



lifefit | group





LifeFit Group

Q3/FY2022 - QUARTERLY INTERIM UNAUDITED REPORT

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Sep
2022



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 are improving with membership (equivalent) increasing to 219k in Q3/22 (pre-covid 262k members, low point at 190k)
- Initially market share (joiners) was gained focusing on short-term memberships month-by-month; meanwhile shift towards long-term contracts achieved (80%+) which increases confidence of operational recovery

2

LTM Revenue EUR 134.6m + 12.0% vs FY21

- Total revenues have started to recover driven by consistent monthly membership growth (+4.8k in Q3) and aggregator income (+2.0k member equivalent) plus reduced rejects and refunds
- Aggregator income continuously improves with month-by-month growth rates at ~10% since reopening
- Successful increase of existing member pricing results in EUR +400k add. revenue run-rate from Sep 22 onwards
- LTM revenues clearly benefit from governmental support packages (EUR 41.8m) to mitigate the covid impacts

3

LTM EBITDA adj. EUR 21.0m - 39.9% vs FY21 Margin 15.6% - 13.5ppt vs FY21

- LTM Adjusted EBITDA is affected by above mentioned revenue impacts out of the covid-19 club closures
- 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
- Initiated cost actions over the last months (esp. reduced electricity consumption) were able to mitigate energy and other cost increase in the short term

4

Q3/FY22 Net Cash Flow EUR -15.0m Cash at Bank EUR 10.4m

- Q3/FY22 Net cash flow is characterised by the acquisition of In Shape (EUR 4.5m) and repositioning investment program at Fitness First RED (EUR 2.8m)
- Post acquisition of In Shape, continued solid cash position of more than EUR 10.4m in Jul 22









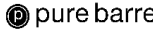


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Covid-19 creates opportunities

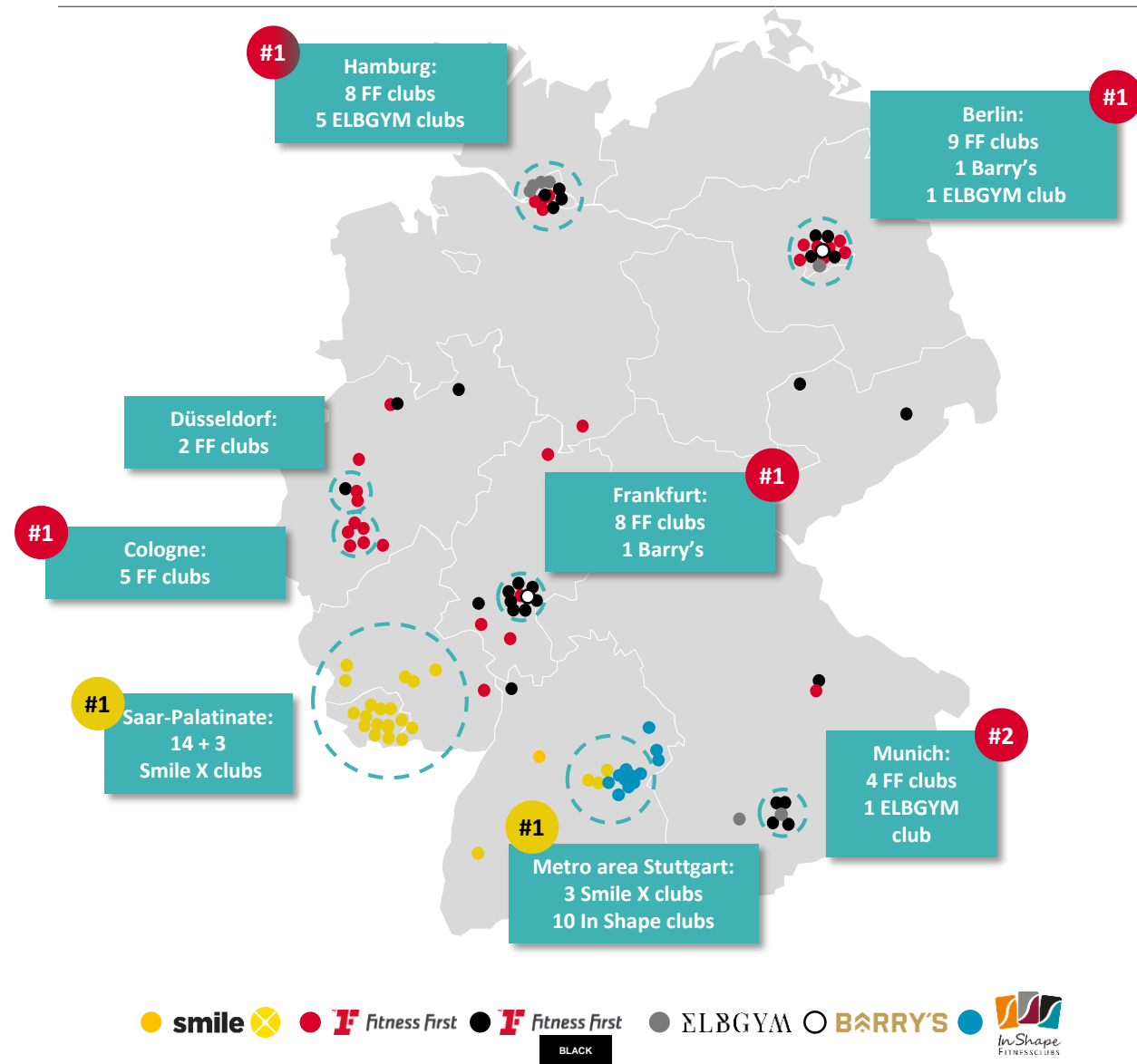
- Fitness First reposition out of mid-market in Full Service Best Price (FSBP; 24x) and Premium (28x) improving product offering based on target market, adjusting price (-20% / +10%) and reduce employment costs (FSBP)
- LifeFit Group has acquired the 13 club strong network In Shape in the south-west of Germany in May 22, which will strengthen the metro area Stuttgart and will create more opportunities in that region
- Further attractive M&A transactions in preparation and strong pipeline available

KEY FIGURES ¹	Q3 2022	CHANGE VS. Q3 2021
TOTAL REVENUE	27.4m	+1.2%
ADJ. EBITDA BEFORE IFRS 16	-3.4m	n/a
ADJ. EBITDA BEFORE IFRS 16 MARGIN	-12.6%	n/a
CASH AT BANK	10.4m	-10.1m

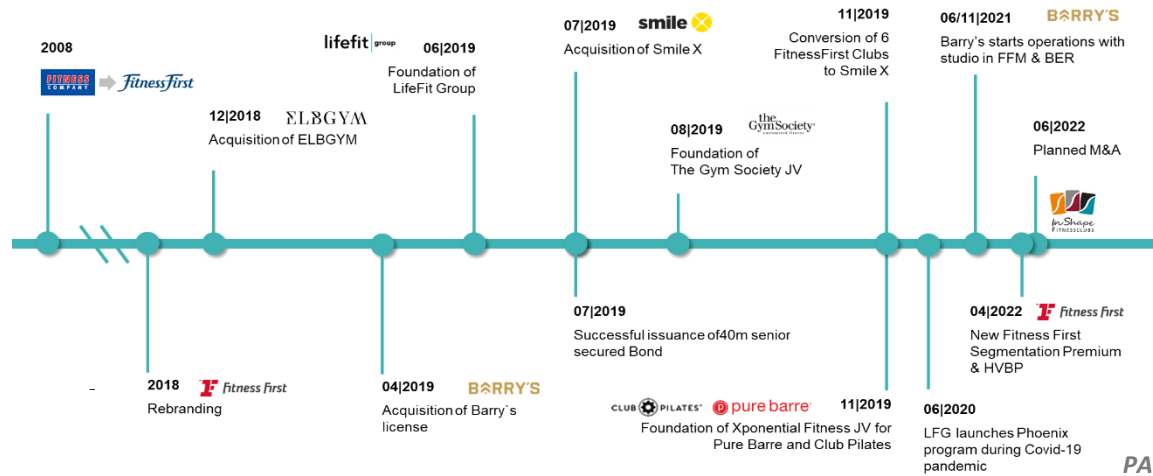
LEVERAGE RATIOS	pre IFRS 16	under IFRS 16
GROSS DEBT/ PF EBITDA	2.5x	3.7x
NET DEBT/ PF EBITDA	2.0x	3.5x

Segment/Price	Discount	Full Service Best Price	Mid-market	Premium	Micro/Boutique	
		 24 clubs		 28 clubs	 2 studios (Berlin & Frankfurt)	
		 19 clubs & 3 franchise		 7 clubs & 1 franchise	In addition: Master-Franchise rights for best in class US boutique brands to be utilised 2022+	
		 11 clubs		 2 clubs	 	
						
93 + 4 operating	0	54 & 3	0	37 & 1	2	
# of Members		125.000+		100.000+	Pay as you go	
Normalised EBITDA allocation		52%		47%	1%	
Description		<ul style="list-style-type: none">▪ Fitness First with strong nationwide awareness (regional strongholds and metropolitan clubs) offering a best in class product range at local best price▪ smile X as the leading value fitness chain in the Saar-Palatinate region with focus on offering customers high value for money▪ In Shape as local champion between Stuttgart and Ulm offering customized FSBP training and health concepts		<ul style="list-style-type: none">▪ Fitness First Black as #1 premium health and fitness club operator in Germany with strong nationwide brand awareness▪ elbgym as premium chain in Hamburg, Berlin and Munich offering performance focused training incl. cross-fit▪ In Shape with two high-end clubs around Stuttgart offering wellness and full service		<ul style="list-style-type: none">▪ Barry's as US-based pioneer of indoor high-intensity interval training combining cardio and strength▪ US-based leading boutique brands in pilates and barre with 1.000+ studios▪ The Gym Society offers personalized, digitally supported workouts

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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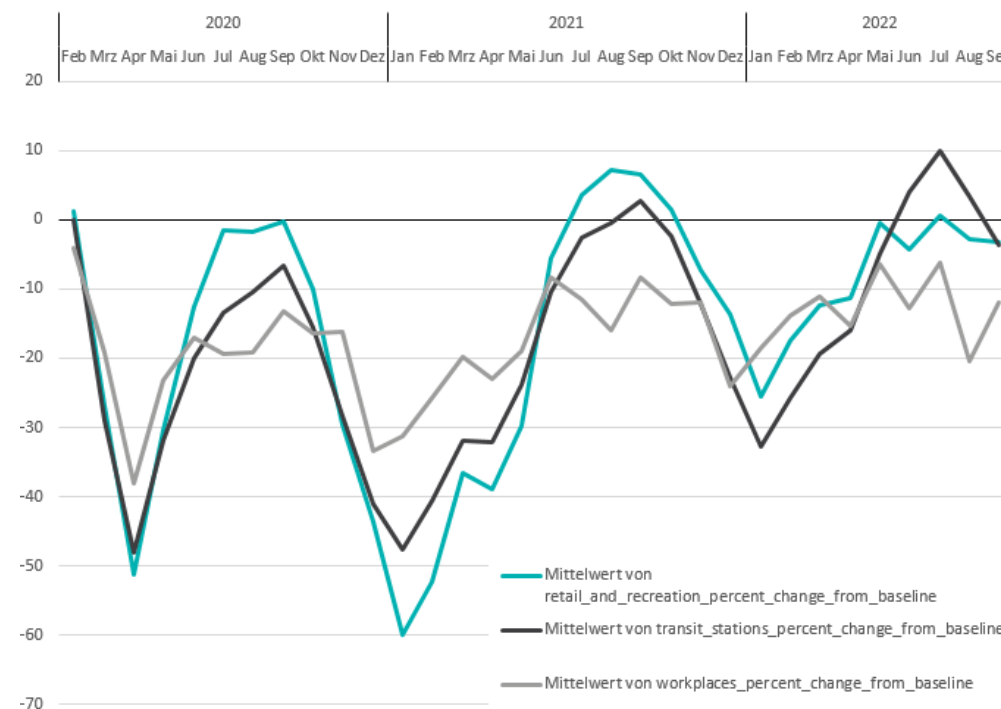
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Timeline

- 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.)
- 2nd 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

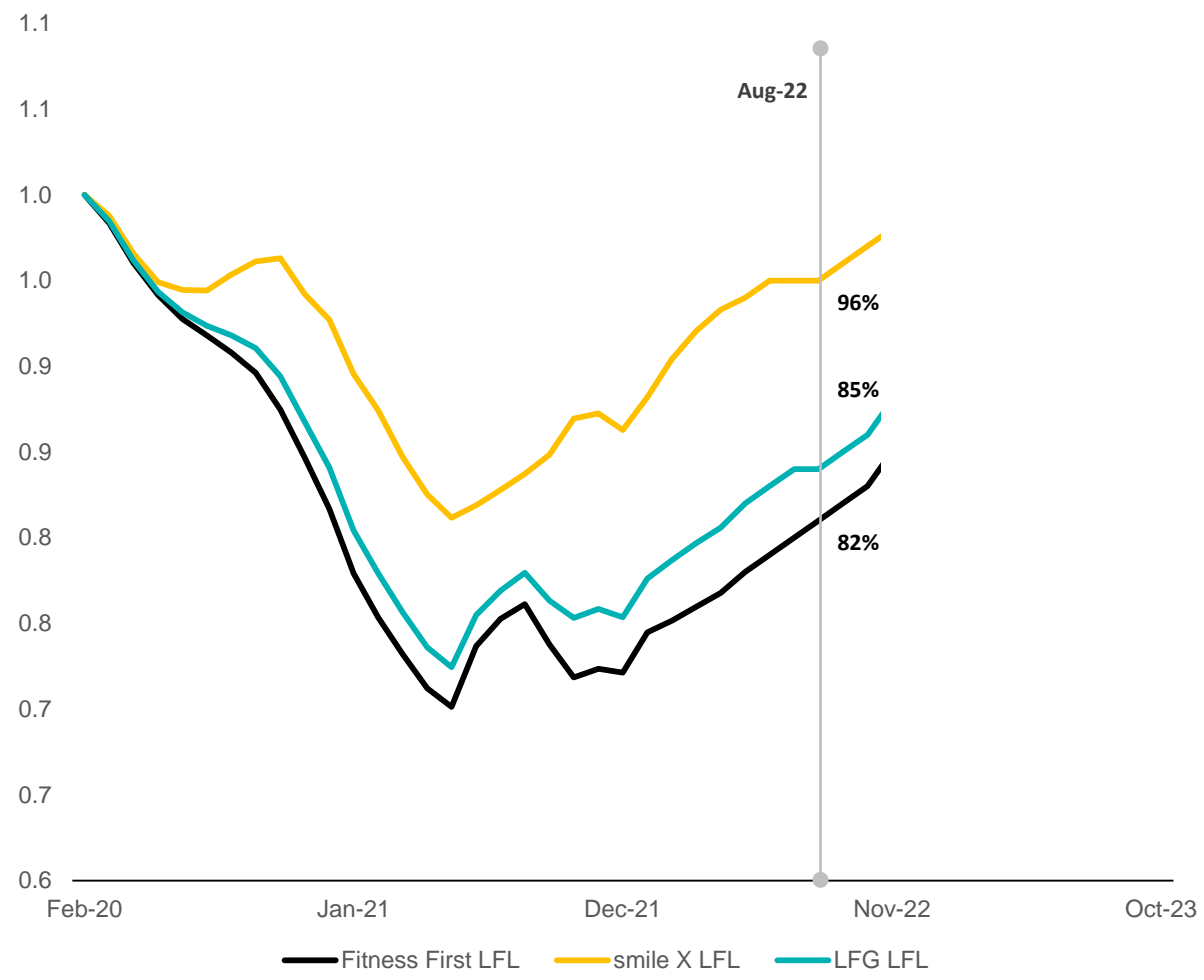
Google Mobility Report Germany



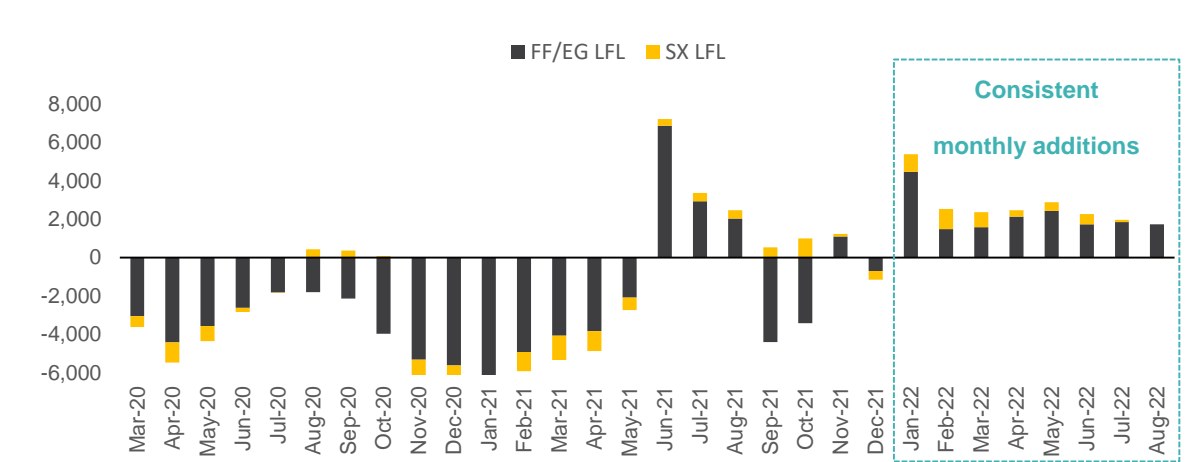
<https://www.google.com/covid19/mobility/>

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 Jul-22)

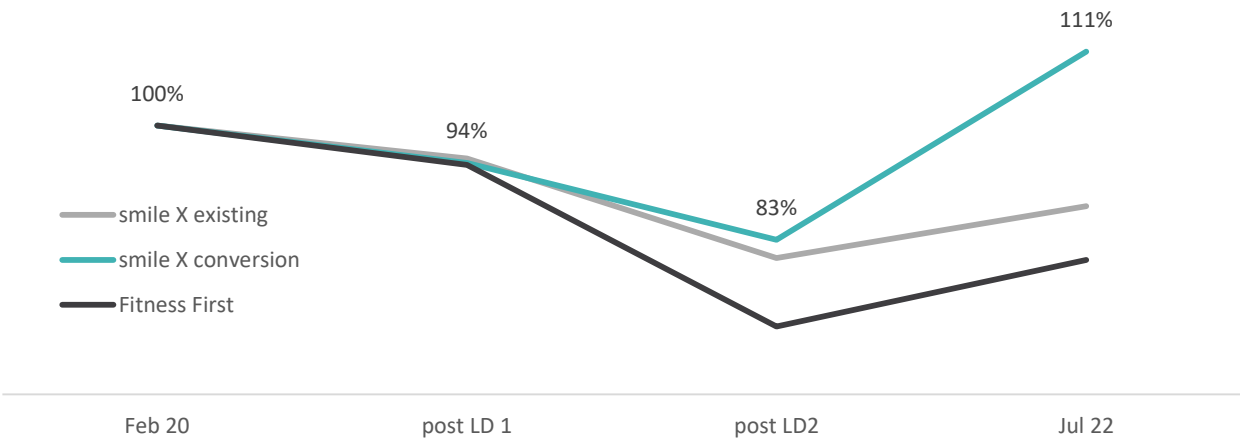


Commentary

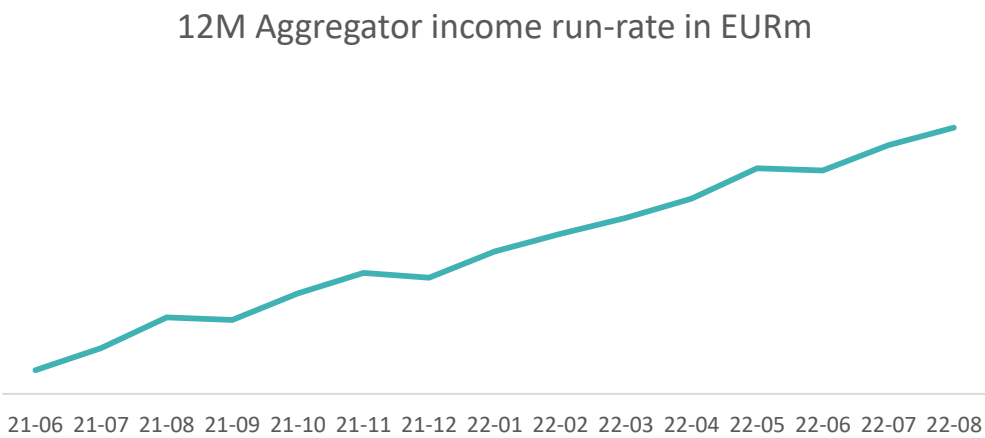
- Healthy recovery underway in all market segments, FSBP outperforming by volume, but premium was able to increase prices, SX clubs impacted this quarter by conversion from FF (24mth contracts)
- The FSBP segment was less hit by member losses, bottoming out at 18% of pre-Covid levels, and has recovered significantly faster than the rest of the Group, with full recovery in members expected already during the autumn/winter of 2022
- Compared to Feb-20, the Group's membership base had shrunk by 28% gaining 13% (+28k members)
- 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

RESTRENGTHENED DRIVING KPIS MAKING CONFIDENT FOR OPERATIONAL RECOVERY

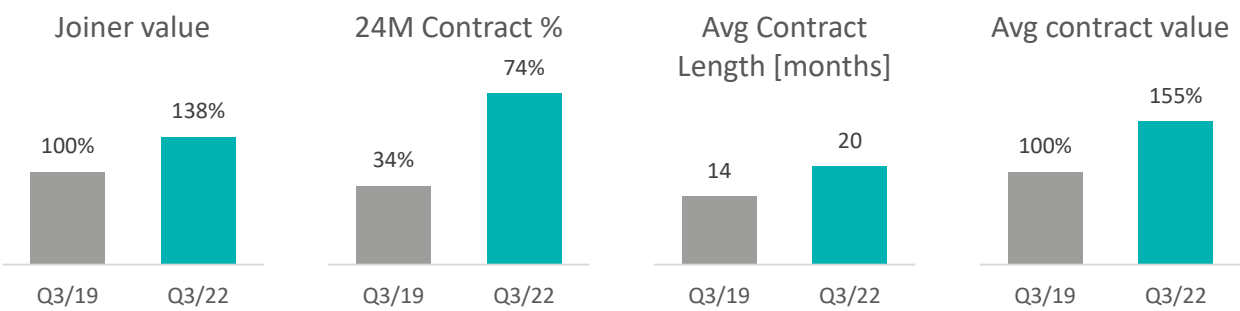
Fitness First (mid-market) into smile X (FSBP) conversion clubs show fastest recovery...



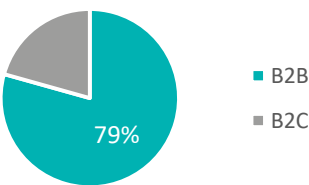
Aggregator income shows ~10% month-by-month growth



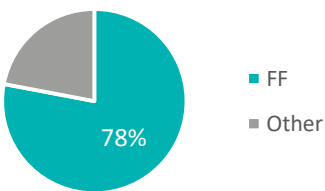
... while best practice approach at FF clubs with first successful KPIs



By Type



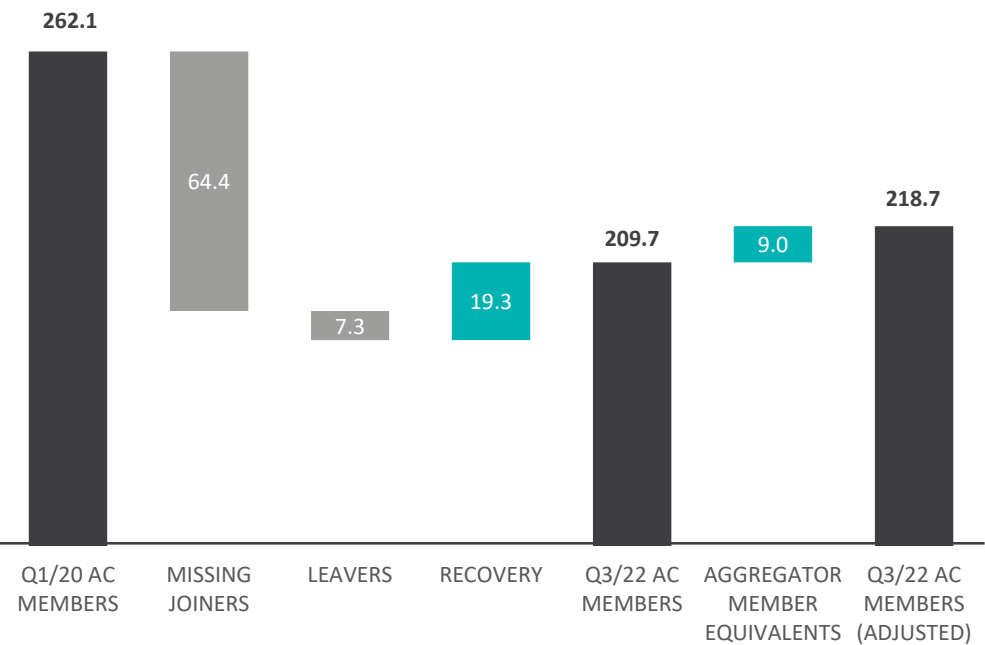
By Brand



PEOPLE	PORTFOLIO	PRODUCT & MEMBER EXPERIENCE	PRICE & MARKETING	PROCESSES & COMMERCIAL MANAGEMENT
<ul style="list-style-type: none"> 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 In club digital supported group classes roll out Members acknowledge investment of EUR 10m+ in our facility and equipment Expansion opportunities to support growth strategy increase Attractive M&A transactions in preparation and strong pipeline available – In Shape executed (May 22) Review club portfolio to optimise offering, pricing and cost base – FF repositioning (Mar 22) 	<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%+ Successful increase of existing member pricing results in EUR 400k+ additional revenues per month (from Sep 22 onwards) 	<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 Governmental support programmes successfully launched resulting in EUR 55m+ payout (99% of framework) Initiate programs to mitigate impacts from increased inflation / energy costs

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

Members shortfall driven by joiners



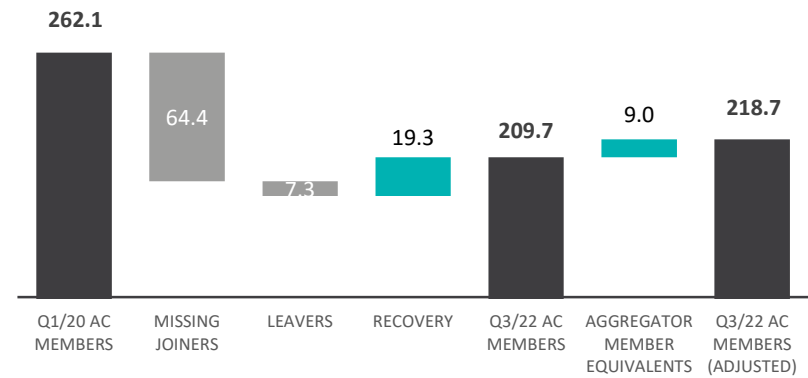
Revenue impacted by covid-19 lockdowns and related compensations



Governmental support includes EUR 41.8m in the LTM period.

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

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 (43k members on 28% attrition)



...and need for business transformation

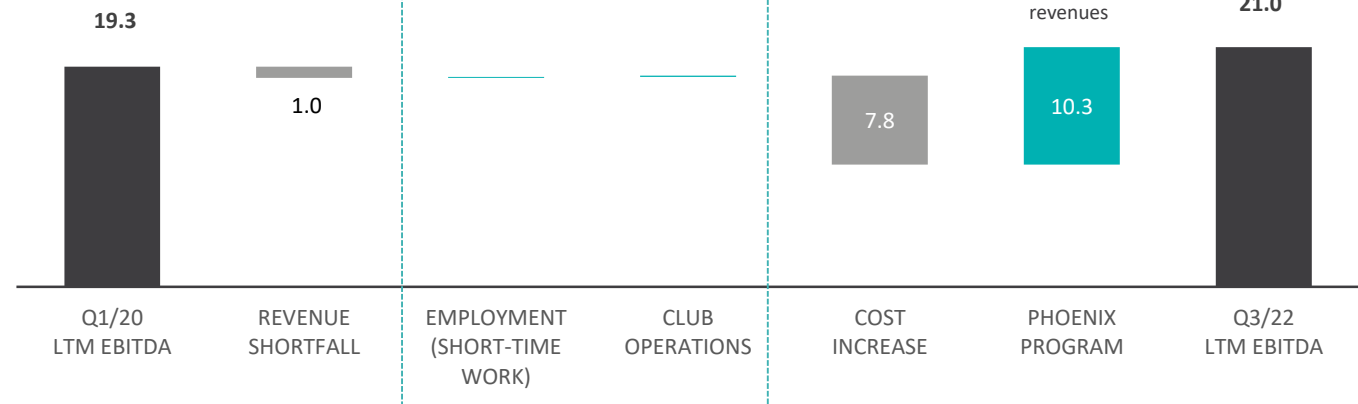
Phoenix program mitigates short-term EBITDA impact and gives the chance for sustainable increase in profitability long-term



Business Transformation 2020/21

PEOPLE	PORTFOLIO	PRODUCT & MEMBER EXPERIENCE	PRICE & MARKETING	PROCESSES & FINANCES
Club team reduction @ FF	Leaves 2.0	Enhance studio & club lighting @ 1.5m	Sales Tools	Brand benchmarking drives 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 SK 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	Chatbot	Additional Risks/Opportunities
		Retail simplified	Compensation options	

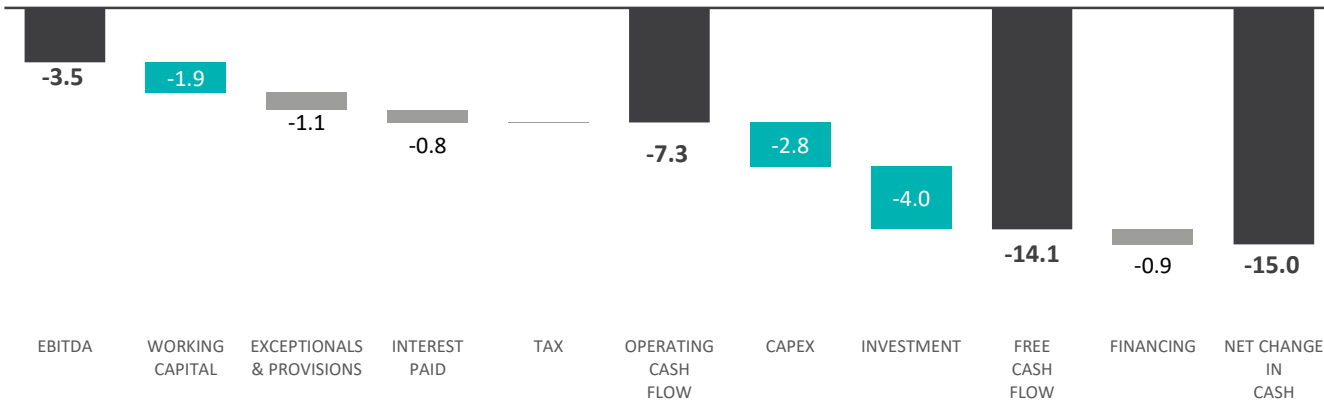
NO LOCKDOWN PERIODS IN THE LTM REPORTING ANY MORE



Future efficiencies in processes & digitisation reducing cost and driving revenues

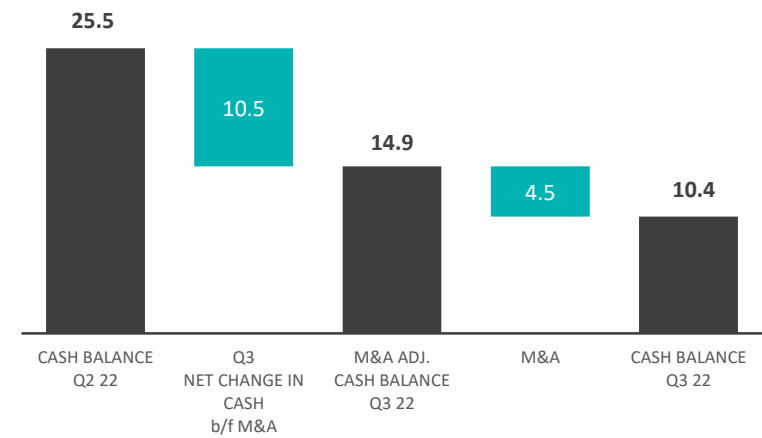
Net Change in Cash in Q3 / FY2022 (EURm)

Monthly EBITDA (Jul 22 = EUR -1.1m) increasing significantly due to membership/revenue recovery (EUR +0.2m per month) and existing member price alignment (EUR +0.4m per month from Sep onwards)



- Q3/22 EBITDA includes increased energy/rent costs (~ EUR 1.2m)
- Working capital primary contains deferred revenue impacts (2/3) from compensations and new member offers (phasing out in winter)
- Capex/Investment is characterised by repositioning investment program (FF RED; EUR 2.8m) and the acquisition of In Shape (EUR 4.0m + EUR 0.5m transaction costs in exceptionals) in May 22
- In Shape: De-risked deal structure results in only EUR 4.5m upfront investment cost (add. earn-out components in future based on EBITDA achievement levels)
- Exceptionals and provisions primary refer to transaction costs re the acquisition and onerous lease

Liquidity position (EURm)



- While permanently declining number of members and increasing freezes during lockdown drove underlying revenues and EBITDA down, governmental support programs helped to strengthen the cash position
- Continuous liquidity management and successful application in the governmental support programs results in more than EUR 15.2m adjusted cash balance per end of Jul 22 (b/f M&A)
- After the acquisition of In Shape cash balance is at EUR 10.4m
- Revenue recovery and liquidity management continues to be the key focus



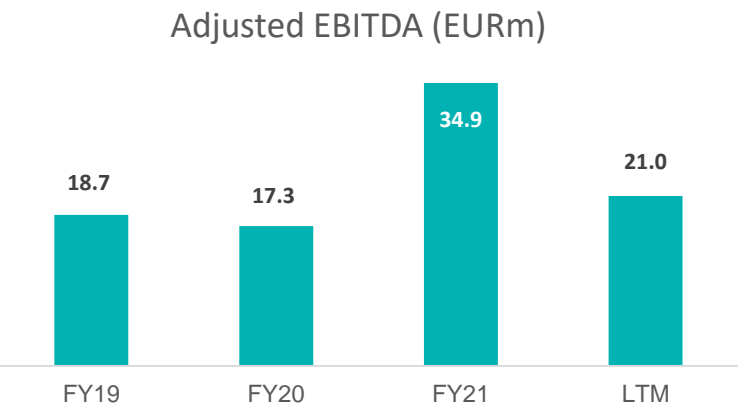
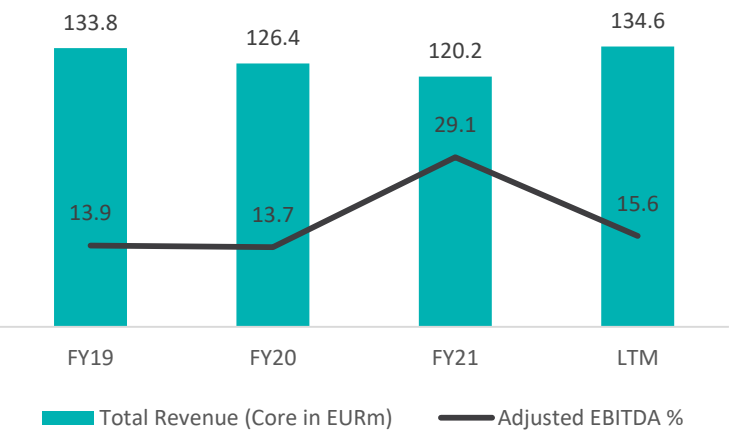
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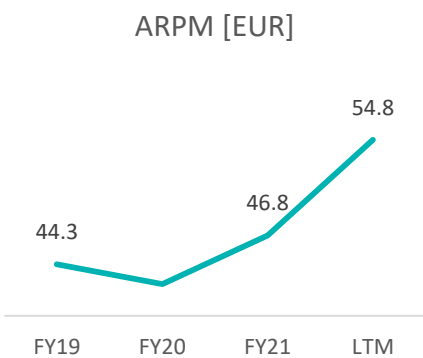
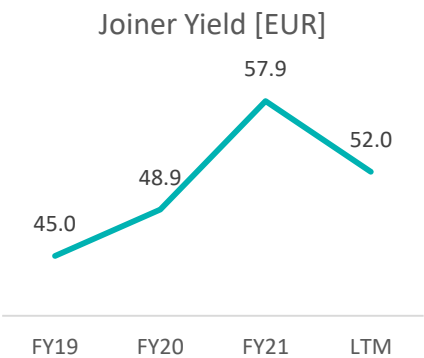
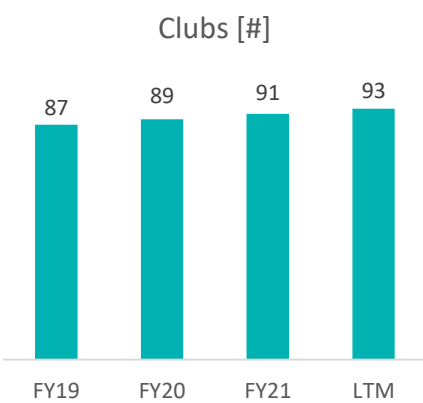
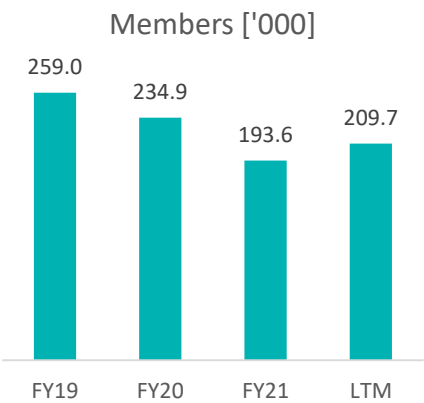
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Pro forma key financials



Key performance indicators



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

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

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

LIFEFIT GROUP PRO FORMA HISTORICAL PERFORMANCE (CORE BUSINESS)

Key Financials						Key Performance Indicators					
EURm	FY19 AC	FY20 AC	FY21 AC	LTM AC	Δ% LTM-21		FY19 AC	FY20 AC	FY21 AC	LTM AC	Δ% LTM-21
Total Revenue	133.8	126.4	120.2	134.6	+12.0%	# of Clubs¹	87	89	91	93	
thereof: Fitness First	112.0	102.9	96.5	106.6		thereof: Fitness First	60	61	61	60	
elbgym	2.3	2.7	3.5	4.6		elbgym	3	3	4	7	
smile X	11.6	12.2	13.8	13.3		smile X	13	13	13	13	
In Shape	7.9	8.6	6.4	10.1		In Shape	11	12	13	13	
EBITDA	16.9	16.1	33.1	18.5	-44.1%	Members ['000]	259.0	234.9	193.6	209.7	+8.3%
thereof: Fitness First	11.2	10.8	25.2	11.6		thereof: Fitness First	206.4	183.9	147.8	160.2	
elbgym	-0.1	0.1	0.5	0.0		elbgym	3.3	3.6	4.0	5.0	
smile X	4.4	4.5	7.3	5.1		smile X	32.1	31.2	27.3	28.5	
In Shape	1.4	0.8	0.0	1.7		In Shape	17.1	16.2	14.5	16.0	
EBITDA margin [%]	12.6	12.8	27.5	13.8	-50.0%	Joiner Yield [EUR]	45.0	48.9	57.9	52.0	-10.2%
thereof: Fitness First	10.0	10.5	26.1	10.9		thereof: Fitness First	47.9	52.2	61.1	54.5	
elbgym	-3.7	2.9	15.4	1.0		elbgym	71.4	72.1	63.5	70.0	
smile X	37.8	36.7	53.1	38.5		smile X	29.2	30.8	30.8	32.4	
In Shape	17.3	9.5	0.8	17.1		In Shape	35.0	41.5	41.9	42.6	
Adjustments	1.7	1.1	1.9	2.5		ARPM [EUR]	44.3	42.7	46.8	54.8	+17.2%
thereof: Fitness First	1.7	1.1	1.9	2.5		thereof: Fitness First	45.9	44.0	48.5	56.3	
elbgym	0.1	0.0	0.0	0.0		elbgym	60.2	64.4	75.9	84.6	
smile X	0.0	0.0	0.0	0.0		smile X	31.8	32.1	39.3	40.4	
In Shape	0.0	0.0	0.0	0.0		In Shape	45.3	43.0	34.9	56.8	
Adjusted EBITDA	18.7	17.3	34.9	21.0	-39.9%	Retention %	73.4	73.4	52.2	56.1	
thereof: Fitness First	12.9	11.9	27.0	14.1		thereof: Fitness First	72.6	69.6	49.2	53.4	
elbgym	0.0	0.1	0.5	0.0		elbgym	64.1	69.9	52.7	46.9	
smile X	4.4	4.5	7.3	5.1		smile X	80.3	75.7	69.9	72.6	
In Shape	1.4	0.8	0.0	1.7		In Shape	73.9	66.4	66.6	64.8	
Adj. EBITDA margin [%]	13.9	13.7	29.1	15.6	-46.3%						
thereof: Fitness First	11.5	11.6	28.0	13.2							
elbgym	-0.2	2.9	15.4	1.0							
smile X	37.8	36.7	53.1	38.5							
In Shape	17.3	9.5	0.8	17.1							

- Club closures due to the covid-19 lockdown resulted in missing joiners and consequently lower membership base (more than 70k members less vs. Q1/20 post second lockdown), which already recovered by >25k 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 8.5m at the end of Jul 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.
- In May 22 (effective) the group acquired the 13 club strong network In Shape
- The result of the third quarter FY2022 refers to the period 1 May 2022 to 31 July 2022.
- Group legal structure see appendix

2 IFRS

- Application of IFRS 16 Leases leads
 - to the capitalization of right-of-use assets of EUR 107.1m and of lease liabilities of EUR 133.0m as of 31 July 2022
 - to a negative P/L-effect of EUR 7.0m 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 5.9m for the period from 1 May 2022 to 31 Jul 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 -10.7m and sales of EUR 26.2m.
- With EUR -15.0m the Cash Flow is negative in the quarter, Cash balance as of 31 July 2022 is EUR 10.4m.

4 Financial KPIs

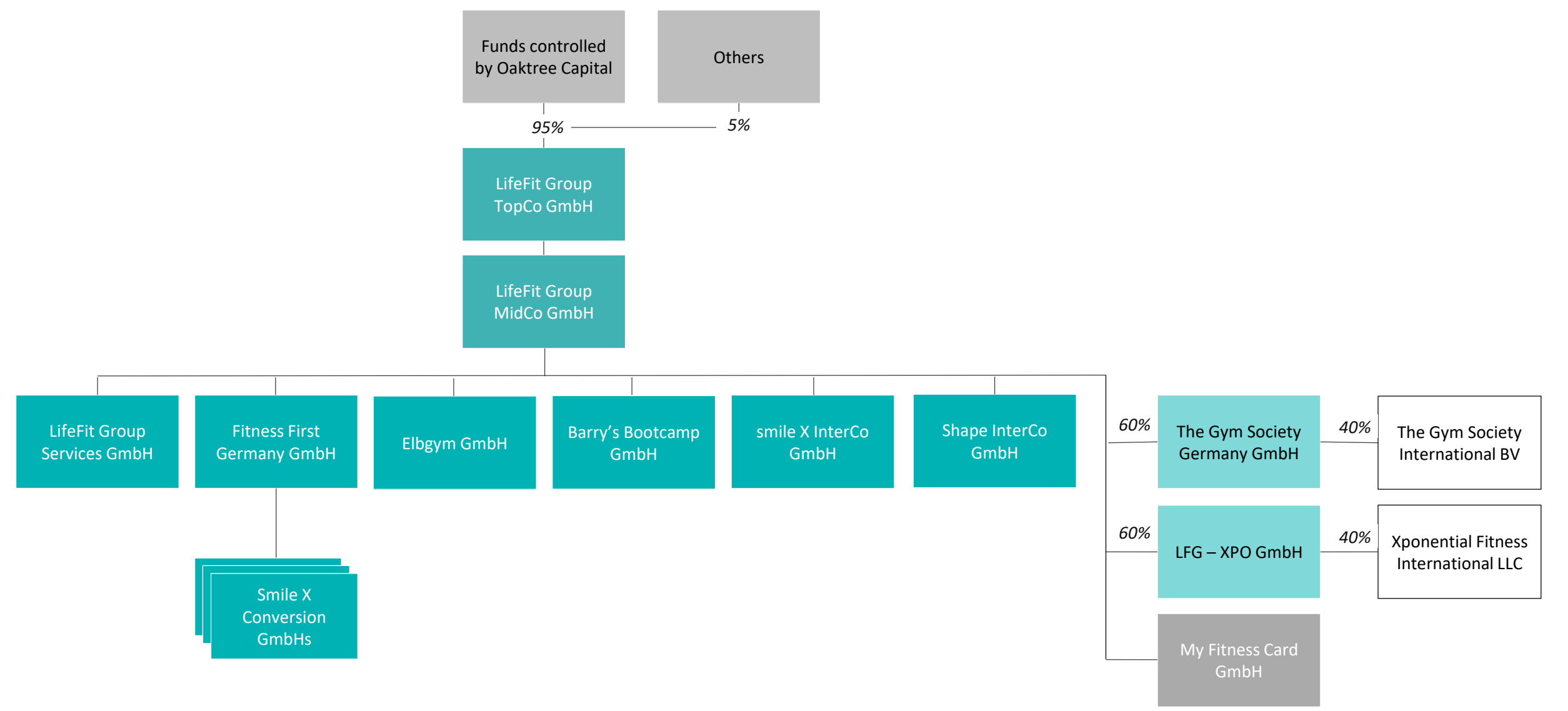
- LifeFit Group has updated its Financial KPIs in FY2019/20 in the course of IFRS 16 changes
- This mainly impacts Reported Adjusted EBITDA, which includes cash rents and excludes IAS 17 rent adjustments

5 Pro Forma

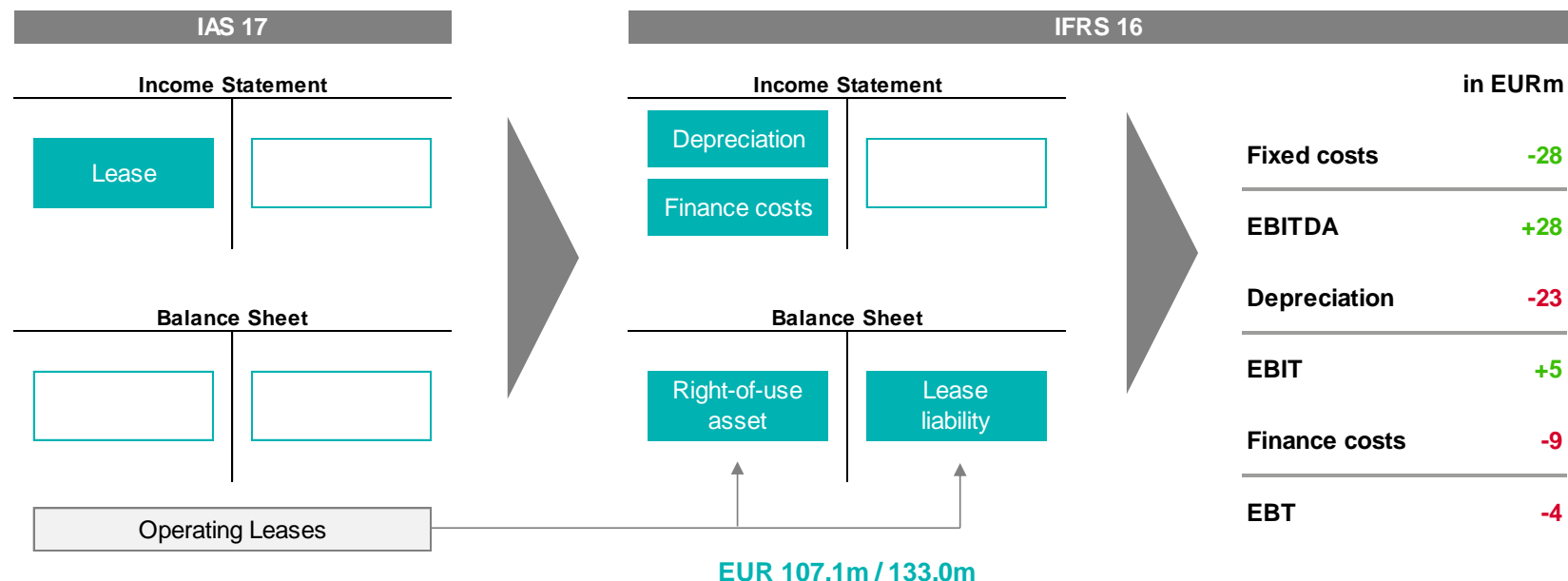
- Due to the short financial year of Lifefit Group MidCo for FY19 and FY20 ,the acquisition of In Shape in FY22 and for a better understanding of the financial results of the whole group LifeFit Group presents pro forma f/s considering the 12 months period 1 November to 31 October and adjusted for IFRS 16 impacts
- Pro forma Total Revenue of the group was EUR 134.9m (EUR 134.6m in core business¹)
- Pro forma adjusted EBITDA of the group amounts to EUR 21.0m (core business)

6 Outlook

- The quarterly interim unaudited report for Q4 FY2022 is planned to be published on 30 Dec 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 31 July 2022 the group recognized the following right-of-use assets and lease liabilities
 - Buildings EUR 103.6m/130.0m
 - Other EUR 3.4m/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 Jul-22 LTM (EUR 21.0m)	pre IFRS 16	under IFRS 16
Gross debt / PF EBITDA		2.5x	3.7x
Net debt / PF EBITDA		2.0x	3.5x

Gross debt based on EUR 40m senior secured bond, EUR 10m RCF and EUR 3.0m equipment finance leases (respectively EUR 133.0m lease liabilities under IFRS16), net debt reduced by EUR 10.4m cash at bank.

Key Financials				
EURm	FY19	FY20	FY21	LTM
	AC	AC	AC	AC
Total Revenue	141.8	129.6	121.0	134.9
thereof: core	133.8	126.4	120.2	134.6
non-core	7.7	3.1	0.8	0.3
EBITDA	16.2	16.0	32.6	18.0
thereof: core	16.9	16.1	33.1	18.5
non-core	-0.7	-0.2	-0.5	-0.5
EBITDA margin [%]	11.4	12.3	27.0	13.3
thereof: core	12.6	12.8	27.5	13.8
non-core	n/a	n/a	n/a	n/a
Adjustments	2.4	1.3	2.3	3.0
thereof: core	1.7	1.1	1.9	2.5
non-core	0.7	0.2	0.5	0.5
Adjusted EBITDA	18.6	17.3	35.0	21.0
thereof: core	18.7	17.3	34.9	21.0
non-core	-0.1	0.0	0.0	0.0
Adj. EBITDA margin [%]	13.1	13.3	28.9	15.6
thereof: core	13.9	13.7	29.1	15.6
non-core	n/a	n/a	n/a	n/a

Key Performance Indicators				
	FY19	FY20	FY21	LTM
	AC	AC	AC	AC
# of Clubs¹	93	92	90	93
thereof: core	87	89	91	93
non-core	6	3	0	0
Members ['000]	266.9	240.4	193.6	209.7
thereof: core	259.0	234.9	193.6	209.7
non-core	7.9	5.5	0.0	0.0
Joiner Yield [EUR]	44.9	48.7	57.9	52.0
thereof: core	45.0	48.9	57.9	52.0
non-core	42.7	43.0	39.4	n/a
ARPM [EUR]	44.3	42.6	46.5	54.9
thereof: core	44.3	42.7	46.8	54.8
non-core	41.2	n/a	n/a	n/a
Retention %	31.8	32.1	39.3	40.4
thereof: core	60.2	64.4	75.9	84.6
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 -7.4m (from FY19 to Jul-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 Jul-22
Pro forma LTM Group EBITDA			17.992
FFG/LFG	Barrys set up/ramp-up	transaction/formation expenses and ramp-up losses	2.024
FFG/LFG	Divestment clubs & discontinued	refers to four clubs in reporting period	522
FFG/LFG	Ramp-up losses	One club to become EBITDA positive	340
FFG/LFG	New Business Development	HO employment costs related to new business development (Franchise, XPO)	123
Total Adjustments			3.009
Adjusted PF LTM Group EBITDA			21.001



Consolidated Statement of Comprehensive Income

LifeFit	Q3/22	Q3/21		YTD	YTD
	01.05.22 -	01.05.21 -		01.11.21 -	01.11.20 -
(Unaudited)	31.07.22	31.07.21	change	31.07.22	31.07.21
	EUR k	EUR k	EUR k	EUR k	EUR k
Revenue	26,151	20,885	5,266	71,693	53,093
Other operating income	1,265	5,135	-3,870	4,469	7,691
Cost of materials	-2,759	-760	-1,999	-7,614	-1,104
Personnel expenses	-9,260	-6,843	-2,417	-26,199	-16,582
Other operating expenses	-13,395	-7,623	-5,772	-37,012	-23,124
Amortization and depreciation	-8,921	-8,267	-654	-25,648	-26,023
Operating profit or loss	-6,919	2,527	-9,447	-20,310	-6,049
Income from at equity investments	-27	-93	66	-128	-143
Finance income	1	0	1	33	0
Finance costs	-3,903	-3,835	-68	-11,445	-11,455
Financial result	-3,903	-3,835	-68	-11,413	-11,455
Profit or loss for the period before taxes	-10,849	-1,401	-9,448	-31,851	-17,647
Income taxes	177	111	65	441	346
Profit or loss for the period	-10,673	-1,290	-9,383	-31,410	-17,301

Consolidated Cash Flow Statement

LifeFit	Q3/22	Q3/21		YTD	YTD
	01.05.22 -	01.05.21 -		01.11.21 -	01.11.20 -
(Unaudited)	30.07.22	31.07.21	change	31.07.22	31.07.21
	EUR k	EUR k	EUR k	EUR k	EUR k
Operating cash flow	-2,379	17,338	-19,717	23,284	25,077
Investment cash flow	-6,802	-1,444	-5,358	-15,488	-6,668
Financing cash flow	-5,850	-9,389	3,539	-20,416	-20,505
Cash flow for the period	-15,031	6,506	-21,537	-12,620	-2,096
Beginning cash	25,452	13,950		23,040	22,551
Closing cash	10,421	20,456		10,420	20,455

Consolidated Balance Sheet

	31 July 2022	31 October 2021
(Unaudited)		
Non-current assets		
Intangible assets	39,626	33,805
Property, plant and equipment	41,333	37,692
Right-of-use-assets	107,053	115,267
Investments / Joint venture	0	1
	190,003	188,440
Current assets		
Inventories	640	865
Trade receivables	1,105	400
Receivables from affiliated companies	1,044	602
Current income tax assets	188	396
Other non-financial assets	2,898	30,155
Cash and cash equivalents	10,421	23,040
	16,296	55,459
TOTAL ASSETS	206,299	243,899
Equity	-53,932	-22,522
Liabilities		
Non-current liabilities		
Financial liabilities	38,935	38,935
Shareholder debt	40,828	38,097
Other non-financial liabilities	624	7,828
Other financial liabilities	917	1,807
Other provisions	3,368	2,478
Lease liabilities	112,514	119,914
Deferred tax liabilities	3,394	3,020
	200,581	212,079
Current liabilities		
Financial liabilities	10,225	10,113
Trade payables	12,085	15,128
Other non-financial liabilities	13,037	8,200
Other financial liabilities	2,280	2
Other provisions	1,475	601
Lease liabilities	20,451	20,119
Income tax liabilities	98	181
	59,651	54,342
TOTAL LIABILITIES	260,231	266,421
TOTAL EQUITY AND LIABILITIES	206,299	243,899

- In total, the consolidated equity of the group is negative. The equity position of the group has no legal impact. With aprox. EUR 63.0m the equity of LifeFit Group MidCo GmbH is positive. If the shareholder debt of EUR 40.8m were classified as equity, the consolidated equity of the group would amount to EUR -13.1m.
- Besides the accumulated losses until 31 July 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	-53.9
pro forma classification Shareholder Loan as Equity	+40.8
pro forma Equity	-13.1

Pro forma Financials + IFRS 16 impacts + Reported Financials

	Jul-22 LTM			Q3/FY2022			Q3/FY2022 REPORTED
EURm	AC pre IFRS16	Impact of IFRS16	AC under IFRS16	AC pre IFRS16	Impact IFRS16	AC under IFRS16	AC IFRS16
KPIs							
# of Clubs ¹	93			93			
Members ['000]	209.7			209.7			
Joiner Yield [EUR]	52.0			48.9			
ARPM [EUR]	54.9			44.0			
Retention % (annualised)	56.1			56.1			
Profit/Loss							
Revenue	134.9			27.4			27.4
EBITDA ²	18.0	27.9	45.9	-3.5	6.5	3.0	2.0
- Adjustments	3.0			0.6			
Adjusted EBITDA	21.0			-2.8			
Depreciation & amortisation	-12.6	-23.4	-36.0	-3.1	-5.8	-8.9	-8.9
Exceptionals/One-off charges	-1.7			-1.0			
Operating Profit/Loss	3.6		8.1	-7.6		-6.9	-6.9
Income from at equity investments	-0.3			0.0			0.0
Total Finance costs	-7.6	-8.5	-16.1	-1.9	-2.0	-3.9	-3.9
Total Tax	-2.3			0.2			0.2
Net Profit/Loss	-6.6		-10.7	-9.3		-10.7	-10.7
Cash Flow							
EBITDA ²	16.4			-3.5			
Working capital	0.2			-1.9			
Exceptionals & provisions	-2.5			-1.1			
Interest paid	-3.3			-0.8			
Tax	0.0			0.0			
OPERATING CASH FLOW	10.7			-7.3	4.9	-2.4	-2.4
Cash flow from investing activities	-17.0			-6.8	0.0	-6.8	-6.8
FREE CASH FLOW	-6.2			-14.1		-9.2	-9.2
Cash flow from financing activities	-3.8			-0.9	-4.9	-5.9	-5.9
NET CASH FLOW	-10.1			-15.0		-15.0	-15.0

Notes

¹ excluding franchise clubs

² excluding exceptionals/one-off charges

Pro forma Financials by Segment

	Jul-22 LTM					Q3/FY2022				
EURm	LifeFit Group	Fitness First	elbgym	smile X	In Shape	LifeFit Group	Fitness First	elbgym	smile X	In Shape
KPIs										
# of Clubs ¹	93	60	7	13	13	93	60	7	13	13
Members ['000]	209.7	160.2	5.0	28.5	16.0	209.7	160.2	5.0	28.5	16.0
Joiner Yield [EUR]	52.0	54.5	70.0	32.4	42.6	48.9	50.7	72.0	34.8	42.4
ARPM [EUR]	54.9	56.4	84.6	40.4	56.8	44.0	45.8	59.2	27.6	12.7
Retention % (annualised)	56.1	53.4	46.9	72.6	64.8	56.1	53.4	46.9	72.6	64.8
Profit/Loss										
Revenue	134.9	106.9	4.6	13.3	10.1	27.4	21.7	0.9	2.4	2.4
EBITDA ²	18.0	11.1	0.0	5.1	1.7	-3.5	-3.6	-0.3	0.3	0.2
- Adjustments	3.0	3.0	0.0	0.0	0.0	0.6	0.6	0.0	0.0	0.0
Adjusted EBITDA	21.0	14.1	0.0	5.1	1.7	-2.8	-2.9	-0.3	0.3	0.2
Depreciation & amortisation	-12.6	-8.9	-0.5	-2.4	-0.9	-3.1	-2.0	-0.1	-0.6	-0.3
Exceptionals/One-off charges	-1.7	-1.6	-0.1	0.0	0.0	-1.0	-1.0	0.0	0.0	0.0
Operating Profit/Loss	3.6	0.6	-0.6	2.8	0.9	-7.6	-6.6	-0.5	-0.3	-0.2
Income from at equity investments	-0.3	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Finance costs	-7.6	-7.5	0.0	0.0	-0.1	-1.9	-1.8	0.0	0.0	-0.1
Total Tax	-2.3	-2.6	0.1	0.2	0.1	0.2	0.0	0.0	0.2	0.0
Net Profit/Loss	-6.6	-9.9	-0.6	2.9	0.8	-9.3	-8.4	-0.5	-0.2	-0.2
Cash Flow										
EBITDA ²	16.4	11.1	0.0	5.1	0.2	-3.5	-3.6	-0.3	0.3	0.2
Working capital	0.2	2.8	-0.4	-2.3	0.0	-1.9	-2.3	0.0	0.3	0.0
Exceptionals & provisions	-2.5	-2.4	-0.1	0.0	0.0	-1.1	-1.1	0.0	0.0	0.0
Interest paid	-3.3	-3.3	0.0	0.0	0.0	-0.8	-0.8	0.0	0.0	0.0
Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OPERATING CASH FLOW	10.7	8.3	-0.5	2.8	0.2	-7.3	-7.7	-0.3	0.6	0.2
Cash flow from investing activities	-17.0	-15.5	-2.8	-0.3	1.6	-6.8	-8.3	0.0	-0.1	1.6
FREE CASH FLOW	-6.2	-7.2	-3.3	2.6	1.7	-14.1	-16.0	-0.3	0.5	1.7
Cash flow from financing activities	-3.8	-3.5	-0.1	-0.2	0.0	-0.9	-0.9	0.0	0.0	0.0
NET CASH FLOW	-10.1	-10.7	-3.4	2.4	1.7	-15.0	-16.9	-0.4	0.5	1.7

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