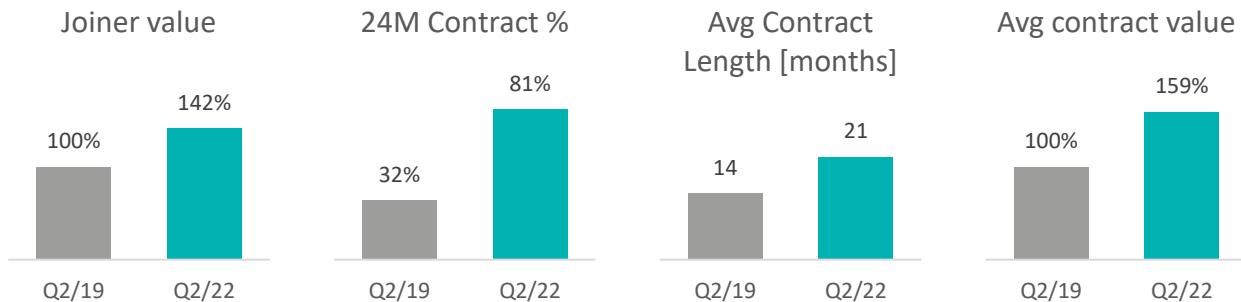


## Aggregator income shows ~10-15% month-by-month growth

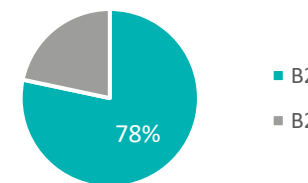
12M Aggregator income run-rate in EURm



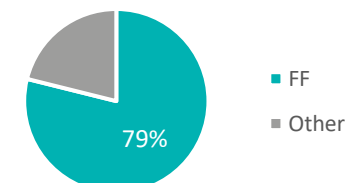
## ... while best practice approach at FF clubs with first successful KPIs



By Type



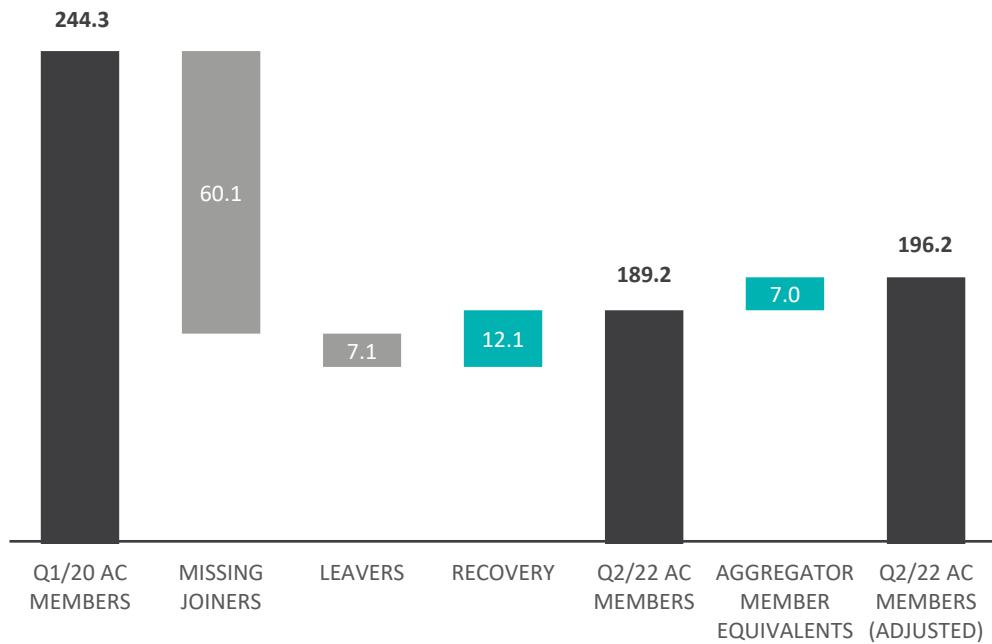
By Brand



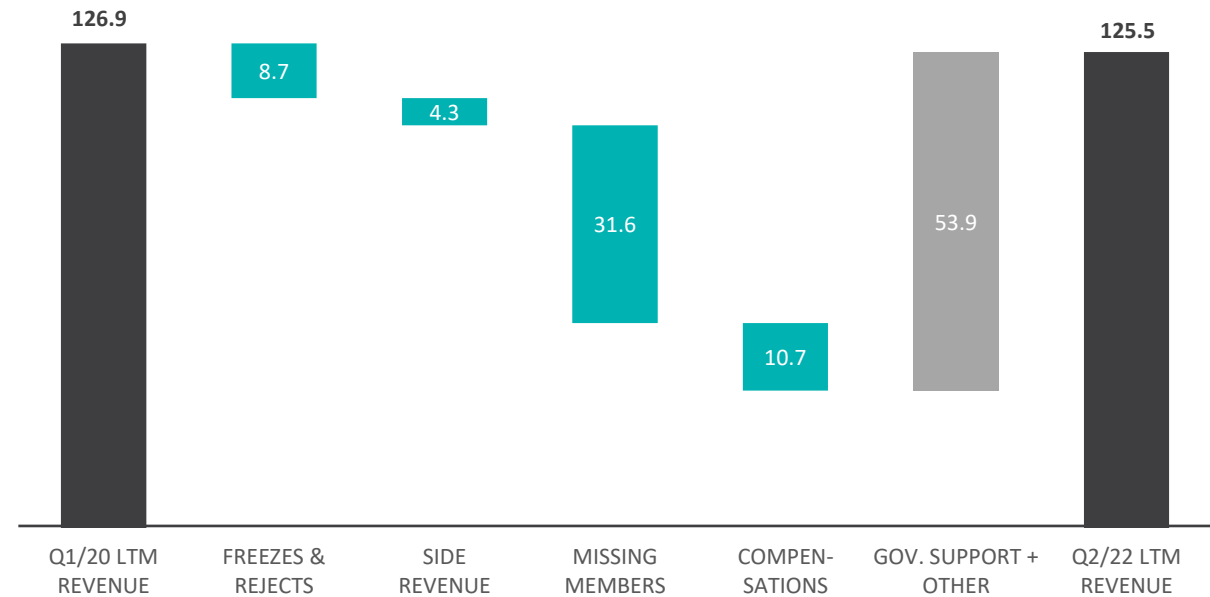
PEOPLE	PORTFOLIO	PRODUCT & MEMBER EXPERIENCE	PRICE & MARKETING	PROCESSES & COMMERCIAL MANAGEMENT
<ul style="list-style-type: none"> <li>Club teams reduced to a highly motivated core team (partly still furloughed or support customer service)</li> <li>Regional training camps before reopening to secure best-in class operating processes</li> <li>Driver based employment model based on customer journey</li> <li>Kept moral up at support center (NPS of 32+) despite short-time work and other covid impacts</li> </ul>	<ul style="list-style-type: none"> <li>Engage with LLs to reduce rent payments and find long term win-win solutions</li> <li>In club digital supported group classes roll out</li> <li>Members acknowledge investment of EUR 10m+ in our facility and equipment</li> <li>Expansion opportunities to support growth strategy increase</li> <li><b>Attractive M&amp;A transactions in preparation and strong pipeline available – In Shape executed (May 22)</b></li> <li><b>Review club portfolio to optimise offering, pricing and cost base – FF repositioning (Mar 22)</b></li> </ul>	<ul style="list-style-type: none"> <li>Ensure simple and fast compensation of lockdown membership dues</li> <li>Training slot approach ensuring 100% availability has proven to be a success</li> <li>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</li> <li>Member feedback about in club experience result in a NPS of 62+</li> </ul>	<ul style="list-style-type: none"> <li>Website as central tool for communication with social media channels feeding traffic</li> <li>Flexibility and safety standards are more important to customers than price</li> <li>Quadrupling to 80%+ online joiners including in-club digital joining (via tablet)</li> <li>Increased member satisfaction after reopening with google ratings improved by 10%+</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity management continues to be the key focus</li> <li>Prepare quantification and analysis for different rebound and further lockdown scenarios</li> <li>Take actions based on financial forecast with landlords, governmental support, members handling, overall cost base</li> <li><b>Governmental support programmes successfully launched resulting in EUR 53m+ payout (99% of framework)</b></li> <li>Initiate programs to mitigate impacts from increased inflation / energy costs</li> </ul>

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

## Members shortfall driven by joiners

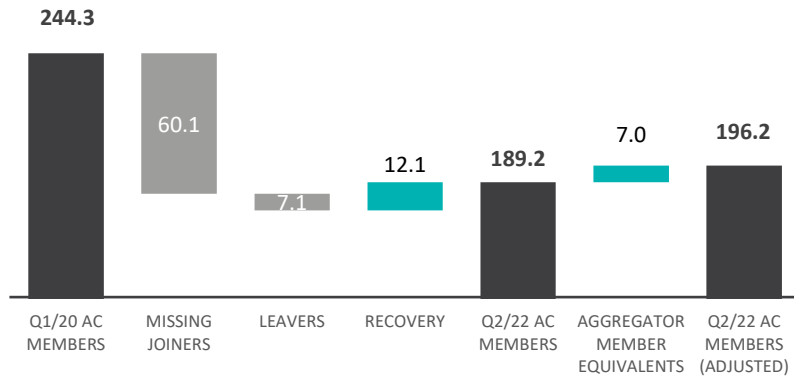


## Revenue impacted by covid-19 lockdowns and related compensations



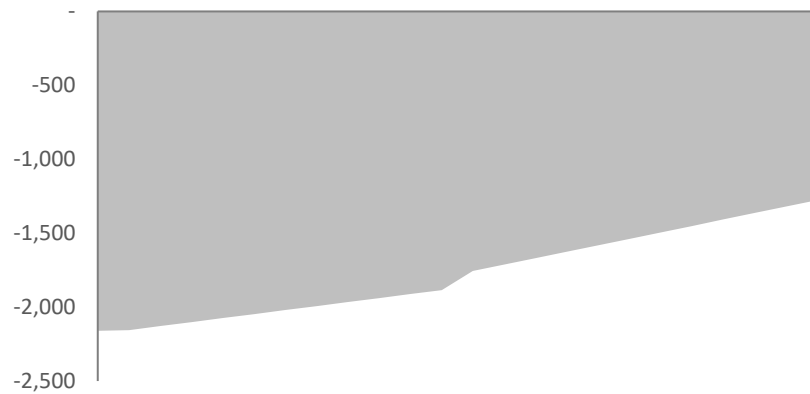
Governmental support so far includes EUR 53.0m out of various programs.

## Member shortfall driven by joiners...



## ...will impact future revenues...

Estimated impact from missing members on next 24 months revenue in kEUR b/f revenue initiatives/rebound (65k members on 28% attrition)



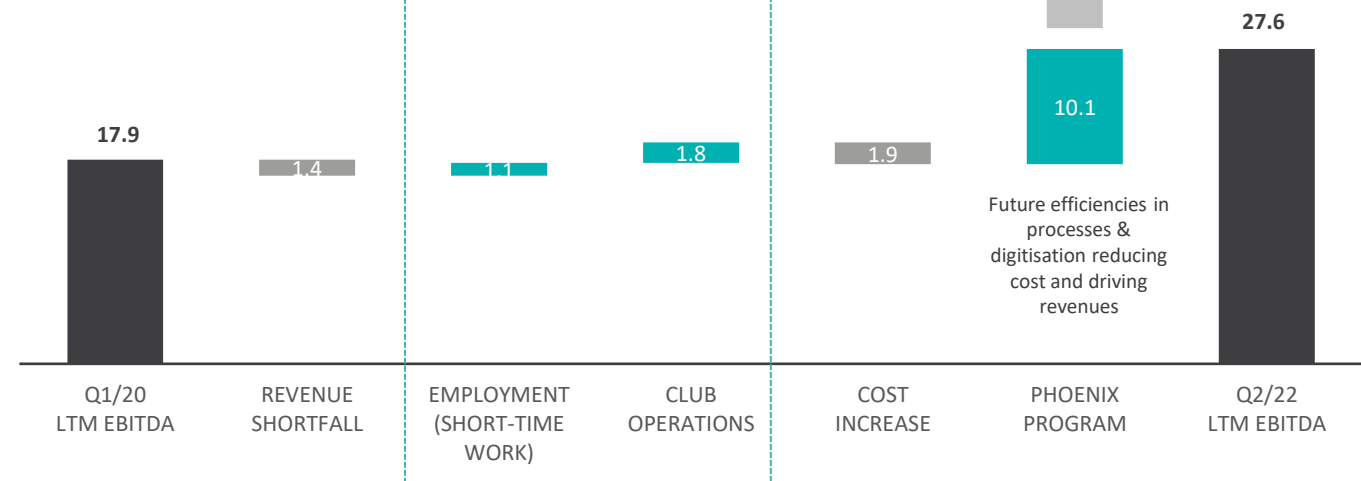
## ...and need for business transformation

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

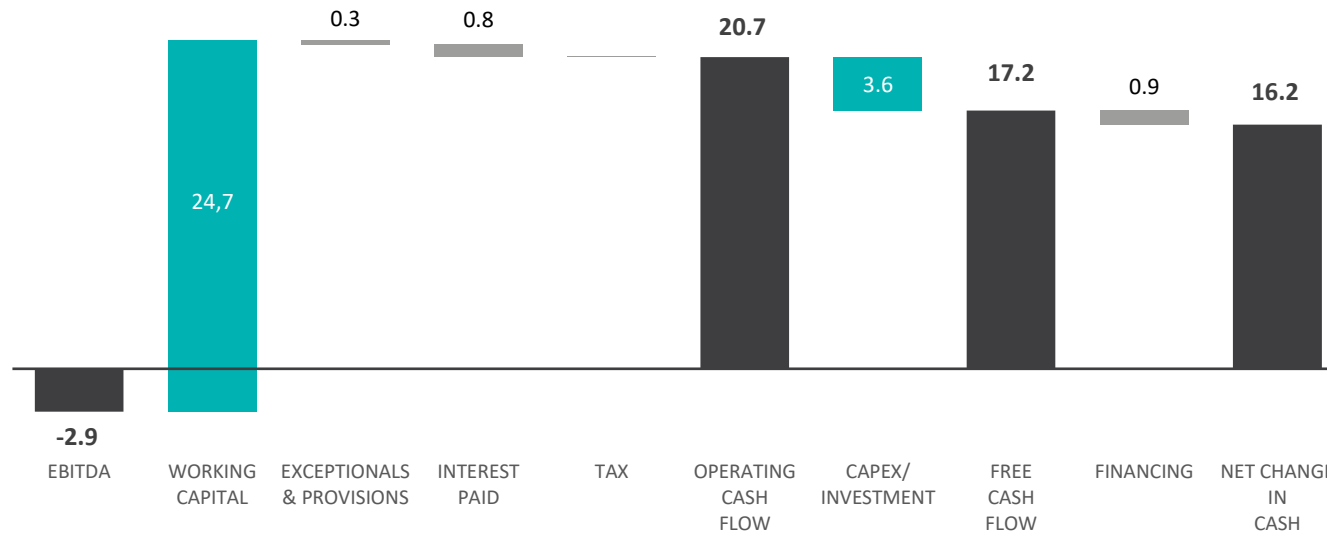


PEOPLE	PORTFOLIO	PRODUCT & MEMBER EXPERIENCE	PRICE & MARKETING	PROCESSES & FINANCES
Club team reduction @ FF	Leases 2.0	Enhance studio & club lighting @ 1.5m	Sales Teala	Brand benchmarking driving efficiency & revenues
Inhouse daytime cleaning @ FF	Postpone boutique brands	Future digital & other offerings/ 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	Inrequent user focus	Chatbot	Additional Risks/Opportunities
		Retail simplified	Compensation options	

### LOCKDOWN PERIOD

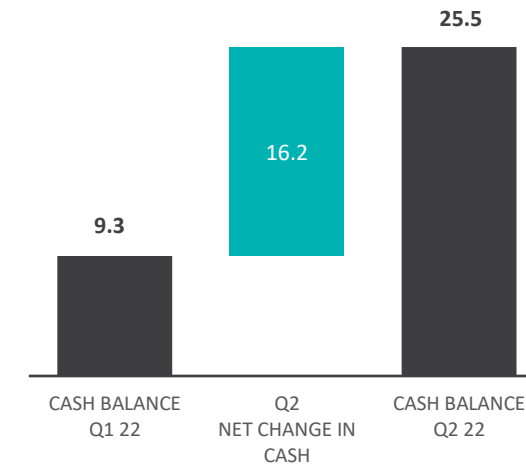


## Net Change in Cash in Q2 / FY2022 (EURm)



- Q2/22 EBITDA includes EUR 2.5m positive impact out of favourable governmental support package
- Working capital includes governmental support payment of EUR 28.6m in Feb 22 (vs. receivable recorded in Oct 21)
- Capex is characterised by investment in digital and improved offerings to support the membership recovery and payments for the new elbgym club in Hamburg.
- Exceptionals and provisions primary refer to onerous lease and club closure costs

## Liquidity position (EURm)



- While permanently declining number of members and increasing freezes during lockdown drive underlying revenues and EBITDA down, governmental support programs help to strengthen the cash position
- Continuous liquidity management and successful application in the governmental support programs results in more than EUR 25.5m cash balance per end of Apr 22



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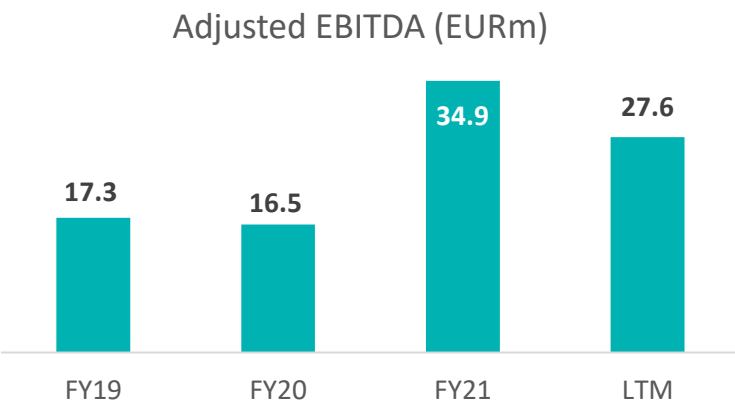
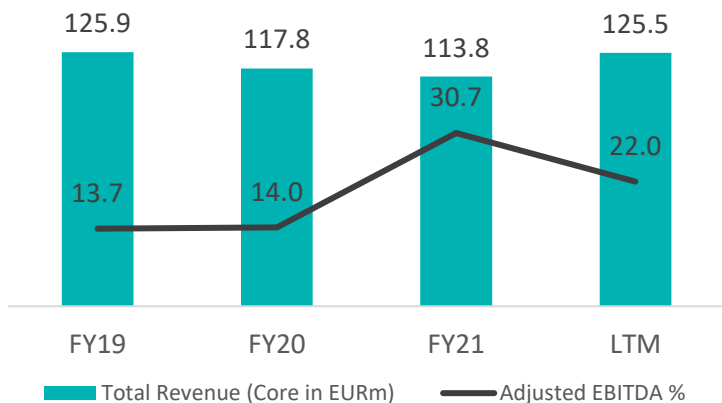
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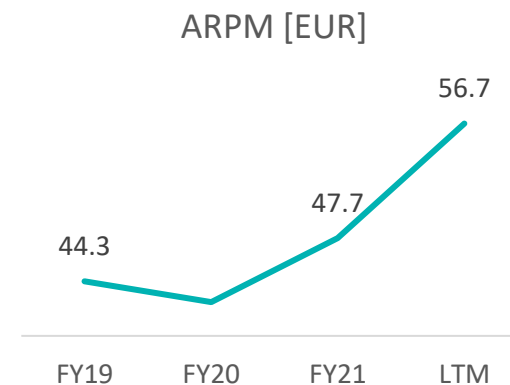
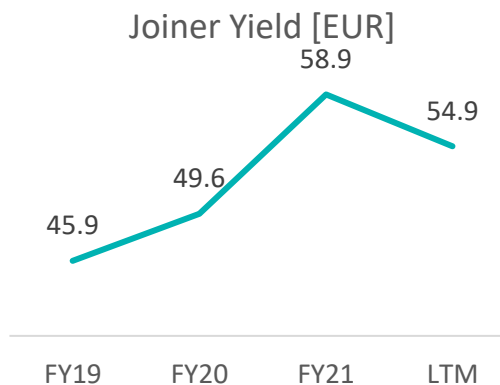
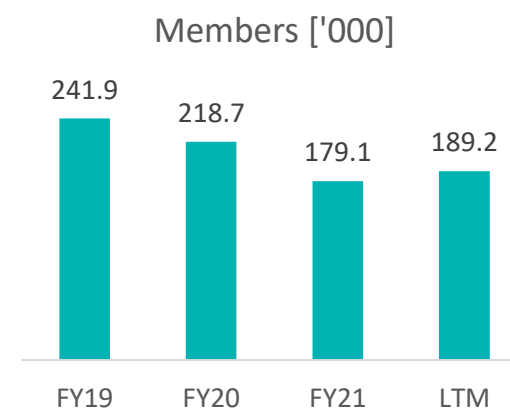
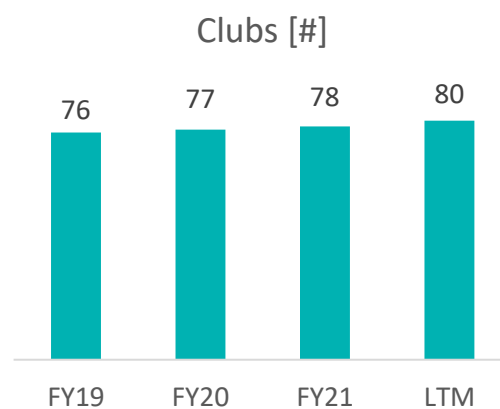
**APPENDIX**

# LIFEFIT GROUP PRO FORMA AT A GLANCE (CORE BUSINESS<sup>1</sup>)

## Pro forma key financials



## Key performance indicators



Joiner Yield for the group benefits from shifted mix towards Fitness First and more short-term contracts (both as a result of a 40 day trial period offer)

As expected FY20 is affected by compensations and missing side revenues (due to covid-19 club closures), LTM significantly benefit from governmental support



# LIFEFIT GROUP PRO FORMA HISTORICAL PERFORMANCE (CORE BUSINESS)

Key Financials						Key Performance Indicators					
EURm	FY19	FY20	FY21	LTM	Δ%		FY19	FY20	FY21	LTM	Δ%
	AC	AC	AC	AC			LTM-21	AC	AC	AC	
<b>Total Revenue</b>	<b>125.9</b>	<b>117.8</b>	<b>113.8</b>	<b>125.5</b>	<b>+10.3%</b>	<b># of Clubs<sup>1</sup></b>	<b>76</b>	<b>77</b>	<b>78</b>	<b>80</b>	
thereof: Fitness First	112.0	102.9	96.5	107.0		thereof: Fitness First	60	61	61	60	
elbgym	2.3	2.7	3.5	4.4		elbgym	3	3	4	7	
smile X	11.6	12.2	13.8	14.1		smile X	13	13	13	13	
<b>EBITDA</b>	<b>15.5</b>	<b>15.3</b>	<b>33.0</b>	<b>25.3</b>	<b>-23.4%</b>	<b>Members ['000]</b>	<b>241.9</b>	<b>218.7</b>	<b>179.1</b>	<b>189.2</b>	<b>+5.6%</b>
thereof: Fitness First	11.2	10.8	25.2	18.8		thereof: Fitness First	206.4	183.9	147.8	155.9	
elbgym	-0.1	0.1	0.5	0.3		elbgym	3.3	3.6	4.0	5.0	
smile X	4.4	4.5	7.3	6.2		smile X	32.1	31.2	27.3	28.3	
<b>EBITDA margin [%]</b>	<b>12.4</b>	<b>13.0</b>	<b>29.0</b>	<b>20.2</b>	<b>-30.5%</b>	<b>Joiner Yield [EUR]</b>	<b>45.9</b>	<b>49.6</b>	<b>58.9</b>	<b>54.9</b>	<b>-6.9%</b>
thereof: Fitness First	10.0	10.5	26.1	17.6		thereof: Fitness First	47.9	52.2	61.1	56.8	
elbgym	-3.7	2.9	15.4	5.9		elbgym	71.4	72.1	63.5	68.5	
smile X	37.8	36.7	53.1	44.3		smile X	29.2	30.8	30.8	31.5	
<b>Adjustments</b>	<b>1.7</b>	<b>1.1</b>	<b>1.9</b>	<b>2.3</b>		<b>ARPM [EUR]</b>	<b>44.3</b>	<b>42.6</b>	<b>47.7</b>	<b>56.7</b>	<b>+18.9%</b>
thereof: Fitness First	1.7	1.1	1.9	2.3		thereof: Fitness First	45.9	44.0	48.5	58.5	
elbgym	0.1	0.0	0.0	0.0		elbgym	60.2	64.4	75.9	78.6	
smile X	0.0	0.0	0.0	0.0		smile X	31.8	32.1	39.3	42.6	
<b>Adjusted EBITDA</b>	<b>17.3</b>	<b>16.5</b>	<b>34.9</b>	<b>27.6</b>	<b>-20.8%</b>	<b>Retention %</b>	<b>73.4</b>	<b>70.4</b>	<b>52.2</b>	<b>52.8</b>	
thereof: Fitness First	12.9	11.9	27.0	21.2		thereof: Fitness First	72.6	69.6	49.2	49.6	
elbgym	0.0	0.1	0.5	0.3		elbgym	64.1	69.9	52.7	46.9	
smile X	4.4	4.5	7.3	6.2		smile X	80.3	75.7	69.9	71.9	
<b>Adj. EBITDA margin [%]</b>	<b>13.7</b>	<b>14.0</b>	<b>30.7</b>	<b>22.0</b>	<b>-28.2%</b>						
thereof: Fitness First	11.5	11.6	28.0	19.8							
elbgym	-0.2	2.9	15.4	5.9							
smile X	37.8	36.7	53.1	44.3							

- Club closures due to the covid-19 lockdown resulted in missing joiners and consequently lower membership base (more than 65k members less vs. Q1/20 post second lockdown), which already recovered by >20k members and will continue to increase in future months
- Corona crisis has impacted retention, the new joiners with 90%+ long-term contracts will reverse this trend
- Underlying revenue/ARPM is impacted by missing members, freezes, rejects/refunds as well as missing and decreased side revenues, but significantly benefits from governmental support
- IFRS15 impact out of deferred revenue from covid-19 compensation tools amounts to EUR 13.0m at the end of Apr 22 (LTM)
- LTM 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), future yield will slightly go down with focus on long-term contracts, contract value will clearly improve



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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 second quarter FY2022 refers to the period 1 February 2022 to 30 April 2022.
- Group legal structure see appendix

## 2 IFRS

- Application of IFRS 16 Leases leads
  - to the capitalization of right-of-use assets of EUR 104.6m and of lease liabilities of EUR 127.9m as of 30 April 2022
  - to a negative P/L-effect of EUR 7.1m 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 7.6m for the period from 1 Feb 2022 to 30 Apr 2022.

## 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 -8.7m and sales of EUR 22.6m.
- With EUR +16.2m the Cash Flow is positive in the quarter, Cash balance as of 30 April 2022 is EUR 25.5m.

## 4 Financial KPIs

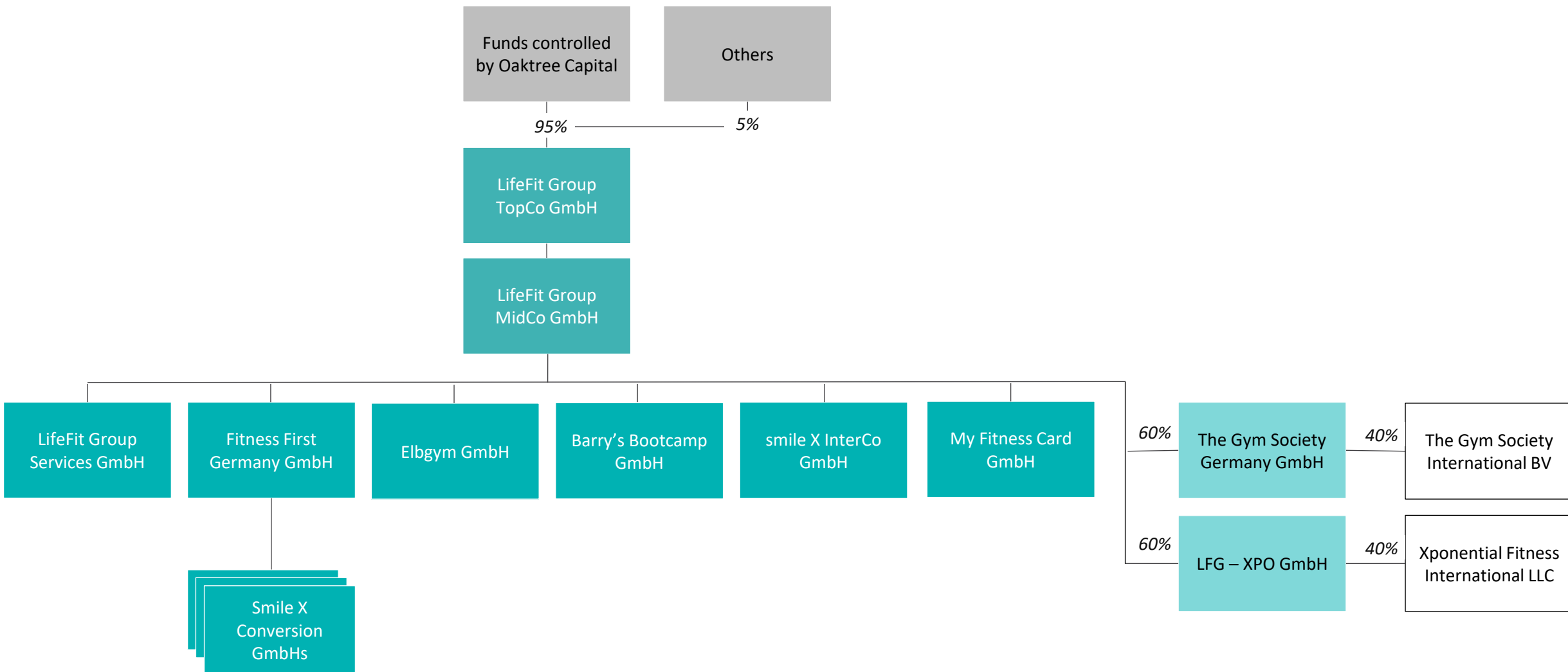
- LifeFit Group has updated its Financial KPIs in FY2019/20 in the course of IFRS 16 changes
- This mainly impacts Reported Adjusted EBITDA, which includes cash rents and excludes IAS 17 rent adjustments

## 5 Pro Forma

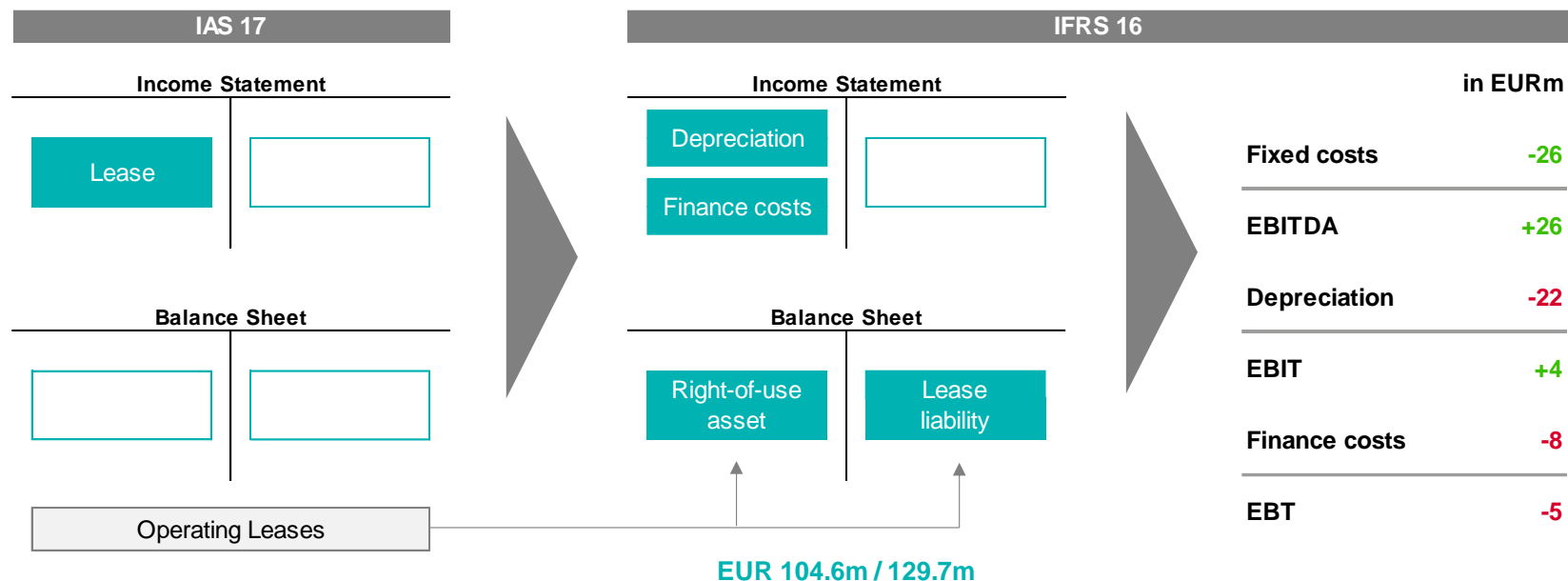
- Due to the short financial year of Lifefit Group MidCo for FY19 and FY20 and for a better understanding of the financial results of the whole group LifeFit Group presents pro forma f/s considering the 12 months period 1 November to 31 October and adjusted for IFRS 16 impacts
- Pro forma Total Revenue of the group was EUR 125.8m (EUR 125.5m in core business<sup>1</sup>)
- Pro forma adjusted EBITDA of the group amounts to EUR 27.6m (core business)

## 6 Outlook

- The quarterly interim unaudited report for Q3 FY2022 is planned to be published on 30 Sep 2022



## 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 30 April 2022 the group recognized the following right-of-use assets and lease liabilities
  - Buildings EUR 101.3m/126.7m
  - Other EUR 3.2m/3.0m
- 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 Apr-22 LTM (EUR 27.6m)	pre IFRS 16	under IFRS 16
Gross debt / PF EBITDA		1.9x	3.3x
Net debt / PF EBITDA		1.0x	2.9x

Gross debt based on EUR 40m senior secured bond, EUR 10m RCF and EUR 3.0m equipment finance leases (respectively EUR 129.7m lease liabilities under IFRS16), net debt reduced by EUR 25.5m cash at bank.

Key Financials

EURm	FY19	FY20	FY21	LTM
	AC	AC	AC	AC
<b>Total Revenue</b>	<b>133.9</b>	<b>121.0</b>	<b>114.6</b>	<b>125.8</b>
thereof: core	125.9	117.8	113.8	125.5
non-core	7.7	3.1	0.8	0.4
<b>EBITDA</b>	<b>14.8</b>	<b>15.2</b>	<b>32.6</b>	<b>24.6</b>
thereof: core	15.5	15.3	33.0	25.3
non-core	-0.7	-0.2	-0.5	-0.6
<b>EBITDA margin [%]</b>	<b>11.1</b>	<b>12.5</b>	<b>28.4</b>	<b>19.6</b>
thereof: core	12.4	13.0	29.0	20.2
non-core	-9.5	-5.5	-61.7	-172.6
<b>Adjustments</b>	<b>2.4</b>	<b>1.3</b>	<b>2.3</b>	<b>3.0</b>
thereof: core	1.7	1.1	1.9	2.3
non-core	0.7	0.2	0.5	0.6
<b>Adjusted EBITDA</b>	<b>17.2</b>	<b>16.5</b>	<b>34.9</b>	<b>27.6</b>
thereof: core	17.3	16.5	34.9	27.6
non-core	-0.1	0.0	0.0	0.0
<b>Adj. EBITDA margin [%]</b>	<b>12.9</b>	<b>13.6</b>	<b>30.5</b>	<b>21.9</b>
thereof: core	13.7	14.0	30.7	22.0
non-core	-0.8	0.0	0.0	-0.1

Key Performance Indicators

	FY19	FY20	FY21	LTM
	AC	AC	AC	AC
<b># of Clubs<sup>1</sup></b>	<b>82</b>	<b>80</b>	<b>77</b>	<b>80</b>
thereof: core	76	77	78	80
non-core	6	3	0	0
<b>Members ['000]</b>	<b>249.8</b>	<b>224.2</b>	<b>179.1</b>	<b>189.2</b>
thereof: core	241.9	218.7	179.1	189.2
non-core	7.9	5.5	0.0	0.0
<b>Joiner Yield [EUR]</b>	<b>45.8</b>	<b>49.4</b>	<b>58.9</b>	<b>54.9</b>
thereof: core	45.9	49.6	58.9	54.9
non-core	42.7	43.0	39.4	n/a
<b>ARPM [EUR]</b>	<b>44.2</b>	<b>42.5</b>	<b>47.4</b>	<b>56.8</b>
thereof: core	44.3	42.6	47.7	56.7
non-core	41.2	n/a	n/a	n/a
<b>Retention %</b>	<b>73.4</b>	<b>70.4</b>	<b>52.2</b>	<b>52.8</b>
thereof: core	73.4	70.4	52.2	52.8
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 -7.3m (from FY19 to Apr-22 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 lockdowns and the related impacts

Segment	Item	Comment	LTM Apr-22
<b>Pro forma LTM Group EBITDA</b>			<b>24.618</b>
FFG/LFG	Barrys set up/ramp-up	transaction/formation expenses and ramp-up losses	1.864
FFG/LFG	Divestment clubs & discontinued	refers to four clubs in reporting period	630
FFG/LFG	Ramp-up losses	One club to become EBITDA positive	348
FFG/LFG	New Business Development	HO employment costs related to new business development (Franchise, XPO)	123
<b>Total Adjustments</b>			<b>2.965</b>
<b>Adjusted PF LTM Group EBITDA</b>			<b>27.582</b>

## Consolidated Statement of Comprehensive Income

LifeFit	Q2/22	Q2		YTD	YTD
(Unaudited)	01.02.22 -	01.02.21 -		01.11.21 -	01.11.20 -
	30.04.22	30.04.21	change	30.04.22	30.04.21
	EUR k	EUR k	EUR k	EUR k	EUR k
Revenue	22.556	12.761	9.795	42.844	32.208
Other operating income	2.715	2.295	420	3.156	2.556
Cost of materials	-2.800	-245	-2.555	-4.461	-344
Personnel expenses	-8.093	-4.929	-3.164	-15.833	-9.739
Other operating expenses	-11.497	-6.200	-5.298	-22.705	-15.501
Amortization and depreciation	-8.052	-9.018	966	-16.056	-17.756
<b>Operating profit or loss</b>	<b>-5.171</b>	<b>-5.336</b>	<b>164</b>	<b>-13.055</b>	<b>-8.576</b>
Income from at equity investments	-37	-26	-11	-101	-50
Finance income	16	0	16	32	0
Finance costs	-3.637	-3.706	69	-7.433	-7.620
<b>Financial result</b>	<b>-3.621</b>	<b>-3.706</b>	<b>85</b>	<b>-7.401</b>	<b>-7.620</b>
<b>Profit or loss for the period before taxes</b>	<b>-8.829</b>	<b>-9.016</b>	<b>186</b>	<b>-20.557</b>	<b>-16.246</b>
Income taxes	120	123	-3	294	235
<b>Profit or loss for the period</b>	<b>-8.710</b>	<b>-8.893</b>	<b>183</b>	<b>-20.263</b>	<b>-16.011</b>

## Consolidated Cash Flow Statement

LifeFit	Q2/22	Q2/21		YTD	YTD
(Unaudited)	01.02.22 -	01.02.21 -		01.11.21 -	01.11.20 -
	30.04.22	30.04.21	change	30.04.22	30.04.21
	EUR k	EUR k	EUR k	EUR k	EUR k
Operating cash flow	26.521	3.019	23.502	25.664	7.739
Investment cash flow	-3.572	-1.238	-2.334	-8.686	-5.224
Financing cash flow	-6.726	-5.103	-1.623	-14.566	-11.116
<b>Cash flow for the period</b>	<b>16.223</b>	<b>-3.322</b>	<b>19.545</b>	<b>2.412</b>	<b>-8.601</b>
Beginning cash	9.229	17.272		23.040	22.551
<b>Closing cash</b>	<b>25.452</b>	<b>13.949</b>		<b>25.452</b>	<b>13.950</b>

## Consolidated Balance Sheet

LifeFit	30 April	31 October
(Unaudited)	2022	2021
<b>Non-current assets</b>		
Intangible assets	33.365	33.805
Property, plant and equipment	37.696	37.692
Right-of-use-assets	104.574	115.267
Investments / Joint venture	0	1
	177.195	188.440
<b>Current assets</b>		
Inventories	639	865
Trade receivables	725	400
Receivables from affiliated companies	314	602
Current income tax assets	59	396
Other non-financial assets	4.514	30.155
Cash and cash equivalents	25.452	23.040
	31.702	55.459
<b>TOTAL ASSETS</b>	<b>208.896</b>	<b>243.899</b>
<b>Equity</b>	<b>-42.785</b>	<b>-22.522</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities	38.935	38.935
Shareholder debt	39.886	38.097
Other non-financial liabilities	7.124	7.828
Other financial liabilities	917	1.807
Other provisions	3.448	2.478
Lease liabilities	109.523	119.914
Deferred tax liabilities	3.020	3.020
	202.853	212.079
<b>Current liabilities</b>		
Financial liabilities	10.188	10.113
Trade payables	8.573	15.128
Other non-financial liabilities	8.338	8.200
Other financial liabilities	75	2
Other provisions	1.361	601
Lease liabilities	20.194	20.119
Income tax liabilities	98	181
	48.827	54.342
<b>TOTAL LIABILITIES</b>	<b>251.681</b>	<b>266.421</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>208.896</b>	<b>243.899</b>

- In total, the consolidated equity of the group is negative. The equity position of the group has no legal impact. With aprox. EUR 65.0m the equity of LifeFit Group MidCo GmbH is positive. If the shareholder debt of EUR 39.9m were classified as equity, the consolidated equity of the group would amount to EUR -2.6m.
- Besides the accumulated losses until 30 April 2022 the negative consolidated equity of the group results from the difference of the purchase price of the acquisition of shares in Fitness First Germany GmbH, Elbgym GmbH and Barry's Bootcamp GmbH by LifeFit Group MidCo GmbH and Fitness First Germany GmbH's book value of net assets. The transaction had to be accounted for as a "transaction under common control" and no hidden reserves of Fitness First Germany GmbH, such as brand name, customer contracts or goodwill were considered. Had the transaction happened under third parties, the consolidated equity of the group would be substantially positive.

Equity as reported	-42,8
pro forma classification Shareholder Loan as Equity	+39,9
<b>pro forma Equity</b>	<b>-2,9</b>



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

	Apr-22 LTM			Q2/FY2022			Q2/FY2022
	AC pre IFRS16	Impact of IFRS16	AC under IFRS16	AC pre IFRS16	Impact IFRS16	AC under IFRS16	AC IFRS16
EURm							
<b>KPIs</b>							
# of Clubs <sup>1</sup>	80			80			
Members ['000]	189,2			189,2			
Joiner Yield [EUR]	54,9			47,8			
ARPM [EUR]	56,8			45,9			
Retention % (annualised)	52,8			52,8			
<b>Profit/Loss</b>							
Revenue	125,8			25,7			25,7
EBITDA <sup>2</sup>	24,6	26,3	50,9	-2,9	6,2	3,4	2,9
- Adjustments	3,0			0,6			
<b>Adjusted EBITDA</b>	<b>27,6</b>			<b>-2,3</b>			
Depreciation & amortisation	-12,0	-22,0	-34,0	-2,8	-5,3	-8,1	-8,1
Exceptionals/One-off charges	-1,3			-0,5			
<b>Operating Profit/Loss</b>	<b>11,3</b>		<b>15,6</b>	<b>-6,2</b>		<b>-5,2</b>	<b>-5,2</b>
Income from at equity investments	-0,3			0,0			0,0
Total Finance costs	-7,4	-8,2	-15,6	-1,8	-1,9	-3,6	-3,6
Total Tax	-2,5			0,1			0,1
<b>Net Profit/Loss</b>	<b>1,1</b>		<b>-2,7</b>	<b>-7,8</b>		<b>-8,7</b>	<b>-8,7</b>
<b>Cash Flow</b>							
EBITDA <sup>2</sup>	24,6			-2,9			
Working capital	8,1			24,7			
Exceptionals & provisions	-2,5			-0,3			
Interest paid	-3,3			-0,8			
Tax	0,0			0,0			
<b>OPERATING CASH FLOW</b>	<b>27,0</b>			<b>20,7</b>	<b>5,8</b>	<b>26,5</b>	<b>26,5</b>
Cash flow from investing activities	-11,6			-3,6	0,0	-3,6	-3,6
<b>FREE CASH FLOW</b>	<b>15,4</b>			<b>17,2</b>		<b>22,9</b>	<b>22,9</b>
Cash flow from financing activities	-3,8			-0,9	-5,8	-6,7	-6,7
<b>NET CASH FLOW</b>	<b>11,6</b>			<b>16,2</b>		<b>16,2</b>	<b>16,2</b>

**Notes**

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

## Pro forma Financials by Segment

EURm	Apr-22 LTM				Q2/FY2022			
	LifeFit Group	Fitness First	elbgym	smileX	LifeFit Group	Fitness First	elbgym	smileX
<b>KPIs</b>								
# of Clubs <sup>1</sup>	80	60	7	13	80	60	7	13
Members ['000]	189,2	155,9	5,0	28,3	189,2	155,9	5,0	28,3
Joiner Yield [EUR]	54,9	56,8	68,5	31,5	47,8	48,9	72,0	32,9
ARPM [EUR]	56,8	58,7	78,6	42,6	45,9	47,3	71,7	33,2
Retention % (annualised)	52,8	49,6	46,9	71,9	52,8	49,6	46,9	71,9
<b>Profit/Loss</b>								
Revenue	125,8	107,4	4,4	14,1	25,7	21,9	1,0	2,8
EBITDA <sup>2</sup>	24,6	18,1	0,3	6,2	-2,9	-3,2	-0,2	0,5
- Adjustments	3,0	3,0	0,0	0,0	0,6	0,6	0,0	0,0
<b>Adjusted EBITDA</b>	<b>27,6</b>	<b>21,1</b>	<b>0,3</b>	<b>6,2</b>	<b>-2,3</b>	<b>-2,6</b>	<b>-0,2</b>	<b>0,5</b>
Depreciation & amortisation	-12,0	-9,2	-0,4	-2,4	-2,8	-2,1	-0,1	-0,6
Exceptionals/One-off charges	-1,3	-1,1	-0,2	0,0	-0,5	-0,5	0,0	0,0
<b>Operating Profit/Loss</b>	<b>11,3</b>	<b>7,8</b>	<b>-0,3</b>	<b>3,8</b>	<b>-6,2</b>	<b>-5,7</b>	<b>-0,3</b>	<b>-0,1</b>
Income from at equity investments	-0,3	-0,3	0,0	0,0	0,0	0,0	0,0	0,0
Total Finance costs	-7,4	-7,4	0,0	0,0	-1,8	-1,8	0,0	0,0
Total Tax	-2,5	-2,7	0,1	0,1	0,1	0,0	0,0	0,1
<b>Net Profit/Loss</b>	<b>1,1</b>	<b>-2,5</b>	<b>-0,3</b>	<b>4,0</b>	<b>-7,8</b>	<b>-7,5</b>	<b>-0,3</b>	<b>0,0</b>
<b>Cash Flow</b>								
EBITDA <sup>2</sup>	24,6	18,1	0,3	6,2	-2,9	-3,2	-0,2	0,5
Working capital	8,1	10,9	-0,1	-2,7	24,7	24,5	0,2	0,0
Exceptionals & provisions	-2,5	-2,3	-0,1	0,0	-0,3	-0,3	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
<b>OPERATING CASH FLOW</b>	<b>27,0</b>	<b>23,4</b>	<b>0,0</b>	<b>3,6</b>	<b>20,7</b>	<b>20,2</b>	<b>0,0</b>	<b>0,5</b>
Cash flow from investing activities	-11,6	-8,5	-2,8	-0,4	-3,6	-3,2	-0,4	0,0
<b>FREE CASH FLOW</b>	<b>15,4</b>	<b>15,0</b>	<b>-2,8</b>	<b>3,2</b>	<b>17,2</b>	<b>17,1</b>	<b>-0,4</b>	<b>0,5</b>
Cash flow from financing activities	-3,8	-3,4	-0,2	-0,3	-0,9	-0,9	0,0	0,0
<b>NET CASH FLOW</b>	<b>11,6</b>	<b>11,6</b>	<b>-2,9</b>	<b>2,9</b>	<b>16,2</b>	<b>16,2</b>	<b>-0,4</b>	<b>0,5</b>

**Notes**

- <sup>1</sup> excluding franchise clubs
- <sup>2</sup> 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