



**EARNINGS
PRESENTATION**

9M 2023

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**COMPANY'S PROFILE
& OVERVIEW**





OUR VISION

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

OUR MISSION

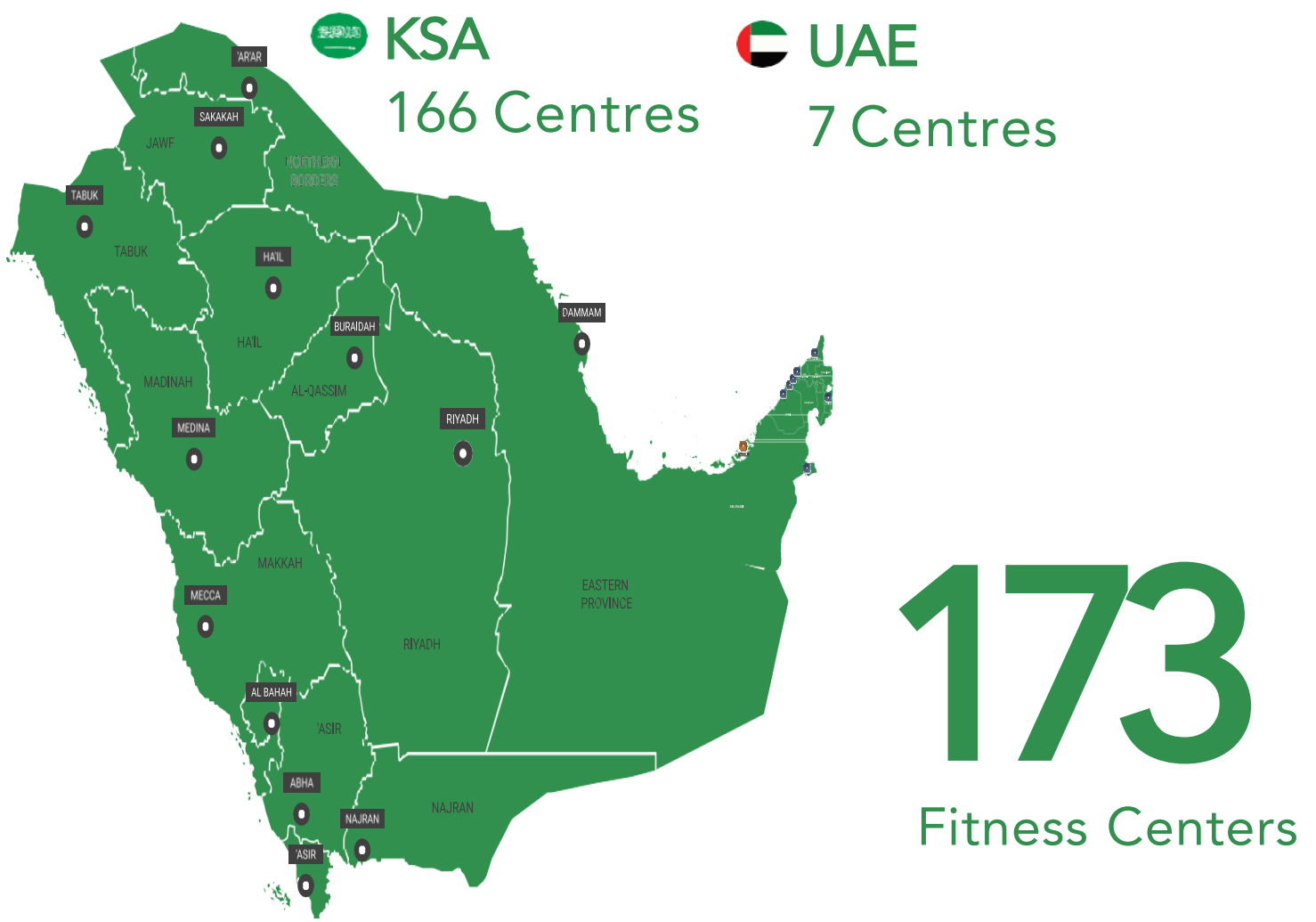
To steer society towards a healthy lifestyle and encourage people to exercise daily.

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.



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 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.



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.

Concept Studios

Concept Studios offering is for users seeking specialized services & sports such as boxing, yoga, one to one PT, group exercise, martial arts, etc. It is usually deployed faster than typical gym with much less Capex requirement and space area. Based on its lower space area compared to typical gym or even small box gym, concept studios would have much lower member/studio.

Key Features								Concept Studios	Total
	Males 25+	Males 16+	Males 16+	Males 16+	Females 16+	Females 16+	Females 16+		
Target audience								Male, Female & Kids	
No. of Centers EOP June 2023	4	53	36	23	36	4	6	11	173

Q3 & 9M 2023 FINANCIAL HIGHLIGHTS

Item (SAR M)	Q3 2023	9M 2023
Revenue	348.2	927.0
Gross profit	159.9	392.8
Operating Profit	126.5	296.2
EBITDA	191.0	481.0
Net Profit	92.2	227.3
Cash and cash equivalents	389.6	389.6

Margins	Q3 2023	9M 2023
Gross Profit Margin	45.9%	42.4%
Operating Profit Margin	36.3%	32.0%
EBITDA Margin	55.0%	52.0%
Net Profit Margin	26.5%	24.5%

FITNESS TIME OPERATING HIGHLIGHTS

Female Segment

99.2K



Members

46



Centers

Male Segment

349.0K



Members

116



Centers

Corporate Segment

240+



Customers

Total

448K



Members

161

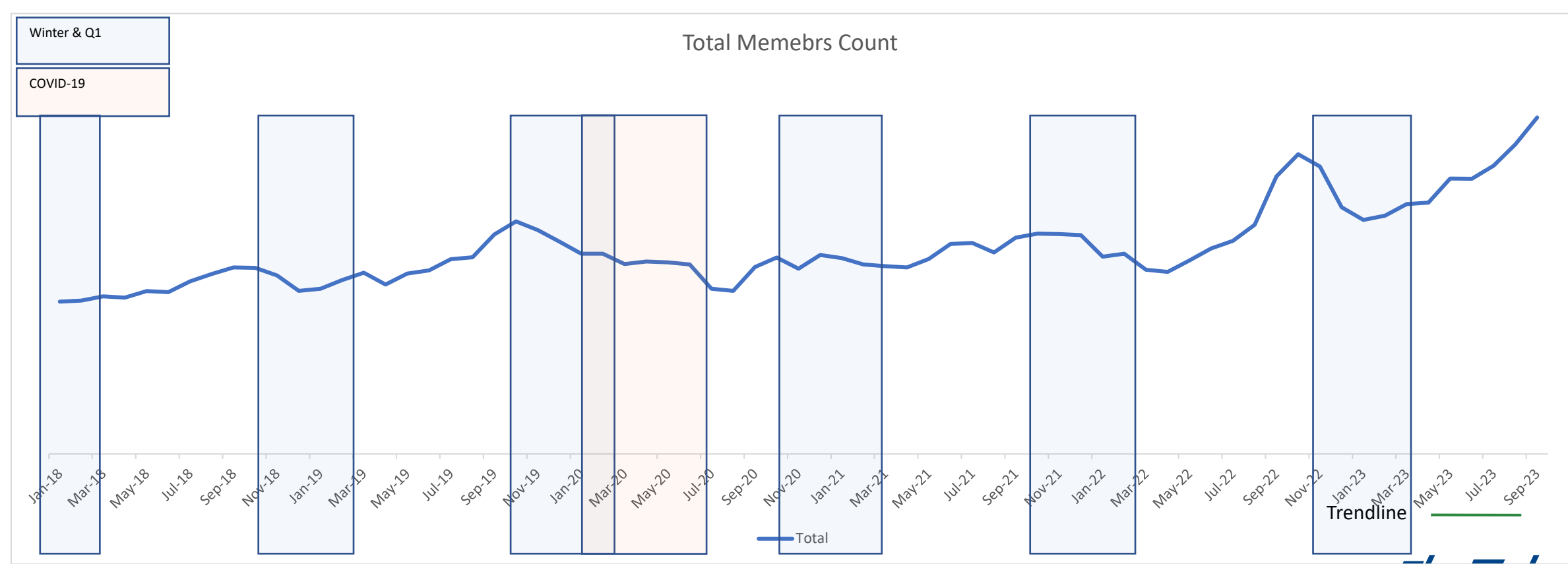
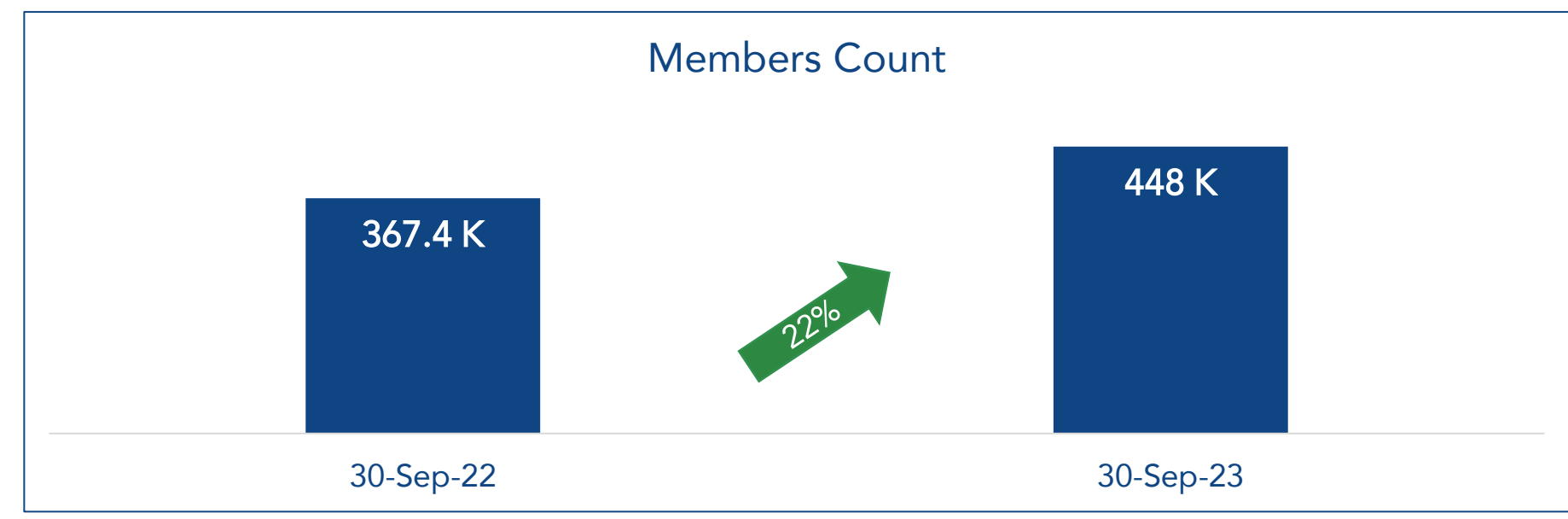
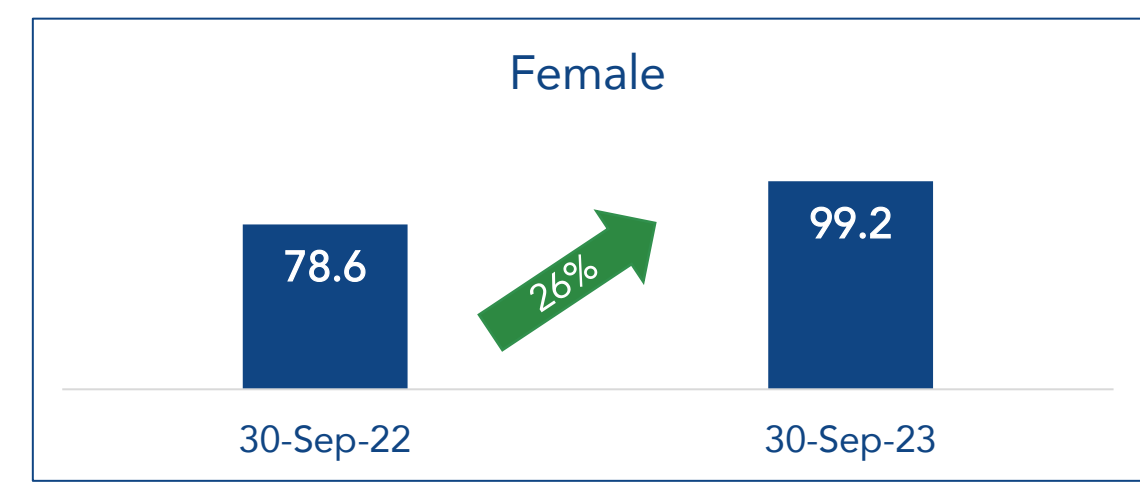
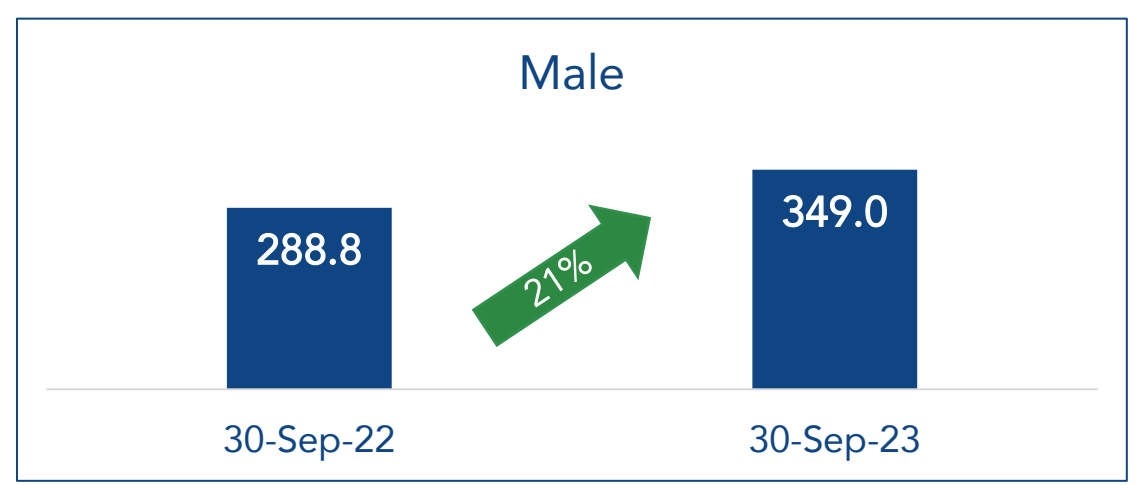


Centers

LEEJAM MEMBERS DATA

Member Count Movement

- Memberships grew at end of Q3 2023 by 22% compared to the end of Q3 2022 level.
- 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.
- The company's results in the first half of the year are typically less than second half in terms of revenues and profits.
- In 2023, the company's focused approach and better management of the business led to the reduction of the seasonality effect in 2023.
- We expect business seasonality to continue in the medium term.
- 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**



Q3 PROFITABILITY

Revenue

- Grew by 32% driven by volume as a result of adding 11 new centers since end Q3 2022, growth from LFL centers, focused approach as well as continuing the refurbishments program of existing centers.

Gross Profit

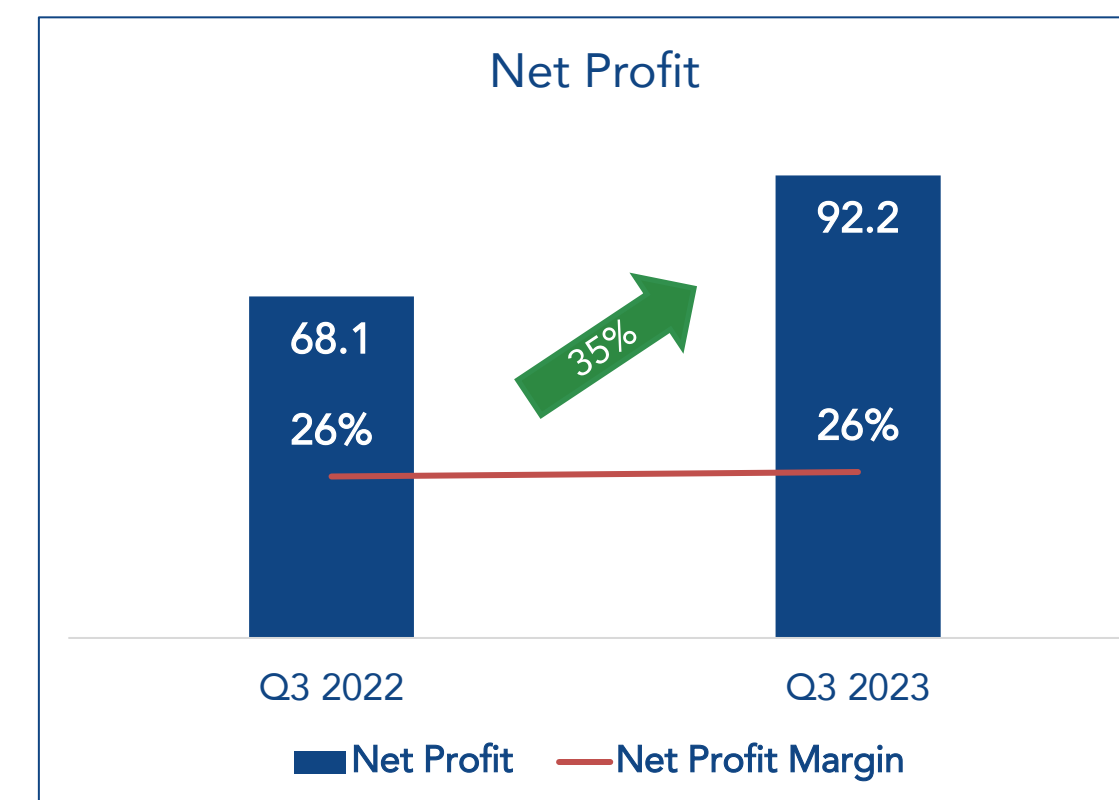
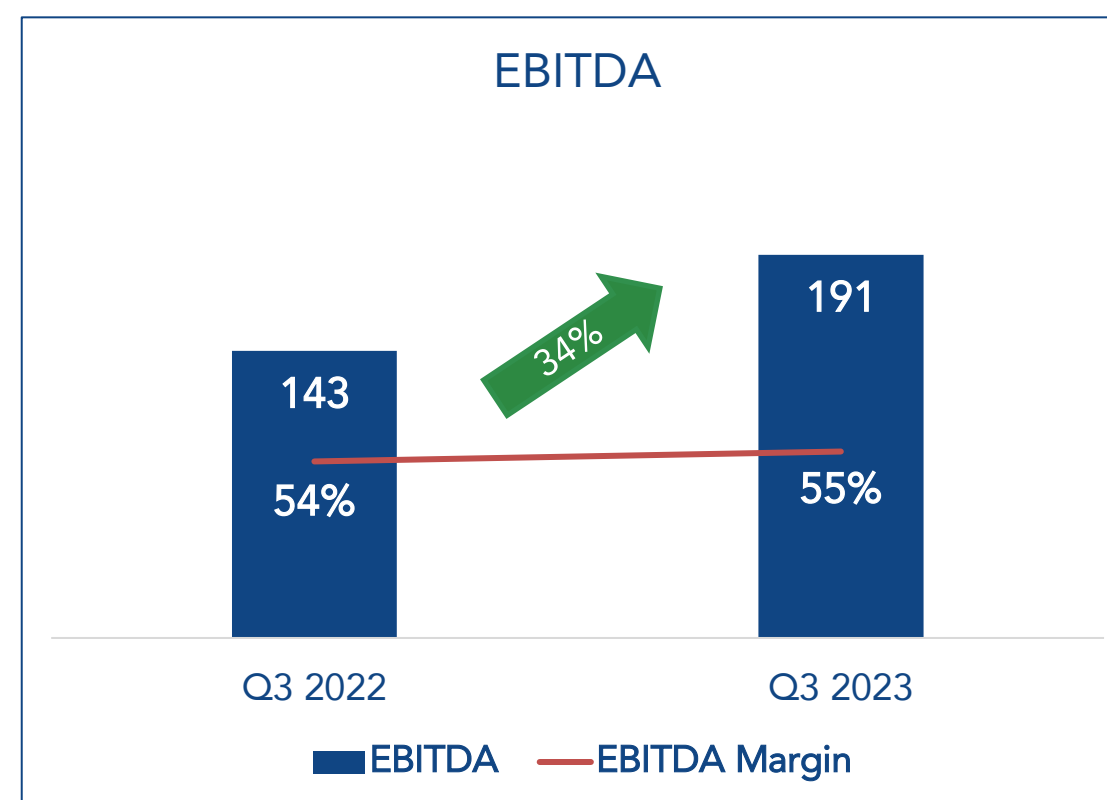
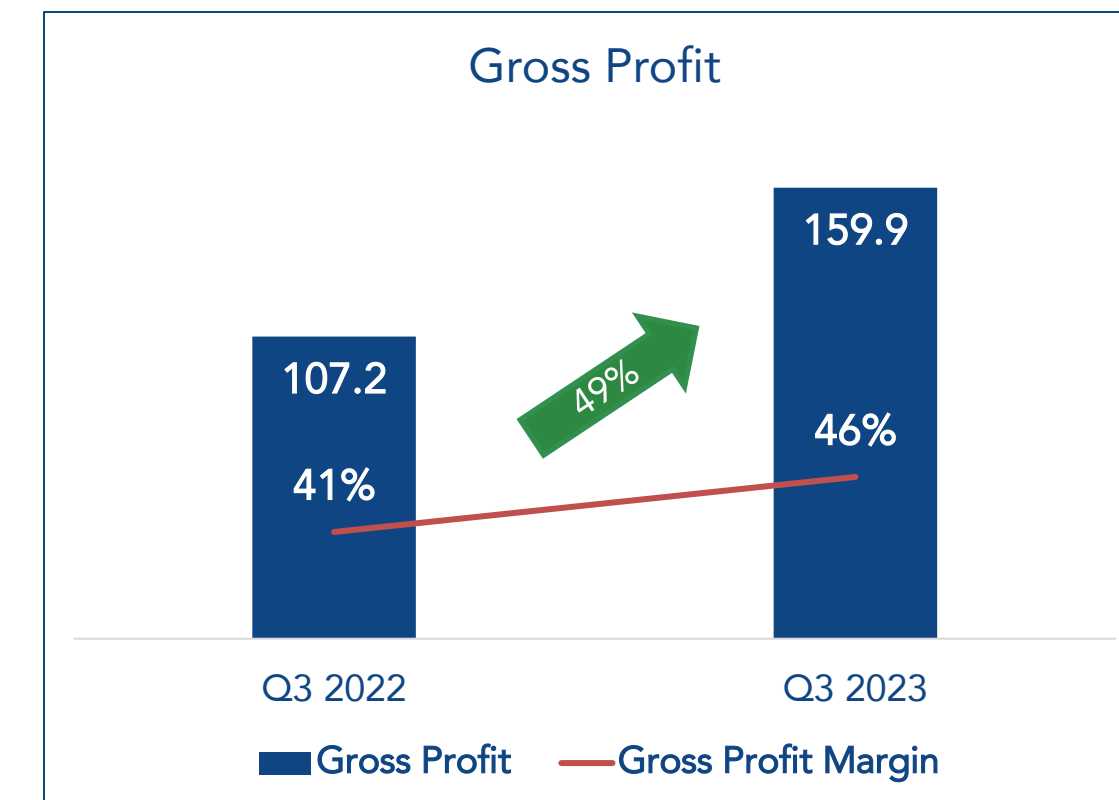
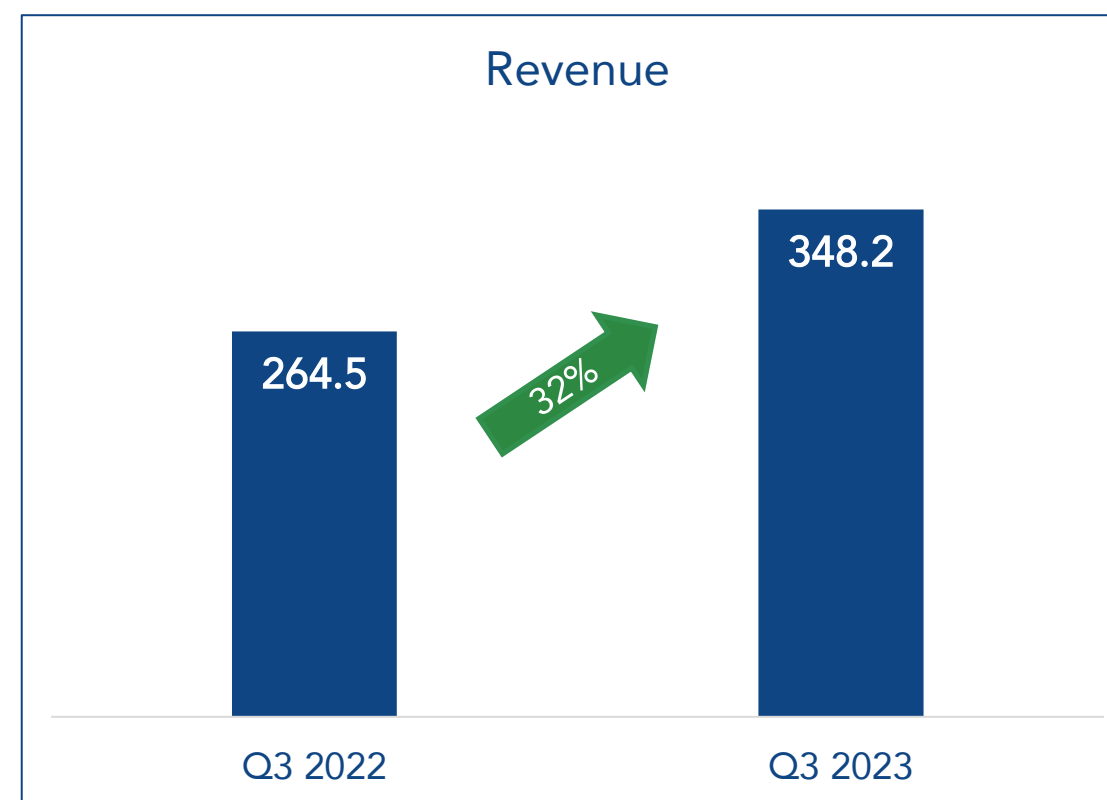
- Increase by 49% which was mainly driven by the increase in revenue and controlling costs.

EBITDA

- EBITDA growth of 34% was due to higher operating income.

Net Profit

- Increased by 35% mainly due to the increase in revenue
- Normalized Net profit margin after excluding the one-off is 30%



Amounts in million (SAR)

9M PROFITABILITY

Revenue

- Grew by 27% driven by volume as company added 11 new centers since end of Q3 2022, growth from LFL centers, focused approach as well as continuing the refurbishments program of existing centers.

Gross Profit

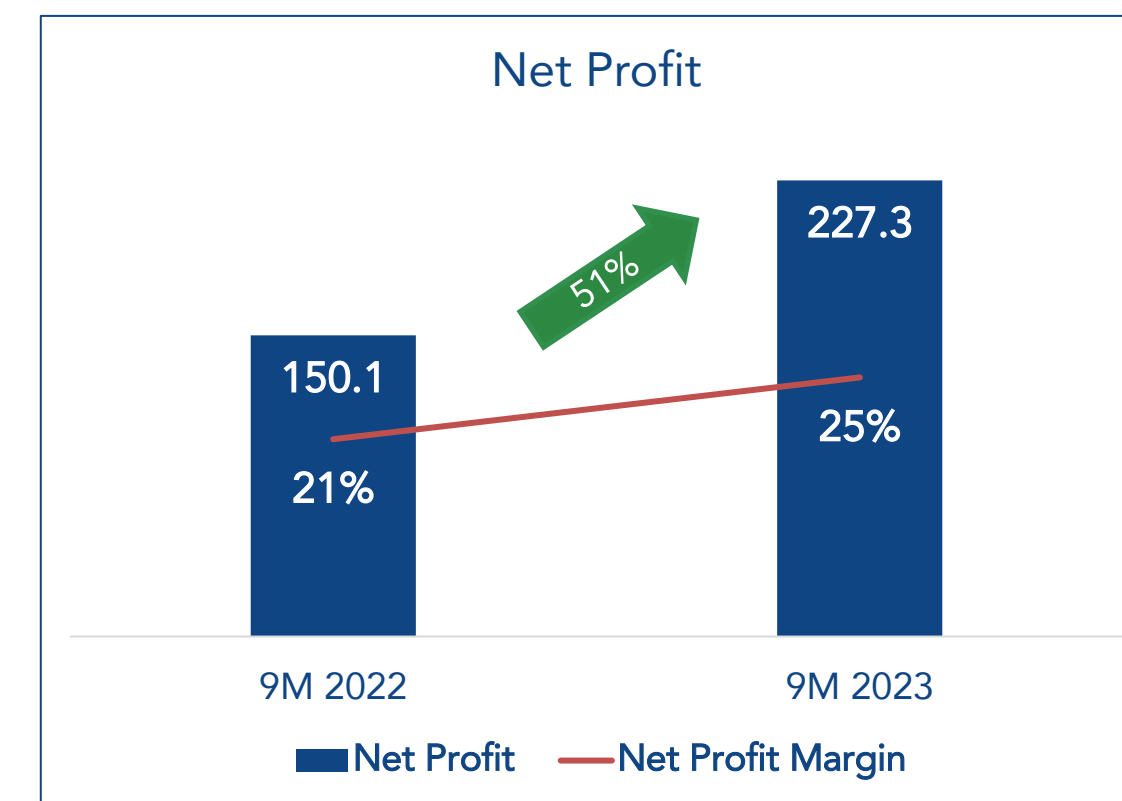
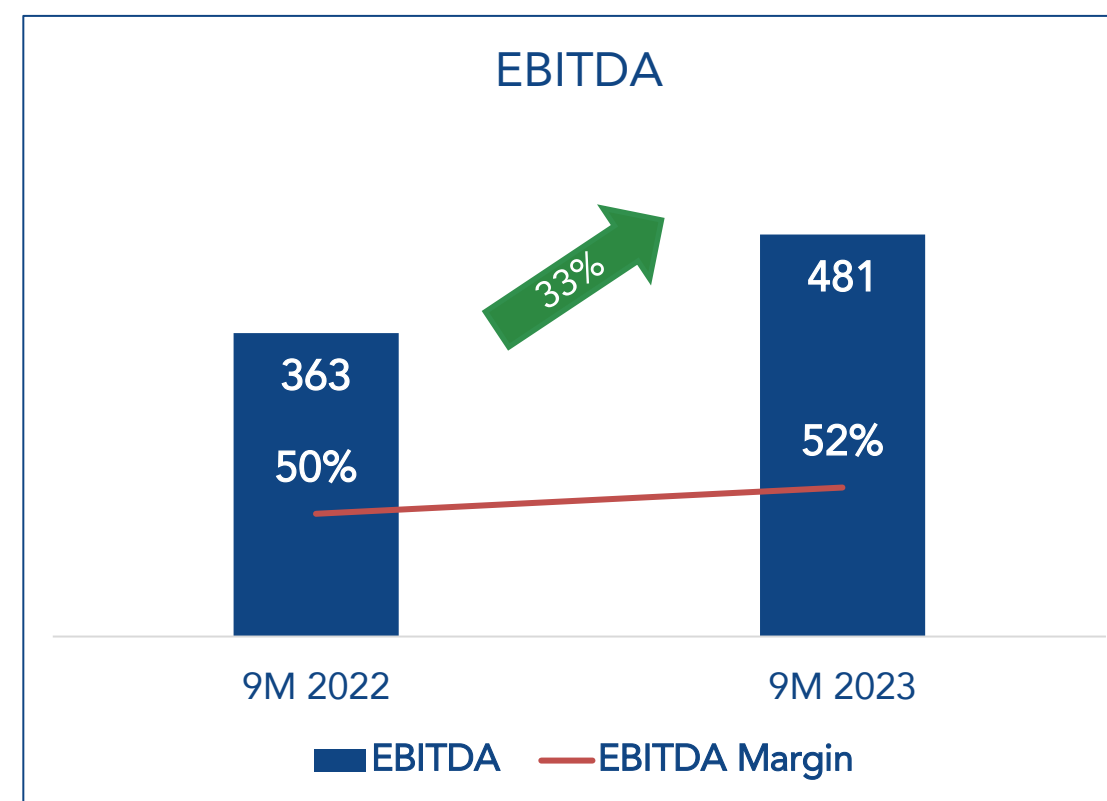
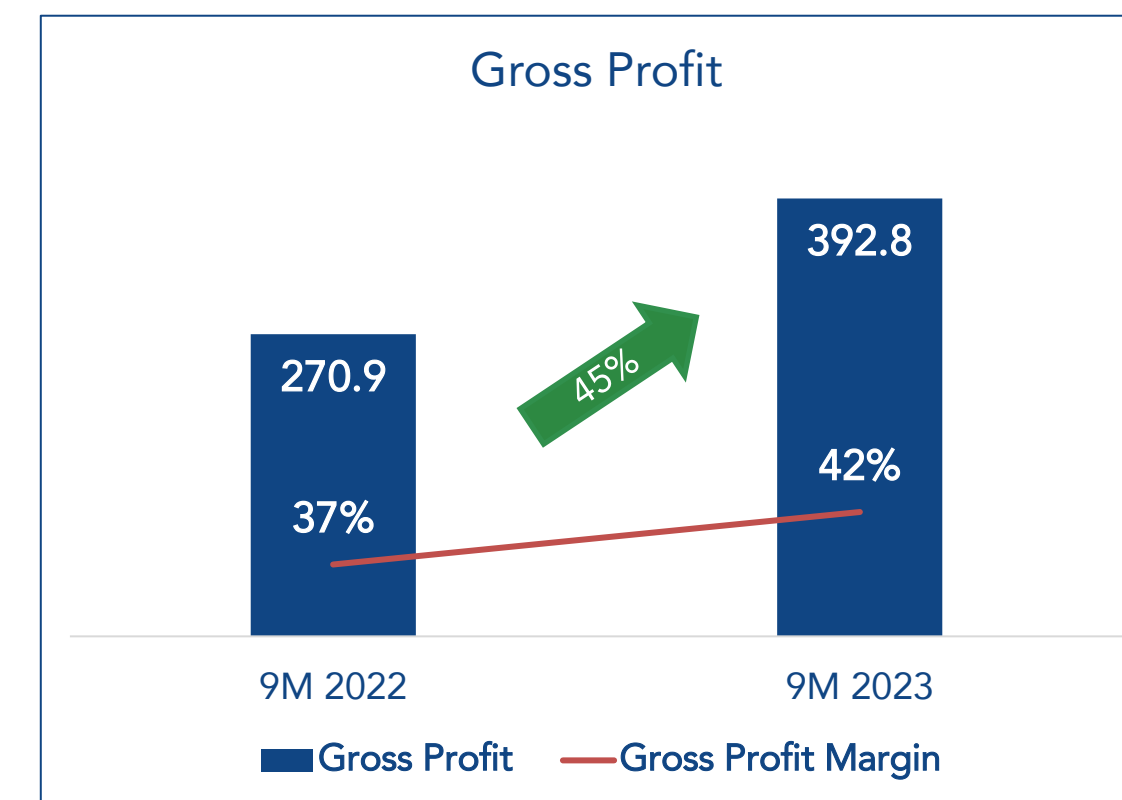
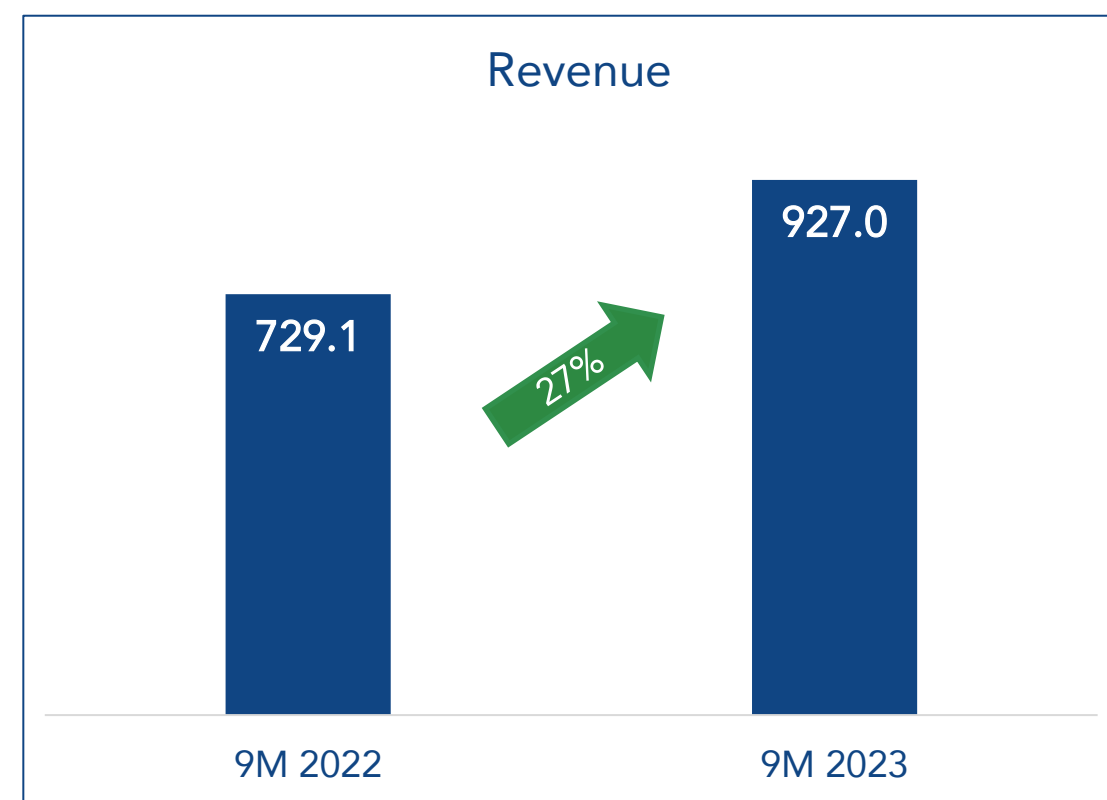
- Increase by 45% which was mainly driven by the increase in revenue.

EBITDA

- EBITDA growth of 33% was due to higher operating income.

Net Profit

- Increased by 51% mainly due to the increase in revenue and controlling costs.
- Normalized Net profit margin after excluding the one-off is 26%



Amounts in million (SAR)

FINANCIAL POSITION

Current Assets

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

Cash and Cash equivalents

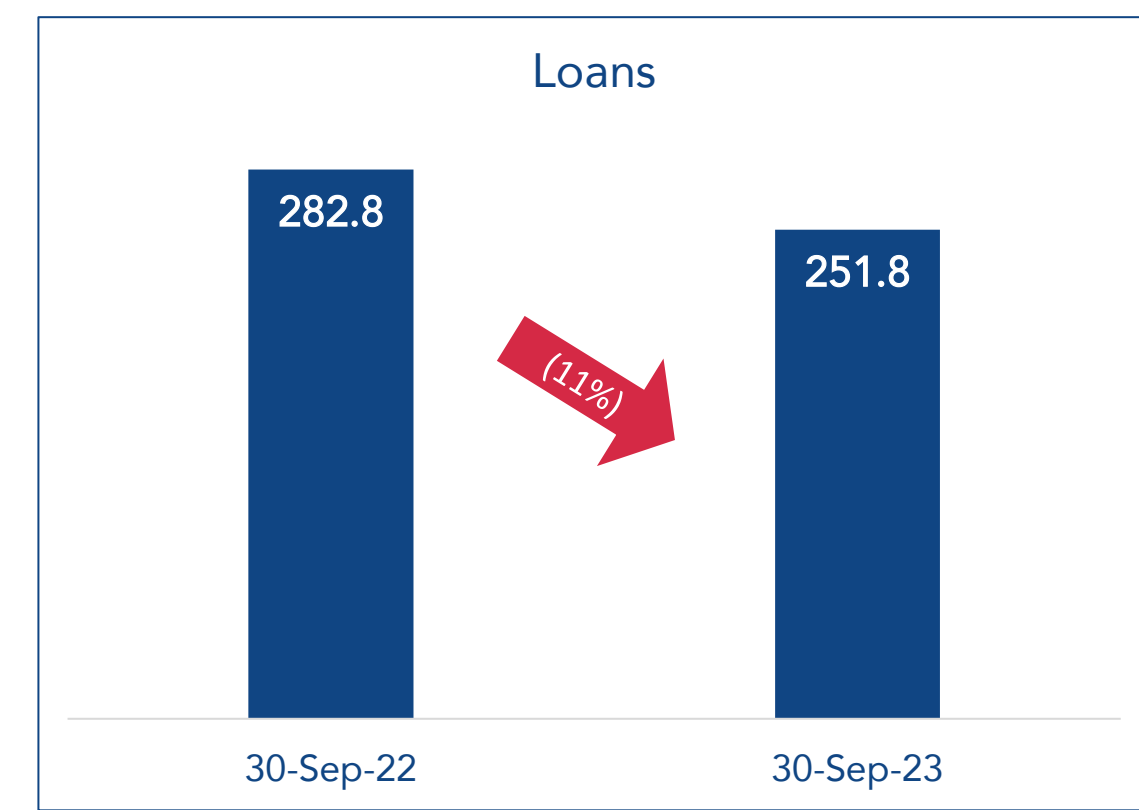
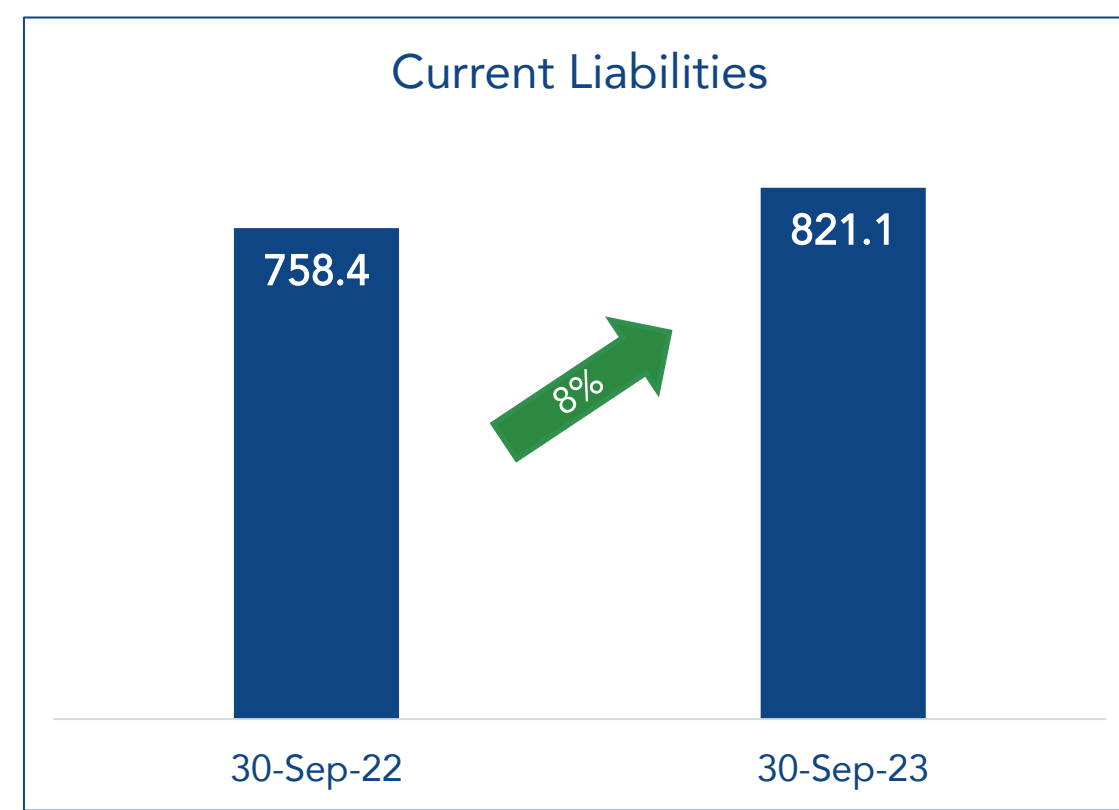
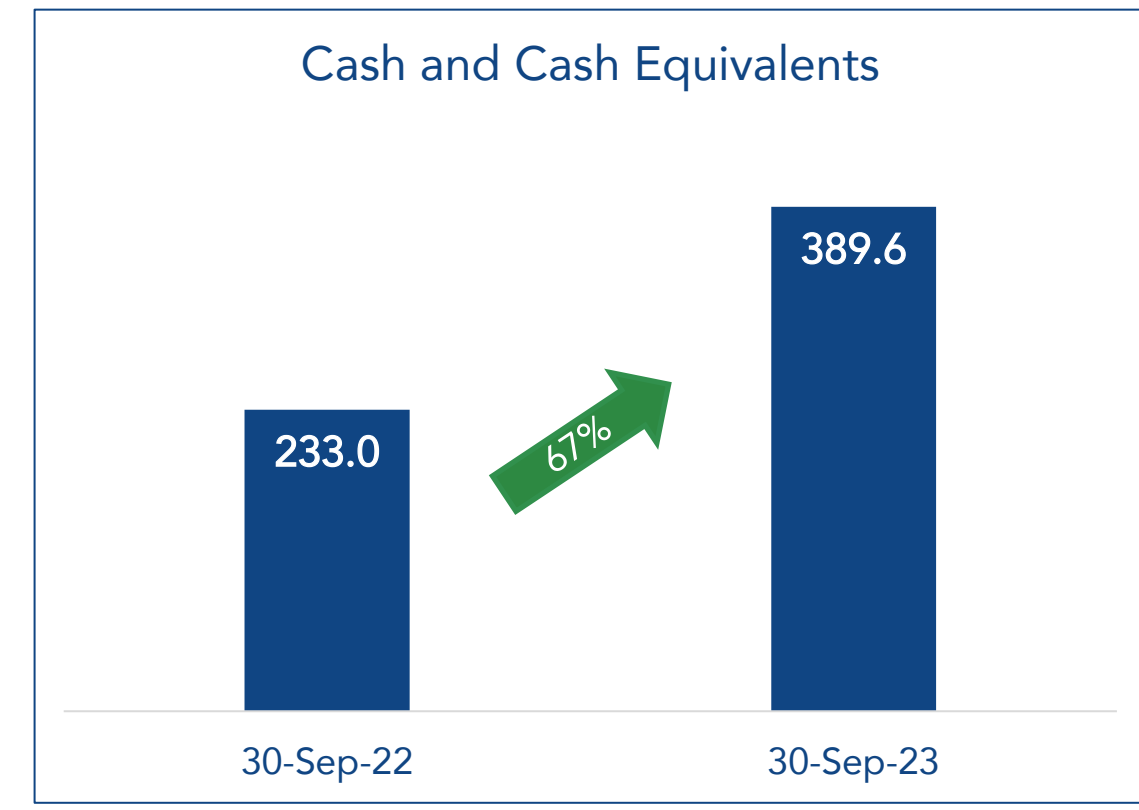
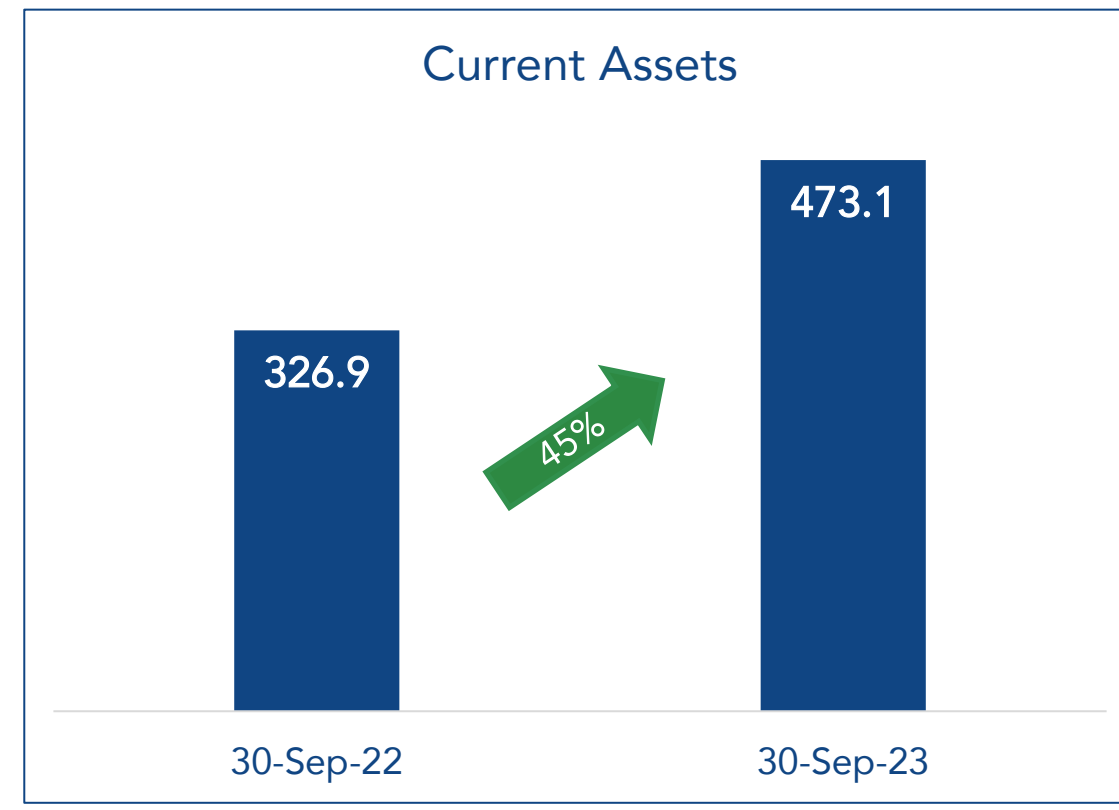
Increased by 67% mainly driven by higher subscriptions sales during the period.

Current Liabilities

Increased by 8% mainly due to the increase in deferred revenue by 17% offset by decrease in short term loans.

Loan Balance

Loan balance decreased by (11%) due to continuing loans scheduled repayments.



Amounts in million (SAR)

CASH FLOWS

Cash Flow from Operations

Increased by 28% mainly due to increase in profit.

Investing Cash Flow

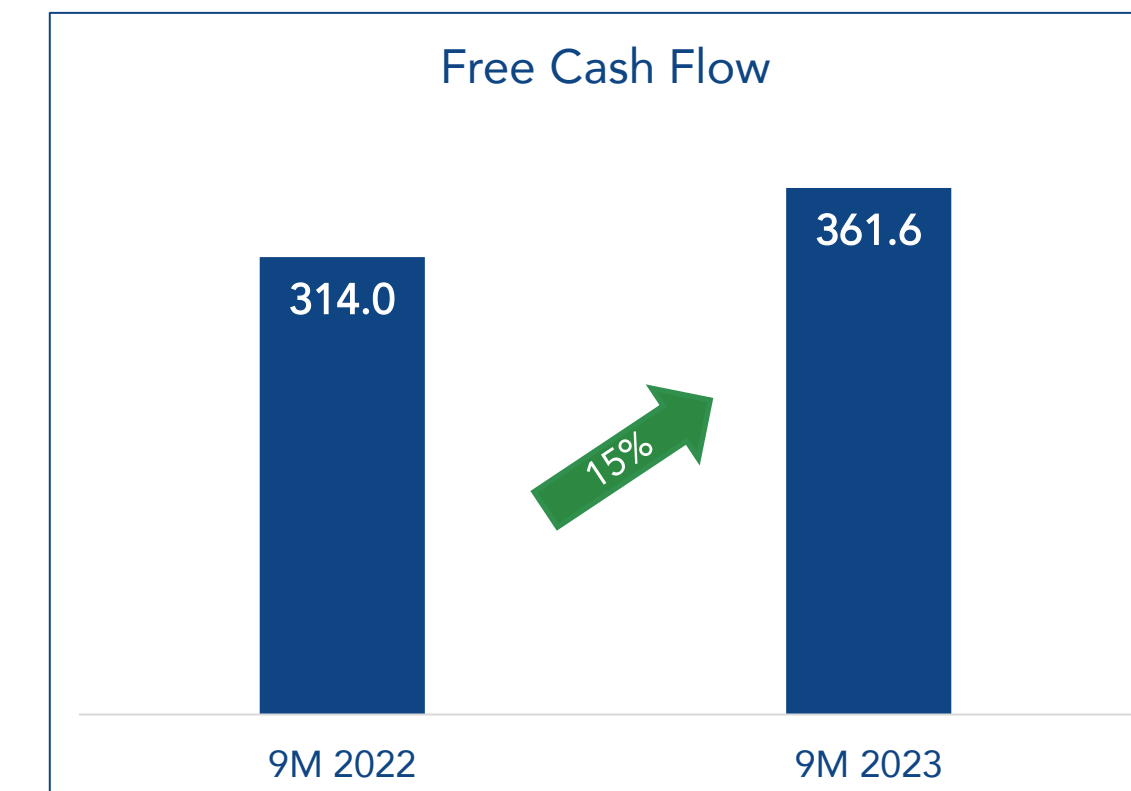
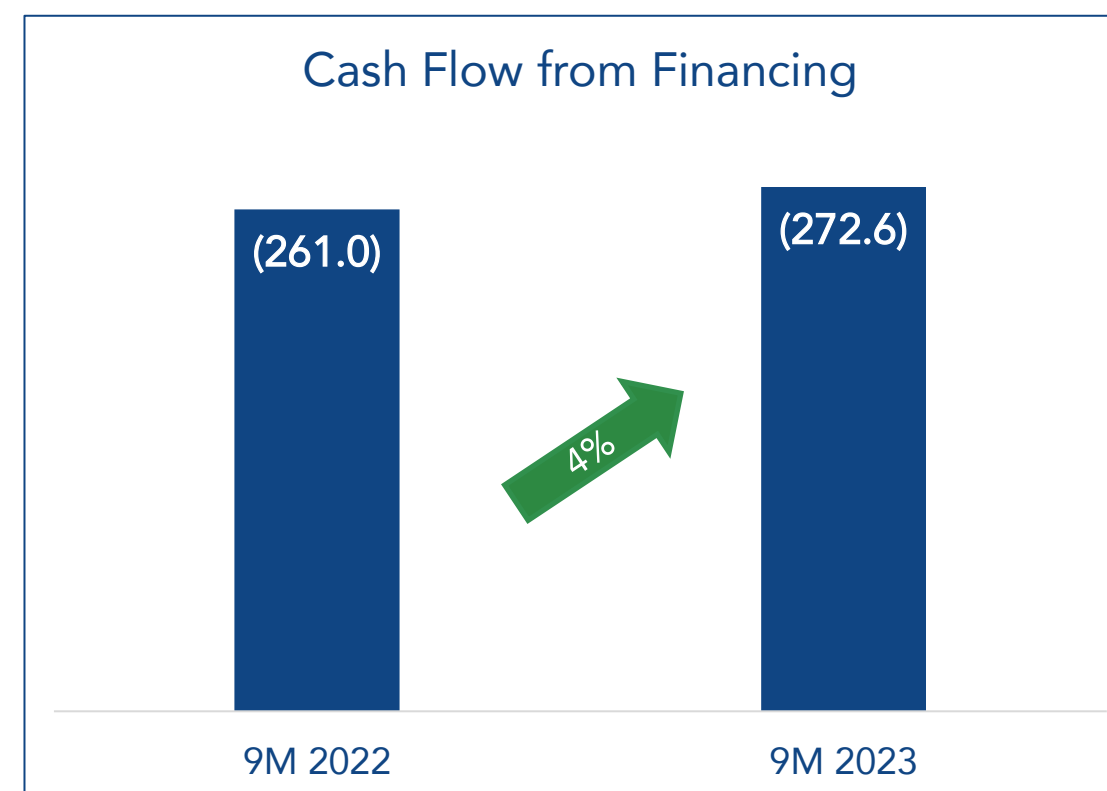
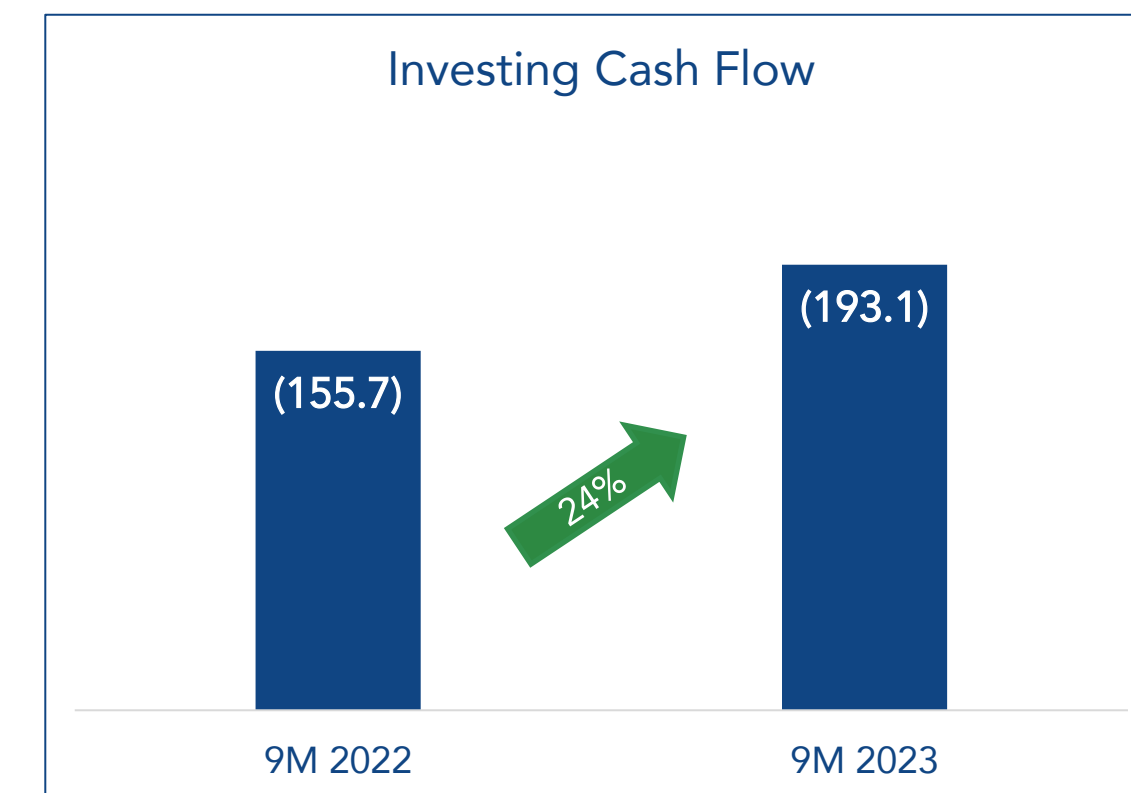
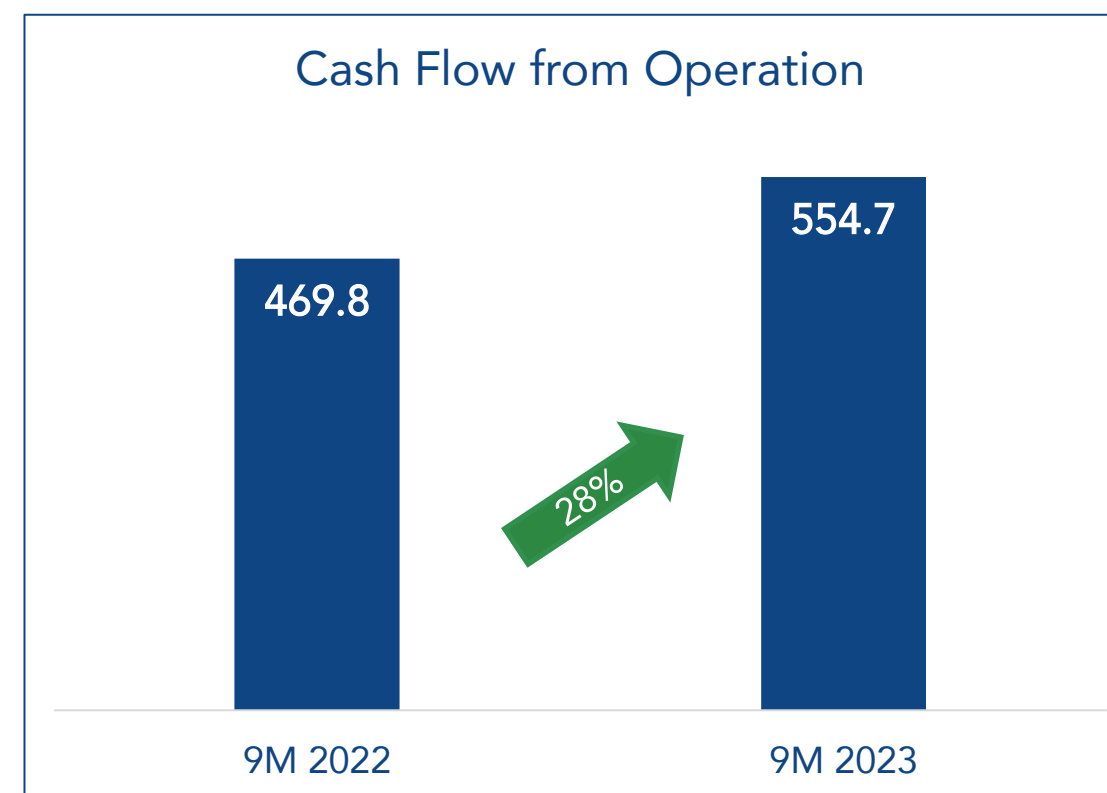
Increased by 24% mainly driven by the acquisition of Al Tatheer Sports Company and CapEx related advances for future projects.

Cash Flow from Financing

Increased by 4% mainly due to higher dividends paid during the 9M 2023.

Free Cash Flow

Increased by 15% due to the higher increase in operating cash flow.

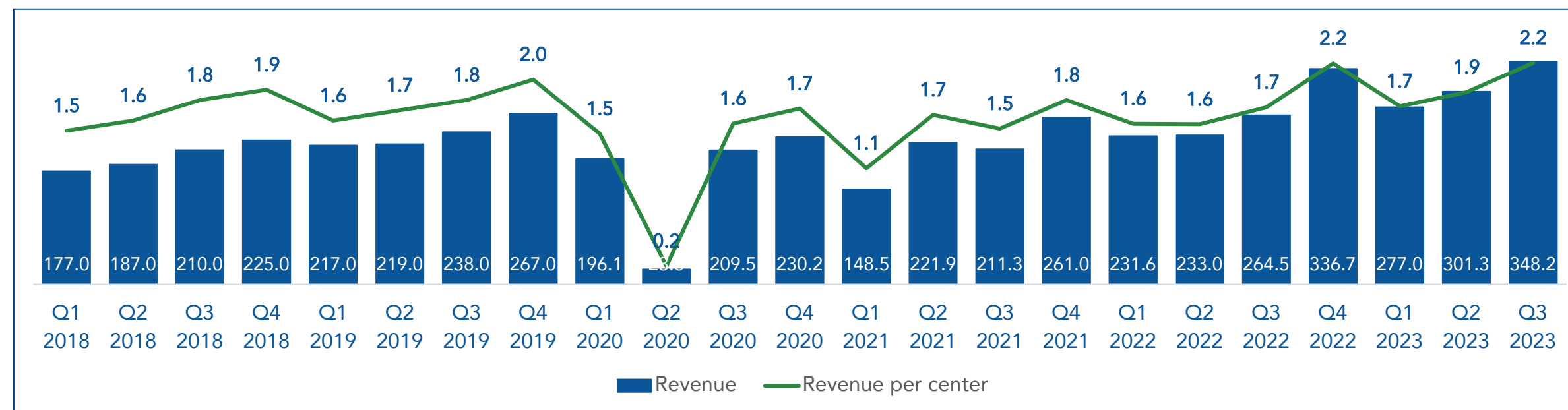


Amounts in million (SAR)

QOQ GROWTH

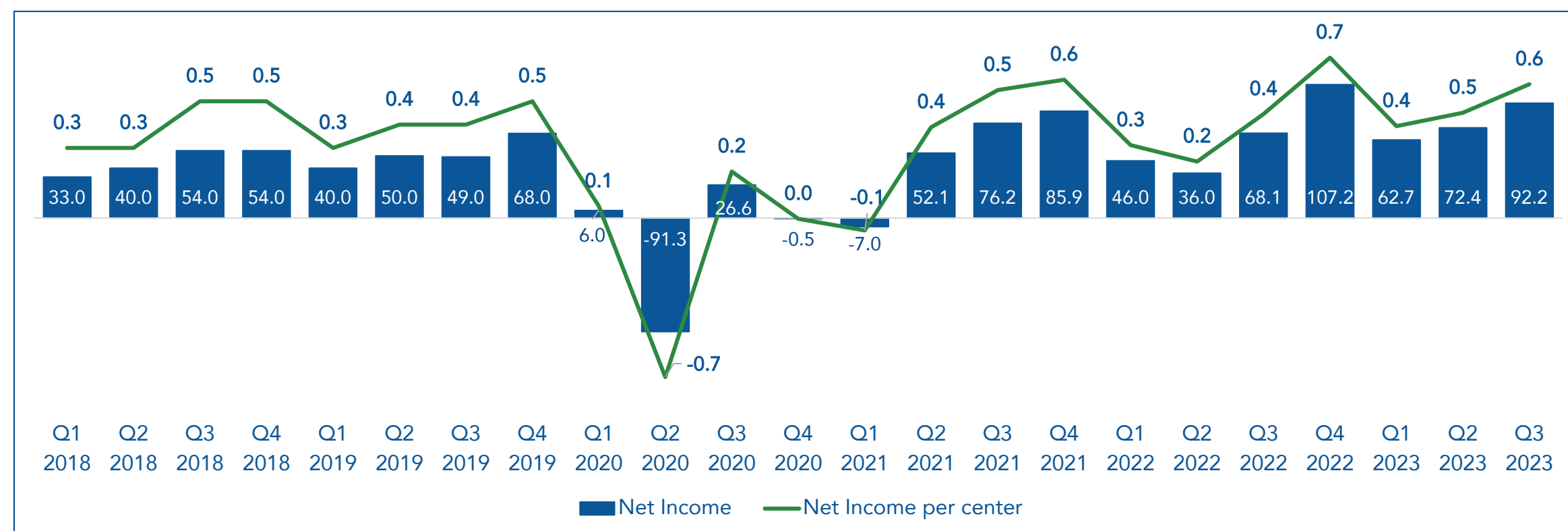
Revenue per center

- 25% higher compared to Q3 2022, mainly due to high number of members
- We expect revenue per center to decrease as Xpress Centers get more weight as it generate lower revenue compared to Big Box.



Net Income per center

29% higher compared to same quarter of last year mainly due to higher revenue and cost efficiency.



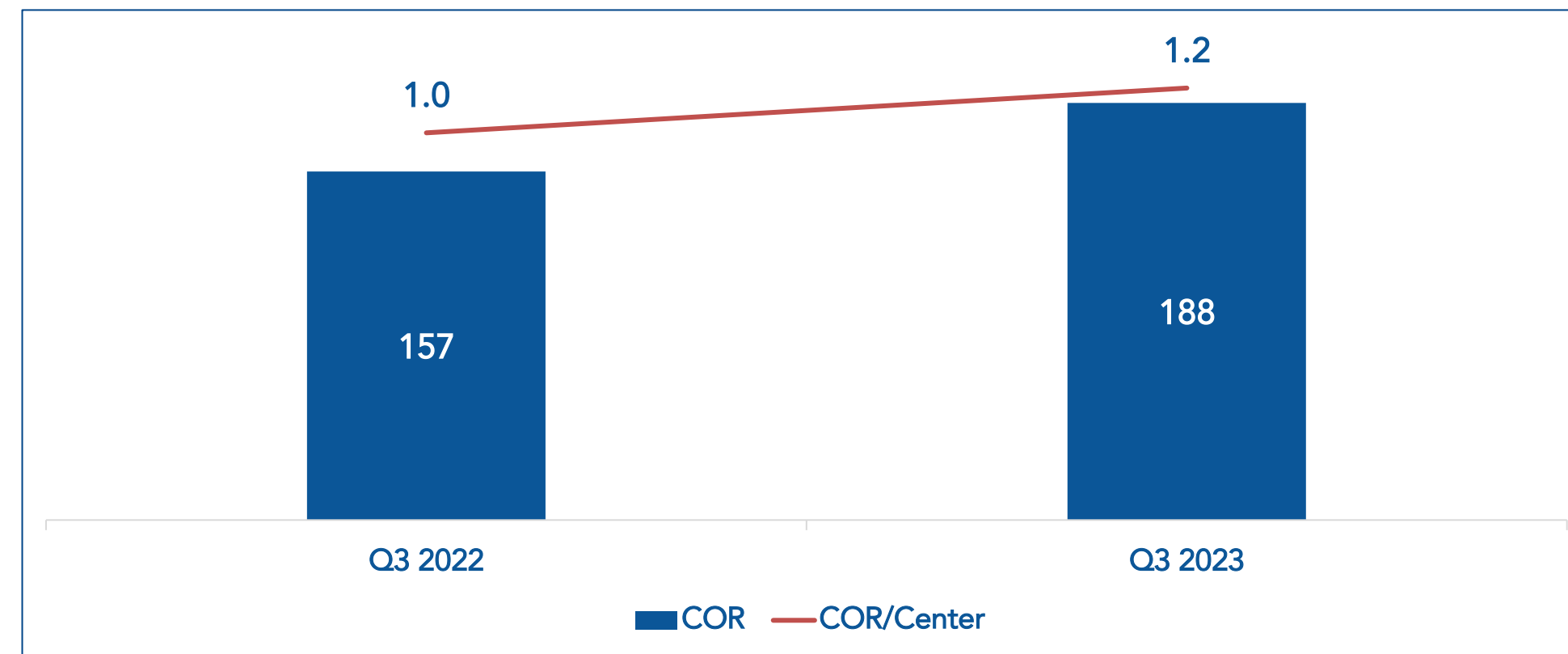
Amounts in million (SAR)

Q3 COR & SG&A

Key Highlights:

COR & COR/Center

- Overall cost of revenue increased by 20% which was due to the additional (under ramp up) 11 centers compared to Q3 2022.
- COR per center increased by 12% due to the increase in maintenance, repair, and cleaning costs driven by the increase of the number of members, the continuation of club refurbishment program "Your Club has Changed", and the increase in number of centers operating 24 hours

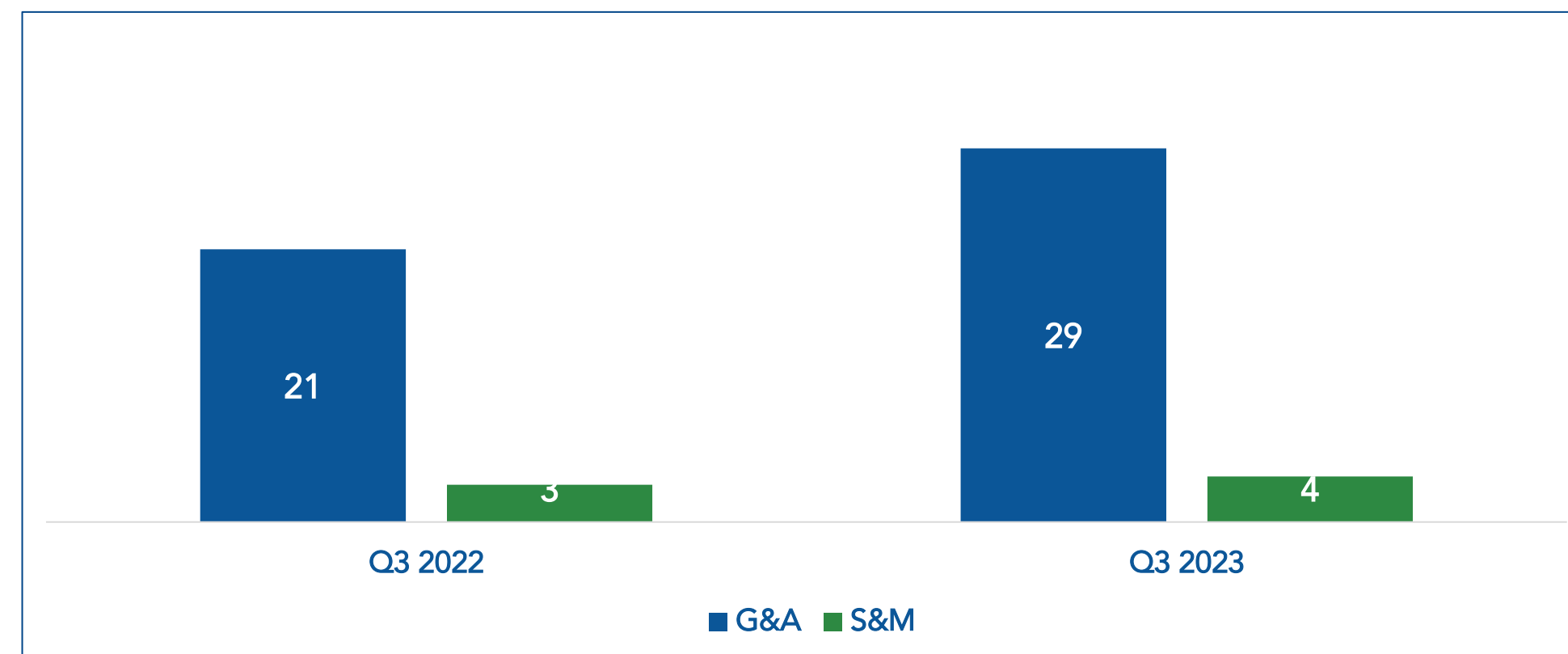


G&A

G&A increased by 37% mainly driven by the investment in digitalization initiatives and personal, as well as increase in professional fees.

S&M

S&M increased by 22% mainly driven by more investment in marketing as result of Saudi National Day Campaign.



Amounts in million (SAR)

9M COR & SG&A

Key Highlights:

COR & COR/Center

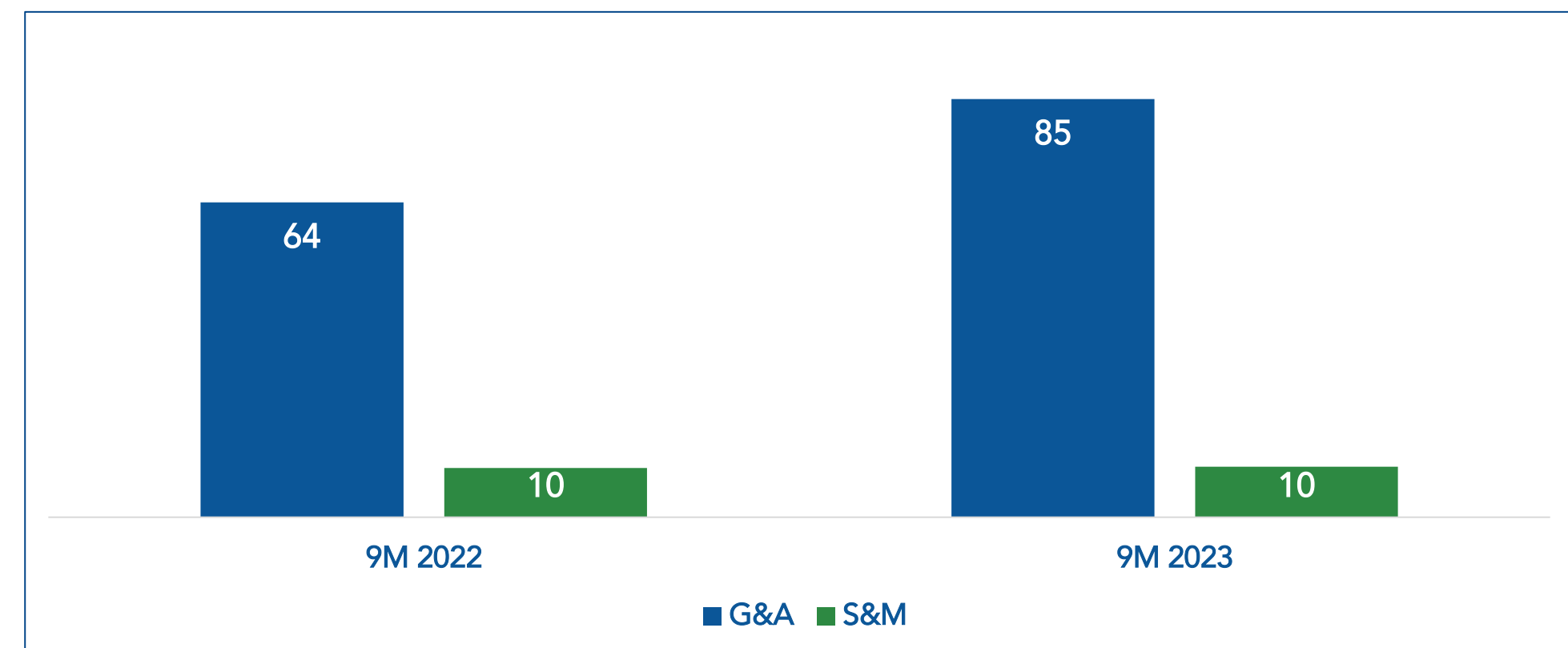
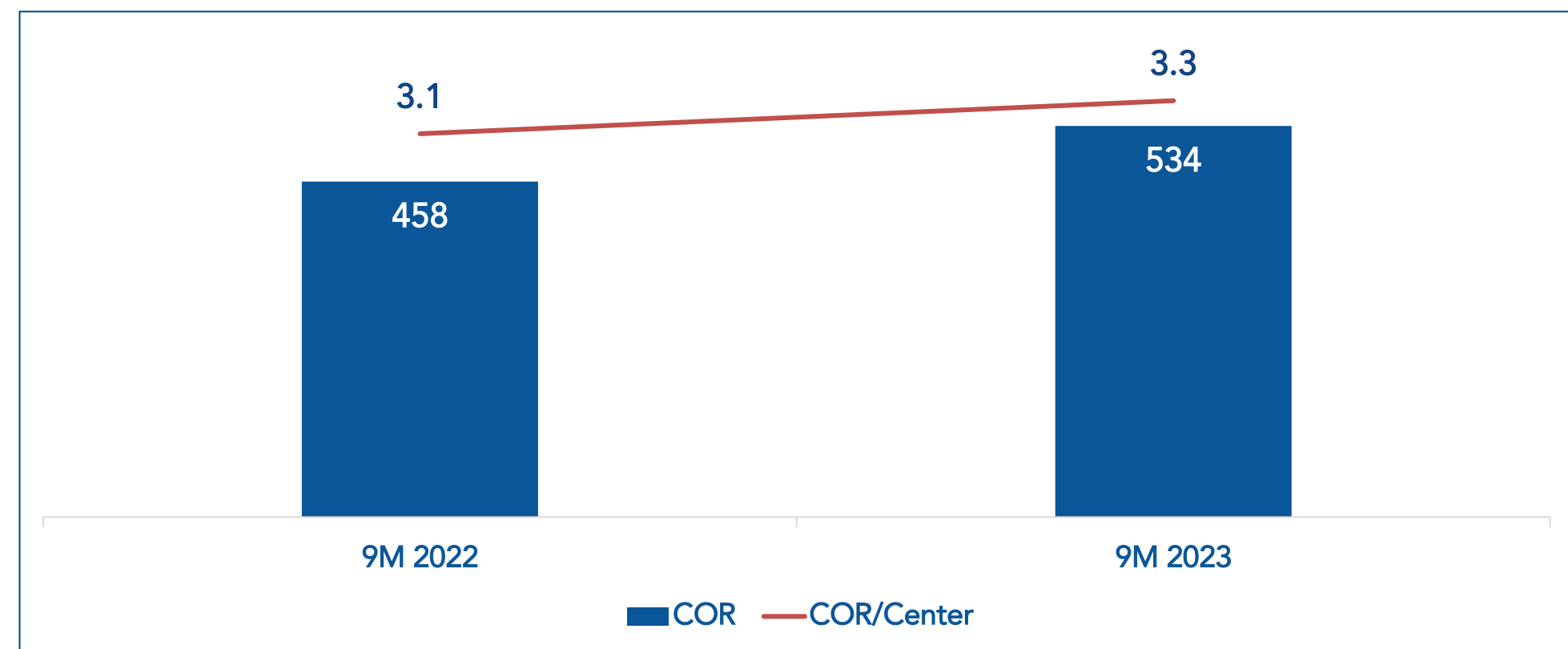
- Overall cost of revenue increased by 17% which was due to the additional (under ramp up) 11 centers.
- COR per center increased by 9% due to the increase in maintenance, repair, and cleaning costs driven by the increase of the number of members, the continuation of club refurbishment program "Your Club has Changed", and the increase in number of centers operating 24 hours

G&A

G&A increased by 33% mainly driven by the investment in digitalization initiatives and personal, as well as increase in professional fees.

S&M

S&M increased by 3% mainly driven better management of marketing expenses compare to last year.



Amounts in million (SAR)

CASH GENERATION

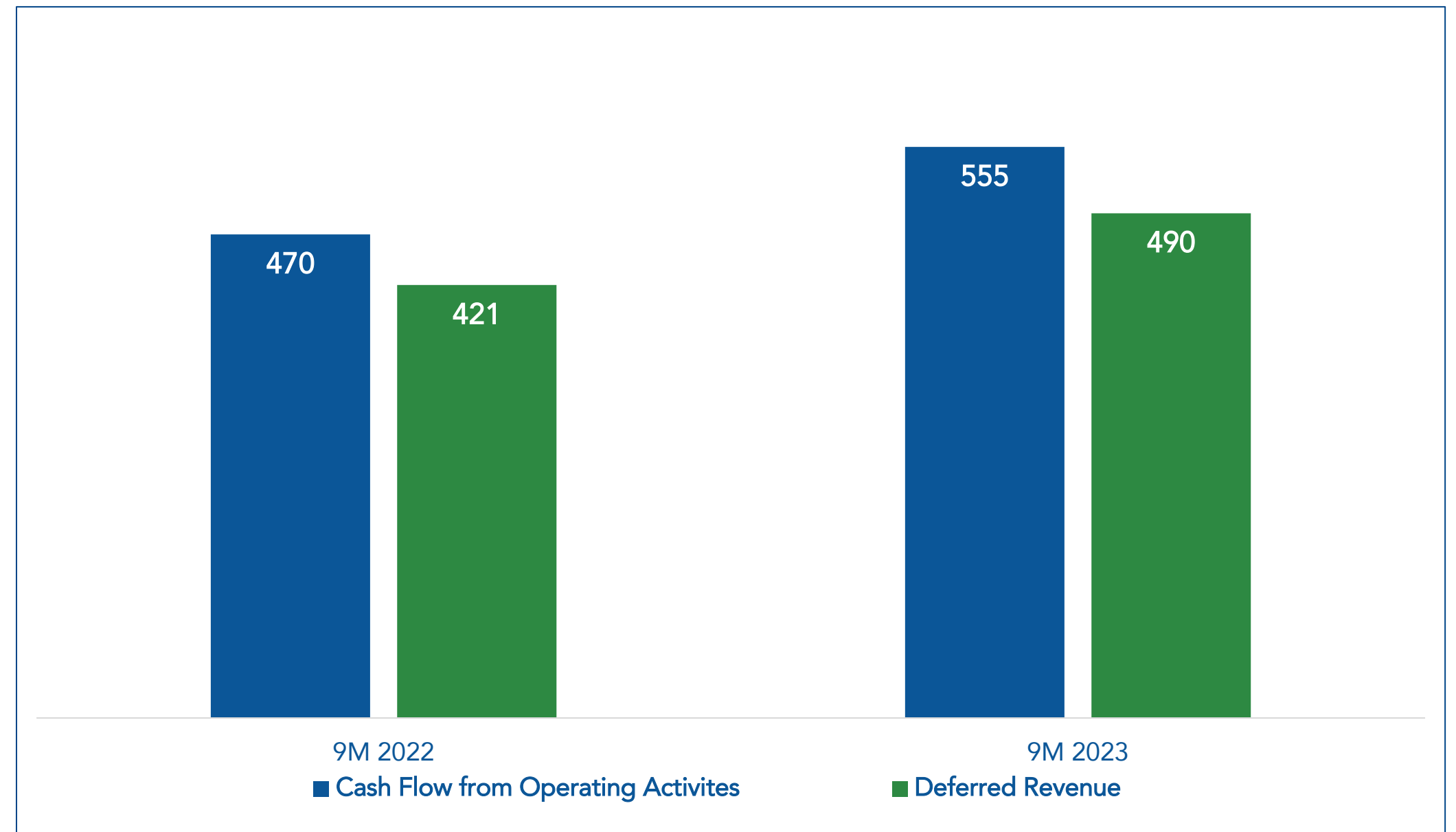
Key Highlights:

Cash Flow from Operations:

Increased by 18% due to higher subscription sales.

Deferred Revenue:

Increased by 17% as result of the increase in subscriptions sales.



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	Expected CAPEX (Range)
		30 September 2023	31 Dec 2023	SAR M / Center
Xpress	Female	6	6-7	4 to 7.5
	Male	23	27-28	
Big Box	Female	40	43-45	15 to 20
	Male	93	95-96	
Concept Studios		11	10 -15	1 to 2.5
Total		173	181-191	-



Q&A

THANK YOU

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

APPENDIX



Q3 2023 P&L

SAR M	Q3 2023	Q3 2022	Change	Change %
Revenue	348.21	264.45	83.76	31.7%
Cost of revenue	(188.27)	(157.27)	31.00	19.7%
GROSS PROFIT	159.94	107.18	52.76	49.2%
General and administrative expenses	(29.36)	(21.44)	7.93	37.0%
Advertising and marketing expenses	(3.59)	(2.94)	0.65	22.1%
(Allowance for)/ reversal of expected credit losses	(0.50)	2.65	3.16	-119.0%
OPERATING PROFIT	126.48	85.46	41.03	48.0%
Other income	0.73	-	0.73	-
Write-off of non-financial assets, net	(11.42)	-	11.42	-
Finance costs	(24.13)	(15.67)	8.46	54.0%
Profit from short term Murabaha	3.18	-	3.18	-
PROFIT BEFORE ZAKAT	94.84	69.79	25.05	35.9%
Zakat	(2.66)	(1.73)	0.93	53.7%
PROFIT FOR THE PERIOD	92.18	68.06	24.12	35.4%
EARNINGS PER SHARE				
Basic and diluted earnings per share	1.76	1.30	0.46	

9M 2023 P&L

SAR M	9M 2023	9M 2022	Change	Change %
Revenue	926.96	729.07	197.89	27.1%
Cost of revenue	(534.12)	(458.12)	76.0	16.6%
GROSS PROFIT	392.84	270.95	121.89	45.0%
General and administrative expenses	(85.32)	(64.25)	21.07	32.8%
Advertising and marketing expenses	(10.33)	(10.07)	0.26	2.6%
(Allowance for)/ reversal of expected credit losses	(0.95)	(0.07)	0.88	1232.1%
OPERATING PROFIT	296.24	196.55	99.69	50.7%
Other income	1.55	-	1.55	-
Write-off of non-financial assets, net	(11.42)	-	11.42	-
Finance costs	(62.65)	(42.79)	19.85	46.4%
Profit from short term Murabaha	10.05	0.13	9.92	-
PROFIT BEFORE ZAKAT	233.76	153.88	79.88	51.9%
Zakat	(6.45)	(3.79)	2.66	70.1%
PROFIT FOR THE PERIOD	227.32	150.10	77.22	51.4%
EARNINGS PER SHARE				
Basic and diluted earnings per share	4.34	2.87	1.47	