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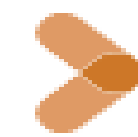
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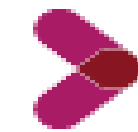
Leejam's Profile & Overview



Financial Performance



Strategic Report



Outlook FY 2022



Q&A

Leejam's Profile & Overview





Our Vision

To be the people's favourite and most accessible wellness club.

Our Mission

To steer society towards a healthy lifestyle and encourage people to exercise daily.

“More than just a gym”

From its humble beginnings, Leejam has continued in its path of evolution, fast becoming the region's largest operator of sports and fitness centers. Under the tutelage of the Company's vibrant, dynamic, and energetic core of key management personnel, with extensive experience in the industry, Leejam has been able to further diversify its offerings to create a so-called “One Stop Fitness Shop”, offering state-of-the-art facilities for all users, leading apparel lines and locations that people want to spend time in, in all corners of the Country.

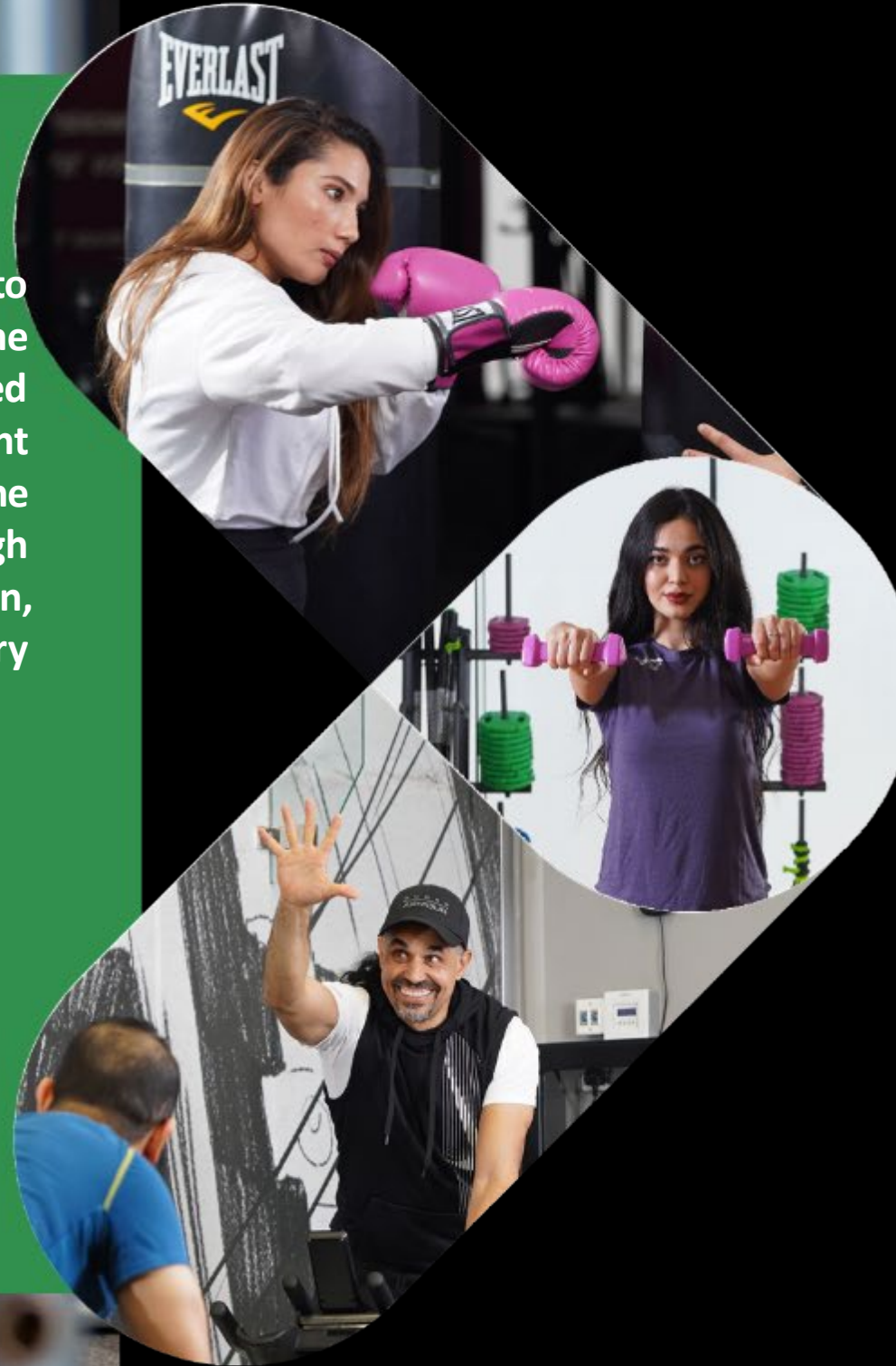
In addition, the leadership team pride themselves in knowing that the evolution of the brand under their guidance aligns directly with Saudi Arabia's Vision 2030; to get people exercising daily and to lead a healthier life.

Our Values

- **Customer service excellence**
- **Integrity**
- **Responsibility**
- **Collaboration**
- **Innovation**

Leejam Brands

Situated in strategically selected locations to provide an accessible fitness centre to the fitness communities, all centres are equipped with the latest in state-of-the-art equipment and facilities and are complimented by the Company's diverse range of offerings, through its tactically astute brand differentiation, incorporating choice offerings to suit every budget.

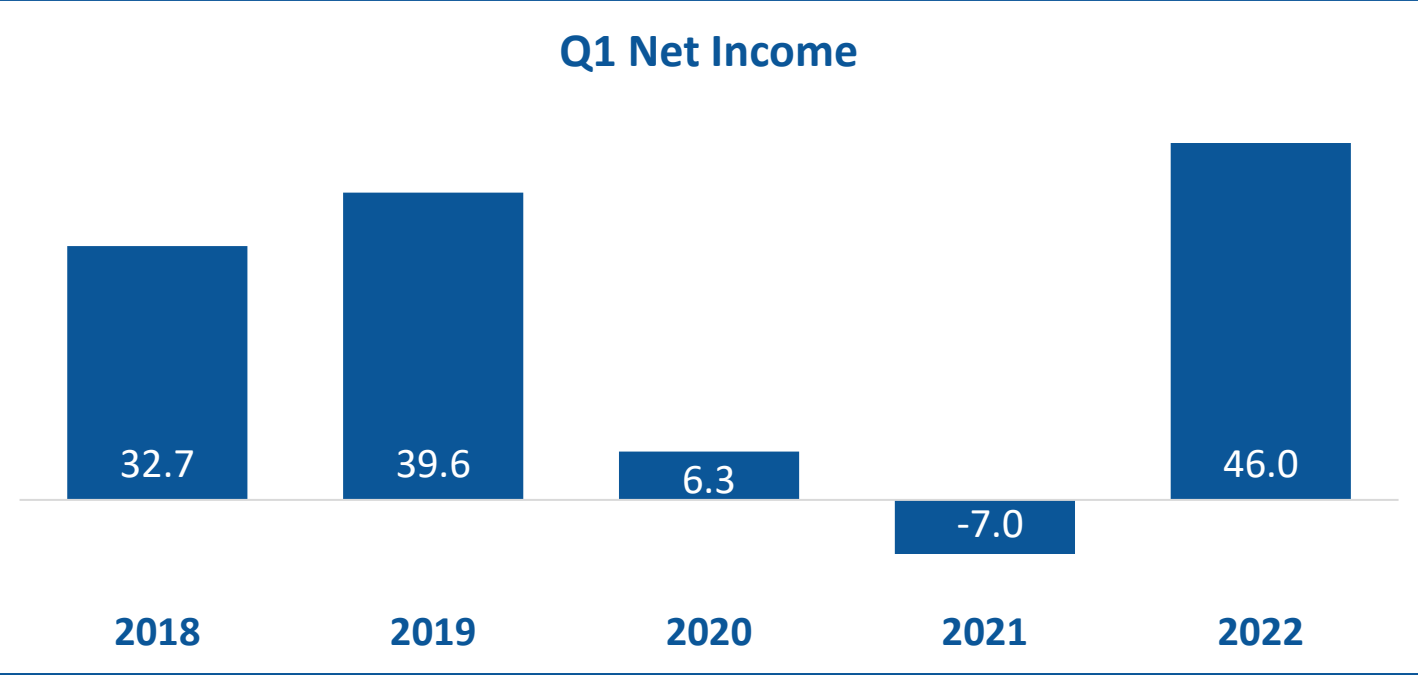
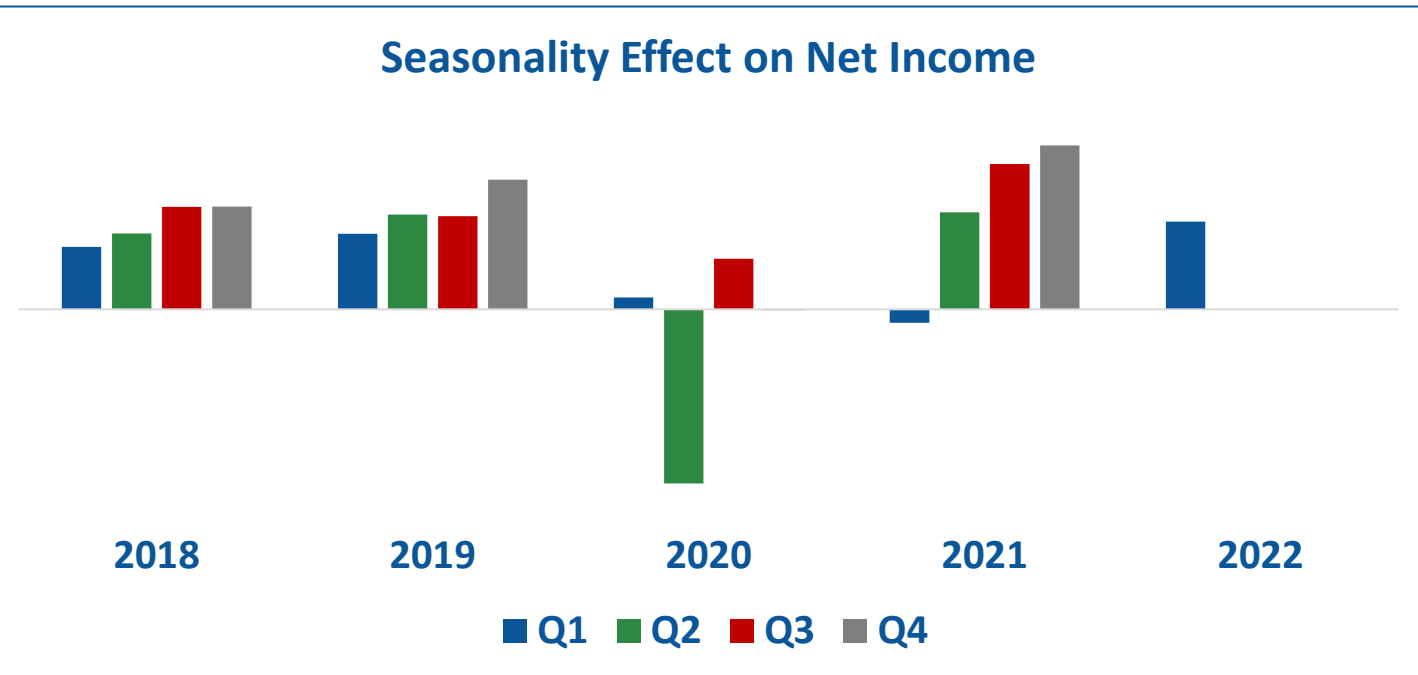


Leejam prides itself on its international and professional Fitness Team, designed to make Fitness Time the gym of choice. Leejam currently operates the following fitness brands:



Key Highlights

Item (SAR M)	Q1 2022	Q1 2021	Change %
Revenue	231.6	148.5	56.0%
Gross profit	85.7	30.5	181.3%
Operating Profit	58.7	4.6	1,182.7%
EBITDA	114.2	55.1	107.2%
Net Profit (Loss)	46.0	(7.0)	-



Q1 2022 | Q1 2021

Total Members
245K | **250K**



Female centres
42 | **35**



Corporate Customers
210+ | **180+**



Corporate Members
43K | **47K**



Q1 2022 | Q1 2021

Female members
47K | **46K**



Male members
155K | **157K**



Total centres
150 | **131**



Highlights



Best 1st Quarter Net Profit

- Delivered highest Net Profit for Q1, 2022 comparing first quarter prior years



Seasonality Effect

- Fitness Time net profit decreased by about 46% in Q1 2022 compared to Q4 2021 mainly due to the seasonality effect. As the highest sales season for the company is usually during the National Day (the end of the third quarter), and a large part of those deferred revenues are recognized during the fourth quarter, which ultimately enhances the company's profitability and improves the financial performance during the fourth quarter.



Centers Addition – Q1 2022

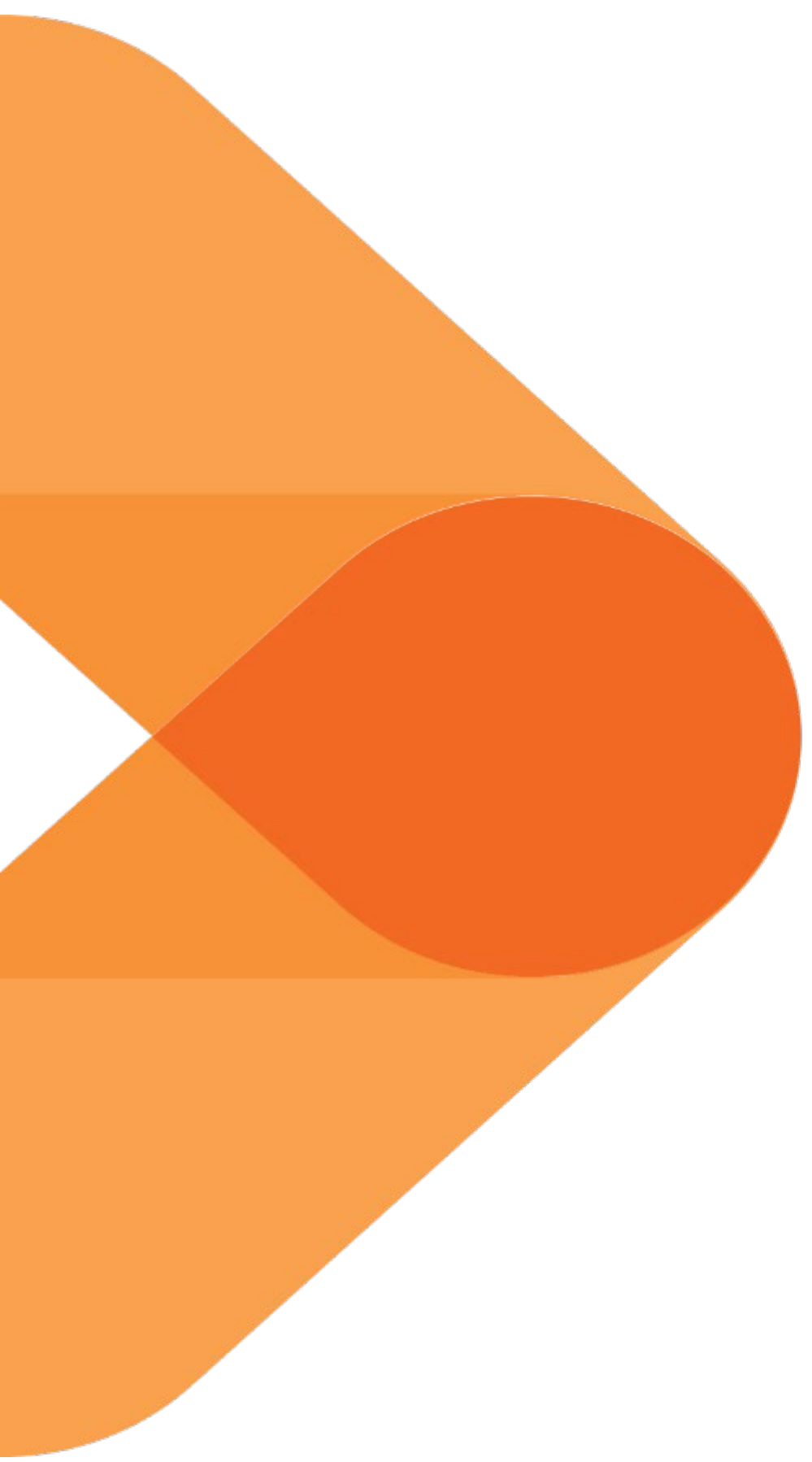
- 6 Centers opening with 5 new “Fitness Time Men Xpress”.



Other

- During Q1, Fitness Time announce and paid cash dividends for the period of Q4, which was approved by board of directors on 10th February 2022.
- On Tuesday 19th April 2022 Fitness Time announce the Ordinary General Assembly Meeting approval on delegating the Board of Directors to distribute interim dividends on a biannually or quarterly basis for the fiscal year 2022.





Strategic Report

Business Model

Leejam's business model looks at the ways in which the Company is able to generate value for its stakeholders, along with the resources used to achieve all strategic objectives.

These are built taking consideration towards the Company's vision to be the people's favourite and most accessible wellness club, and the Company's mission to steer society towards a healthy lifestyle and encourage people to exercise daily.



The Approach

- Diligent and risk-based decision making
- Customer centricity
- Innovative and diverse range of products and services tailored to meet customer needs
- Focus on quality and efficiency



Value Proposition

- Long term lease of land and construction of state-of-the-art and technologically superior facilities
- High value membership
- Strategic locations
- Certified trainers and experts
- Brands catering to various KSA demographics
- Internationally certified training programs
- Provision of opportunities for women.



Inputs

- Finance
- Customer Service
- People
- Operational Efficiencies
- Represented Brands

Business Model (continued)



Services and Features

- Cardio
- Strength
- Personal Training
- CrossFit Style
- High Intensity Interval Training (HIIT)
- Extreme Boxing
- Swimming



The Facilities

- Half Olympic Sized Pools
- Jacuzzi
- Sauna
- Steam
- Soccer, Basketball and Volleyball Courts
- Squash
- Lounges
- Business centres
- Showers
- Lockers
- Slippers



Leejam's Value Creation

- Membership growth, retention and loyalty
- Sustainable returns for shareholders
- Steering society towards a healthy lifestyle
- Consistency in increasing market share.



Strategy

Leejam has carefully crafted its 3-year strategy to enable the Company to continue its upwards trajectory built on rapid growth, expansion, diversification and evolution. Every step of the Company's strategic pillars will support the Company in achieving its vision of becoming the people's favourite and most accessible wellness club. By aligning its daily activities with its strategy, the Company is determined to further create significant and sustainable value for its members, employees, shareholders and the Nation.

Strategy Pillars

➔ Unrivalled Customer Experience

To be recognized for unrivalled customer experience by exceeding expectations and providing industry leading communication channels, with a special focus on being easy-to-use and providing extensive access to Fitness Time Support. To provide an outstanding new member onboarding process (FT90), to maximize enjoyment and results in the club. To be proactive in listening to members through frequent customer satisfaction surveys. To instil in staff members a culture of customer focus through thorough and extensive recruitment practices, training, e-learning and regular testing and assessment.

➔ Class leading technology

To be a digital leader; The Neom of the Fitness sector. To deliver a "Best in Class" consumer App that enhances the Company's relationship with members and prospects and is enabled for all wearable integrations. To adopt "Smart Gym" through a connected experience for members providing a cashless and convenient environment. To complete the integration of automated business processes through Oracle and all other connected systems. To move to a cloud based office system, creating efficiency and collaboration. To create a unique Employee app that improves communication, supports training and provides a hub for all useful information. To be a leader in ESG through adoption of sustainable and renewable energy sources.

➔ Focusing on people

To become the Employer of choice through reputation and inspirational leadership. To provide clear, effective structures, rewarding hard work through shared success and creating a dynamic, positive, motivational working culture. To attract the best, retain the best and to grow from within through career development, succession planning and caring staff facilities. To develop a Leejam Academy to provide the best training and development for employees. To create a strong communication led culture with team building and goal achievement at its core by harnessing staff sentiment to the brand through organized and measured listening exercises. To become the 'Employer of Choice' that offers a positive and motivated working culture.



➔ Growth

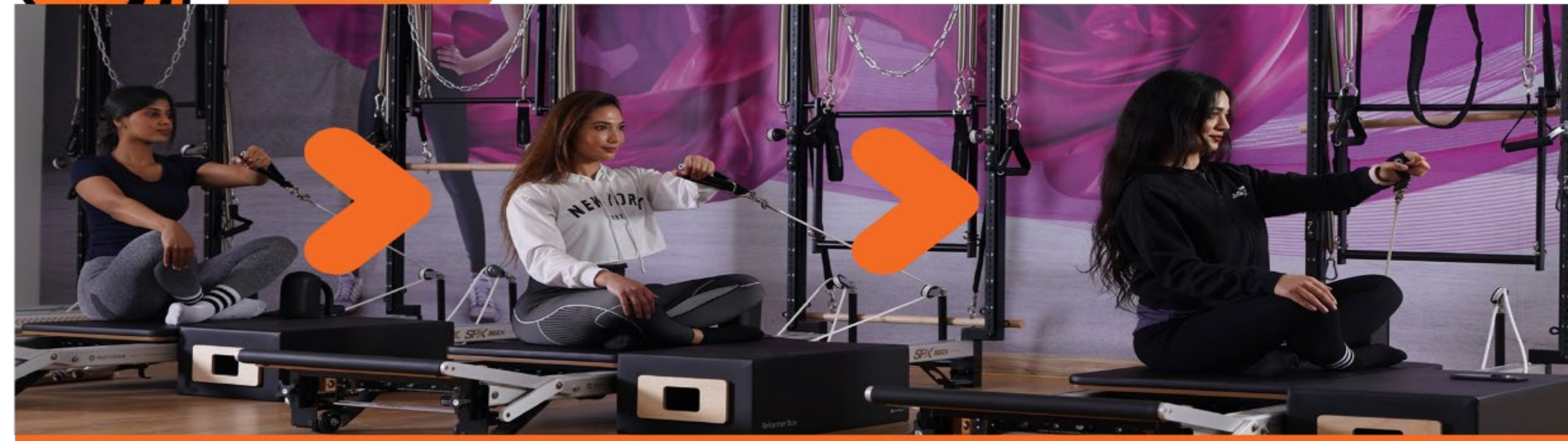
To increase the rate of expansion of fitness centres through:

- Traditional new clubs
- Corporate Wellness partnerships
- Small Gym concepts for males and females.

To balance expansion with maintaining brand quality/investment/operational excellence. To diversify and develop additional, secondary income lines e.g. Spa, Coffee, Retail, Protein, online such as Online Nutrition and Squat Wolf. To analyse pricing policies to ensure no loss-making clubs and to maximize on income opportunities. To increase membership to achieve 500k members by 2025. To use research and logic to ensure land acquisition targets have the highest prospects of success. To blend the Company's business focus on sales and adding considerable focus on retention.

➔ Quality

To build systems that guarantee a high degree of quality standards throughout the business (Total Quality Management). To introduce quality control measures audited by third parties, including mystery shop, NPS; which are linked to Company management development and rewards. To continually innovate with the latest Sports Equipment, trend setting group exercise, indoor cycling and HIIT Studios to strengthen Leejam's position as the market leader. To partner with winning brands that add kudos and value to all members. To preserve Leejam's exemplary reputation for having the highest hygiene standards. To provide the Company's operation with cutting edge data analytics in order to make sophisticated decisions that benefit both members and the business.



Strategy Framework

For Leejam to achieve on its strategic objectives, a clear and concise framework is required outlining the way in which the Company plans to execute its strategy and achieve its goals.



To lead by example

- Portray the core values of Leejam in all company activities starting with leadership and cascaded down to the entire organization.
- Coaching theme must be embraced for direct reports and mentoring the great talents in all teams to create a pool of outperformer.
- Conduct a well-planned meetings internally, scheduled one-on-one and team meetings regularly.
- Project the right image for the Company throughout the company and centres. Leadership image will reflect on Company's image.



To manage business performance

- Ensure all Financial KPIs are cascaded and distributed to departmental teams. Monitor approved KPIs on a monthly basis and immediate action plan for any deviation is required.
- Ensure all other KPIs (customers, regulatory, processes) are also cascaded down to all teams.
- As for Strategic projects and expansions, stakeholders must be accountable and responsible for execution within their allocated timeframes.



To ensure structure and process

- Driving improvement and enhancements across the organization. Without limitations, to set the strategy but continually scan the market locally and internationally, to adopt what is beneficial for future growth.
- Focus on evolution, diversification, innovation and digitalisation.

Risk Management

Leejam strives to ensure that its stakeholders, its reputation and the value of its assets are protected through effective risk assessment, identification and mitigation. The Company is committed to continually developing a risk management culture through its Risk Management Policy, framework and continual team development.



Risk Management Policy

The Company's risk management policy is to identify, assess, analyse and respond appropriately to all risks based on priority level defined by likelihood and impact. The risk management process is continuous and aligns with the Company's strategy, business objectives and operational goals. The Company has a system of policies, procedures and integrated operations through which risks are continuously identified, reported and managed in an organised, proactive and coordinated manner.



Risk Management Process

The Company's risk management policy is to identify, assess, analyse and respond appropriately to all risks based on priority level defined by likelihood and impact. The risk management process is continuous and aligns with the Company's strategy, business objectives and operational goals.

The Company has a system of policies, procedures and integrated operations through which risks are continuously identified, reported and managed in an organised, proactive and coordinated manner.



Risk Management and Controls

The Company, therefore, streamlines the actions of all staff, individually and collectively, towards achieving its business objectives. This entails the alignment of the objectives, risks and controls throughout the enterprise. It encompasses the respective business processes and operational activities undertaken by all levels of staff.



Risk Management Framework

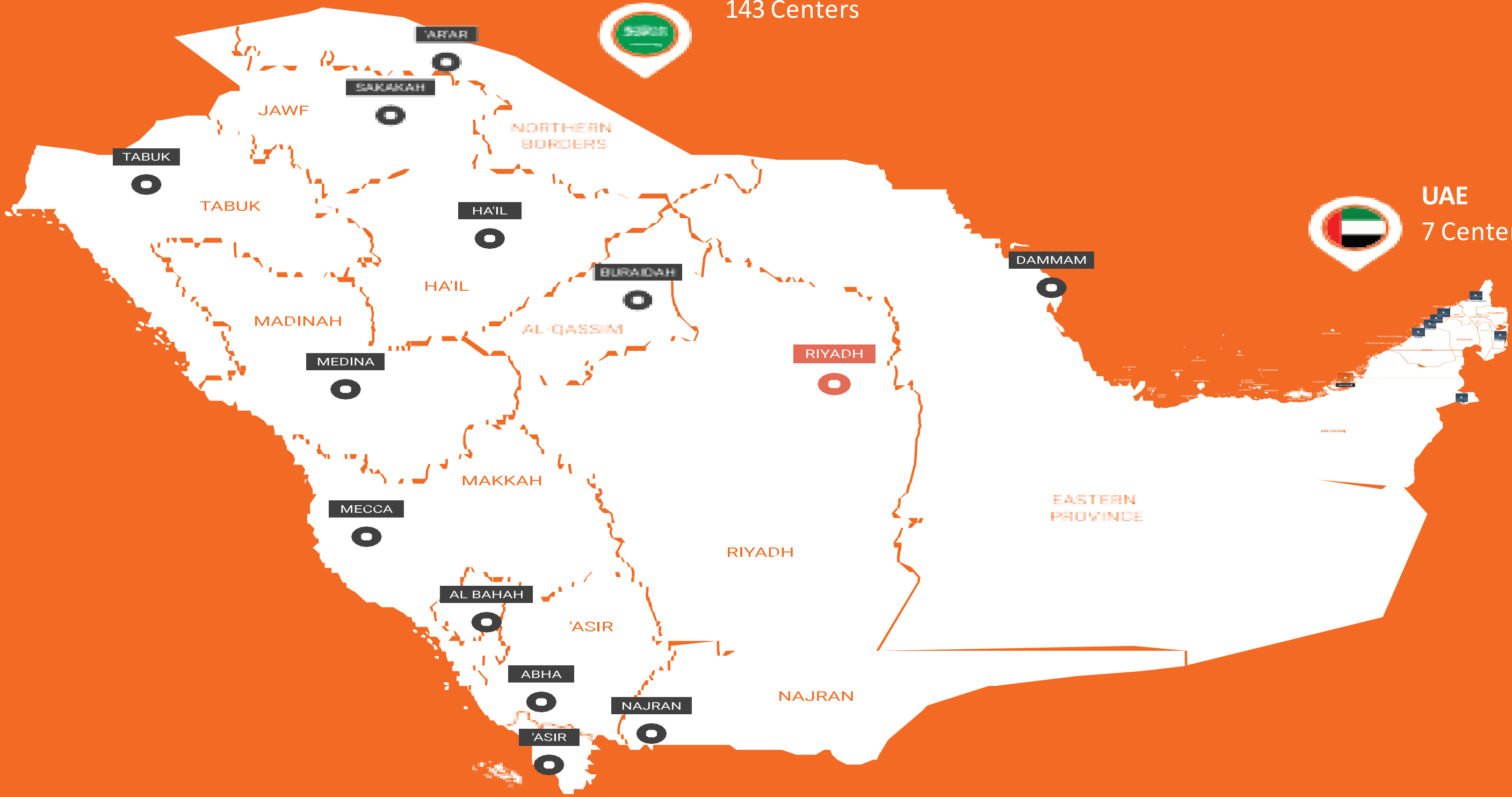


Locations



KSA
143 Centers

UAE
7 Centers



Key Features



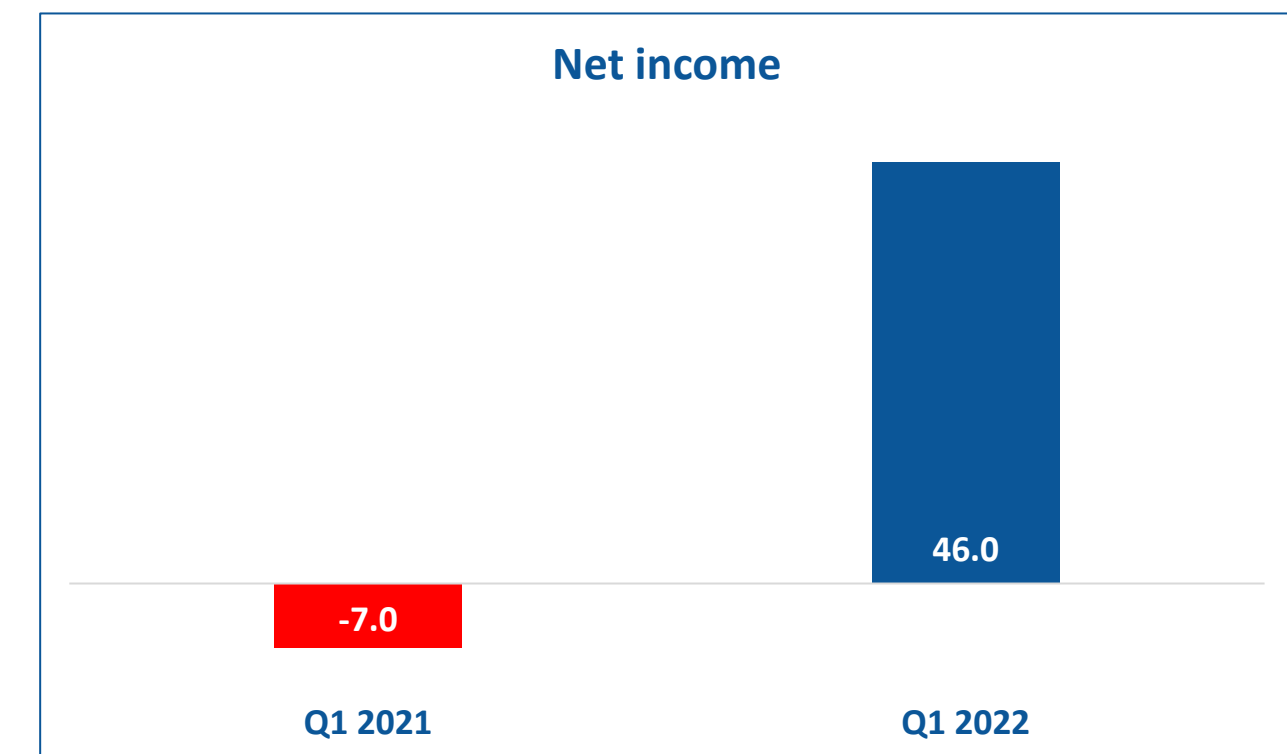
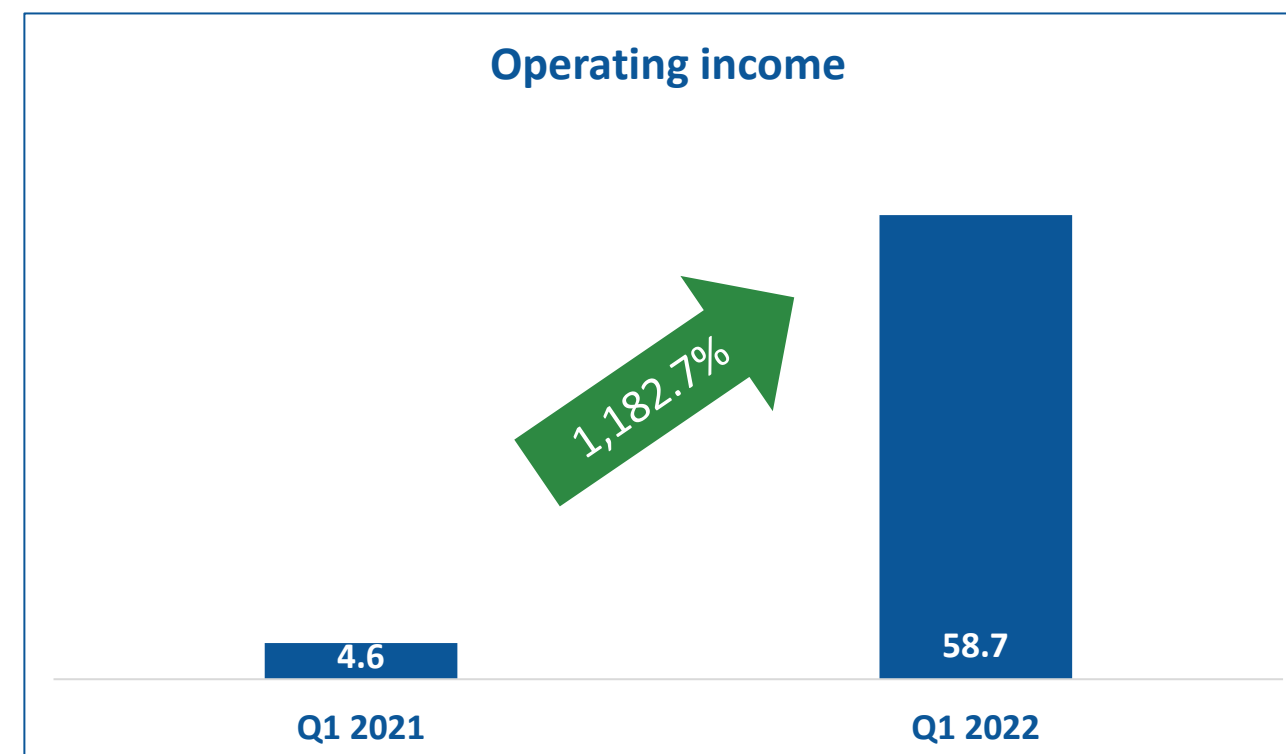
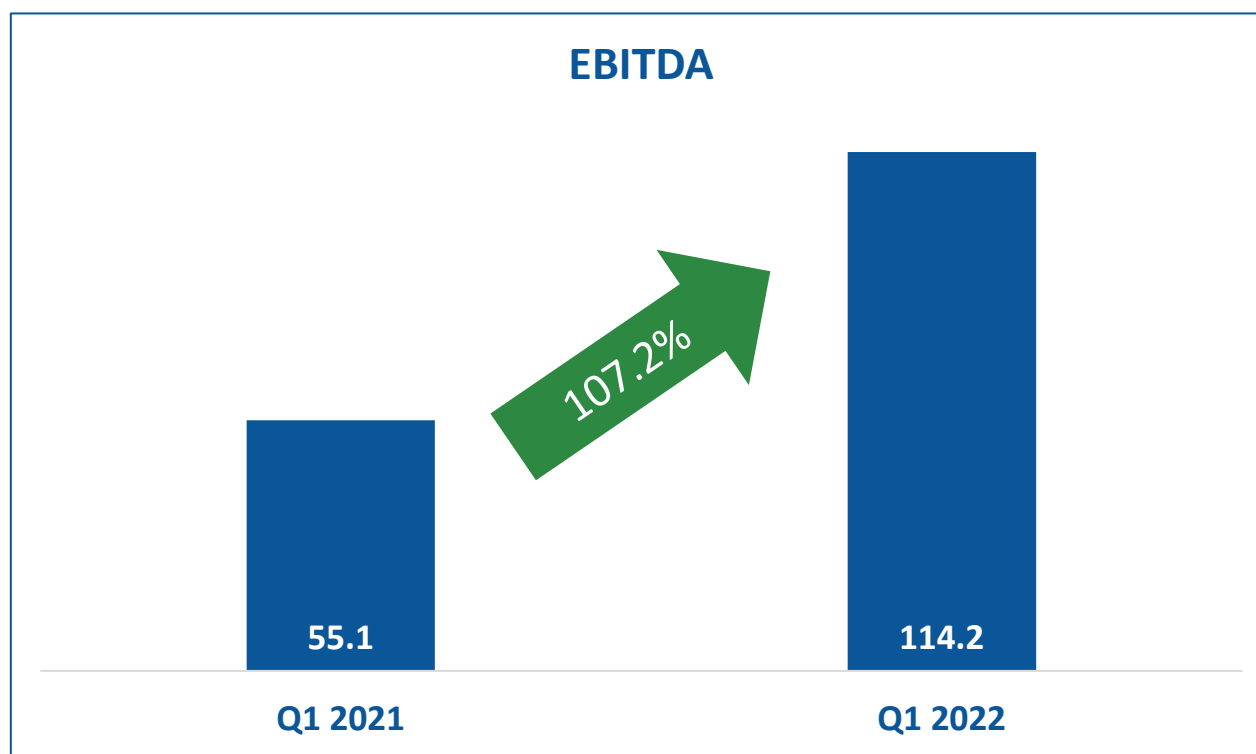
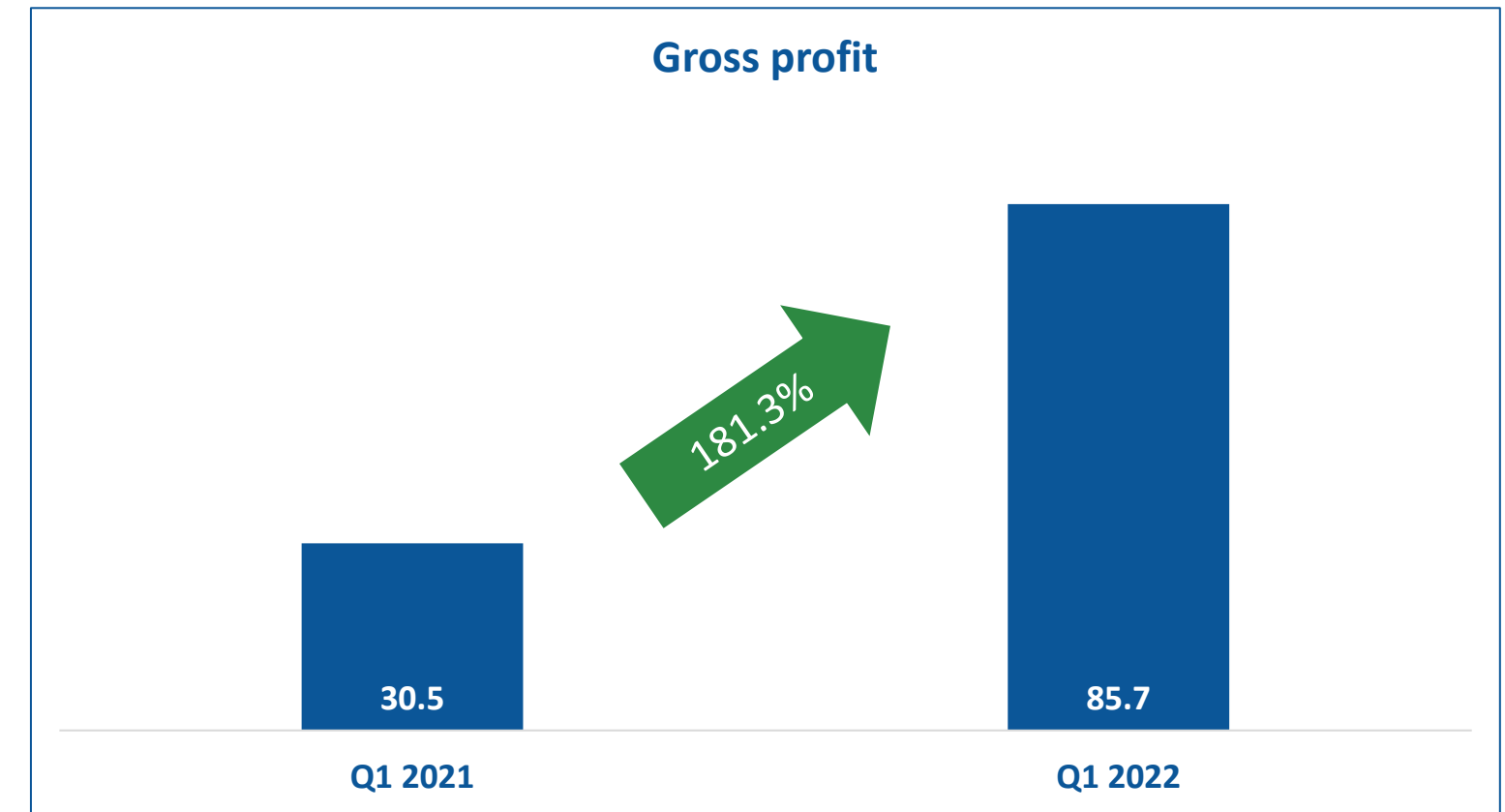
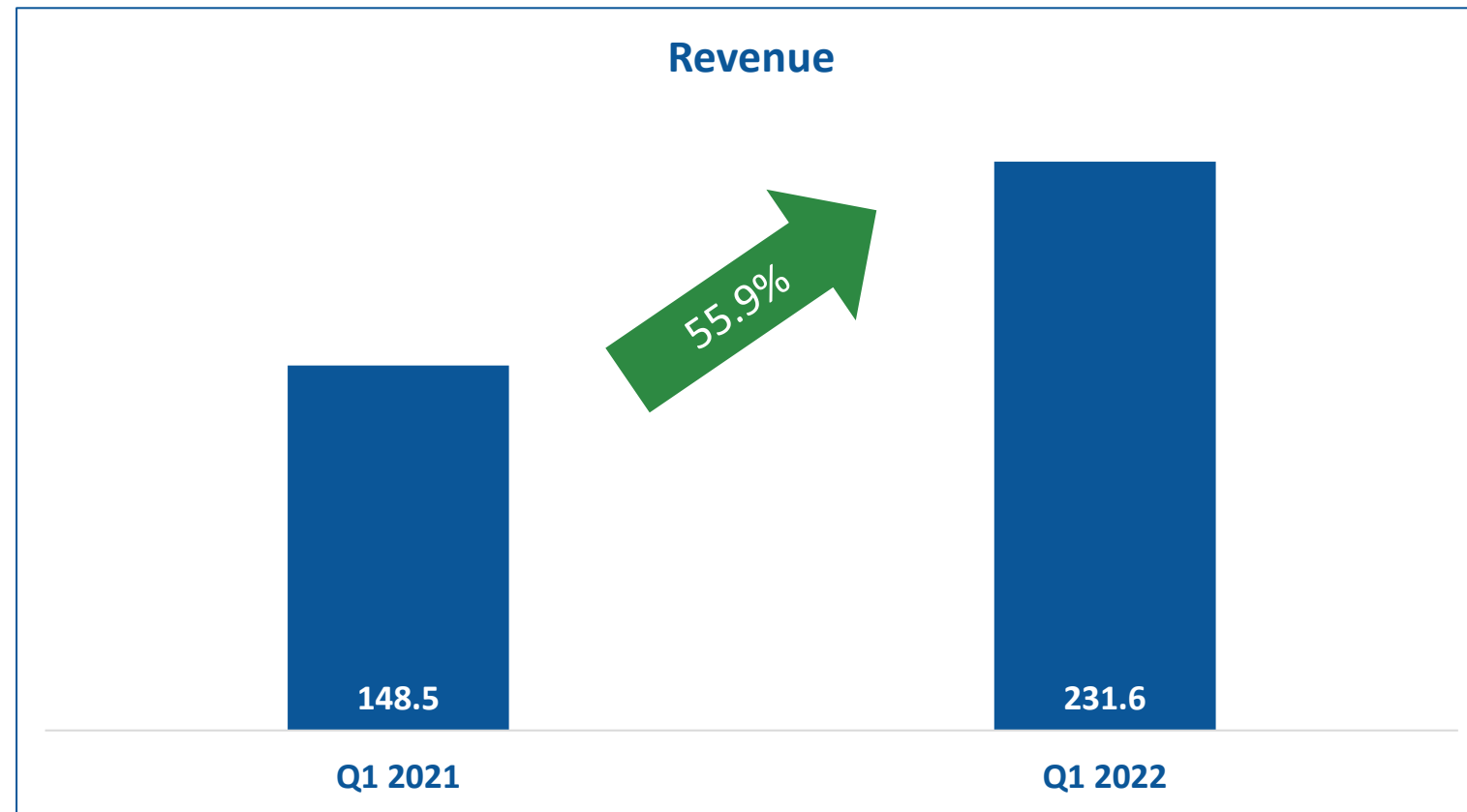
Target audience	Males 25+	Males 16+	Males 16+	Males 16+	Females 16+	Females 16+	Females 16+	Total
No. of Centers – As of Q1 2022	4	53	35	17	32	5	4	150

Financial Performance



Profitability – Q1 2022

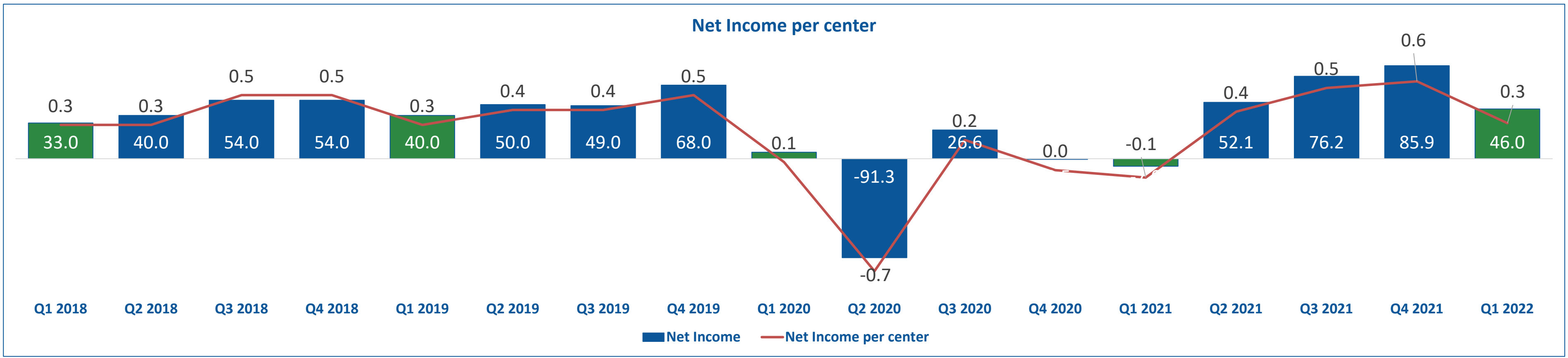
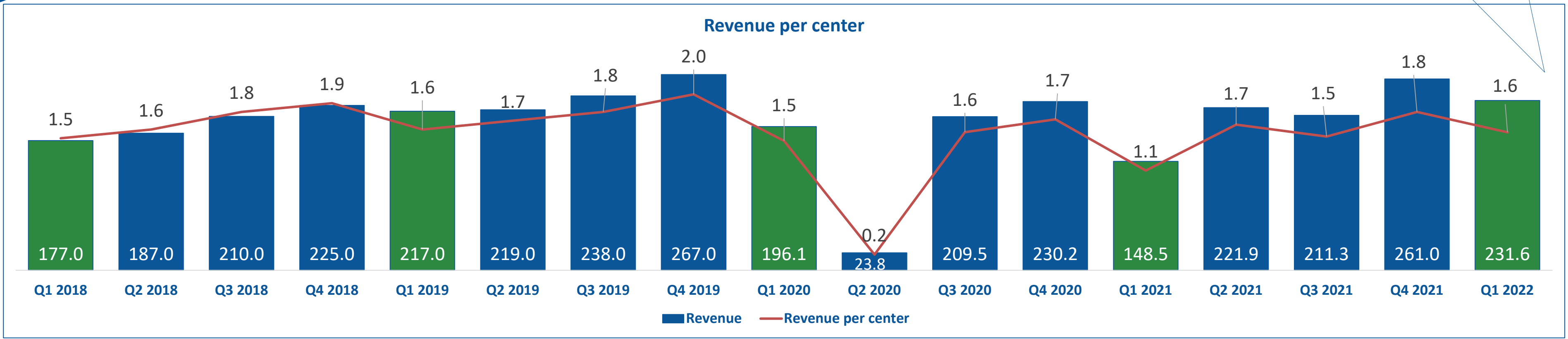
Amounts in million (SAR)



QoQ Growth

Amounts in million (SAR)

Average revenue/center & Net income/center is impacted by adding 12 centers since October-21 which is still under ramp up period

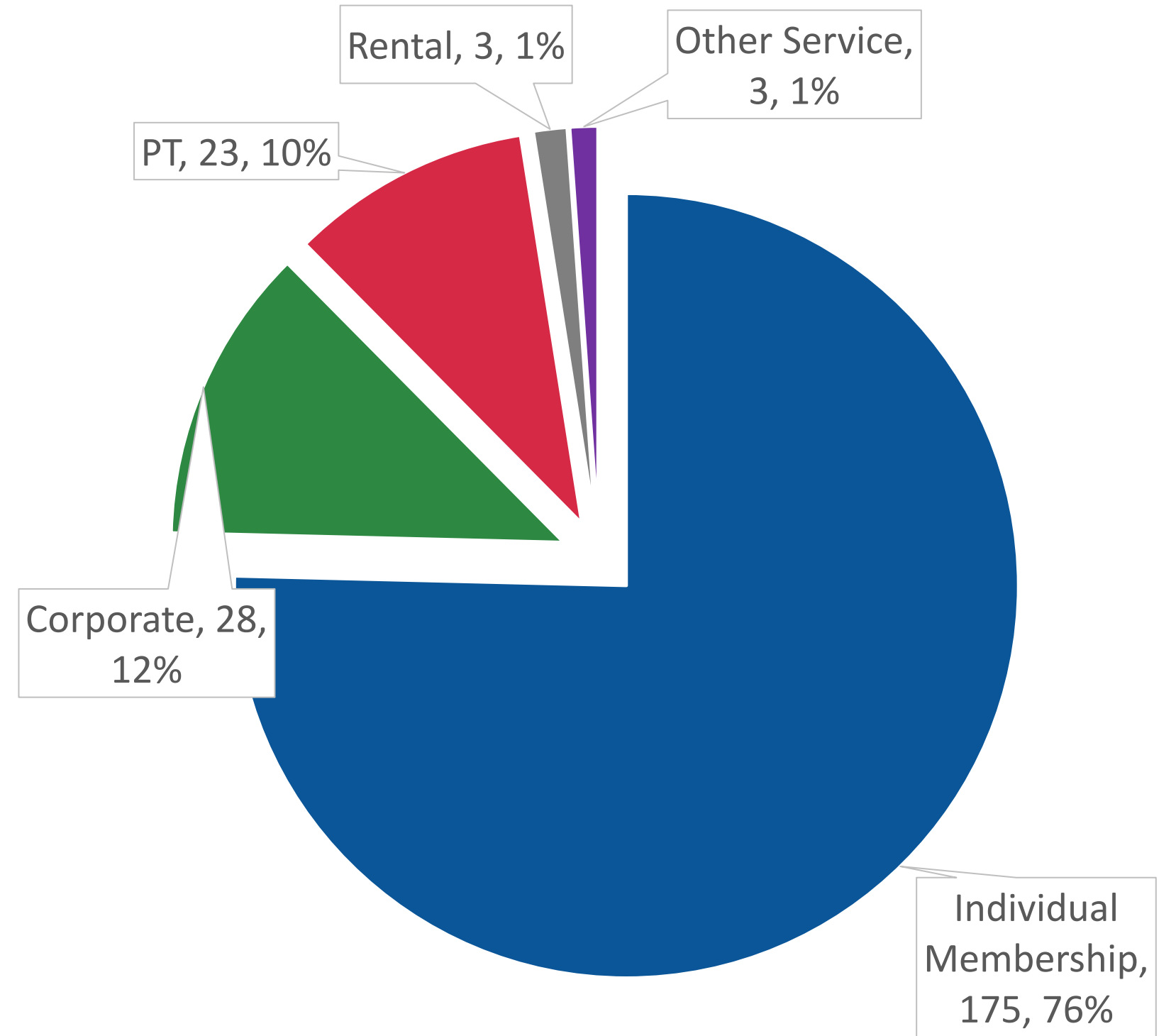
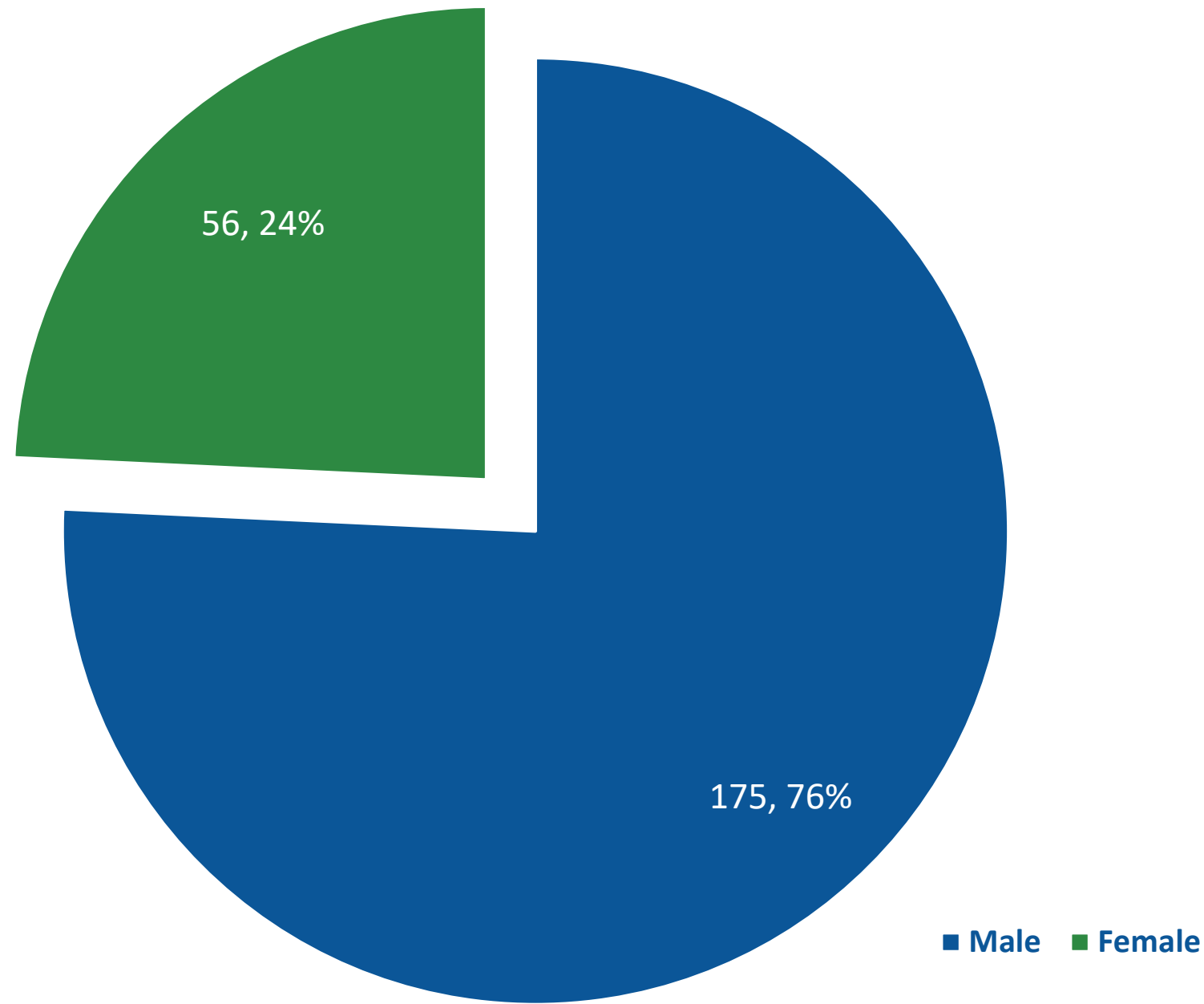




Revenue Break-Down Q1 2022

Amounts in million (SAR)

Revenue, % of Total Revenue



Key Messages:

- ❖ Revenue increased by SR 83.1 M representing 55.9% due to:
 - Membership revenue, Personal Training (PT) revenue, rental income and other income increased by SR 83.07M mainly due to opening of new centers and more operating days in current quarter compared to similar quarter of the previous year. (Last year, gyms and fitness centers in the Kingdom were closed from February 5, 2021, until March 6, 2021, to overcome the continuing outbreak of the coronavirus).
- ❖ Cost of revenue increased by SR 27.8M mainly due to more operating days in current quarter compared to similar quarter of the previous year.
- ❖ General & administrative expenses increased mainly due to more IT cost (implementation of new system).
- ❖ Advertising & marketing expenses slightly increased due to more expenditure on campaigns during the current quarter.
- ❖ Finance cost slightly decrease mainly due to lower outstanding long-term loan.

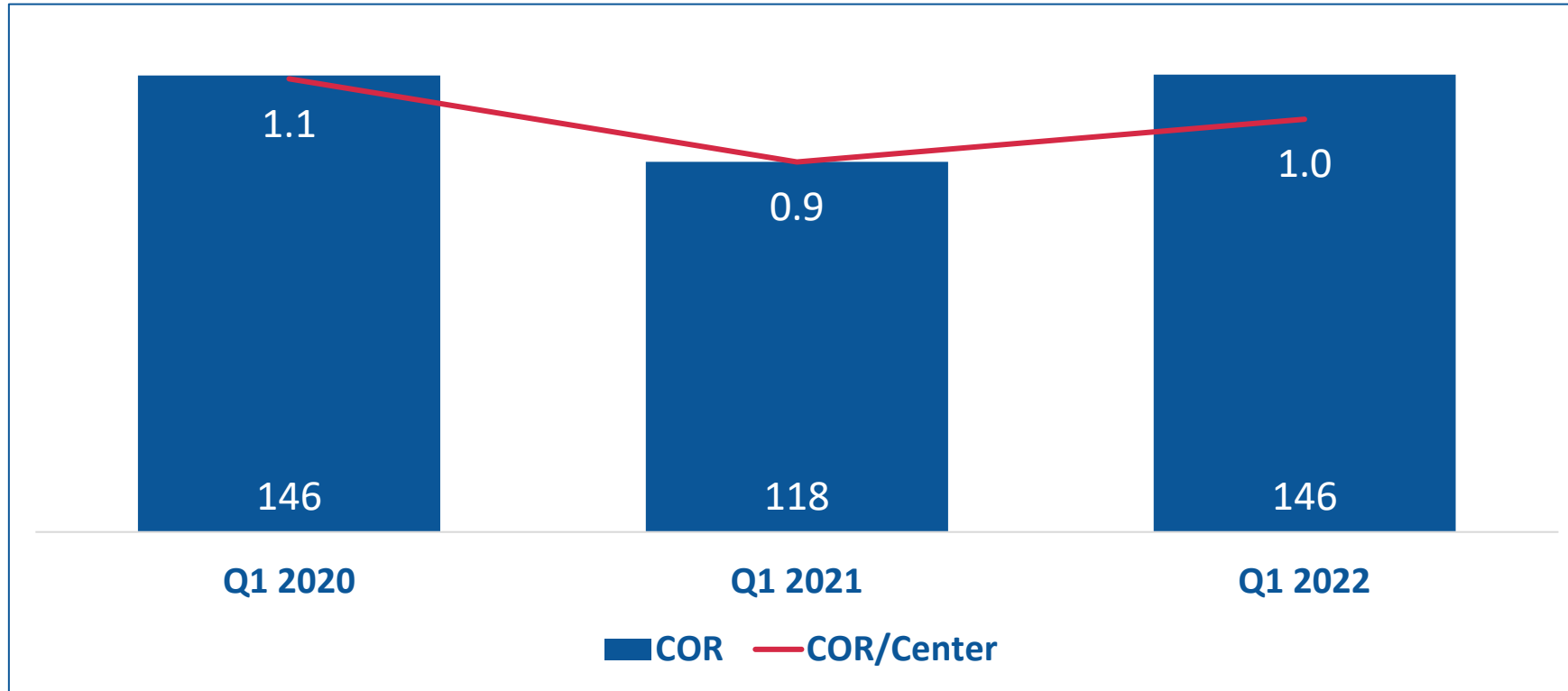
SR M	Q1 2022	Q1 2021	Δ	Δ%
Revenue	231.6	148.5	83.1	55.93%
Cost of revenue	(145.9)	(118.1)	(27.8)	23.57%
Gross profit	85.7	30.5	55.2	181.30%
Gross profit Margin	37.01%	20.51%	16.49%	80.40%
General and administrative expenses	(23.1)	(21.0)	(2.1)	10.09%
Advertising and marketing expenses	(3.8)	(3.7)	(0.1)	2.74%
Impairment loss on fixed assets and advances to suppliers	0.0	(1.2)	1.2	(100.00%)
Impairment loss on financial assets	(0.1)	0.1	(0.1)	(178.25%)
Other (expenses) / income, net			0.0	-
Operating income	58.7	4.6	54.1	1182.75%
Operating income Margin	25.34%	3.08%	22.26%	722.65%
Finance charges	(11.5)	(11.5)	0.1	(0.47%)
Net income before Zakat	47.2	(7.0)	54.2	-
Zakat	(1.2)	0.0	(1.2)	-
Net income	46.0	(7.0)	53.0	-
Net income Margin	19.87%	(4.69%)	24.56%	-
Basic earnings per shares	0.88	-0.14	1.0	-
EBITDA	114.2	55.1	59.1	107.21%
EBITDA Margin	49.29%	37.09%	12.20%	32.89%

Amounts in million (SAR)



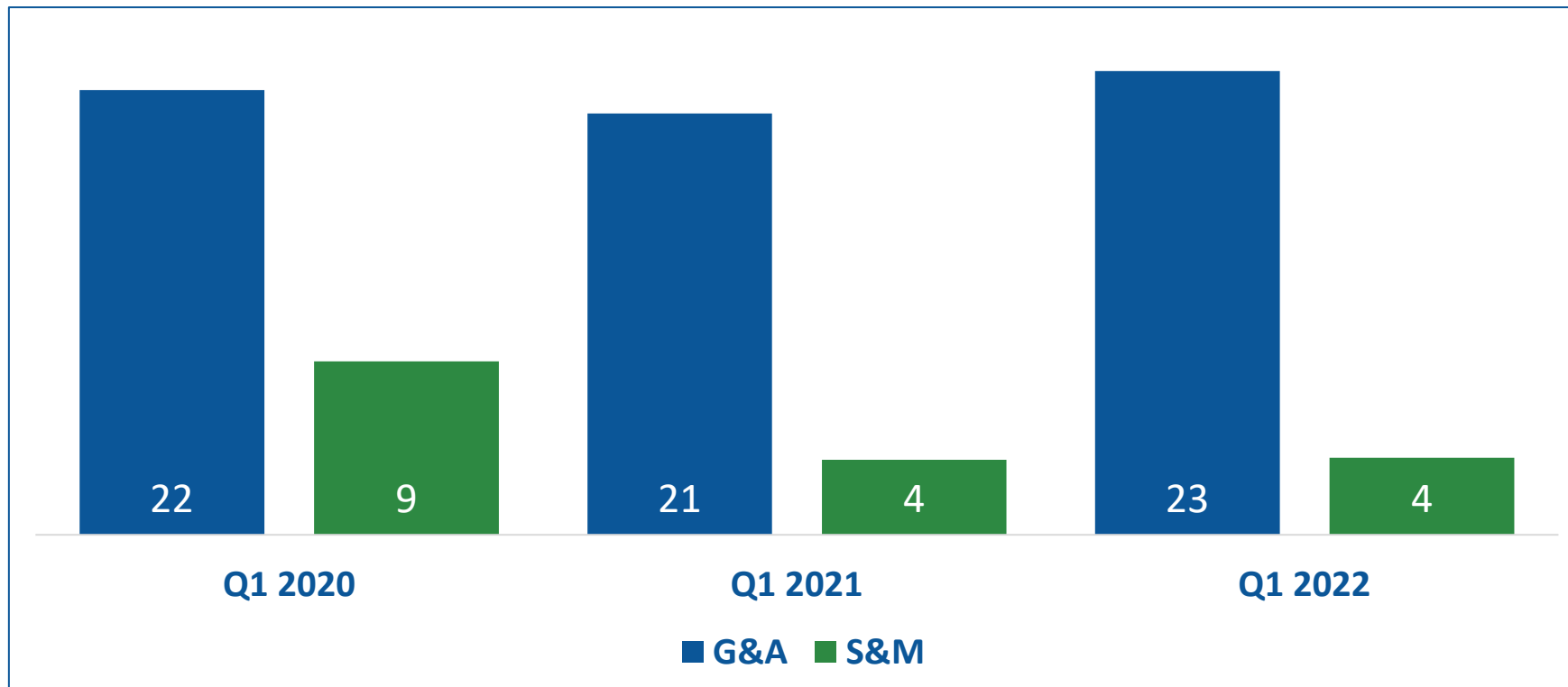
Q1 2022 COR & SG&A

Amounts in million (SAR)



Key Messages:

- ❖ 11% increase in average COR / center is mainly driven by:
 - More operating days in current quarter compared to similar quarter of the previous year.



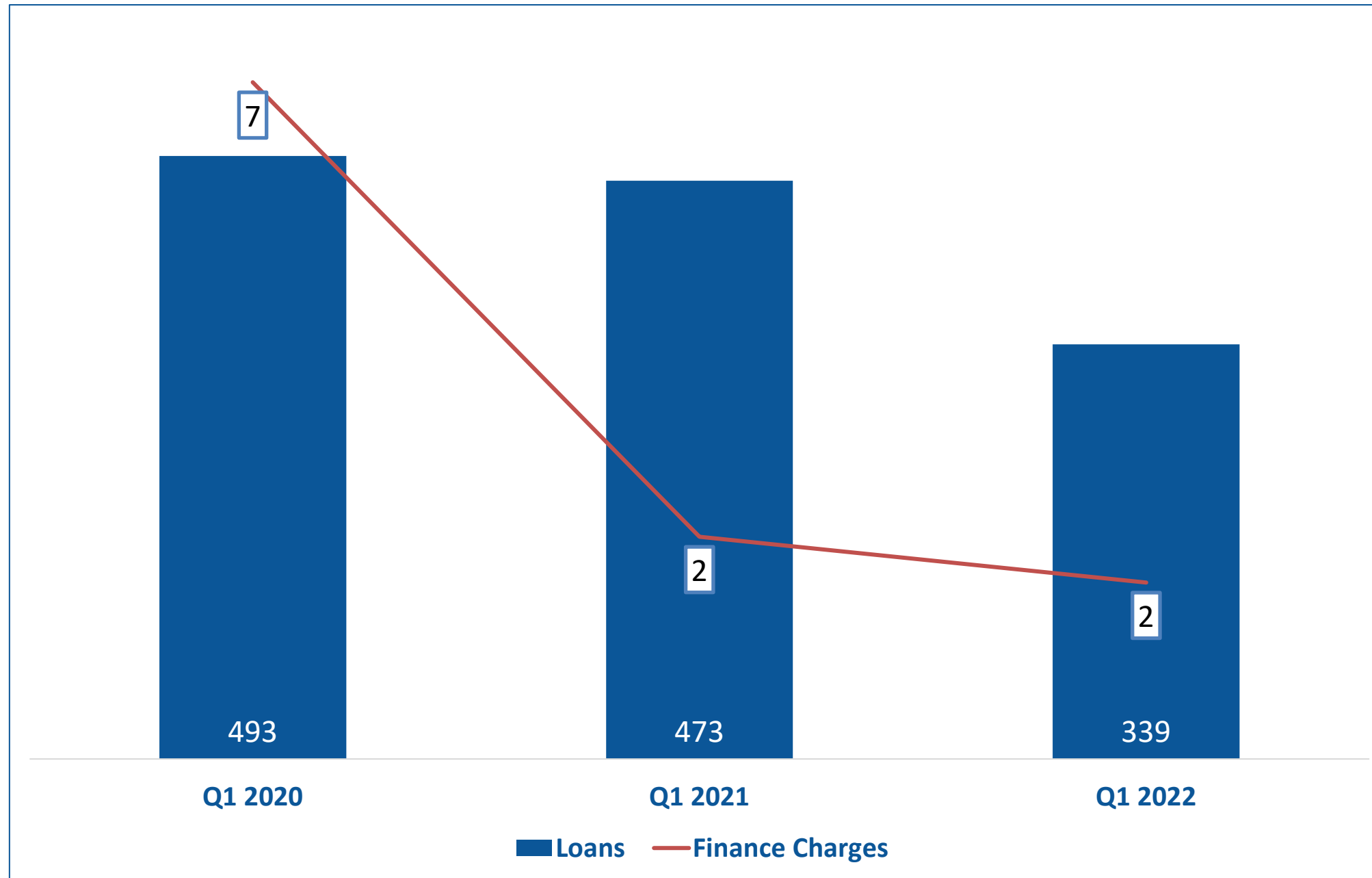
Key Messages:

- ❖ 10% increase in G&A & 3% increase in S&M is mainly driven by:
 - General & administrative expenses increased mainly due to more IT cost (implementation of new system).
 - Advertising & marketing expenses slightly increased due to more expenditure on campaigns during the current quarter.



Loans & Finance Charges

Amounts in million (SAR)



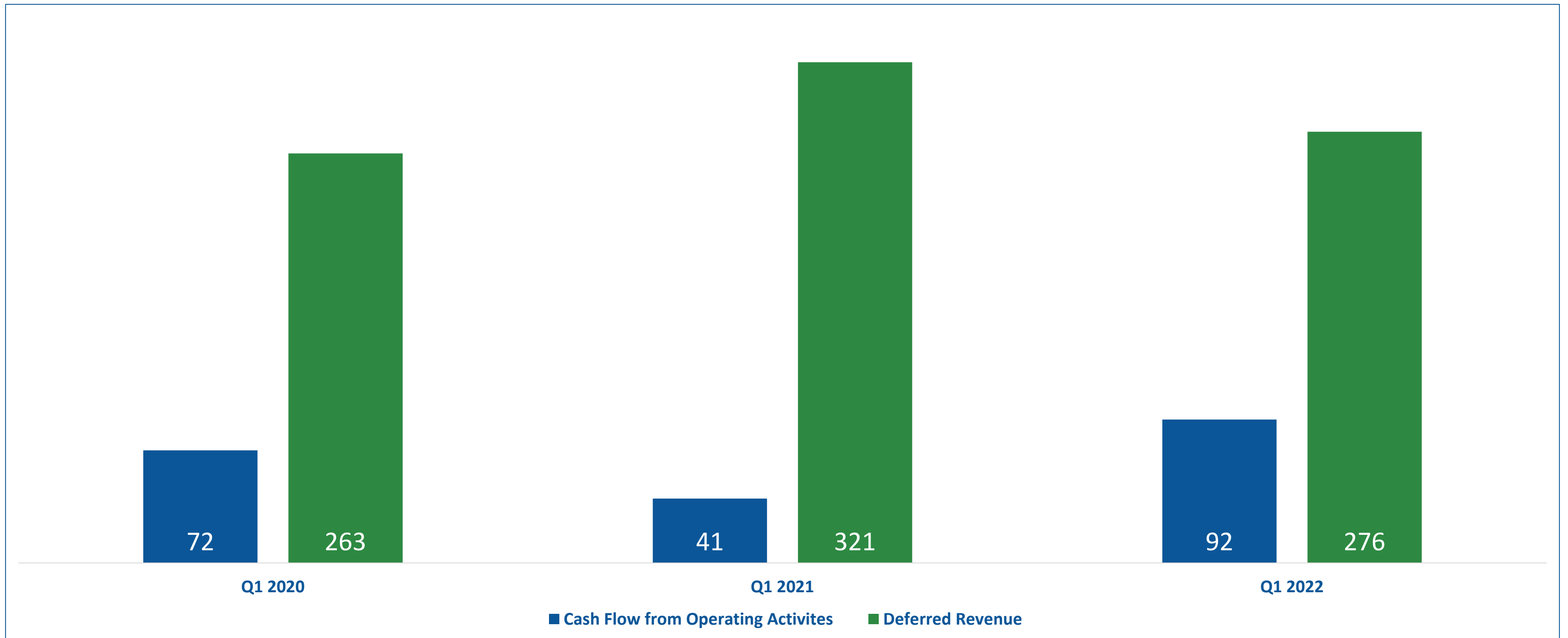
Key Messages:

- ❖ Overall bank loan decreased by SR 134M comparing with Q1 2021, Cash also decreased by SR 79M comparing with Q1 2021.
- ❖ Weighted average cost of borrowings approximate 2.7% during Q1 2022 comparing 2.2% at the end of 2021 which is due to increase in SIBOR.



Cash Generation

Amounts in million (SAR)

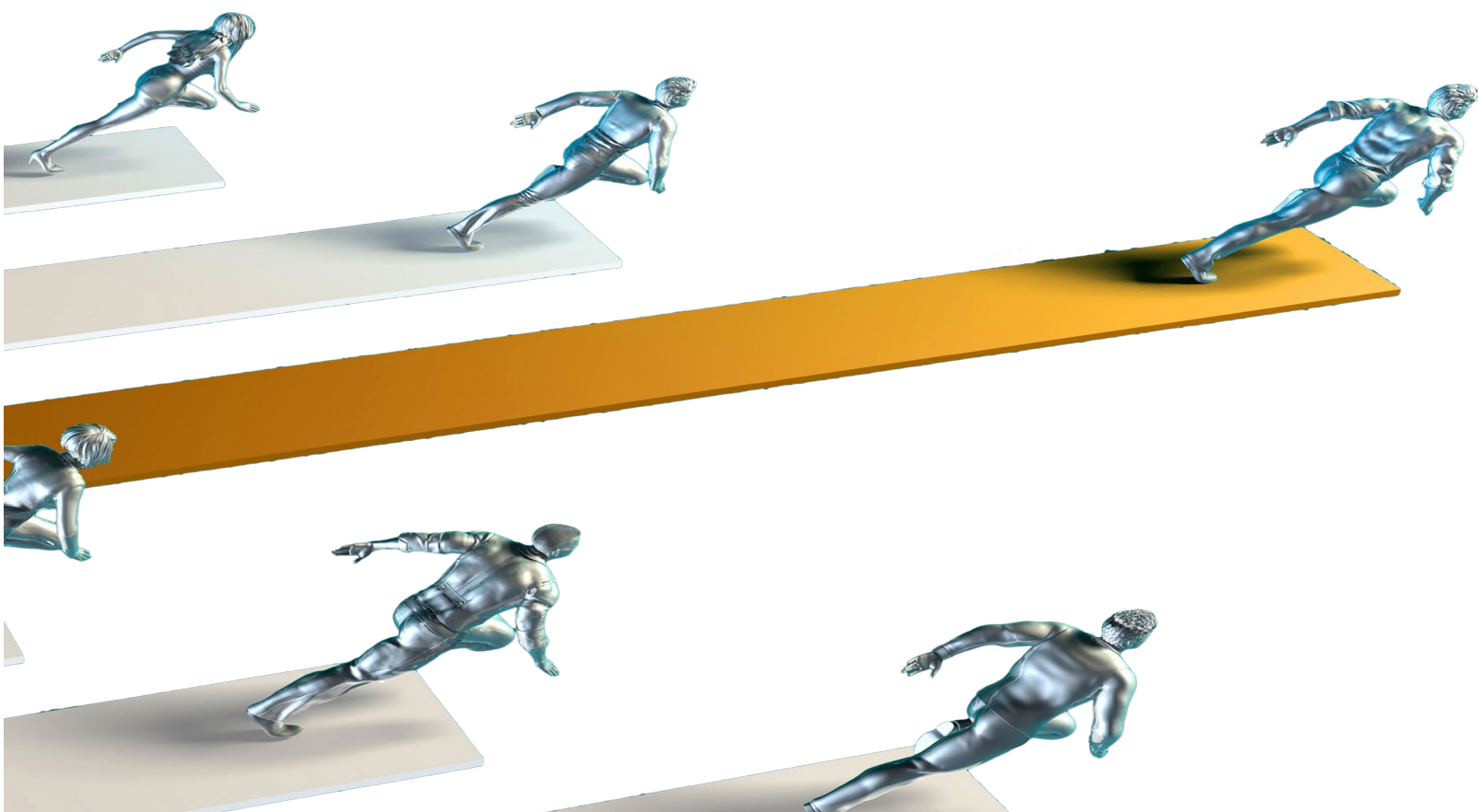


2022 Outlook

Tentative Guidance:

2022 growth will be driven by:

- Further openings of 1 – 5 Xpress Clubs
- Further openings of 5 – 10 Big Box centers
- Expanding corporate & PT business
- Gradual improvement of realized prices
- Cost control, and improving customer experience, member retention & services.



Category	Current	Expected
	31-Mar-22	31-Dec-22
Female – Xpress	4	5 – 6
Female - Big Box	37	42 – 44
Male - Big Box	92	93 – 95
Male – Xpress	17	17 – 19
Total	150	157 – 164

Category	Expected CAPEX (Range) SAR
	Per Center
Xpress Format	2.5M to 5M
Big Box Format	15M to 20M



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Q&A

Thank You

For enquires, please contact the Investor Relations Department at:
investor.relations@leejam.com.sa