



SMARTFIT ESCOLA DE GINÁSTICA E DANÇA S.A.

Tax ID No. 07.594.978/0001-78

NIRE 35.300.477.570

Publicly Held Company

MATERIAL FACT

SMARTFIT ESCOLA DE GINÁSTICA E DANÇA S.A. ("Company"), in compliance with the provisions of article 157, §4th, of Law No. 6.404, of December 15, 1976, as amended ("Brazilian Corporate Law"), and the regulations of the Securities and Exchange Commission of Brazil ("CVM"), especially CVM Resolution No. 44, of August 23, 2021, as amended, hereby informs its shareholders and the market in general that the shareholder of the joint venture Sporty Panamá SA ("Seller" and "Sporty", respectively), a company that operates Smart Fit unities in Panama and Costa Rica, exercised a put option ("Put") of the total amount of shares issued by Sporty and held by them to the Company ("Exercise"). With the closing of the Exercise, the Company, which was already holder of 50% of Sporty's shares, will now hold the entirety of its capital stock.

About Sporty:

Sporty is a privately held company currently operating 28 Smart Fit gyms in Panama and Costa Rica. In the third quarter of 2022, Sporty reported the following unaudited and annualized financial information: net revenues of USD 22.3 million and EBITDA of USD 10.9 million (49% margin). Sporty plans to continue its organic expansion in the current countries of operation.

About the Exercise

As a result of the Exercise, the Company will pay the estimated amount of USD 59.3 million to the Seller, in two installments: one of USD 25.0 million to be paid in January 2023, and the other corresponding to the remaining amount to be paid in January 2024 ("2nd Installment"). The Put exercise value is still subject to the usual adjustments for this type of transaction to be determined and agreed upon before the payment of the 2nd Installment.

Considering (a) the initial investment in Sporty of USD 19.8 million for the purchase of a stake (50%) and (b) the estimated amount to be paid as a result of the Exercise, the total investment made by the Company in Sporty from 2020 until the payment of the 2nd Installment in 2024 as a result of the Exercise is estimated at USD 79.9 million. This investment is in connection with the Company's strategic objective of expanding its activities in Latin America.

The Company lastly clarifies that the Exercise does not depend on a general meeting resolution, pursuant to article 256 of Brazilian Corporate Law, nor does it afford its shareholders a right of withdrawal.

The Company will keep its shareholders and the market in general informed about the developments relating to the subjects addressed in this Material Fact.

São Paulo, January 2nd, 2023.



Thiago Lima Borges

Chief Financial and Investor Relations Officer

CFO and Investor Relations Officer