

N.B. This version of the annual report is a translation of parts of the German original version, and, in case of discrepancies, the German original shall prevail.

In Shape Bad Boll GmbH – Summary of the Annual Report FY21

1 Financial position

The presentation of the Company's financial position derived from the balance sheet as of 31 December 2021 and compared to the previous balance sheet date is as follows:

	Balance sheet as of 31.12.2021 KEUR	%	Balance sheet as of 31.12.2020 KEUR	%	Change previous year KEUR	Vs. this year %
Assets						
Intangible Fixed Assets	93.1	15.7	115.9	22.4	-22.8	-19.7
Tangible Fixed Assets	143.5	24.3	177.7	34.3	-34.2	-19.2
Inventories	3.8	0.6	1.4	0.3	2.4	171.4
Receivables	0.7	0.1	0.0	0.0	0.7	-
Other assets	16.1	2.7	124.9	24.1	-108.8	-87.1
Cash and cash equivalents / securities	334.1	56.5	98.5	19.0	235.6	239.2
Sum of assets	591.4	100.0	518.5	100.0	72.9	14.1
Difference due to rounding	0.1		0.1			
	Balance sheet as of 31.12.2021 KEUR	%	Balance sheet as of 31.12.2020 KEUR	%	Change previous year KEUR	Vs this year %
Liabilities						
Equity	78.2	13.2	84.8	16.4	-6.6	-7.8
Accruals	39.3	6.6	33.9	6.5	5.4	15.9
Credit liabilities	185.4	31.3	230.0	44.4	-44.6	19.4
Trade payables	251.2	42.5	127.1	24.5	124.1	97.6
Other liabilities	37.2	6.3	42.8	8.3	-5.6	13.1
Sum of liabilities	591.4	100.0	518.5	100.0	72.9	14.7

Difference due to rounding	0.1		-0.1			
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2 Cash flow statement

In the following, the source of funds and use of funds in respect of the reporting year 2021 are presented by means of a cash flow statement, whereby the three segments of the cash flow statement are to be considered as a unit.

The development of liquidity and financial strength shows how cash and cash equivalents (cash on hand, cheques and bank balances) have changed in the reporting period as a result of cash inflows and outflows. A distinction is made between cash flows from operating, investing and financing activities.

The cash flow statement is broken down into cash flows from operating activities, investing activities and financing activities, whereby the sum of the cash flow from these three areas of activity corresponds to the change in cash and cash equivalents in the reporting period, insofar as these are not based on exchange rate or other value related changes.

	EUR	Business year EUR	Previous year EUR
Results of the period		-6,594.00	45,713.46
+ Depreciation and amortisation of fixed assets		69,555.00	67,991.35
+ Increase in accruals		1,910.00	13,053.00
- Increase in inventories		2,447.97	241.02
- Increase in trade receivables		654.60	4,625.02
+ Decrease in other assets not attributable to investing or financing activities		99,694.85	-101,599.27
+ Increase in trade payables		28,368.98	117,552.46
+ Increase in other liabilities not attributable to investing or financing activities		98,807.11	23,232.89

+ Interest expenses		2,933.64		3,800.35
+ Income tax expenses		3,486.71		18,584.32
Income tax expense/income	-3,486.71			-18,584.32
Corrections for non-cash operations	14,015.04			27,931.46
+/- Income tax payments		10,528.33		9,347.14
Cash flow from operating activities		305,588.05		192,809.66
- Payments for investments in intangible fixed assets		0.00		0.00
- Payments for investments in tangible fixed assets		12,538.00		360.35
Cash flow from investing activities		-12,538.00		-360.35
Proceeds from issuing bonds and (financial) loans		2,400.00		48,154.89
Payment from the redemption of bonds and (financial) loans		56,944.06		137,585.00
- Interest paid		2,933.64		3,800.35
Cash flow from financing activities		-57,477.70		-93,230.46
Changes in cash and cash equivalents (total cash flow)		235,572.35		99,218.85
+ Cash and cash equivalents at the beginning of the period		98,534.66		2,292.84
Cash and cash equivalents at the end of the period		334,107.01		101,511.69
Note:				
Cash and cash equivalents at the end of the period (ascertained)				-101,511.69
Cash and cash equivalents at the end of the period (konten)				98,534.66
Difference		0.00		-2,977.03

3 Balance sheet as of 31 December 2021 in In Shape Bad Boll GmbH Fitness Studio, 73084 Salach

Assets				Liabilities			
	EUR	Business year EUR	Previous year EUR		EUR	Business year EUR	Previous year EUR
A. Fixed Assets				A. Equity			
I. Intangible assets	93,120.00		115,925.00	I. Subscribed capital	25,000.00	25,000.00	
II. Tangible assets	143,524.00	236,644.00	177,736.00	II. Profit carried forward	59,832.47	14,119.01	
B. Current Assets				III. Net loss for the year	6,594.00	-45,713.46	
I. Inventories	3,830.12		1,382.15	Sum of equity	<u>78,238.47</u>	<u>84,832.47</u>	
II. Accounts receivable and other assets	16,779.55		124,903.06	B. Accruals	39,250.14	33,853.43	
- thereof vis-à-vis shareholders EUR 11,108.23 (EUR 110,003.71)				C. Liabilities	473,872.07	399,794.97	
- with a remaining time of more than one year EUR 4.554,94 (EUR 4,555.88)				- with a remaining term of up to one year: EUR 288,442.07 (EUR 214,364.97)			
III. Cash in hand, bank balances, balances at credit institutions and cheques	334,107.01	354,716.68	98,534.66	- with a remaining term of more than one year: EUR 185,430.00 (EUR 185,430.00)			
		<u>591,360.68</u>	<u>518,480.87</u>		<u>591,360.68</u>	<u>518,480.87</u>	

4 Income statement from 1 January 2021 to 31 December 2021 in In Shape Bad Boll GmbH Fitness Studio

	Business year EUR	Previous year EUR
1. Gross profits	402,911.18	521,563.12
2. Employee expenses		
a) Salaries	99,253.65	115,278.23
b) Social security expenses and expenses for pensions and other benefits	29,963.51	36,871.88
	129,217.16	152,150.11
3. Depreciations		
a) On intangible fixed assets and tangible fixed assets	69,555.00	67,991.35
4. Other operating expenses	204,650.95	233,433.31
5. Other interest related incomes and similar incomes	386.61	126.48
6. Interest related expenses and similar expenses	2,933.64	3,817.05
7. Taxes on income and earnings	3,486.71	18,584.32
8. Result after taxes	-6,545.67	45,713.46
9. Other taxes	48.33	0.00
10. Net loss for the year	6,594.00	-45,713.46

5 Notes to the items of the balance sheet and the income statement as well as statement of accounting principles

A. FIXED ASSETS

The acquired goodwill was amortised over 10 years in accordance with commercial law. For the tax depreciation, please refer to the accounting comparison in the appendix.

	31.12.2021 EUR	31.12.2020 EUR
I. Intangible fixed assets	93,120.00	115,925.00
Goodwill	93,120.00	115,925.00
II Tangible fixed assets	143,524.00	177,736.00
	31.12.2021 EUR	31.12.2020 EUR
Machinery and equipment	65,650.00	82,431.00
Business equipment	4.00	4.00
Installations in third-party properties	77,869.00	95,300.00
Low-value assets	1.00	1.00
	143,524.00	177,736.00
B. Current assets	3,830.12	1,382.15
	31.12.2021 EUR	31.12.2020 EUR
I. Inventories	3,830.12	1,382.15
	31.12.2021 EUR	31.12.2020 EUR
Inventory goods	3,830.12	1,382.15

	31.12.2021		31.12.2020
	EUR		EUR
II. Receivables and other assets	16,779.55		124,903.06
- in relation to shareholders EUR 11,108.23 (EUR 110,003.71)			
- with a remaining time of more than one year EUR 4,554.94 (EUR 4,555.88)	31.12.2021		31.12.2020
	EUR		EUR
Receivables on L+L	684.47		39.96
Receivables on Schetter & Scheller	4,554.94		4,555.88
Receivables vis-à-vis. health insurance from AAG	2.26		0.00
Trade tax receivables current year	0.00		10,480.00
Receivable from the Federal Agency	796.67		3,608.80
Credit In Shape Holding GmbH	0.00		38,601.48
Transitory items	2,781.09		770.59
Liabilities from supplies+services	1,372.61		0.00
Liabilities social security	34.22		0.00
Settlement In Shape Holding GmbH	6,553.29		66,846.35
	16,779.55		124,903.06

	31.12.2021		31.12.2020
	EUR		EUR
Cash in hand, bank balances, balances in credit institutions and cheques	334,107.01		98,534.66
	31.12.2021		31.12.2020
	EUR		EUR
Cash	959.80		765.00
KSK Göppingen # 49064526	333,147.21		97,769.66
	334,107.01		98,534.66
	31.12.2021		31.12.2020
	EUR		EUR
Sum Assets	591,360.68		518,480.87

LIABILITIES

A. Equity	31.12.2021		31.12.2020
	EUR		EUR
I. Subscribed capital	25,000.00		25,000.00
	31.12.2021		31.12.2020
	EUR		EUR
Subscribed capital	25,000.00		25,000.00
	31.12.2021		31.12.2020
	EUR		EUR
II. Profits carried forward	59,832.47		14,119.01
	31.12.2021		31.12.2020
	EUR		EUR
Profit carried forward before appropriation	59,832.47		14,119.01

		31.12.2021		31.12.2020
		EUR		EUR
III.	Net loss for the year	6,594.00		-45,713.46
		31.12.2021		31.12.2020
		EUR		EUR
	Net loss for the year	6,594.00		-45,713.46
		31.12.2021		31.12.2020
		EUR		EUR
	Sum equity	78,238.47		84,832.47

	31.12.2021		31.12.2020
	EUR		EUR
B. Accruals	39,250.14		33,853.43
	31.12.2021		31.12.2020
	EUR		EUR
Trade tax provision § 4 (5b) EStG	8,770.00		7,196.00
Corporation tax provision	10,553.14		8,640.43
Accruals for retention obligation	792.00		792.00
Other accruals	15,935.00		13,525.00
Accruals for financial statements and audit	3,200.00		3,700.00
	39,250.14		33,853.43
	31.12.2021		31.12.2020
	EUR		EUR
C. Liabilities	473,872.07		399,794.97
- with a remaining time of up to one year EUR 288,442.07 (EUR 214,364.97)			
- with a remaining time of more than one year EUR 185,430.00 (EUR 185,430.00)			

	31.12.2021		31.12.2020
	EUR		EUR
Liabilities KSK Göppingen # 6255868448	185,430.00		229,950.00
Liabilities from L+L	0.00		10.09
Liabilities from supplies and services	3,855.90		2,404.83
Liabilities Lockdown 19 %	54,282.47		57,652.25
Liabilities Lockdown 16 %	98,654.01		66,993.71
Other liabilities	0.00		8.34
Top up credit	29,862.05		28,891.07
Loan (other VB)	0.00		10,024.06
Advance payments received 19% VAT	94,422.18		0.00
Liab. Taxes and duties (t. 1 y)	48.33		0.00
Liabilities from salaries	6,354.33		1,718.83
Liabilities salaries and church tax	937.80		18.44
Liabilities social security	0.00		2,098.35
Liabilities from capital formation	25.00		25.00
	473,872.07		399,794.97
	31.12.2021		31.12.2020
	EUR		EUR
Sum liabilities	591,360.68		518,480.87

Income statement		
	31.12.2021 EUR	31.12.2020 EUR
1. Gross profits	402,911.18	521,563.12
	31.12.2021 EUR	31.12.2020 EUR
Saviour Package	146.68	11,051.06
Other regular operating income	1,281.00	1,642.97
Other irregular operating income	122,020.82	70,772.68
Insurance compensation, damages	0.00	406.00
Reimbursements Expenditure Balance Act	768.32	2,540.05
Third-party services	-7,647.25	-10,370.92
Sales and club management	0.00	-3,375.81
Incoming goods	-142.13	0.00
Incoming goods 7% input tax	-4,973.02	-6,656.27
Incoming goods 19% input tax	-922.63	-633.24
Discounts received	79.00	92.81
Change in inventory of RHB-materials / goods	2,447.97	241.02
Proceeds	220.00	0.00
Proceeds 7 % VAT	1,359.27	3,383.49
Proceeds 16% VAT	52.02	0.00
Proceeds 19%VAT	255,067.61	434,820.71
Commission sales 19% VAT	2,707.76	3,550.79
Other operating and regular income	30,448.81	14,093.13

Discounts granted 19 % VAT	-3.05	4.65
	402,911.18	521,563.12

2. Employee expenses	31.12.2021 EUR	31.12.2020 EUR
a) Salaries and wages	99,253.65	115,278.23
	31.12.2021 EUR	31.12.2020 EUR
Salaries and wages	98,850.06	114,807.35
Flat rate tax for "Minijobbers"	403.59	470.88
	99,253.65	115,278.23
	31.12.2021 EUR	31.12.2020 EUR
b) Social security contributions and expenses for pensions and other benefits	29,963.51	36,871.88
	31.12.2021 EUR	31.12.2020 EUR

	Statutory social expenses	28,834.09		32,435.24
	Contributions to the Employers' Liability Insurance Association	481.76		3,621.51
	Voluntary social expenditure	647.66		815.13
		29,963.51		36,871.88
3.	Depreciations			
		31.12.2021		31.12.2020
		EUR		EUR
a)	On intangible fixed assets and			
	tangible fixed assets	69,555.00		67,991.35
		31.12.2021		31.12.2020
		EUR		EUR
	Depreciations Goodwill	22,805.00		22,805.00
	Depreciations on fixed tangible assets	46,062.00		44,826.00
	Immediate write-off GWG	688.00		360.35
		69,555.00		67,991.35

	31.12.2021 EUR	31.12.2020 EUR
4. Other operating expenses	204,650.95	233,433.31
	31.12.2021 EUR	31.12.2020 EUR
Other expenses	400.00	0.00
Donations, charitable donations	857.03	1,868.92
Rent and immovable assets	56,662.20	56,662.14
Gas, electricity and water	2,320.34	17,385.63
Cleaning	11,762.75	16,318.05
Maintenance of operational premises	1,453.91	3,183.26
Other premise costs	300.83	306.44
Insurances	1,583.26	2,001.55
Contributions	1,102.34	644.67
Other duties	71.99	0.00
Garage rent	7,800.00	7,800.00
Advertising costs	10,129.12	10,784.10
Decorations	75.70	153.44
Gifts deductible without § 37b EStG	0.00	182.30
Representations costs	1,007.55	1,160.74
Increase counter package	58.23	7,619.45
Employee travel expenses, travel costs	416.82	653.63
Travel expenses AN Additional subsistence expenses	14.00	72.00
Third-party work	0,00	114.00
Repair/maintenance of other equipment and office equipment	4.311,14	1,865.44

Maintenance costs for hardware and software	2,497.10	3,916.69
Other repairs and installations	18.05	0,00
Rental leasing of movable technical equipment	15,230.68	13,782.90
Other operating expenses	15.00	0,00
Postage	761.26	1,157.05
Telephone	658.64	553.40
Office supplies	690.10	618.01
Magazines and books	12,540.00	13,200.00
Legal and consulting fees	2,928.00	1,458.38
Voluntary social benefits	3,146.00	2,655.45
Audit costs	3,526.40	3,778.20
Rents for facilities movable WG	121.97	178.12
Expenses for licenses and concessions	785.11	1,152.61
Waste disposal	673.80	627.07
Ancillary costs of monetary transactions	698.44	751.28
Chargeback fees	-666.16	-27.46
Fees "Lockdown"	206.55	154.15
Other operating supplies	2,580.12	4,245.32
Tools and small equipment	0.00	2,346.52
Maintenance costs	57,912.68	54,109.86
	204,650.95	233,433.31

5. Other interest incomes and similar income	386.61	126.48
	31.12.2021 EUR	31.12.2020 EUR
Other interest incomes and similar incomes	386.61	126.48
	31.12.2021 EUR	31.12.2020 EUR
6. Interest expenses and other similar expenses	2,933.64	3,817.05
	31.12.2021 EUR	31.12.2020 EUR
Interest expenses for current liabilities	0.00	16.70
Interest expenses for current liabilities	2,933.64	3,800.35
	2,933.64	3,817.05
	31.12.2021 EUR	31.12.2020 EUR
7. Taxes on income and earnings	3,486.71	18,584.32
Corporate tax	1,813.00	9,626.00
Solidarity surcharge	99.71	529.39

GewSt-NZ/Refund VJ § 4 (5b) EStG	0.00	0.93
Trade tax	1,574.00	8,428.00
	3,486.71	18,584.32
8. Result after taxes	-6,545.67	45,713.46
	31.12.2021 EUR	31.12.2020 EUR
9. Other taxes	48.33	0.00
	31.12.2021 EUR	31.12.2020 EUR
Other operating taxes	48.33	0.00
	31.12.2021 EUR	31.12.2020 EUR
10. Net loss for the year	6,594.00	-45,713.46

6 Accounting principles

Information on accounting and valuation methods

Accounting and valuation principles

Acquired intangible fixed assets were valued at acquisition cost and, insofar as they were subject to wear and tear, were depreciated as if they were subject to wear and tear.

Tangible fixed assets were valued at acquisition or production cost and, if subject to wear and tear, reduced by scheduled depreciation.

Scheduled depreciations were made on a straight-line and degressive basis according to the expected service life of the assets.

Inventories were valued at acquisition or production cost. If the current values on the balance sheet date were lower, these were recognised.

Receivables and securities were valued taking into account all identifiable risks.

The tax provisions include the taxes relating to the financial year that have not yet been assessed.

The other accruals were created for all other uncertain liabilities. All identifiable risks were taken into account.

Liabilities were recognised at the settlement amount.

Accounting and valuation methods differing from the previous year

For the annual financial statements, the previously applied accounting and valuation methods were generally adopted.

There was no fundamental change in accounting and valuation methods compared to the previous year.

Balance sheet disclosures

Amortisation of goodwill

The acquired goodwill was capitalised. The useful life of the goodwill is set at 10 years.

The reasons for operational use with an estimated useful life of 10 years are:

High degree of awareness and good market penetration.

Information on receivables with a residual term of more than one year

The amount of receivables with a remaining term of more than one year is EUR 4,554.94 (previous year: EUR 4,555.88).

Information on receivables from shareholders

The value of receivables from shareholders amounts to EUR 11,108.23 (previous year: EUR 110,003.71).

Amount of liabilities with a remaining term > 5 years and of security interests

The total amount of liabilities recognised in the balance sheet with a remaining term of more than 5 years amounts to EUR 0.00 (previous year: EUR 7,350.00).

The total amount of liabilities recognised in the balance sheet that are secured by pledges or similar rights is EUR 185,430.00.

Information on residual maturity notes

The amount of liabilities with a remaining term of up to one year is EUR 288,442.07 (previous year: EUR 214,364.97).

The amount of liabilities with a remaining term of more than one year is EUR 185,430.00 (previous year: EUR 185,430.00).

Income statement disclosures

Explanation of income and expenses of exceptional magnitude or extraordinary significance

Income of exceptional magnitude or exceptional importance is, in terms of amount and type, specifically corona aid in the amount of EUR 122,020.82.

Other disclosures

Average number of employees during the financial year

The average number of employees in the company during the financial year was 16.

7 Audit report

Certificate of the tax adviser on the preparation of the financial statements

I have been commissioned to prepare the above annual financial statements - consisting of the balance sheet, income statement and notes - of In Shape Bad Boll GmbH for the financial year 1 January 2021 to 31 December 2021 in accordance with German commercial law.

The basis for the preparation was the accounting work carried out by me and the documents, books and inventory records submitted to me but which I have audited in accordance with the engagement as well as the information provided to me.

The maintenance of the books and records and the preparation of the annual financial statements in accordance with German commercial law are the responsibility of the Company's management.

I conducted my engagement in accordance with the decree of the German Federal Chamber of Tax Advisors on the principles for the preparation of financial statements. This comprises the development of the balance sheet and the profit and loss account as well as the notes on the basis of the bookkeeping and the inventory as well as the specifications on the accounting and valuation methods to be applied.

Eislingen, 17 May 2022

Michael Schaile

Steuerberater