



EARNINGS PRESENTATION

FY 2022

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**COMPANY'S PROFILE &
OVERVIEW**



OUR VISION

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

OUR MISSION

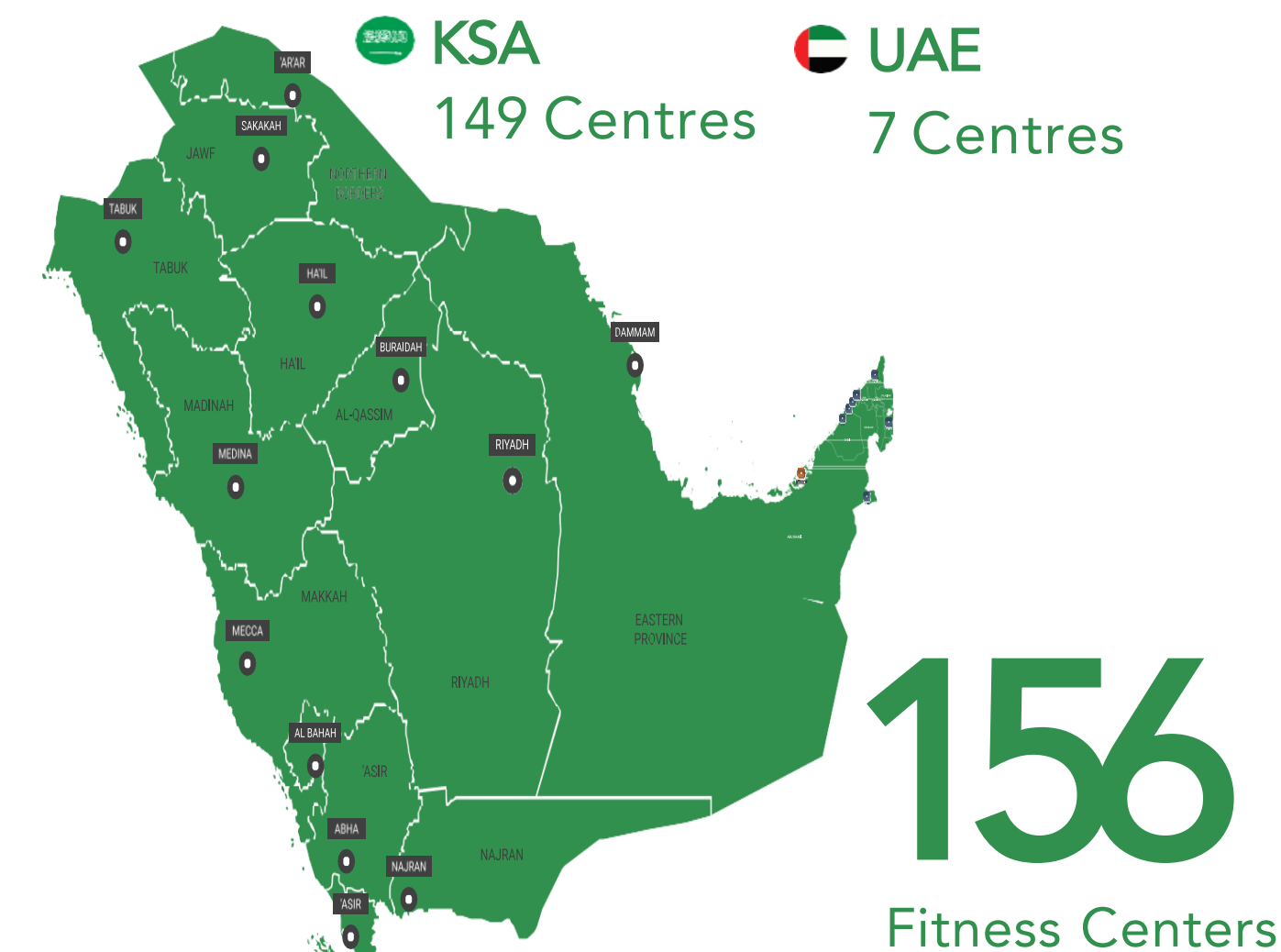
To steer society towards a healthy lifestyle and encourage people to exercise daily.

OUR VALUES

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

LEEJAM BRANDS & VALUE PROPOSITION

Leejam aims to offer a winning solution to the masses; an easily affordable and accessible fitness centre that allows users to access market leading facilities, with different sizes, locations, products and services to accommodate for people with varying budgets and requirements. These solutions give Leejam a unique opportunity to maximise outreach, leveraging its leading edge and experience in the market, along with its synonymous name to maximise return on capital for its shareholders.



- Total Number of Fitness Centres = 156
- Largest reach across Saudi Arabia, with branches in UAE
- 44 Female only segment – Largest female network in KSA
- Strategically located to reach majority of the population
- Multiple brands to cater for all people
- 24/7 gyms
- Fully trained & Certified staff
- State of the art customer service
- Best-in-class facilities and products

Leejam currently operates the following fitness brands:



Fitness Time Plus/Ladies Plus

Indulge in an environment which combines fitness with luxury; this brand is targeted at individuals seeking a five-star, exclusive experience. The “Plus” brands provide the ultimate in privacy, whilst maintaining the ultra-high standards the Company is renowned for. Facilities include best-in-class swimming pools, complimented by jacuzzis and plunge pools at selected locations, a comprehensively equipped gym along with indoor running and walking tracks. Additional facilities include steam rooms, saunas, hairdresser facilities, squash, along with communal lounges.



Fitness Time Pro/Ladies Pro

Fitness Time Pro provides users with a broad, yet focused set of features and services. There are large training pools, which can be used either for workout or as a cool down post workout, complimented also by jacuzzis and plunge pools at selected locations. All centres are equipped with the very latest technology, ensuring users maximise their fitness potential. In addition, there are dedicated work-out rooms for each type of training and exercise.



Fitness Time/Fitness Time Ladies

Immerse yourself in a business class sports and fitness facility, with a brand targeted at a user seeking a high-end, full-service facility, without the necessity for the additional privacy the Plus brand provides. With similar facilities to the Plus brand, Fitness Time provides swimming pools, jacuzzis and plunge pools along with the usual state-of-the-art equipment found in all fitness centres, with some centres also benefitting from indoor running and walking tracks. This brand also offers space at its male centres for other sports activities, such as football, volleyball, squash and table tennis at certain locations.



Fitness Time Xpress/Ladies Xpress

Perfect for a user seeking cardio and strength workouts, Fitness Time Xpress offers a digitally enabled no-frills experience, with maximum value, easily accessible centres with male centres being open 24 hours a day. Fully equipped with the ultimate range of cardio programs and usual cardio and strength equipment, all gyms come with the state-of-the-art equipment the Company is renowned for.

Key Features

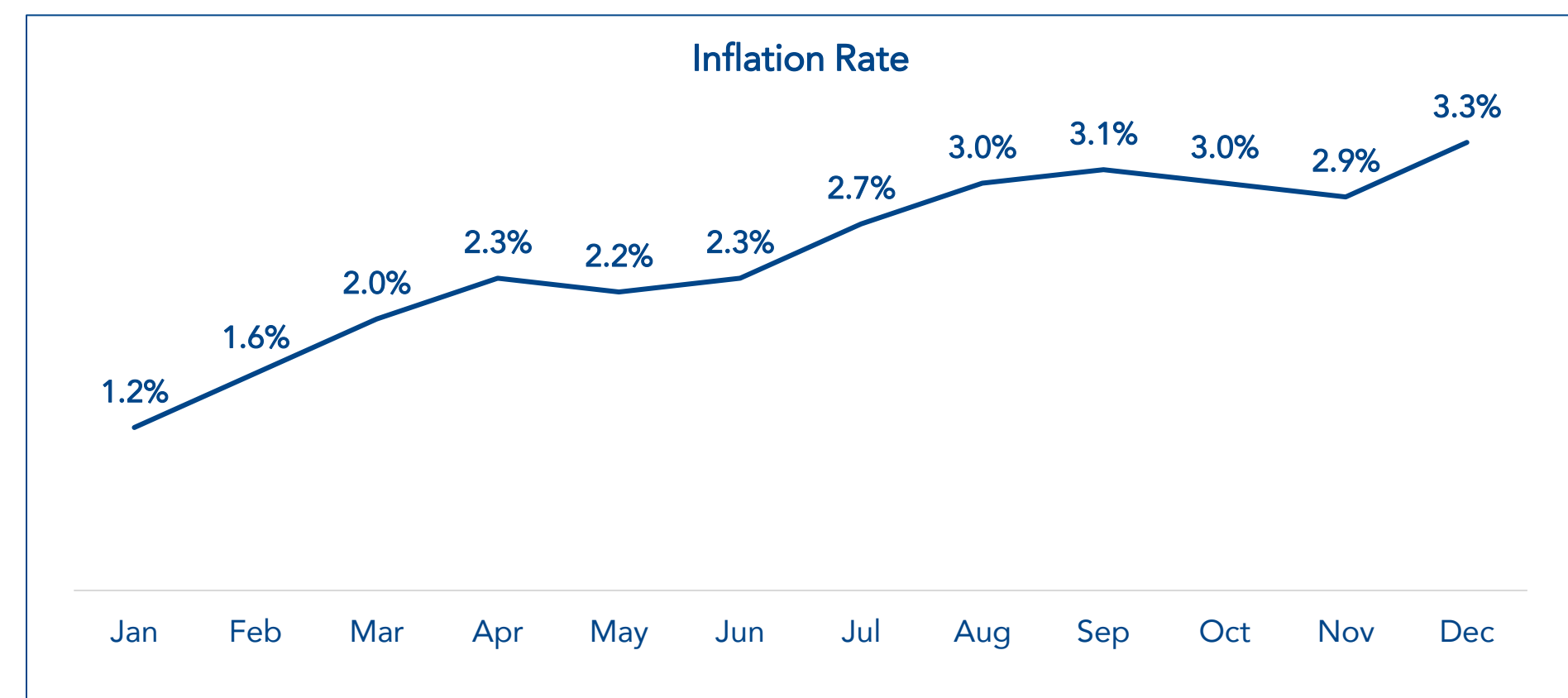


Target audience	Males 25+	Males 16+	Males 16+	Males 16+	Females 16+	Females 16+	Females 16+	Total
No. of Centers EOP Dec 2022	4	52	36	20	35	4	5	156

2022 MACROECONOMIC

Inflation Rate

With 1.2% at the beginning of the year and increased by 175% until it reached 3.3% by December.



SIBOR

Significant increase since January 2022 by 5.7x.



Review

With higher inflationary pressures and increasing interest rate, and through agility and strategic position, Leejam was able to deliver an outstanding financial results.

Amidst a global economic slowdown and a tens competition on consumer spending power, nationally, the Company achieved double digit growth across all areas through solid market share, resilient operating model and a robust balance sheet.

Source: SAMA

2022 ALL TIME RECORD

In 2022, Leejam achieved all time high records, in its history. The following are the main:

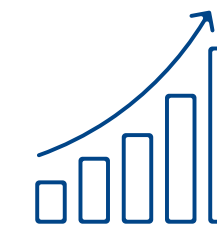
- Highest FY & Q4 Revenue
- Highest FY & Q4 Net Income
- Highest year-end members count

This slide shows each KPI and Leejam's 2022 achievements.

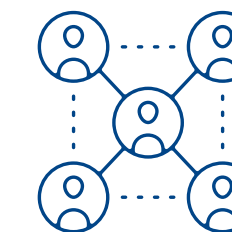
OVERALL



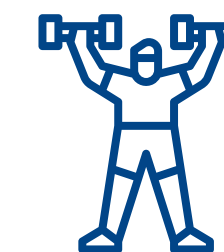
Revenue
1.1B SAR



Net Profit
257M SAR



Active Members
327K

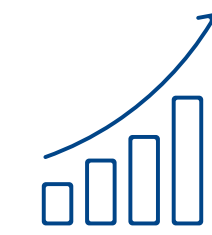


11 Additional
Centers

PER CENTER



Q4 Revenue of 2.2M
SAR, highest quarter
ever

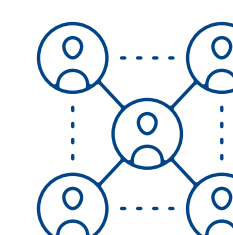


Q4 Net profit of 0.7M
SAR, highest quarter
ever

SEGMENT



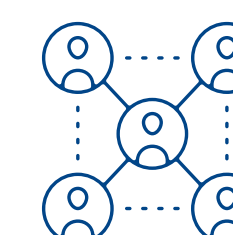
Ladies
Revenue
258M SAR



Ladies Active
Members
66K



Male Revenue
of
808M SAR



Male Active
Members
195K

2022 BUSINESS & FINANCIAL PERFORMANCE

This shows the company performance in 2022 in the following areas:

Gyms:

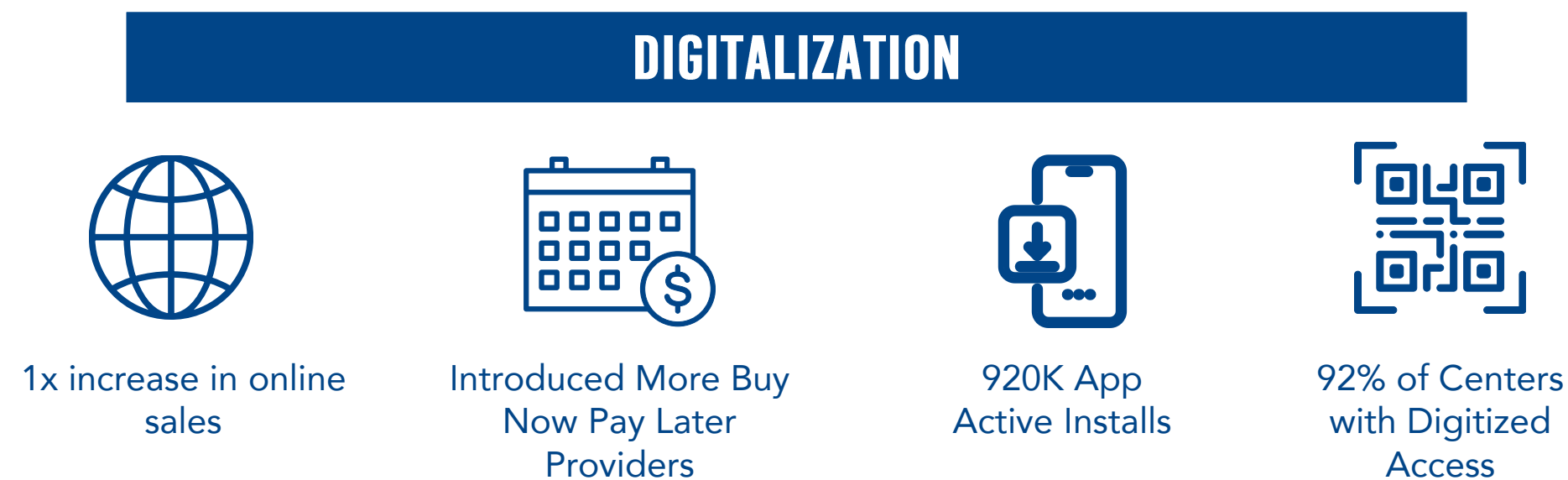
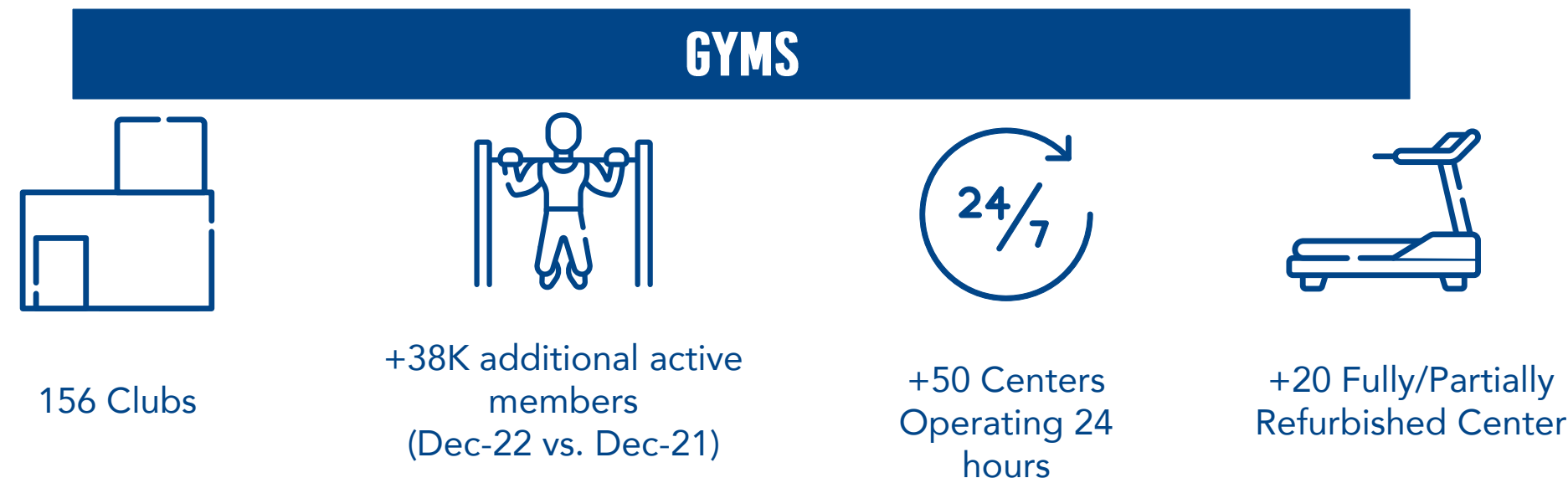
- Continued to increase its footprint by adding a net of 11 operating centers.
- Increased total active members to 327K at the end of the year.
- Increased its 24/7 gyms' network (Big Box) and enhanced the services of +20 more gyms through its refurbishment plan.

Digitalization:

- Achieved 920K App downloads.
- Nearly doubled online sales.
- Expand Digitized access covering 92% of the network's gyms

Brand & Awareness:

- Conducted 10 public and mass participation events.
- Completed more than 10 joint campaigns with 8 partners.
- Continued to enrich our members experience with over 50 in club activities.



2022 BUSINESS & FINANCIAL PERFORMANCE CONTINUED....

This shows the company performance during 2022 in the following areas:

Fitness:

- Rebranded & relaunched core Group Exercise programs.
- Activated partnerships with LesMills and introduced international programs in Ladies segment.
- Almost an average of 300K participations per month in our Group Exercise classes.

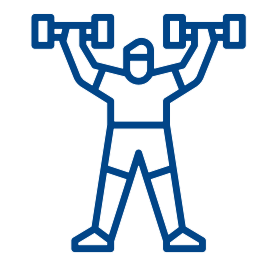
People:

- Employee satisfaction increased by 7%.
- Employees productivity (Revenue per Staff) increased by comparing to 2021.

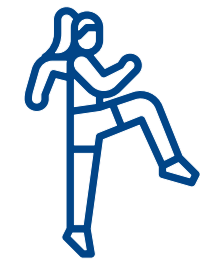
FITNESS



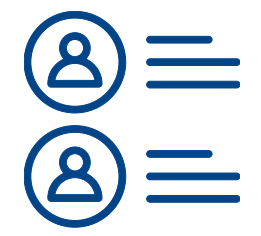
Fully Digitized Booking and Attendance System



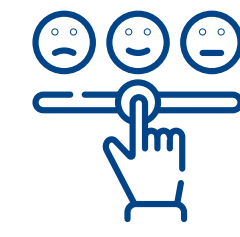
4 Rebranded and Re-launched Core GX Programs



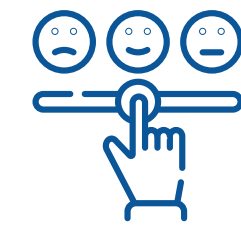
+ 3 LesMills International GX Programs (Ladies)



Hit +290,000 GX participations in a month



+4.7 out 5 satisfaction score from GX participants

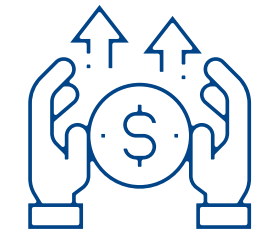


+4.8 out 5 satisfaction score from PT members

PEOPLE



7% Increase in employee satisfaction vs. 2021



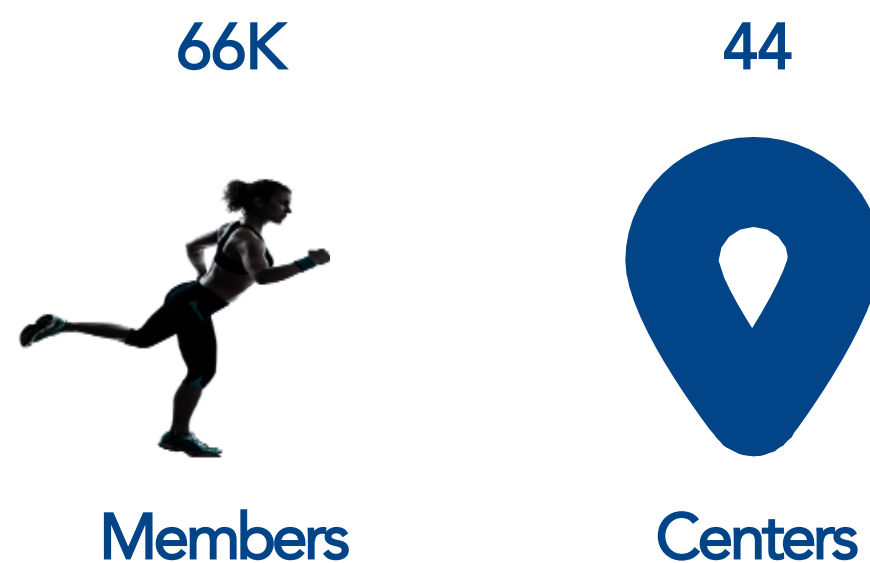
Increase in revenue per staff vs. 2021

Q4 & FY 2022 KEY HIGHLIGHTS

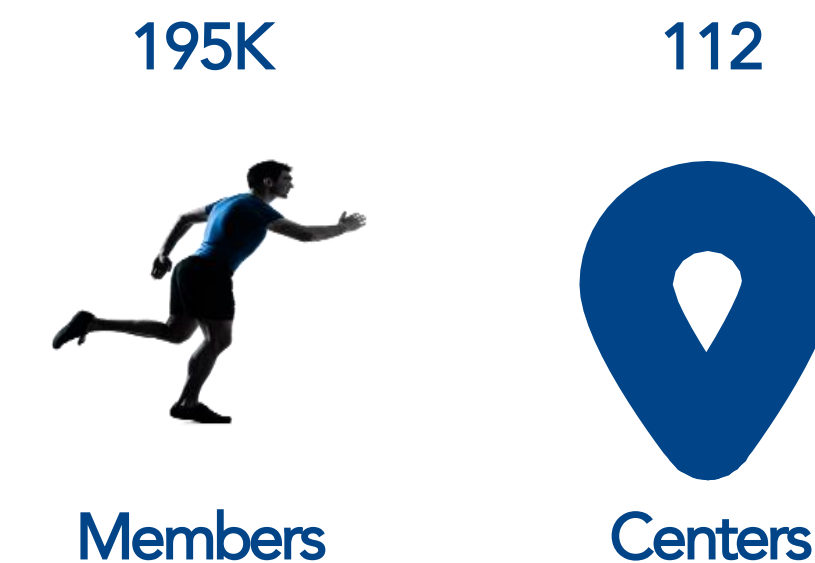
Item (SAR M)	Q4 2022	FY 2022
Revenue	336.7	1,065.8
Gross profit	165.2	436.1
Operating Profit	125.8	316.9
EBITDA	184.4	546.7
Net Profit	107.2	257.3
Cash and cash equivalents		300.6

Item	Q4 2022	FY 2022
Gross Profit Margin	49.1%	40.9%
Operating Profit Margin	37.4%	29.7%
EBITDA Margin	54.8%	52.0%
Net Profit Margin	31.8%	24.1%

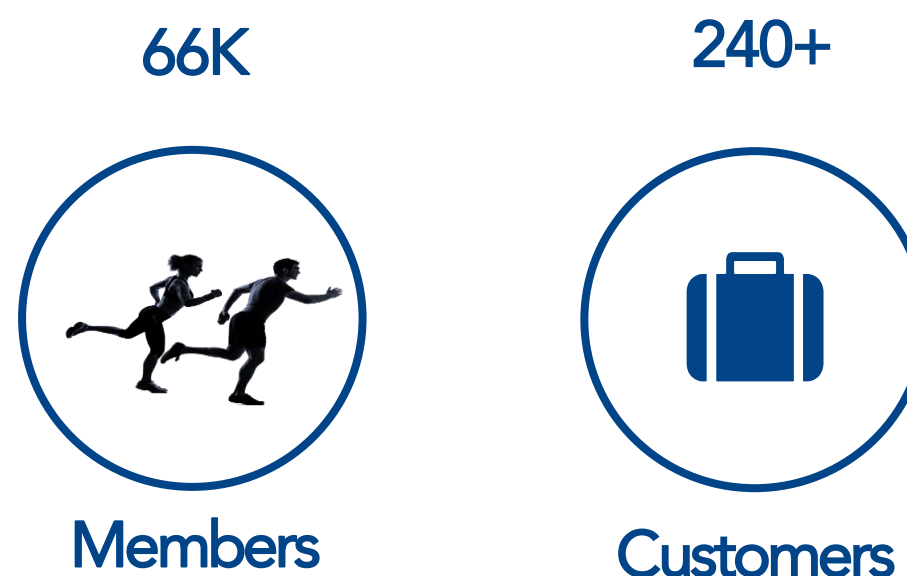
Female Segment



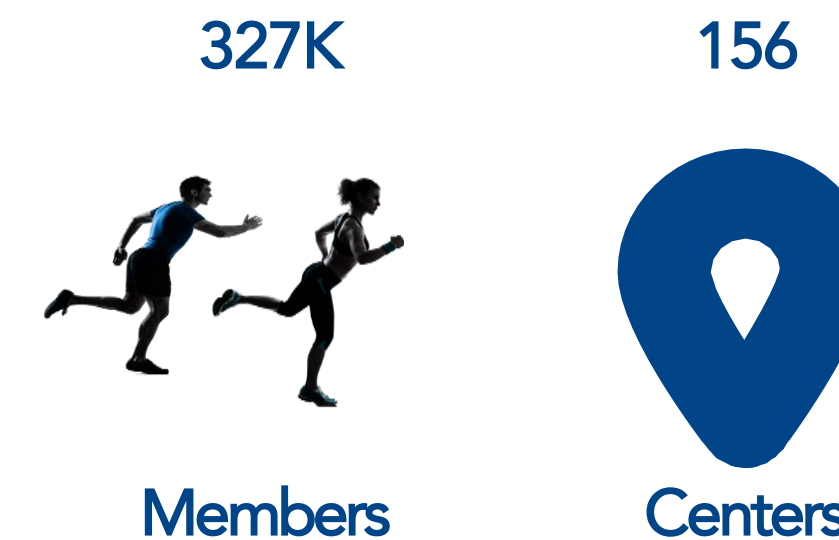
Male Segment



Corporate Business



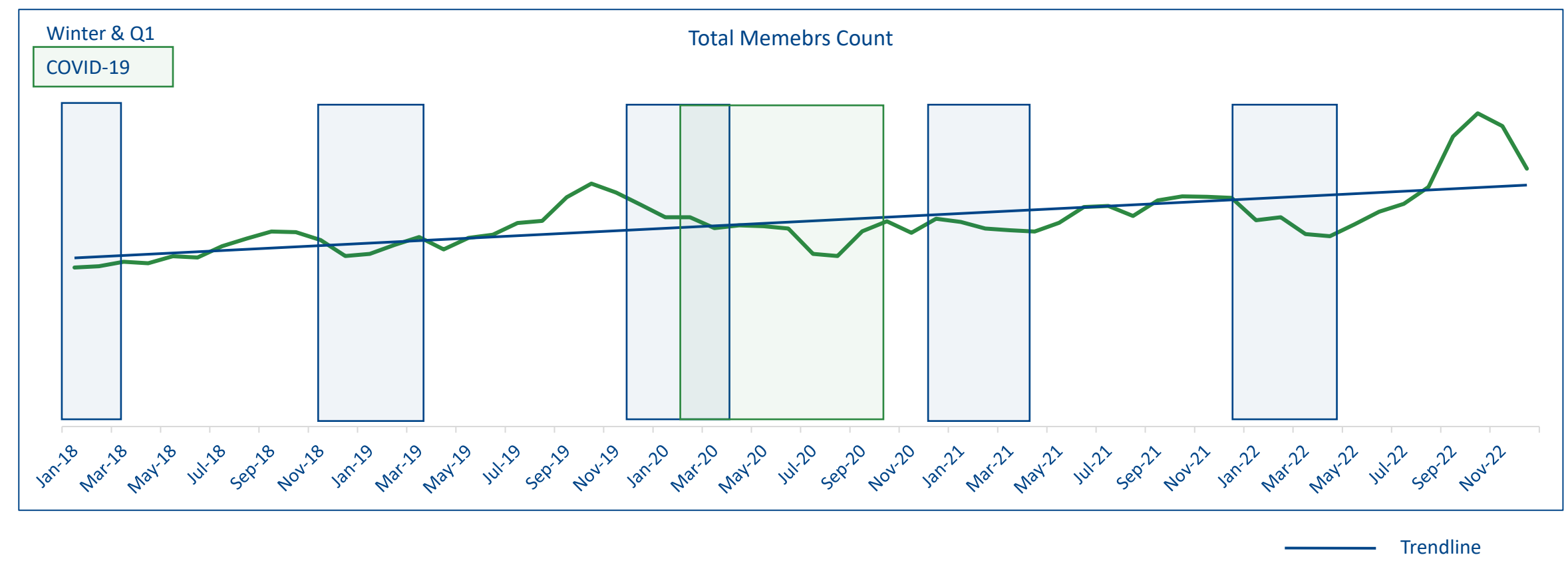
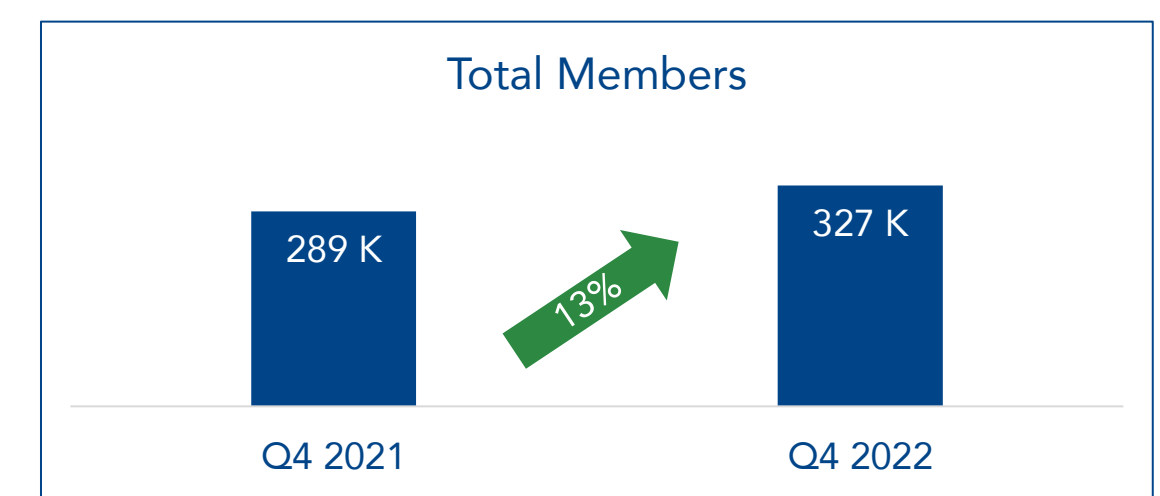
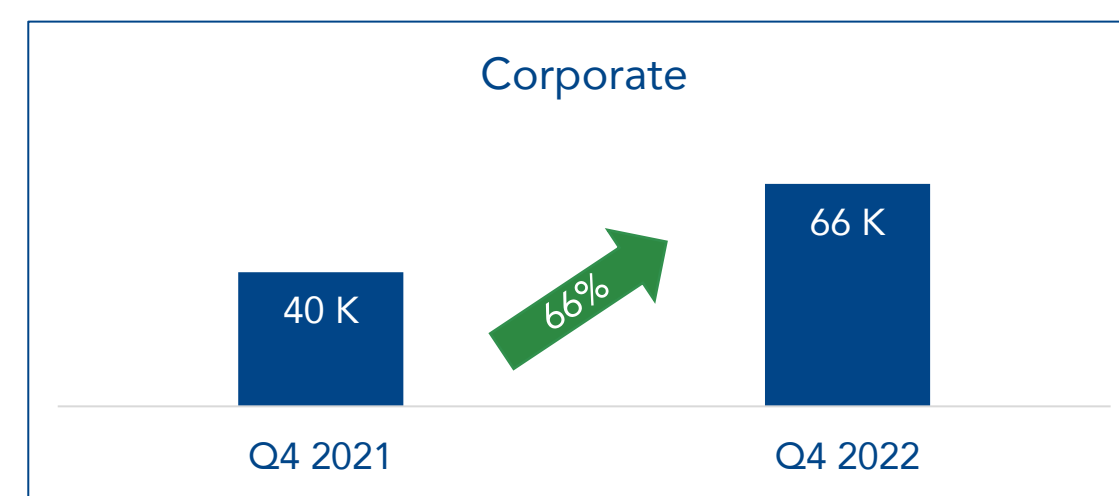
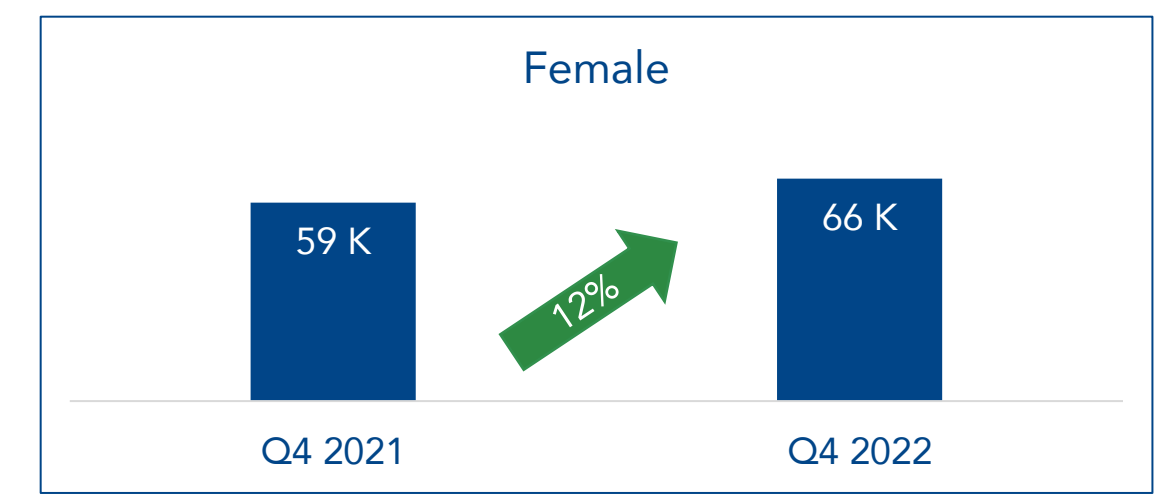
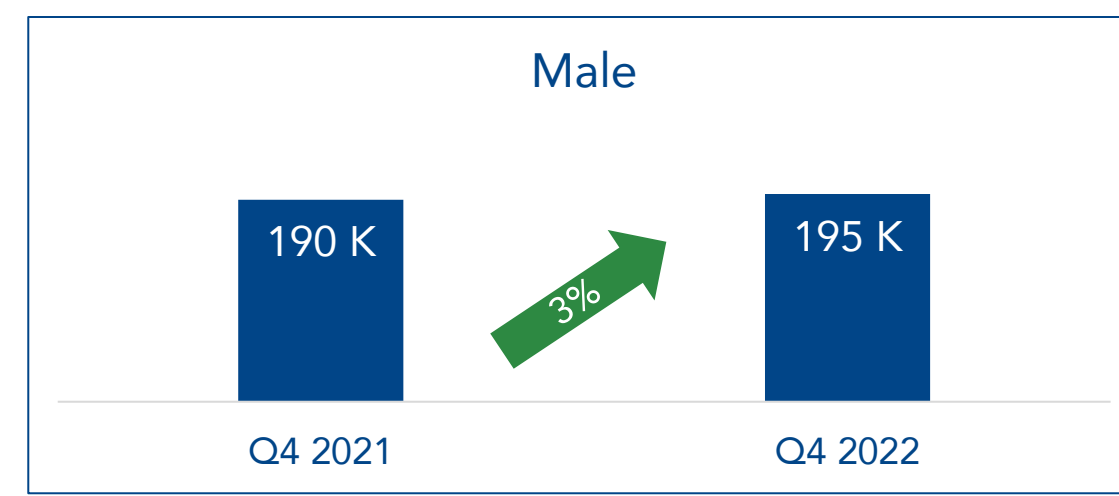
Total



LEEJAM MEMBERS DATA

Member Count Movement

- During 2018-22, memberships grew at CAGR of 9% and increased by 13% YoY in December 2022.
- The company's business is historically affected by seasonality, as the winter season is considered the least performing due to the improvement of the weather. Therefore, the company's results in the first half of the year are less than its second half in terms of revenues and profits. The company is working to reduce this effect, however; we expect this trend to continue in the medium term. Therefore, when comparing the company's results, it is necessary to look at the results on an annual basis for a comparison to be accurate.
- As we grow number of members, we will always have and expect expiries.



**FINANCIAL
PERFORMANCE**



Q4 PROFITABILITY, BEST QUARTER SINCE IPO

Revenue

- Grew by 29% driven by volume as the membership numbers reached all time high during Q4. This was mainly driven by higher operating centers combined with the results of more successful sales campaigns 2022.

Gross Profit

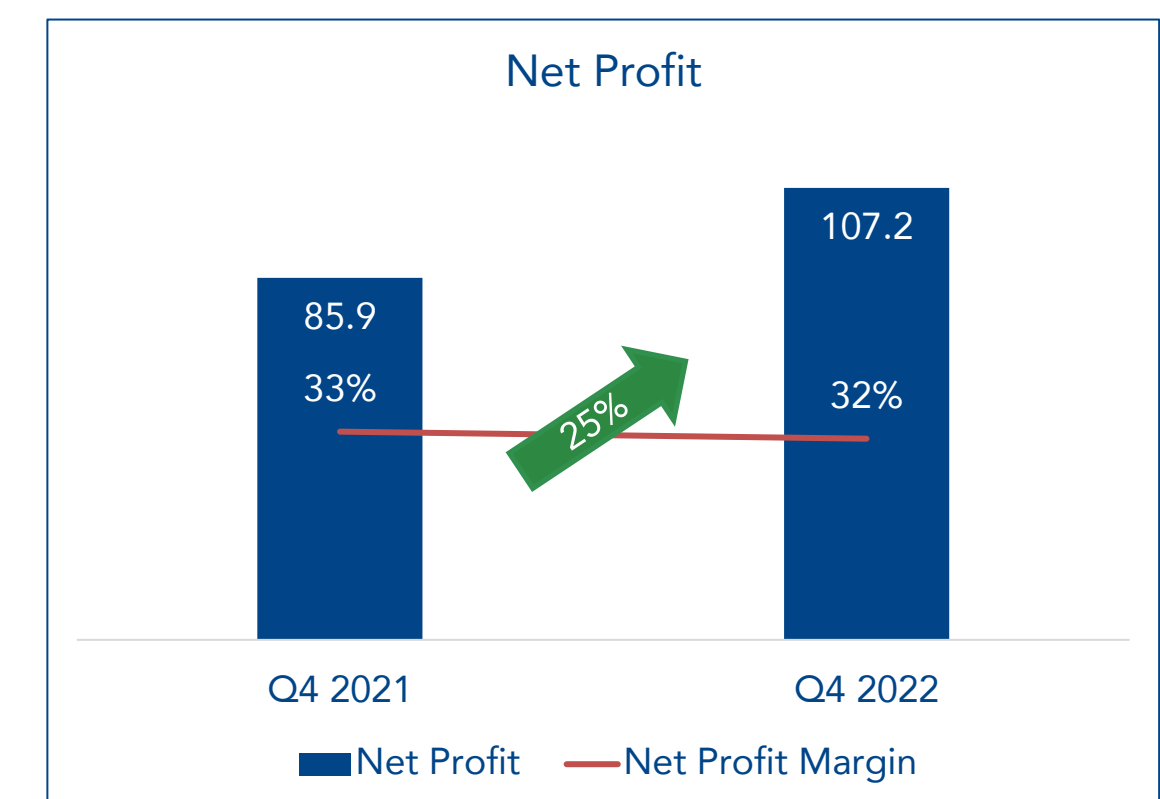
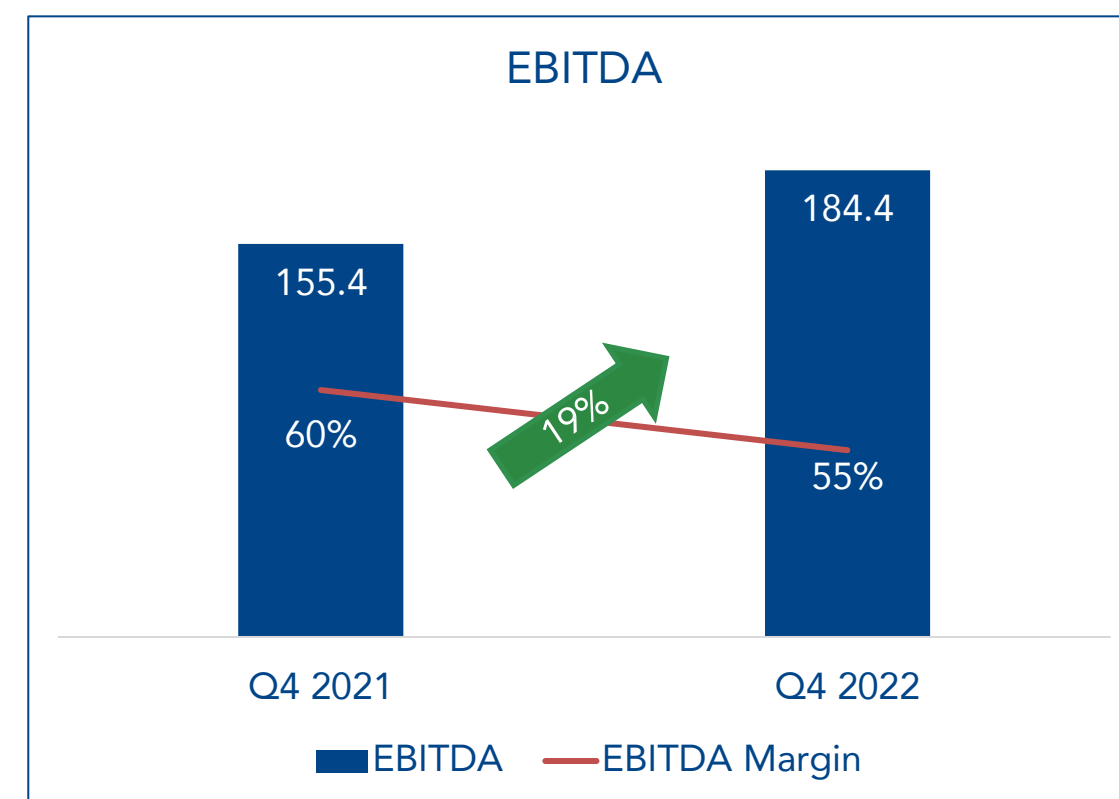
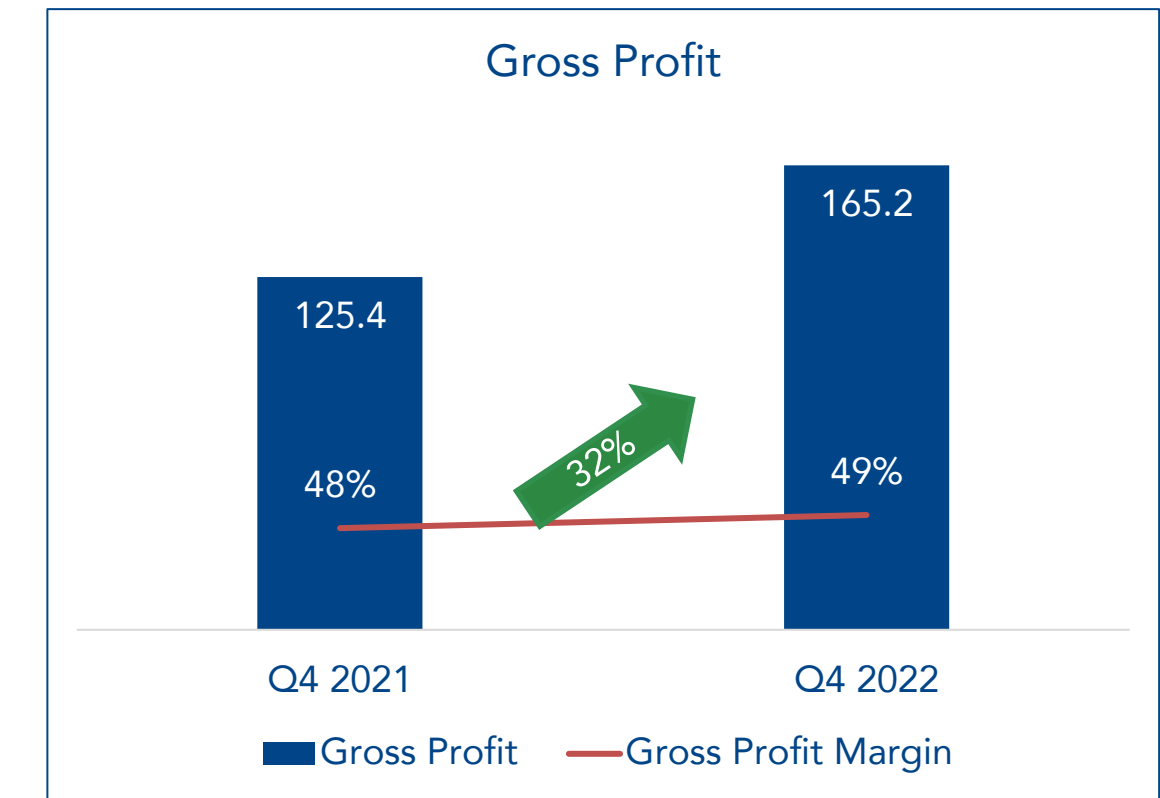
- Increase by 32% which was mainly driven by the increase in revenue. LY Q4 GP included rent concessions.

EBITDA*

- EBITDA growth of 19% was due to higher operating income. CY EBITDA is reduced by one-off provision impact.

Net Profit

- Increased by 25% mainly due to the increase in revenue and controlled operating expenses. LY Q4 NP included rent concessions



Amounts in million (SAR)

* Not including the SR 7.2 million of other income.

FY PROFITABILITY, BEST YEAR IN LEEJAM'S HISTORY

Revenue

- Increased by 20% mainly due to the increase in subscriptions and membership revenue because of the increase in members count which was driven by the additional 11 new centers, various operational campaign as well as more operating days in 2022.

Gross Profit

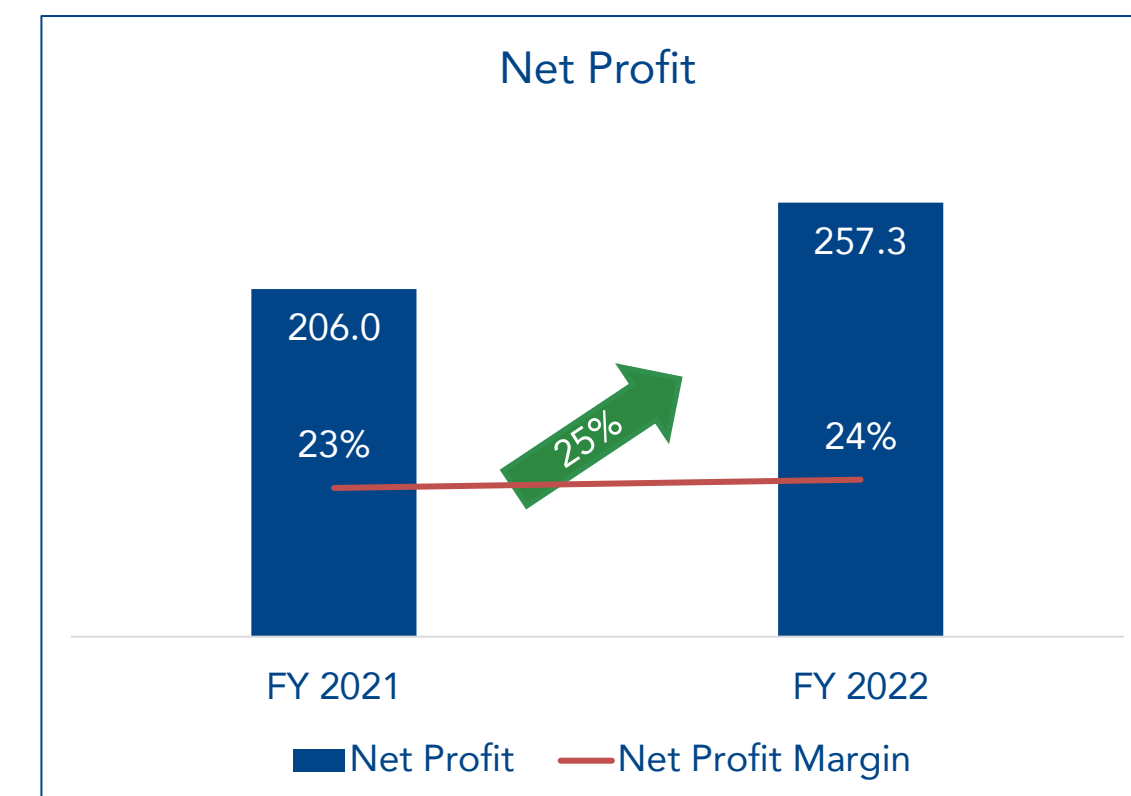
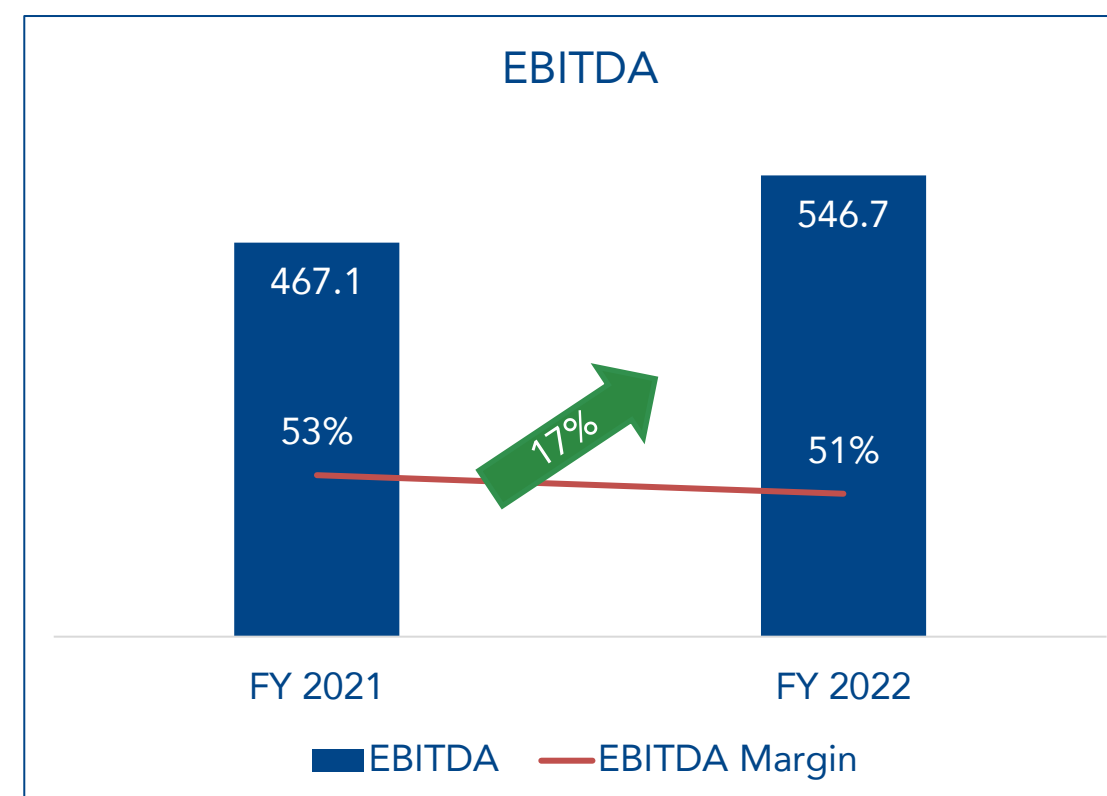
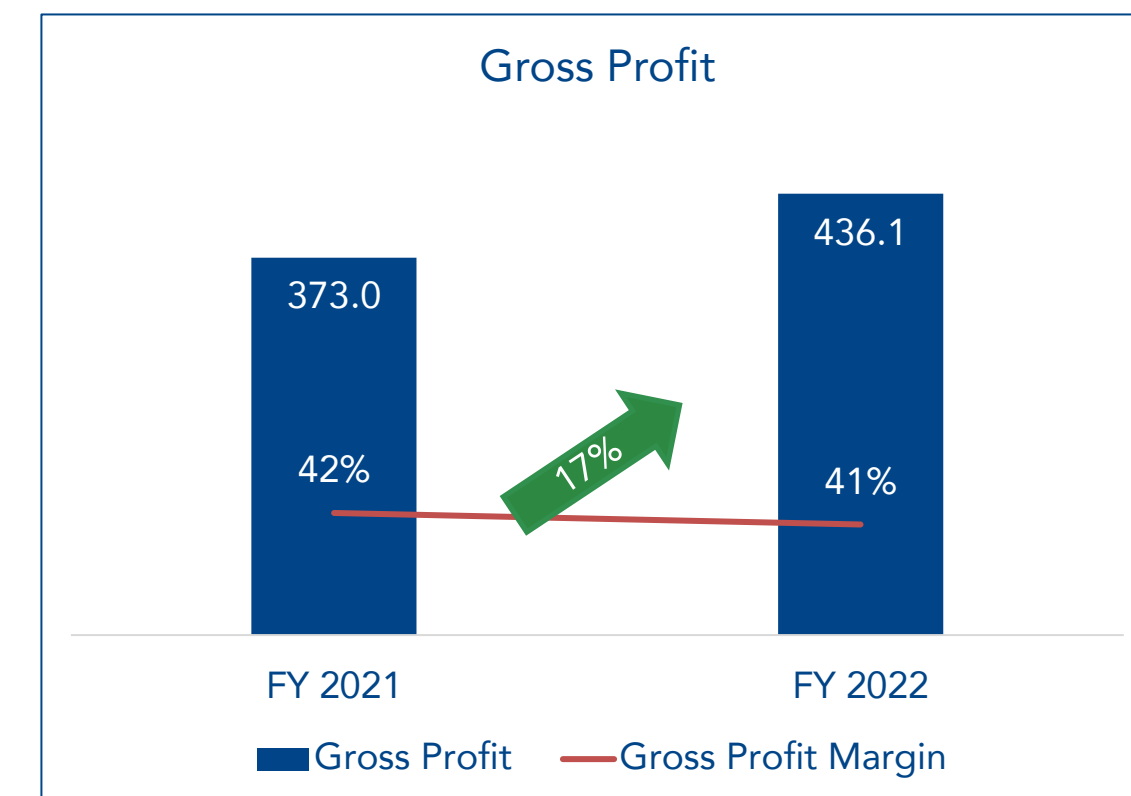
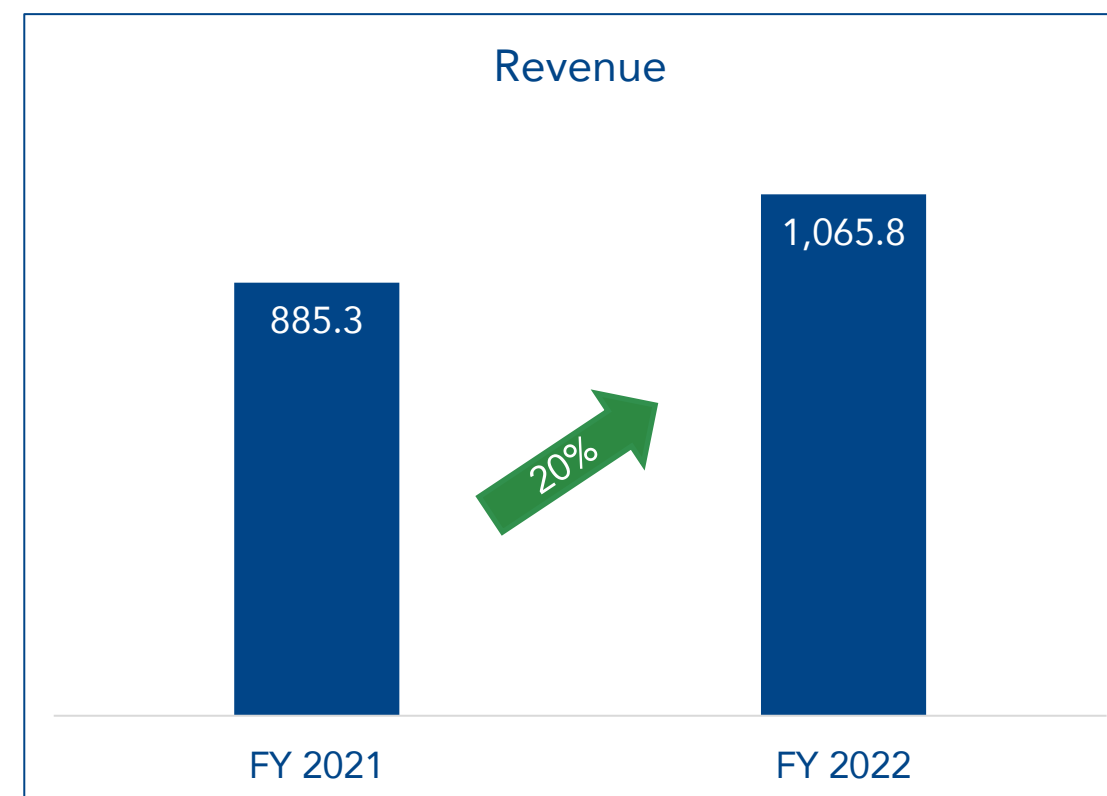
- Increased by 17% mainly due to revenue growth. Although the overall cost of revenue increase at higher pace due to base effect from 2021 (4% of the COR were offset due to rent concession), the additional (under ramp up) 11 centers and more operating days compared to 2021. LY GP included rent concessions.

EBITDA*

- EBITDA grew by 17% due to higher operating income. LY EBITDA included rent concessions.

Net Profit

- Increased by 25% mainly due to the revenue increase and controlled operating expenses. LY NP included rent concessions.



Amounts in million (SAR)

* Not including the SR 7.2 million of other income.

FINANCIAL POSITION

Current Assets

Increased by 45% mainly due to the increase in Cash.

Cash

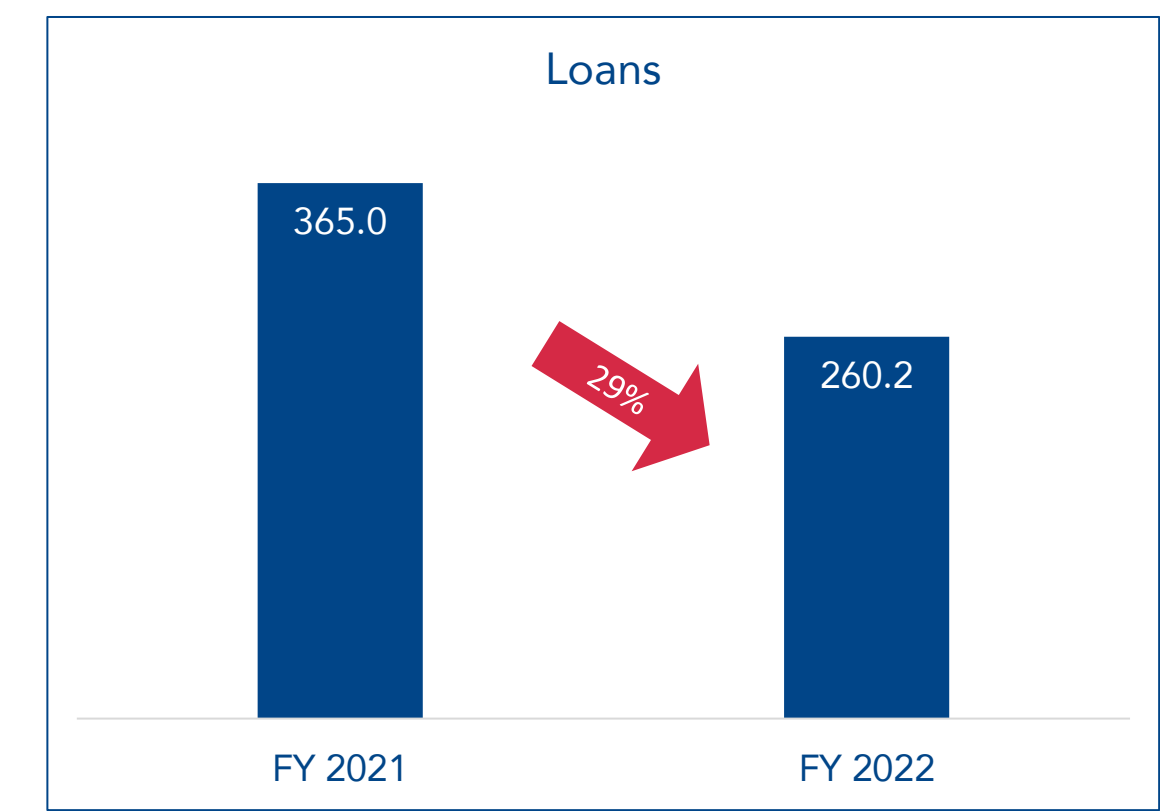
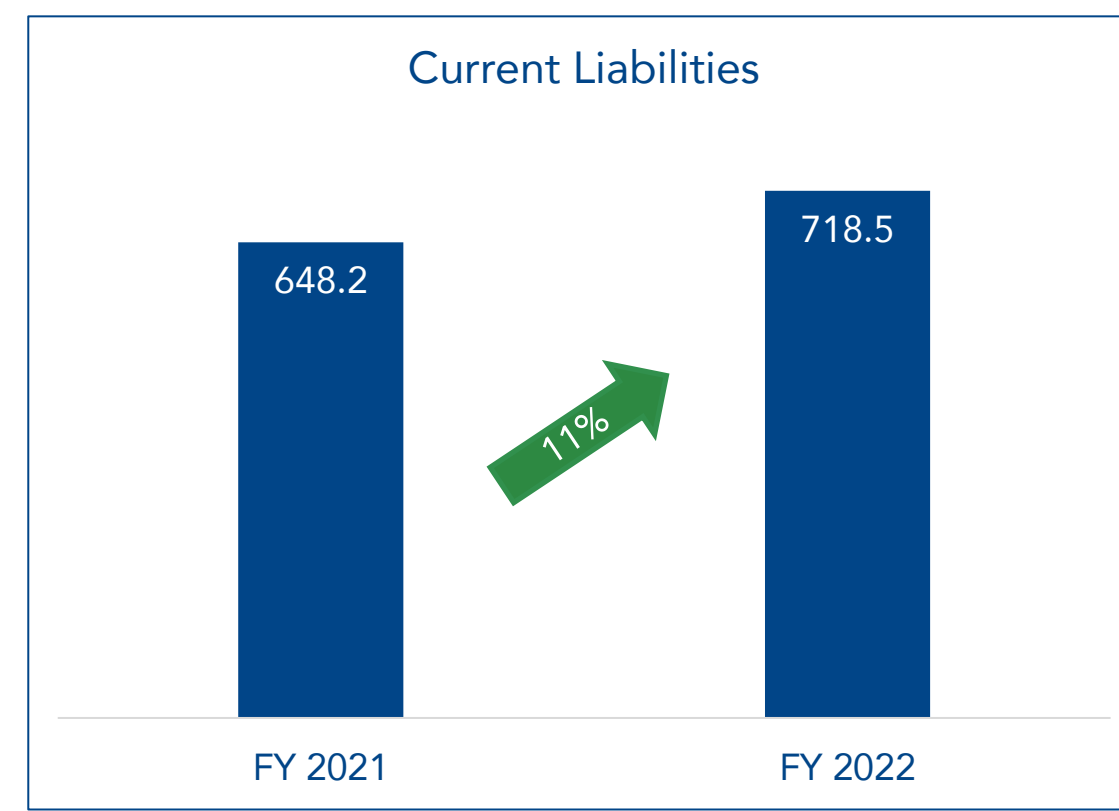
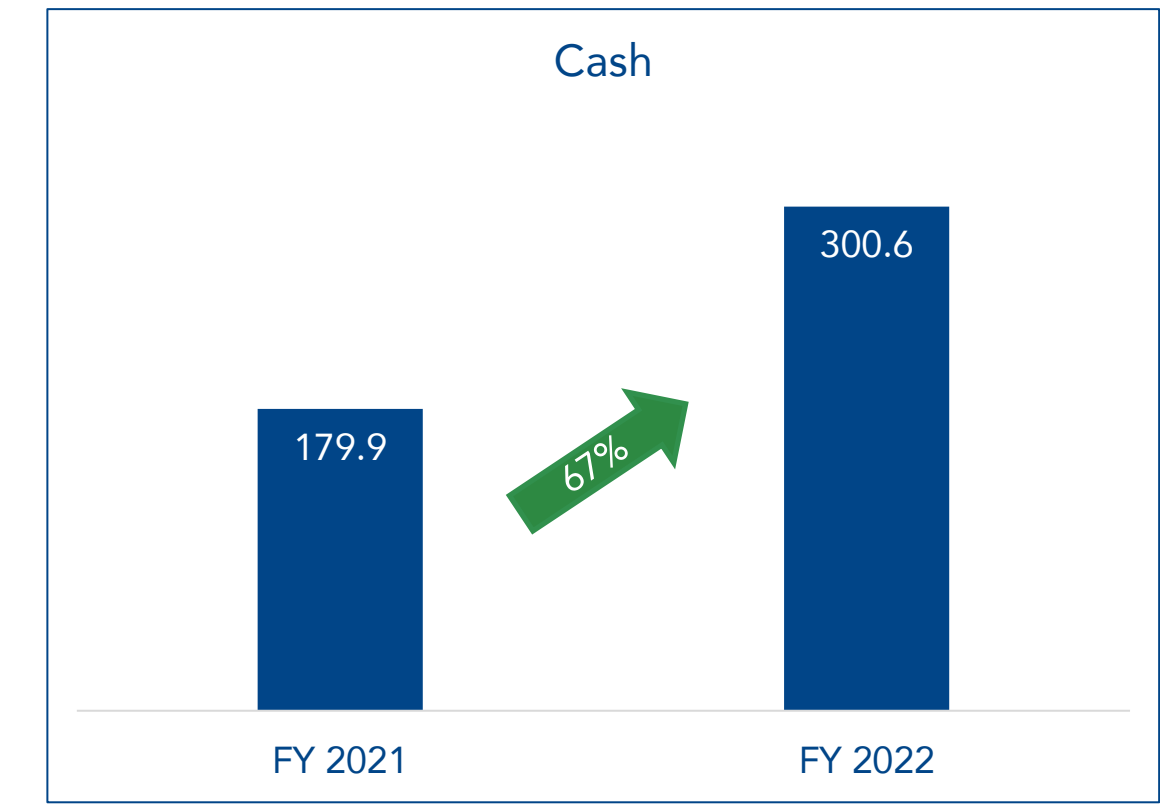
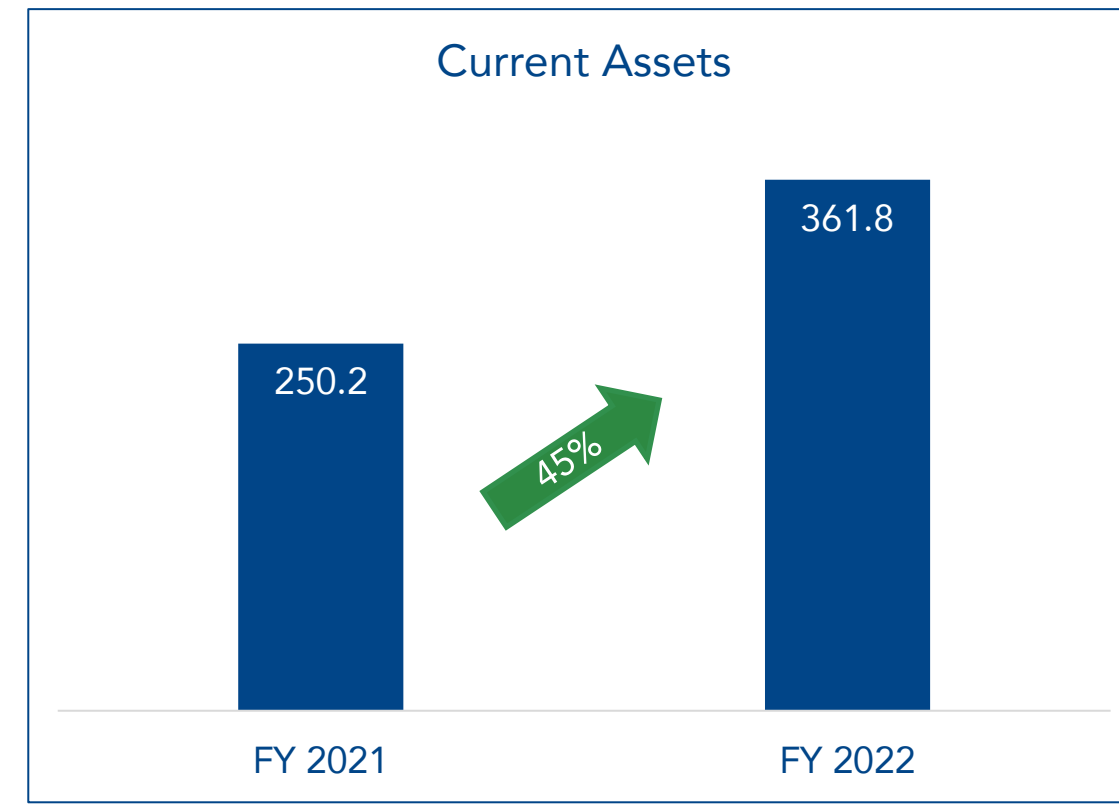
Increased by 67% mainly driven by higher subscriptions sales during the year.

Current Liabilities

Increased by 11% mainly due to the increase in deferred revenue by 32%.

Loan Balance

Loan balance decreased by (29%) due to continuing loans scheduled repayments and lower loans drawdown during the year.



Amounts in million (SAR)

CASH FLOWS

Cash Flow from Operations

Increased by 53% mainly due to increase in profit and higher deferred revenue.

Investing Cash Flow

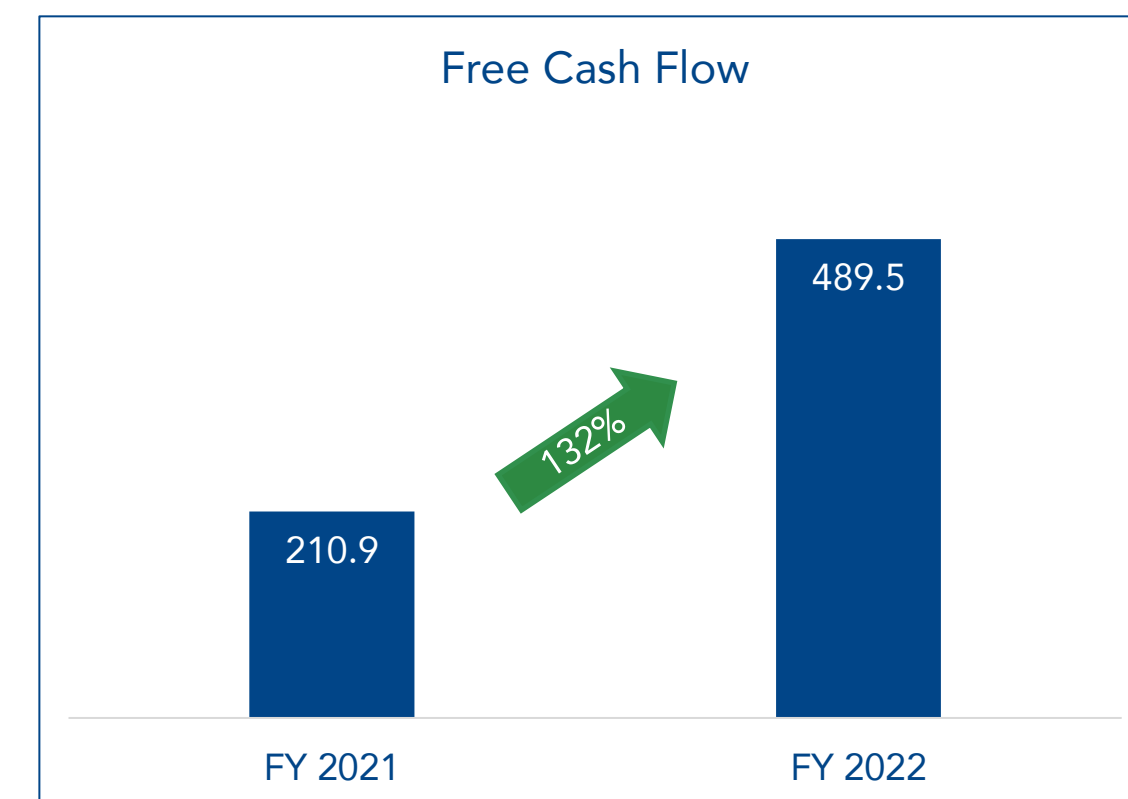
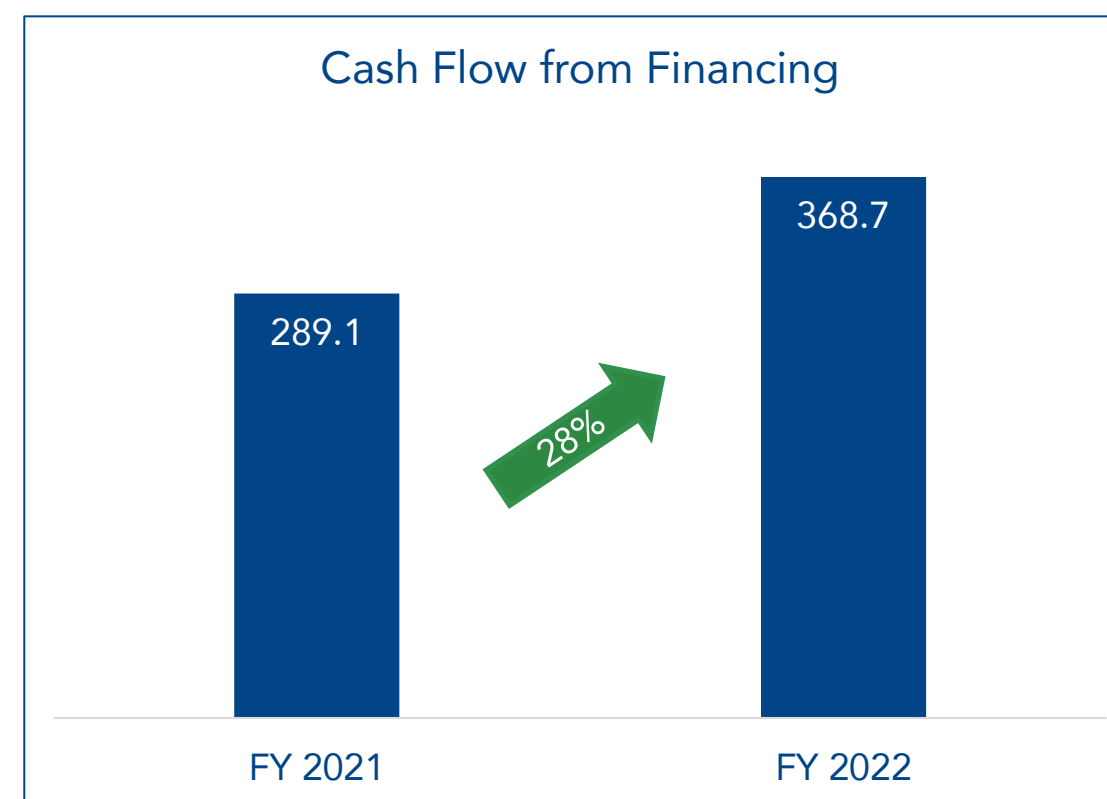
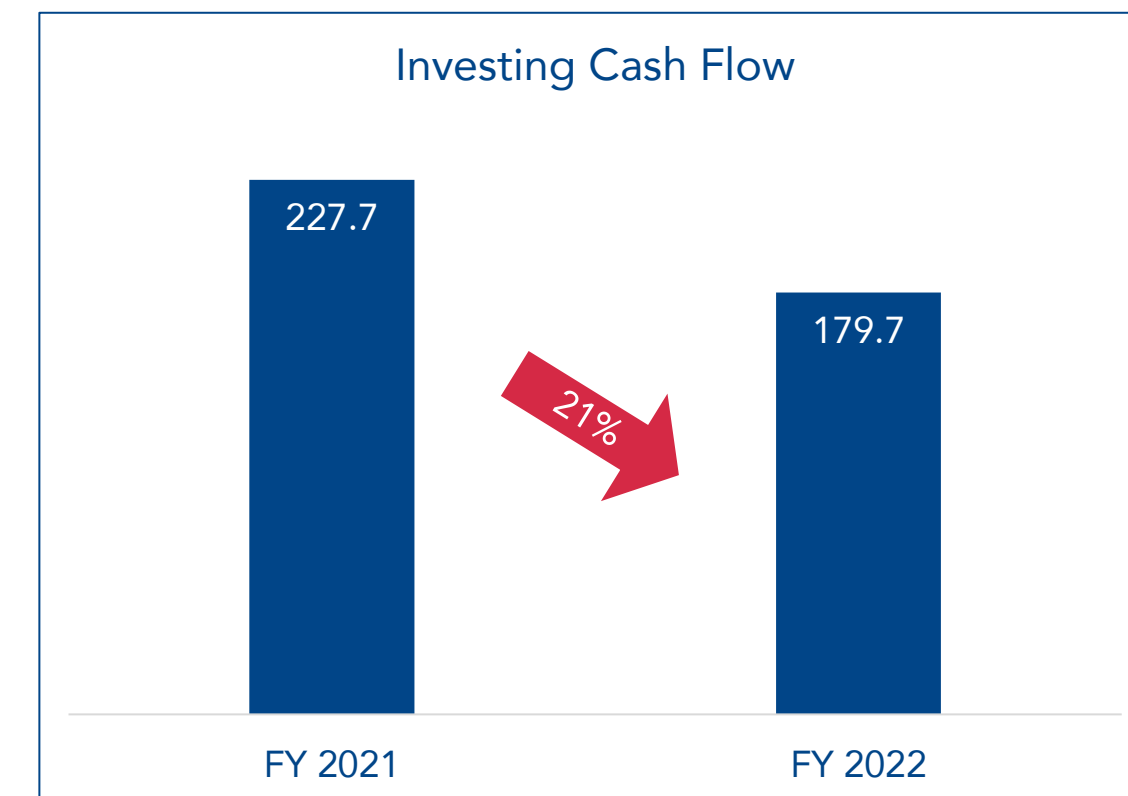
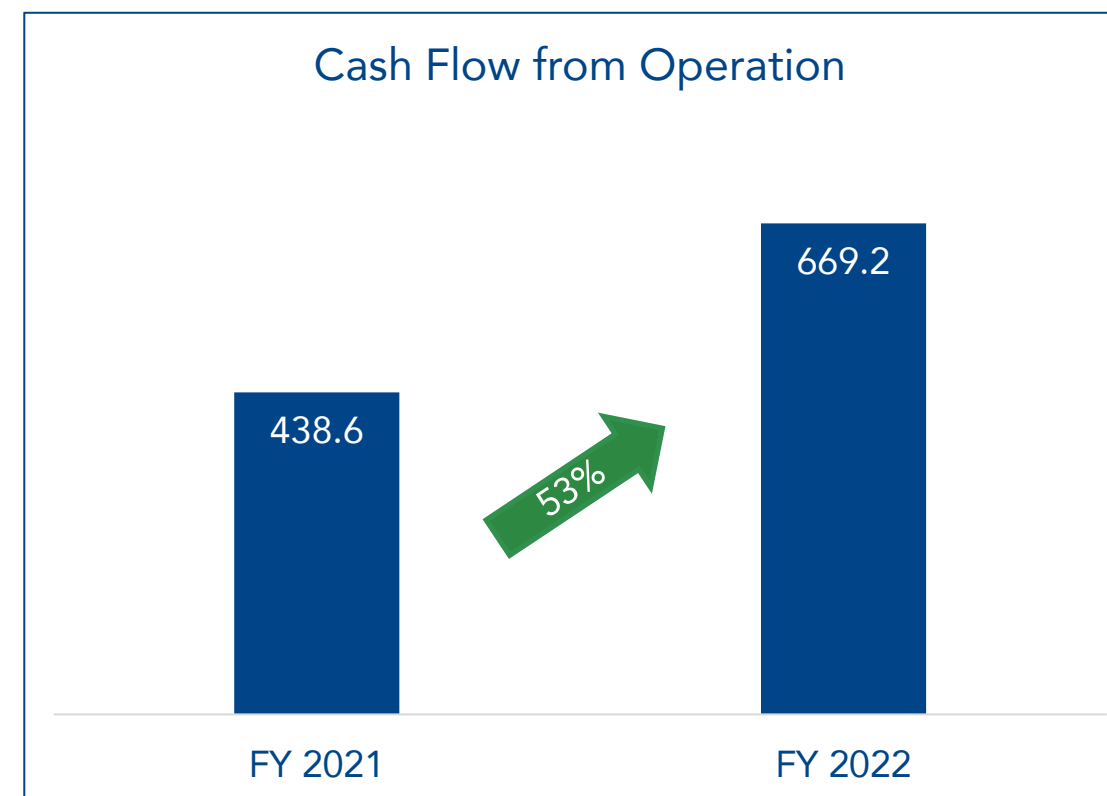
Decreased by (21%) due to lower spending on current projects as the focus was on Xpress clubs (lower capex concept) and timing differences in Capex commitments.

Cash Flow from Financing

Increased by 28% mainly due to dividend payments.

Free Cash Flow

Increased by 132% due to the increase in Cash flow from operations and the decreased in Capex.

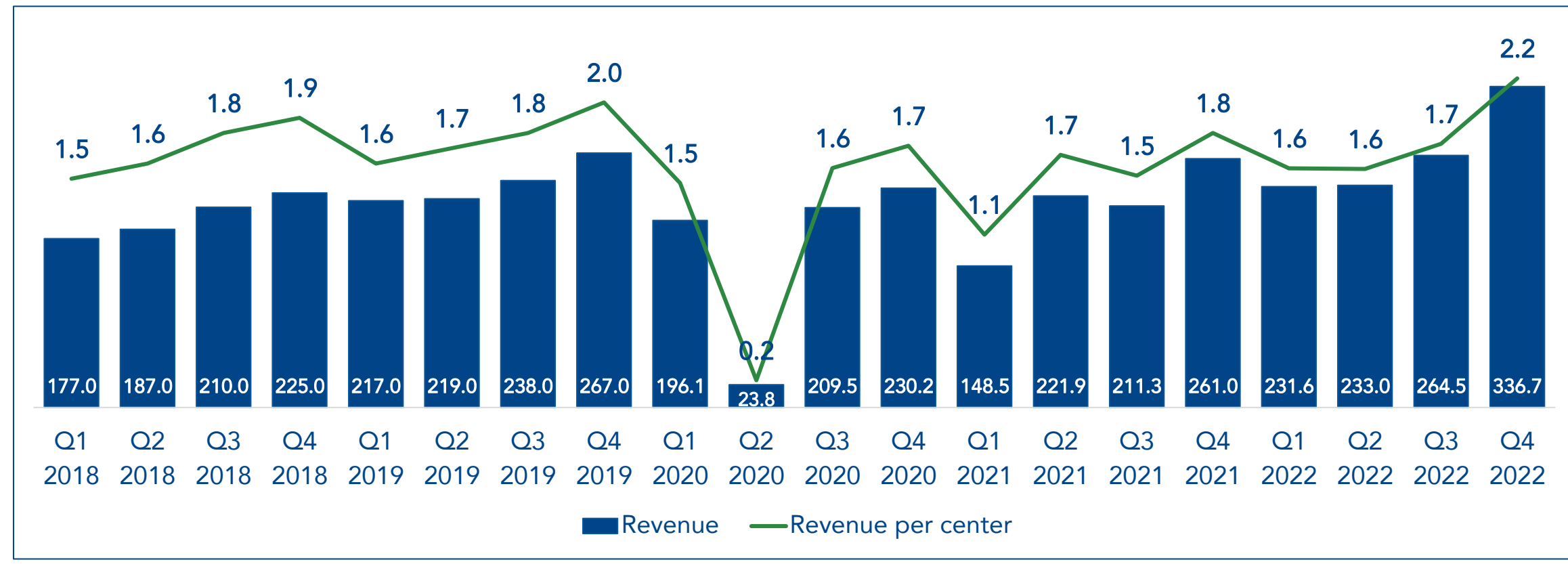


Amounts in million (SAR)

QOQ GROWTH

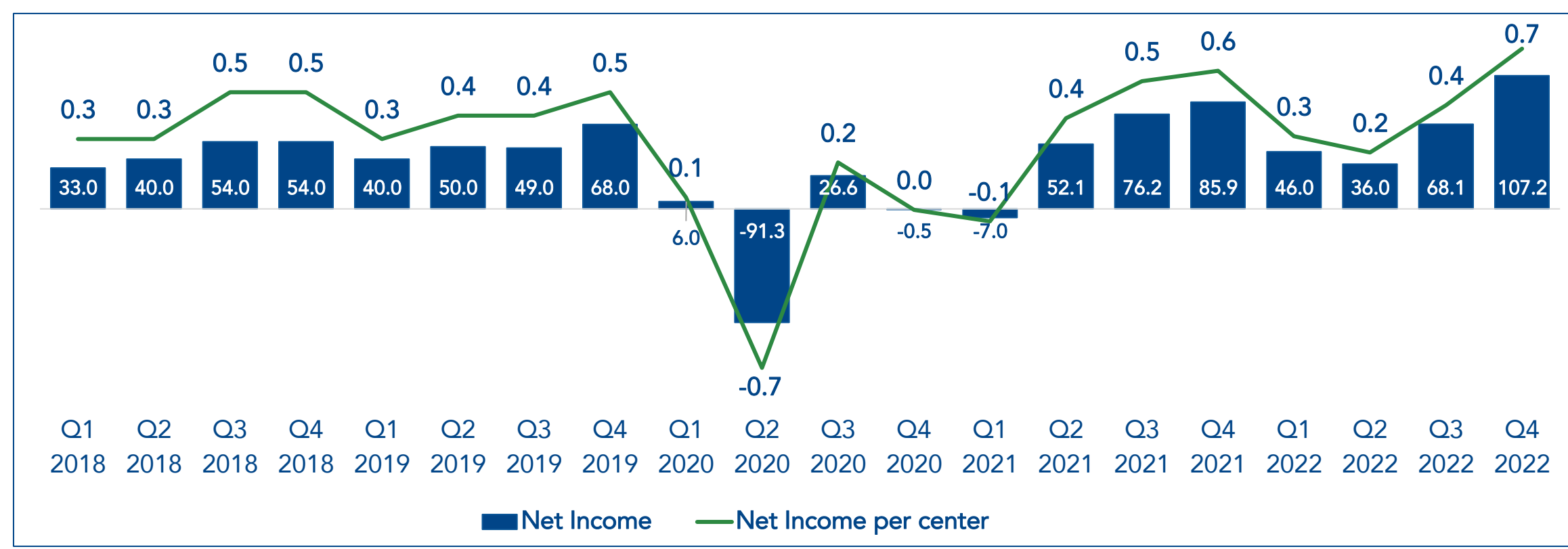
Revenue per center

20% higher compared to Q4 2021, mainly due to high number of members driven by additional centers. We expect it to decrease as Xpress Centers have more weight since Xpress centers generate lower revenue compared to Big Box.



Net Income per center

16% higher compared to same quarter of last year with COR was offset by rent concession in Q4 2021.



Amounts in million (SAR)

Q4 COR & SG&A

Key Highlights:

COR & COR/Center

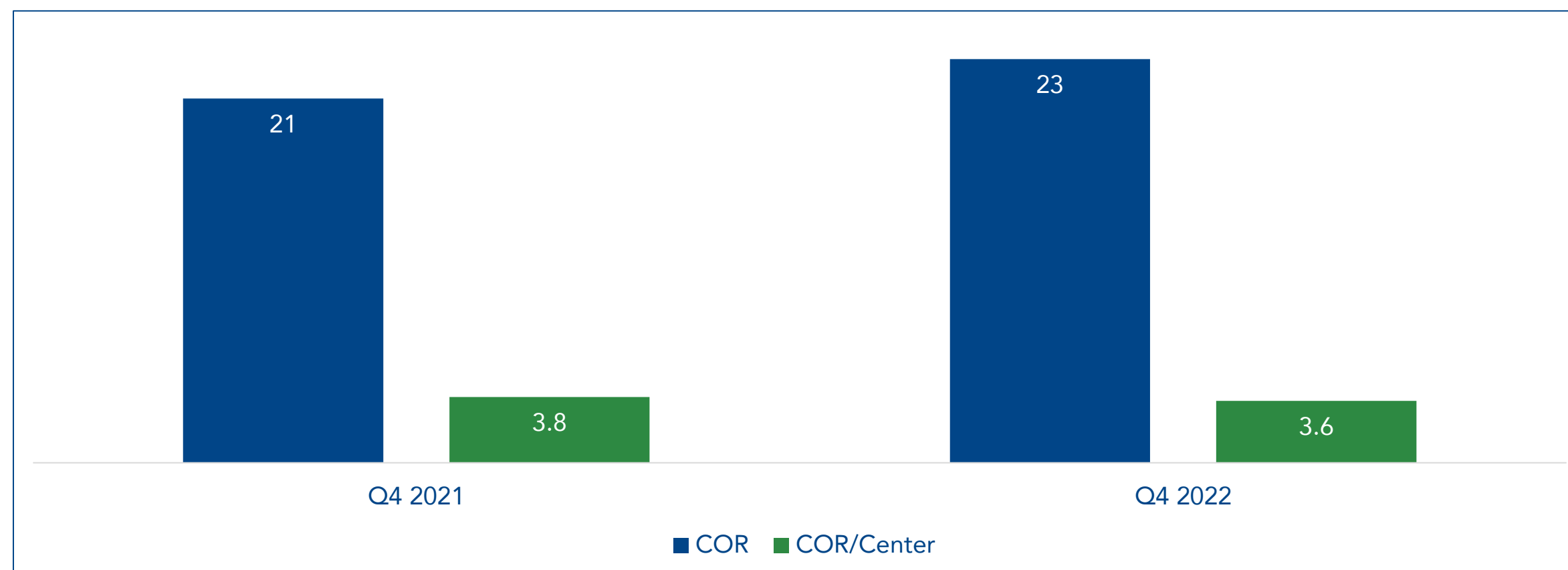
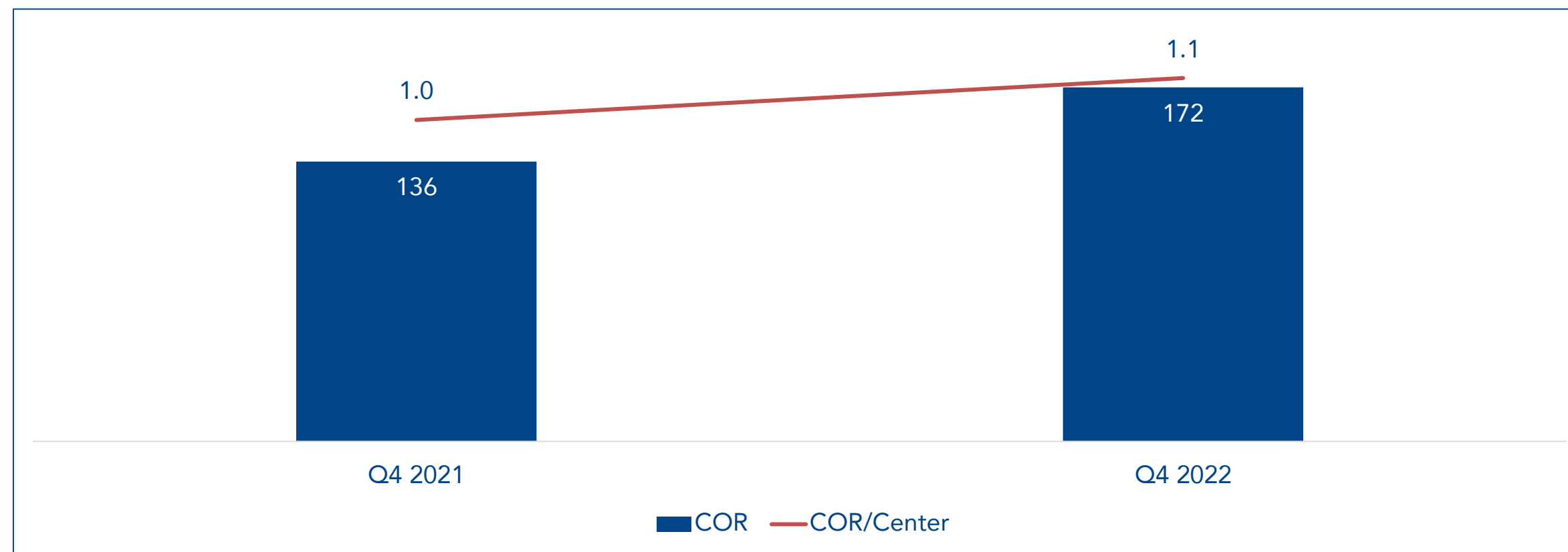
COR per center increased by 14% and the overall cost of revenue increased by 26% which was due to the additional (under ramp up) 11 centers, refurbishments of older centers as well as rent concession offsetting 21Q4 number

G&A

G&A increased by 11% mainly driven by due to the increase in professional fees and digitization initiatives.

S&M

S&M decreased by (6%) mainly driven by the focus on digital marketing.



Amounts in million (SAR)

FY COR & SG&A

Key Highlights:

COR & COR/Center

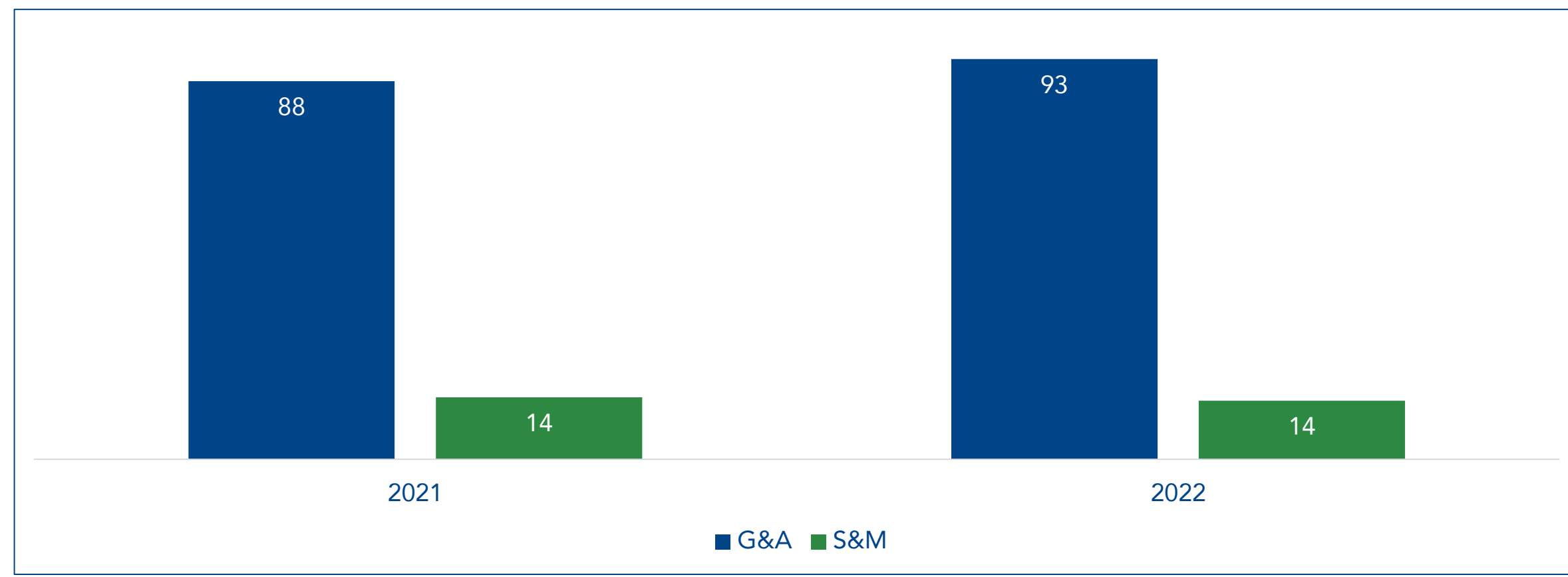
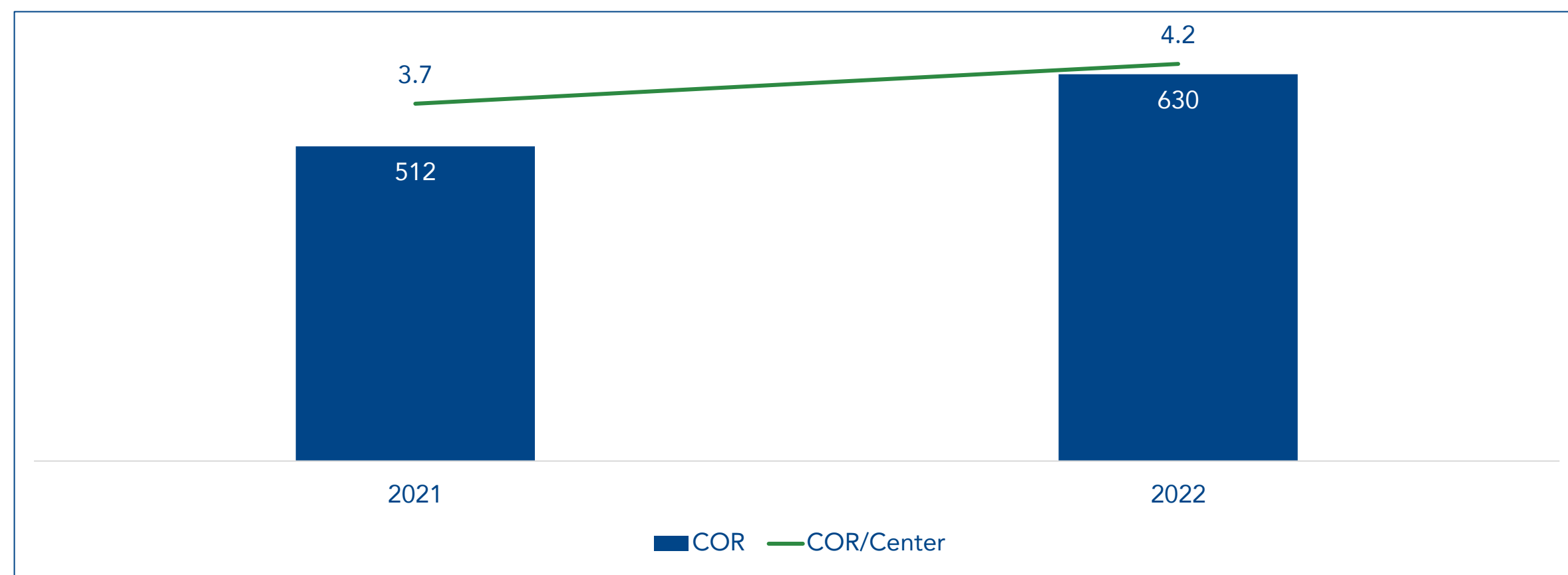
COR per center increased by 11% and the overall cost of revenue increased by 23% which was due to a base effect from 2021 (4% of the 2021 COR were offset due to rent concession), the additional (under ramp up) 11 centers, refurbishments of older centers and more operating days compared to 2021.

G&A

G&A increased by 6% mainly driven by due to the increase in professional fess and digitization initiatives.

S&M

S&M decreased by (5%) mainly driven by the focus on digital marketing.



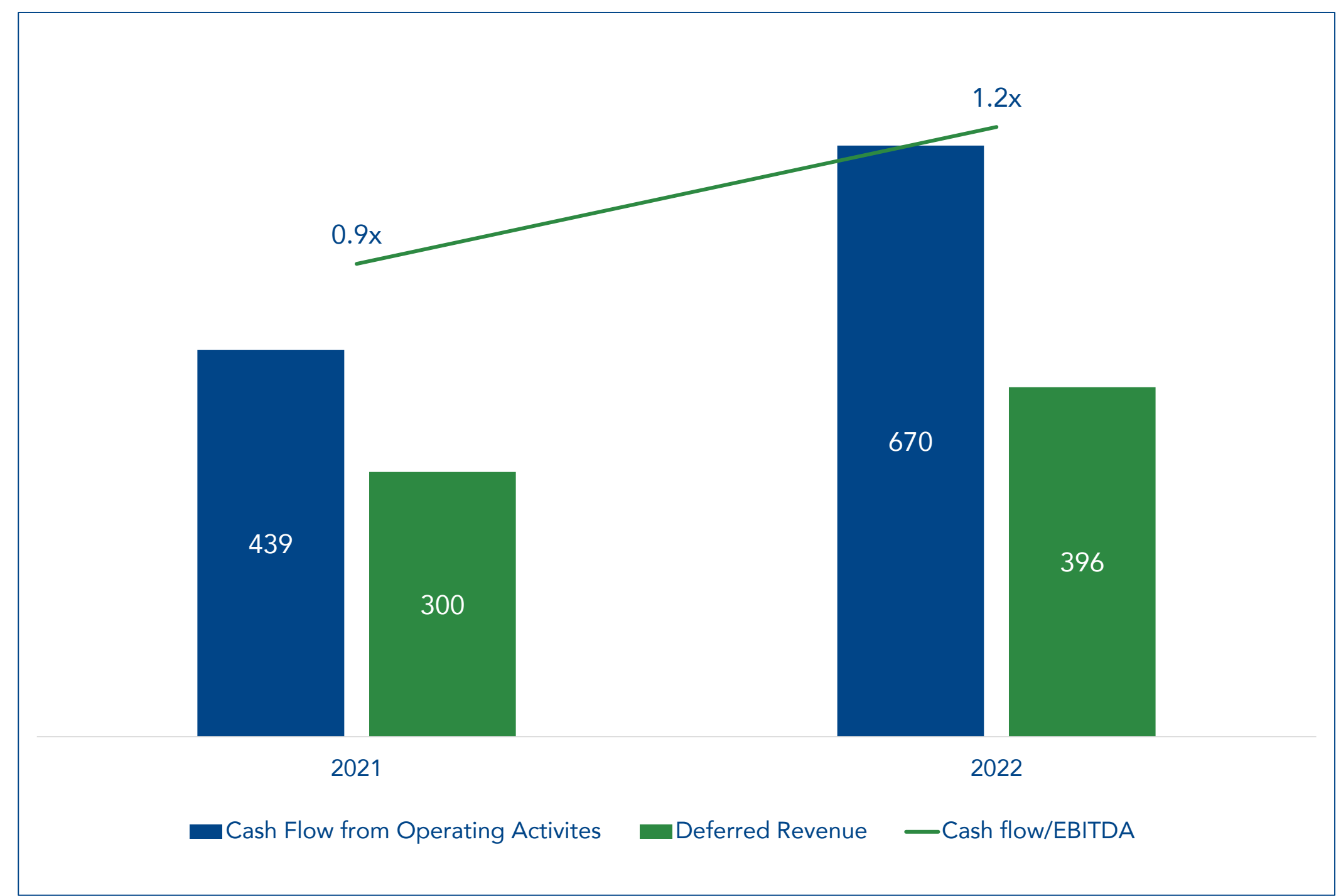
Amounts in million (SAR)

CASH GENERATION

Key Highlights:

Cash Flow from Operations:
 Significantly increased by 53% compared with 2021 mainly due to higher subscription sales in 2022.

Deferred Revenue:
 Increased by 32% as result of the increase in subscriptions sales which was driven by the additional 11 new centers, various operational campaign as well as more operating days in 2022.



Amounts in million (SAR)

OUTLOOK 2023



2023 TENTATIVE GUIDANCE

2023 growth will be driven by:

- Further openings of Xpress Centers
- Further openings of Big Box centers
- Continuing focus/growth on Corporate & PT business
- Cost control, and improving customer experience, member retention & services.

Category		Current (Centers)	Expected (Centers Range)	Expected CAPEX(Range)
		31 Dec 2022	31 Dec 2023	SAR M / Center
Xpress	Female	5	4-5	5 to 7.5 million
	Male	20	27-28	
Big Box	Female	39	41-42	15 to 20 million
	Male	92	95-96	
Total		156	167-171	-



Q&A

THANK YOU

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



APPENDIX

Q4 2022 P&L

Key Highlights:

The increase in net profit for the fourth quarter 2022 compared to the same quarter of the last year was due to the following:

- An increase in revenue by SR 75.7 million compared to the similar quarter of last year.
- Other income amounting to SR 7.2 million related to gain lease contract settlements.

This came despite of the following:

- An increase of 26.5% in Cost of revenue due to the additional (under ramp up) 11 centers and refurbishments of older center. In addition, Q4 2021 COR included one-off rent concession.
- An increase in General & administrative expenses by 10.8% mainly due to the increase in professional fees and digitization initiatives.
- An increase in Finance cost by 78.3% mainly due to the increase in interest rate compared to last year in addition to the expansion of Buy Now Pay Later services.

Statement of Profit & Loss				
SR M	Q4 2022	Q4 2021	Δ	Δ%
Revenue	336.7	261.0	75.7	29.00%
Cost of revenue	(171.5)	(135.7)	35.9	26.46%
Gross profit	165.2	125.4	39.8	31.74%
Gross profit Margin	49.05%	48.03%	1.02%	2.13%
General and administrative expenses	(23.3)	(21.1)	2.3	10.82%
Advertising and marketing expenses	(3.6)	(3.8)	(0.2)	(5.77%)
Impairment loss on fixed assets and advances to suppliers	(12.7)	(0.0)	12.6	195721.55%
Impairment loss on financial assets	0.2	0.6	(0.5)	(70.60%)
Operating income	125.8	101.2	24.6	24.35%
Operating income Margin	37.36%	38.75%	(1.40%)	(3.60%)
Other (expenses) / income, net	7.2	0.0	7.2	
Finance charges	(22.2)	(12.5)	9.8	78.33%
Net income before Zakat	110.7	88.7	22.0	24.84%
Zakat	(3.6)	(2.8)	0.8	27.80%
Net income	107.2	85.9	21.3	24.75%
Net income Margin	31.83%	32.91%	(1.08%)	(3.30%)
Basic earnings per shares	2.05	1.64	0.4	24.75%
EBITDA	184.4	155.4	29.0	18.66%
EBITDA Margin	54.76%	59.53%	(4.77%)	(8.01%)

Amounts in million (SAR)

FY 2022 P&L

Key Highlights:

The increase in net profit by 25% due to:

- Increased by 20.4% mainly due to the increase in subscriptions and membership revenue because of the increase in members count which was driven by the additional 11 new centers, various operational campaign as well as more operating days in 2022.
- Other income amounting to SR 7.2 million related to gain lease contract settlements.

This came despite of the following:

- Increase in overall cost of revenue - at higher pace – by 22.9% due to base effect from 2021 (4% of the COR were offset due to rent concession), the additional (under ramp up) 11 centers, refurbishments of older center and more operating days compared compared to 2021.
- Increase in general & administrative expenses by 5.8% due to the increase in professional fess and digitization initiatives.
- Increase finance cost by 25.0% due to the increase in interest rate compared to last year in addition to the expansion of Buy Now Pay Later services.

Statement of Profit & Loss				
SR M	FY 2022	FY 2021	Δ	Δ%
Revenue	1,065.8	885.3	180.5	20.39%
Cost of revenue	(629.7)	(512.2)	117.4	22.92%
Gross profit	436.1	373.0	63.1	16.91%
Gross profit Margin	40.92%	42.14%	(1.22%)	(2.89%)
General and administrative expenses	(93.0)	(87.8)	5.2	5.88%
Advertising and marketing expenses	(13.7)	(14.4)	(0.8)	(5.25%)
Impairment loss on fixed assets and advances to suppliers	(12.7)	(12.9)	(0.3)	(2.24%)
Impairment loss on financial assets	0.1	1.7	(1.6)	(93.05%)
Operating income	316.9	259.5	57.4	22.11%
Operating income Margin	29.74%	29.32%	0.42%	1.43%
Other (expenses) / income, net	7.2	0.0	7.2	
Finance charges	(59.5)	(47.6)	11.9	24.99%
Net income before Zakat	264.6	212.0	52.7	24.85%
Zakat	(7.4)	(5.9)	1.4	23.97%
Net income	257.3	206.0	51.2	24.87%
Net income Margin	24.14%	23.27%	0.87%	3.72%
Basic earnings per shares	4.91	3.93	1.0	24.91%
EBITDA	546.7	467.1	79.6	17.04%
EBITDA Margin	51.30%	52.76%	(1.47%)	(2.78%)

Amounts in million (SAR)

REVENUE BREAK-DOWN

Q4 2022

Segment Analysis

- Male revenue increased by 29% compared with Q4 2021.
- Female revenue increased by 30% compared with Q4 2021.

Source Analysis

- Corporate and Individual Membership revenue increased by 31% compared with Q4 2021.
- Personal Trainer revenue increased by 15% compared with Q4 2021.
- Rental and Other Service revenue increased by 33% compared with Q4 2021.

FY 2022

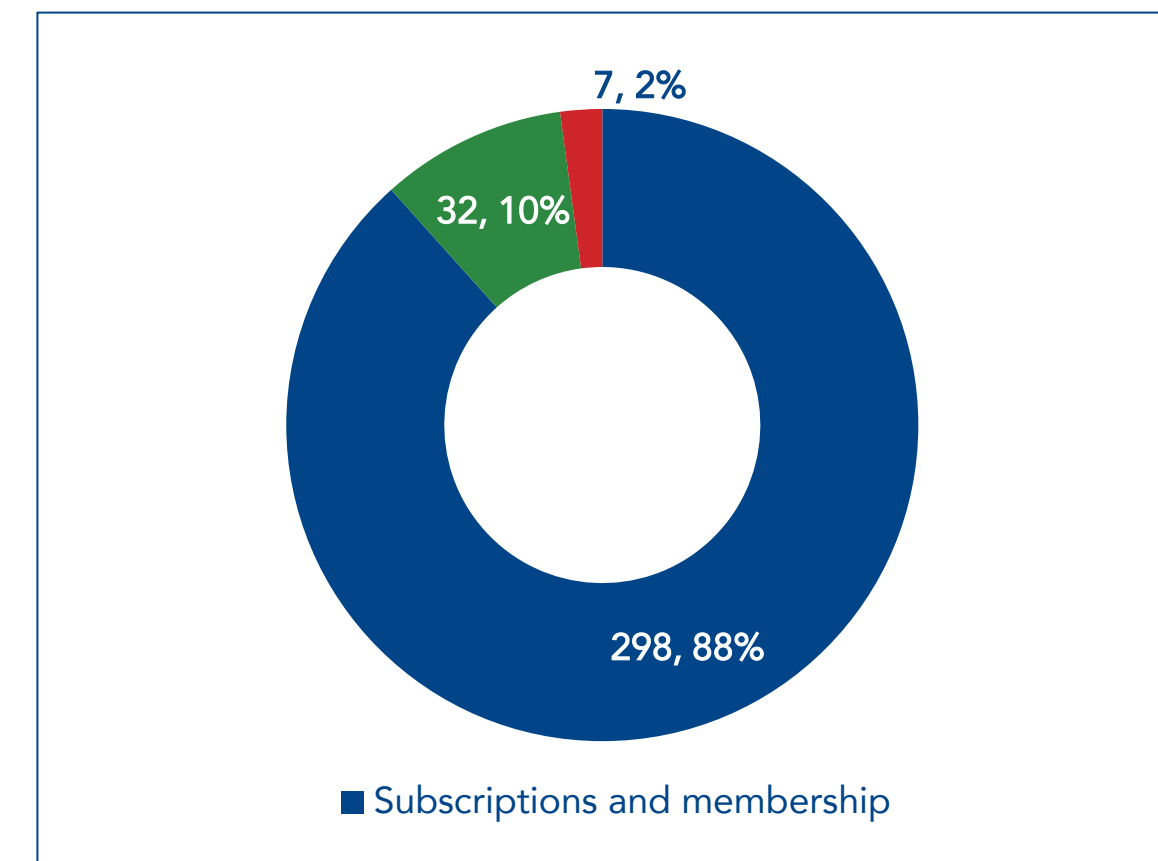
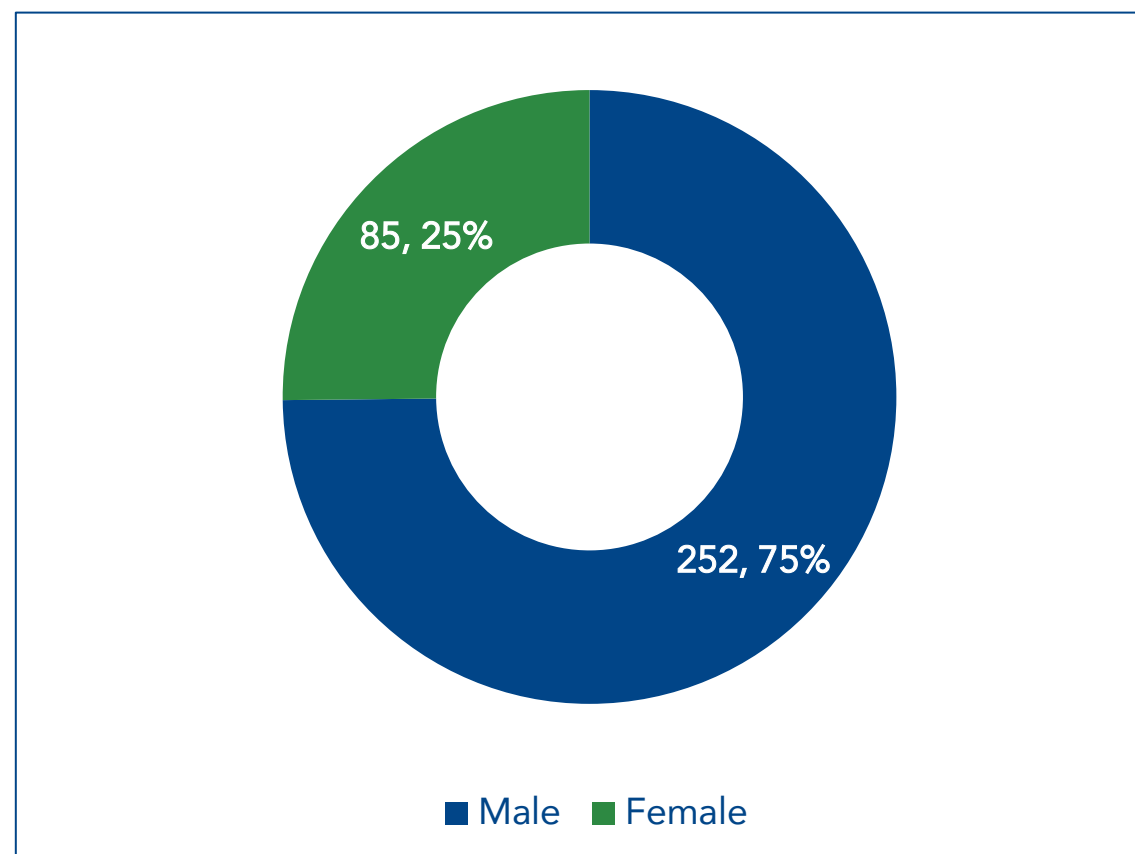
Segment Analysis

- Male revenue increased by 22% compared with 2021.
- Female revenue increased by 17% compared with 2021.

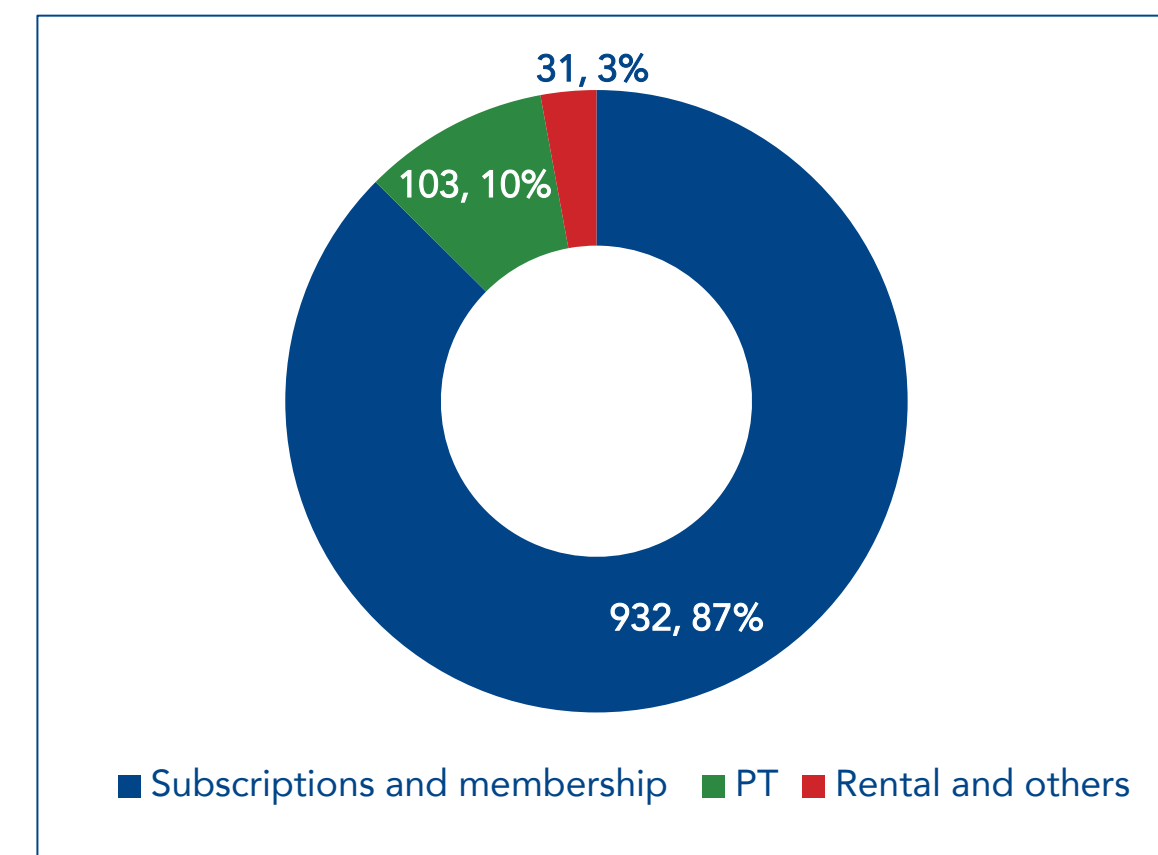
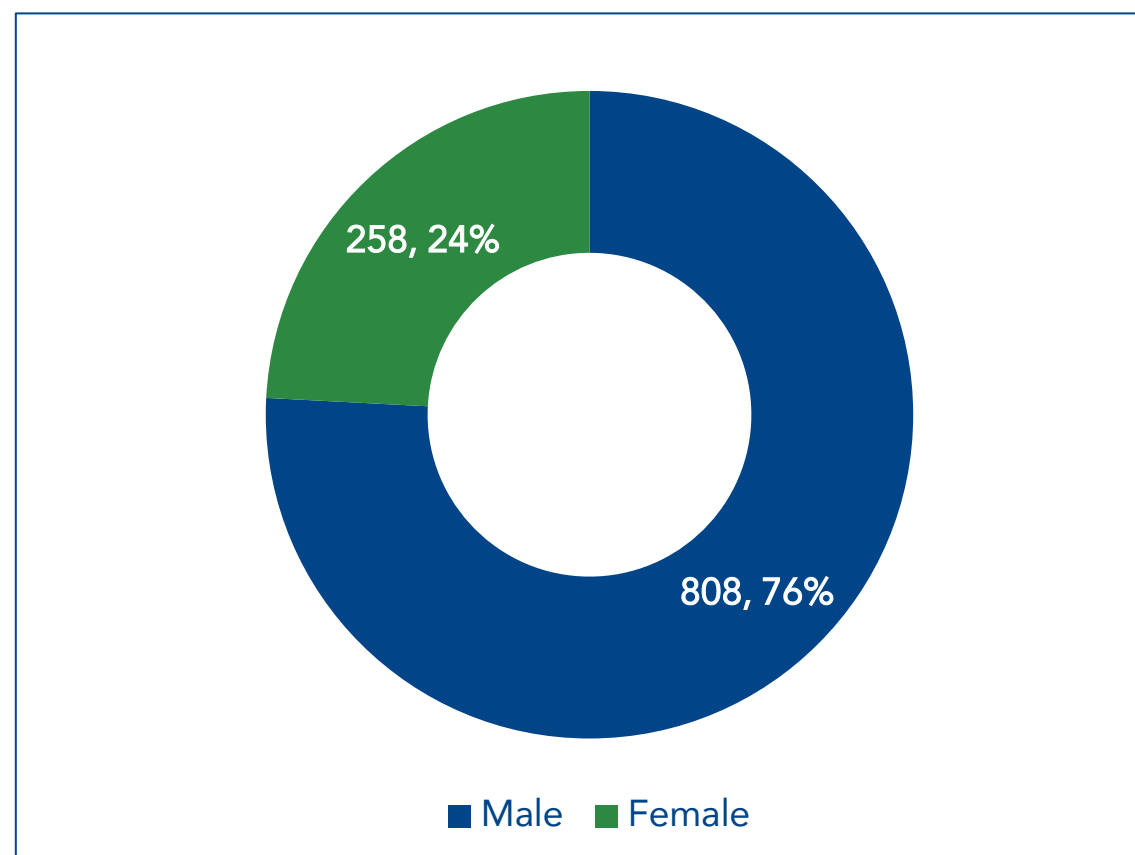
Source Analysis

- Corporate and Individual Membership revenue increased by 20% compared with 2021.
- Personal Trainer revenue increased by 14% compared with 2021.
- Rental and Other Service revenue increased by 51% compared with 2021.

Q4 2022



FY 2022



Revenue in SAR million, % of Total Revenue