GRUPO smart fit

3Q24 EARNINGS
PRESENTATION

smart fit BIORITMO JAB HOUSE RACE BOOTCAMP VIDYA BODY&MIND TONUS GYM TOTALPASS QUEIMA DIÁRIA ONE PILATES

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HIGHLIGHTS 3Q24

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> **RECORD OF 285 CLUBS ADDED** IN THE LAST 12 MONTHS TOTALING 1,591 UNITS IN 3Q24 (+22% VS. 3Q23)

> MEMBER BASE IN CLUBS OF **4.8 MILLION** IN 3Q24, AN **INCREASE OF 18%** VS. 3Q23

> **SIGNIFICANT GROWTH OF 31% IN NET REVENUE** VS. 3Q23, SURPASSING R$1.4 BILLION IN 3Q24 (+5% VS. 2Q24)

> **CASH GROSS MARGIN OF 49.7%** IN 3Q24, WITH SOLID RESULTS IN MATURE[1] AND MATURING CLUBS

> **RECORD EBITDA** OF R$442 MILLION IN 3Q24 **(+35% VS. 3Q23),** WITH **OPERATING CASH FLOW OF R$379 MILLION**, A CONVERSION OF 86%

> **RECURRING NET INCOME[2] OF R$124 MILLION,** AN INCREASE OF **22%** VS. 3Q23

(1) A unit is considered mature when it is at least 24 months old at the beginning of the calendar year
(2) Excludes the impact related to the revaluation of the stake in the Panama and Costa Rica operations and non-recurring financial expenses in 3Q24 of R$5.3 million after IR/CSLL, associated with the prepayment of the 5th issue of debentures and other liability management initiatives

3

SMART FIT, THE WORLD'S 3RD LARGEST[1] NETWORK

Undisputed leadership in LatAm with solid secular trends

GROWING DEMAND FOR FITNESS AND WELL-BEING SERVICES

The **demand for fitness services** in Mexico is expected to grow **5x over the next 10 years**.

82% of US consumers consider **well-being to be a top priority.**

DRIVEN BY THE SEGMENTS OF HIGH-VALUE/LOW-PRICE AND STUDIOS

The expansion in Brazil is **largely driven by high-value & low-price networks**.

For the future, **high-value & low-price, and studios** segments are expected to lead the LatAm market.

The Smart Fit Group is well-positioned to continue growing and seizing the solid fitness market opportunities

2023 GLOBAL RANKING

own clubs

		# own clubs
#1	BASIC-FIT	1,402
#2	RIZAP GROUP	1,225
#3	smart fit	**1,144**
#4	LA FITNESS	700

#3 network of own clubs in the world

2023 LATIN AMERICA RANKING

clubs

		# clubs
#1	smart fit	**1,438**
#2	Player 2	154
#3	Player 3	152
#4	Player 4	136

#1 network in Latin America 9x larger vs. #2

NEW GUIDANCE FOR 2024 CLUB OPENINGS

Projection of 280-300 net openings in 2024, an increase of 35%[1] vs. 215 added units in 2023

ACCELERATED PACE OF EXPANSION IN 2024
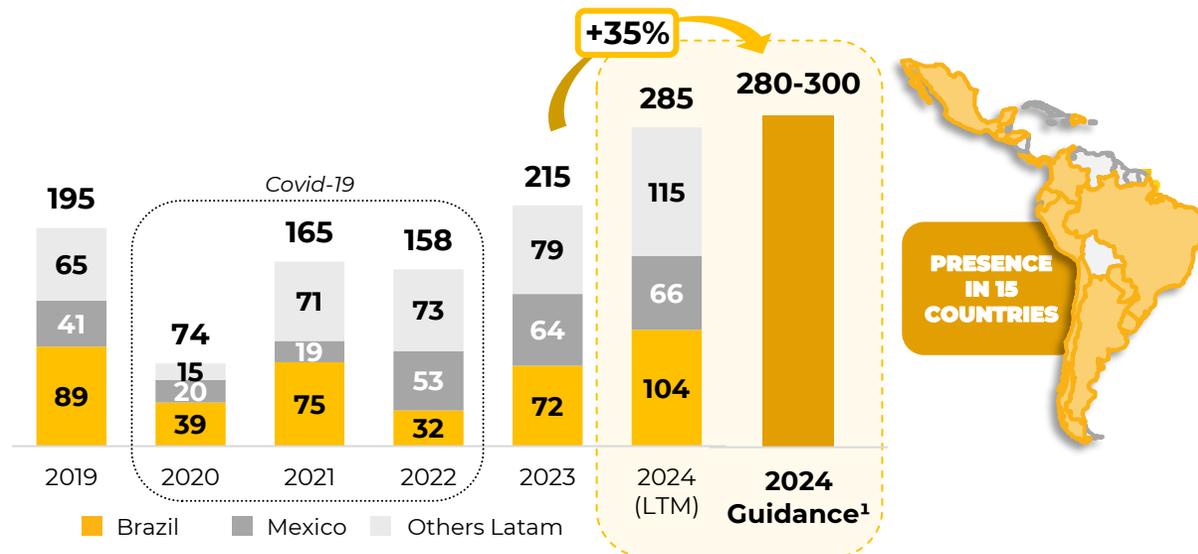
Previous guidance

240 – 260
clubs

New guidance

280 - 300
clubs

Rationale for the guidance increase

- ✓ Combination of **consistent performance of mature units and solid ramp-up of new vintages**
- ✓ **Favorable** market conditions
- ✓ **Solid know-how** for the selection of locations and operation of the clubs
- ✓ **Long-standing relationship** with strategic real estate partners

NUMBER OF NET ADDITIONS OF CLUBS

+35%

Year	Brazil	Mexico	Others Latam	Total
2019	89	41	65	195
2020	39	20	15	74
2021	75	19	71	165
2022	32	53	73	158
2023	72	64	79	215
2024 (LTM)	104	66	115	285
2024 Guidance[1]				280-300

Covid-19

■ Brazil ■ Mexico ■ Others Latam

PRESENCE IN 15 COUNTRIES

Goiânia | Brazil

San Isidro | Panama
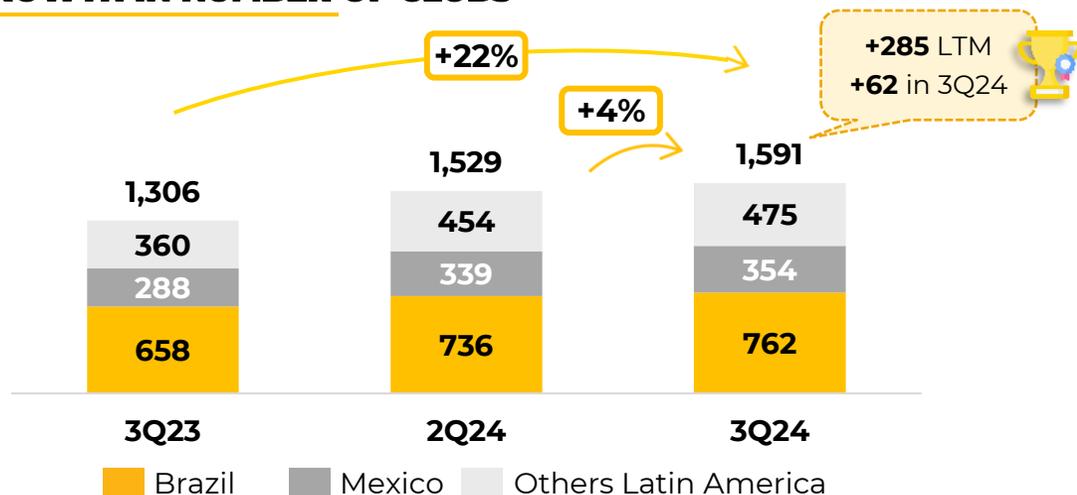
Tuluá | Colombia

Coahuila | Mexico

(1) Considers the midpoint of the guidance of 280 to 300 net additions of gyms in 2024, according to the Material Fact disclosed on 11/07/2024
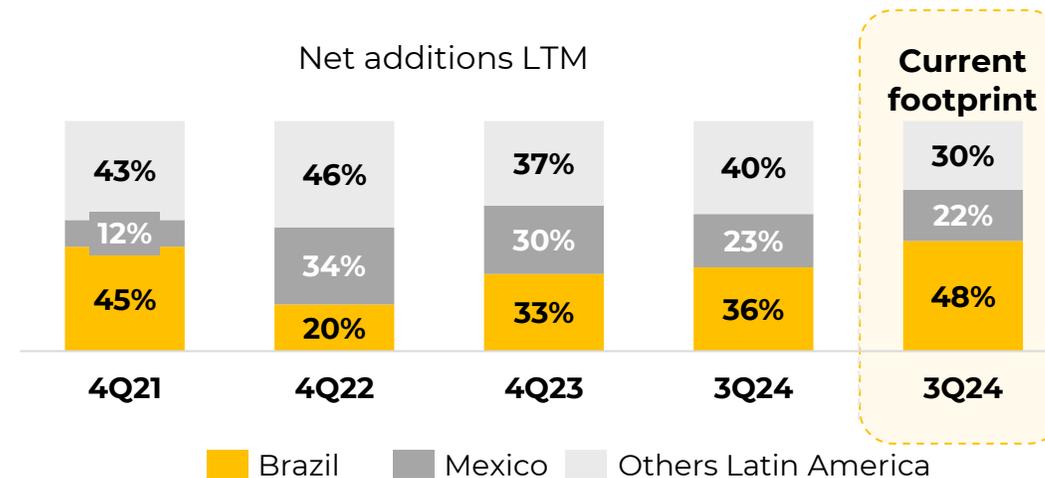
EVOLUTION OF CLUB NETWORK

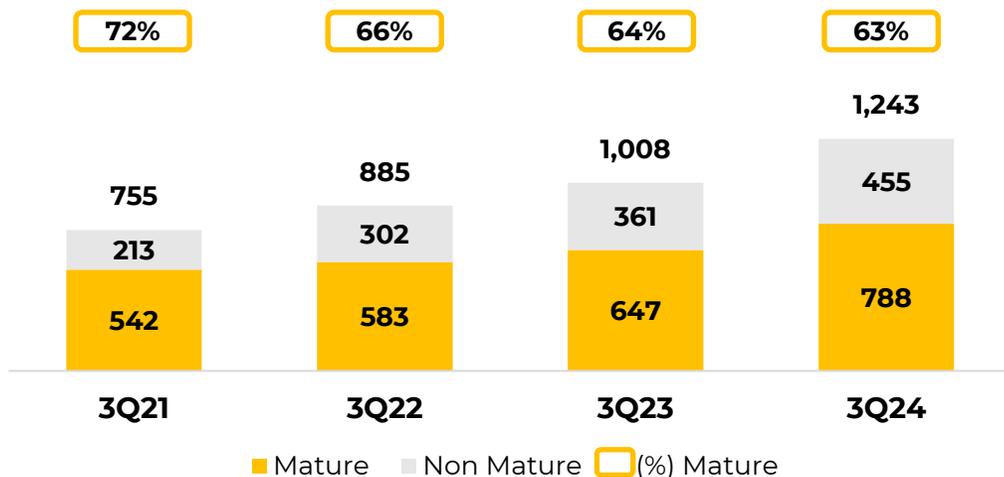**Record addition of 285 clubs in the LTM, totaling 1,591 clubs**

GROWTH IN NUMBER OF CLUBS[1]

+22%

+4%

+285 LTM
+62 in 3Q24

1,306
- 360
- 288
- 658

1,529
- 454
- 339
- 736

1,591
- 475
- 354
- 762

3Q23 — 2Q24 — 3Q24

■ Brazil ■ Mexico ☐ Others Latin America

BREAKDOWN OF CLUB NETWORK BY REGION

Net additions LTM

Current footprint

	4Q21	4Q22	4Q23	3Q24	3Q24
Others Latin America	43%	46%	37%	40%	30%
Mexico	12%	34%	30%	23%	22%
Brazil	45%	20%	33%	36%	48%

■ Brazil ■ Mexico ☐ Others Latin America

EVOLUTION OF SMART FIT OWN CLUB NETWORK BY AGING[2]

72%   66%   64%   63%

755
- 213
- 542

885
- 302
- 583

1,008
- 361
- 647

1,243
- 455
- 788

3Q21 — 3Q22 — 3Q23 — 3Q24

■ Mature ■ Non Mature ☐ (%) Mature

EXPANSION PIPELINE OF CLUBS

As of October 31, 2024

280-300

179

154

Openings in **2024 and 2025**

Guidance 2024[3] — Clubs added in 2024 — Under construction
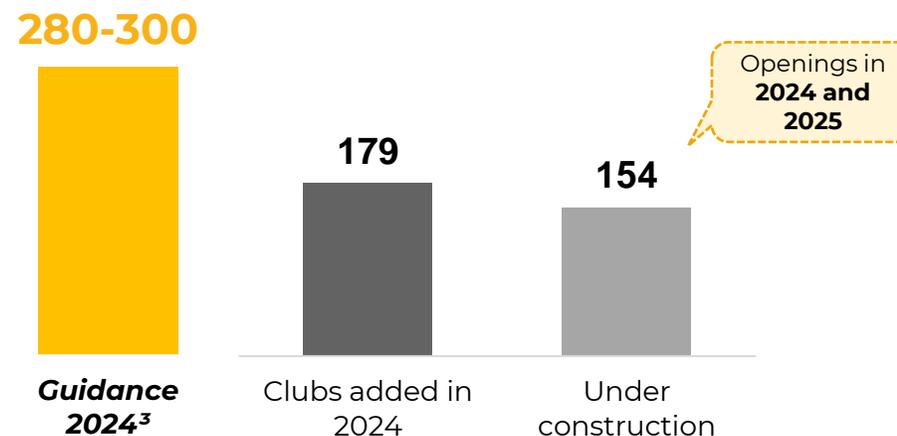
(1) Considers all the Company's gyms (does not include Studios); (2) A unit is considered mature when it is at least 24 months old at the beginning of the calendar year; (3) According to the guidance disclosed to the market on November 7, 2024.
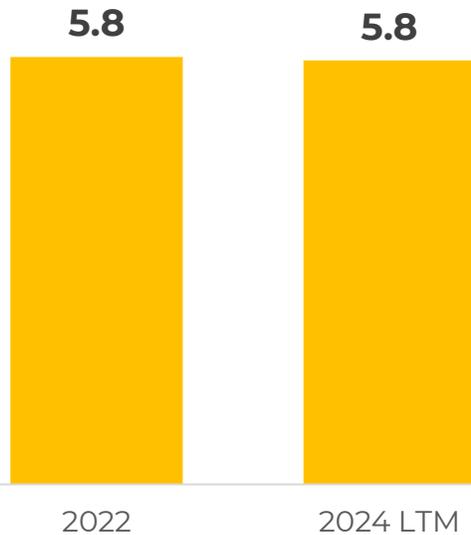
Ongoing pursuit of efficiency, preserving the value proposition, and strengthening competitive advantages

smart **fit**

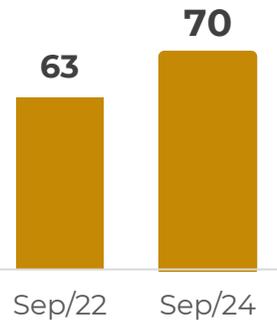## Capex efficiency, maintaining differentiated experience

CAPEX/Unit Evolution
(R$ M)

5.8 (2022)　　**5.8** (2024 LTM)

Approximately:
70%: construction, structural adjustments and design
30%: Strength training, cardio, and free weight equipment

2022　　2024 LTM

Inflation Evolution (2022 until *oct/24*)

+9% Brazil　　+9% Mexico　　+15% Colombia

NPS Evolution
(*Net Promoter Score*)

63 (Sep/22)　　**70** (Sep/24)

Sep/22　　Sep/24

Key strategic pillars for expansion
Ensure premium experience with process efficiency

CARDIO　　STRENGHT

FREE WEIGHT　　GROUP CLASSES *Available at select gyms*

Sophisticated location selection process
Data-driven Wishlist and intense local analysis

Efficient and functional layout
High productivity per square meter, ensuring capex optimization and fluid experience

High-quality equipment
Durability ensures performance with high availability for use during workouts

Modern architecture
Innovation with modern and sophisticated design

Solid governance and team with extensive know-how
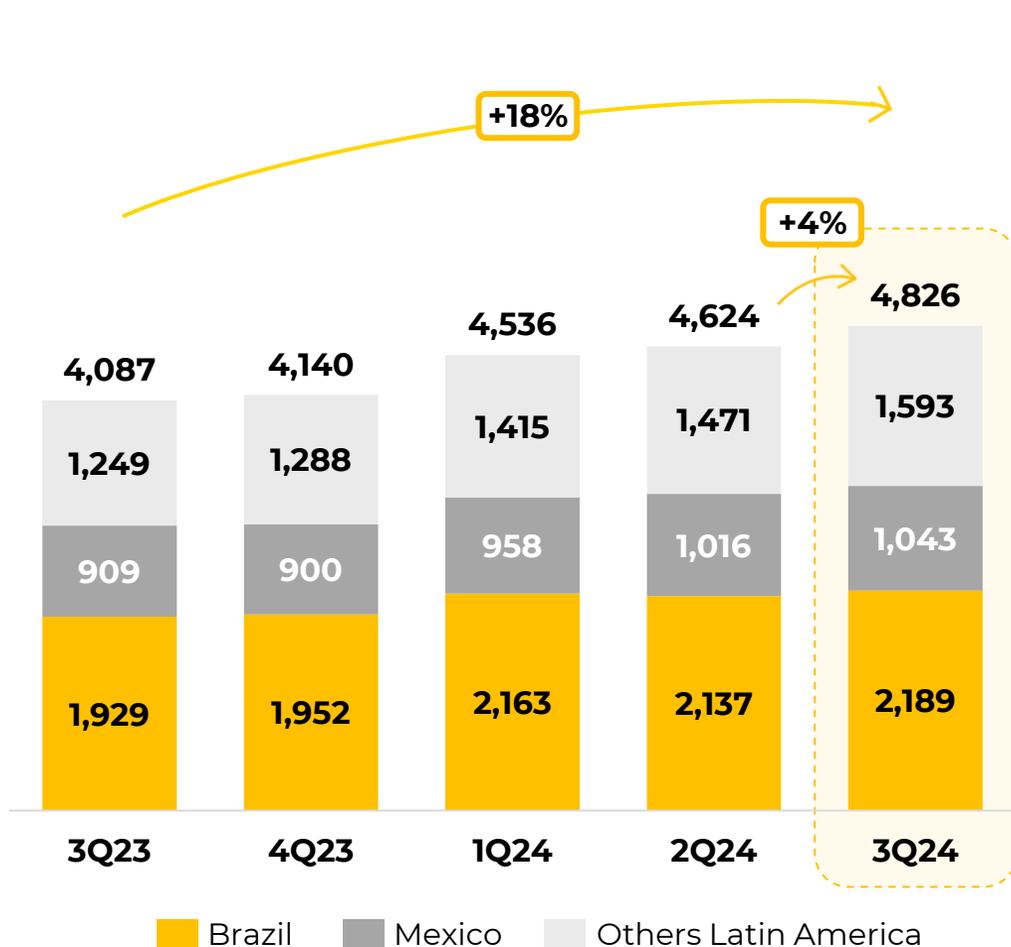Structured and mature process in the opening and operation of clubs

CONTINUOUS INCREASE IN MEMBERS AND REVENUE

In 3Q24, the member base in clubs came to 4.8 million (+18% vs. 3Q23), with the addition of 686 thousand members in the first nine months of 2024
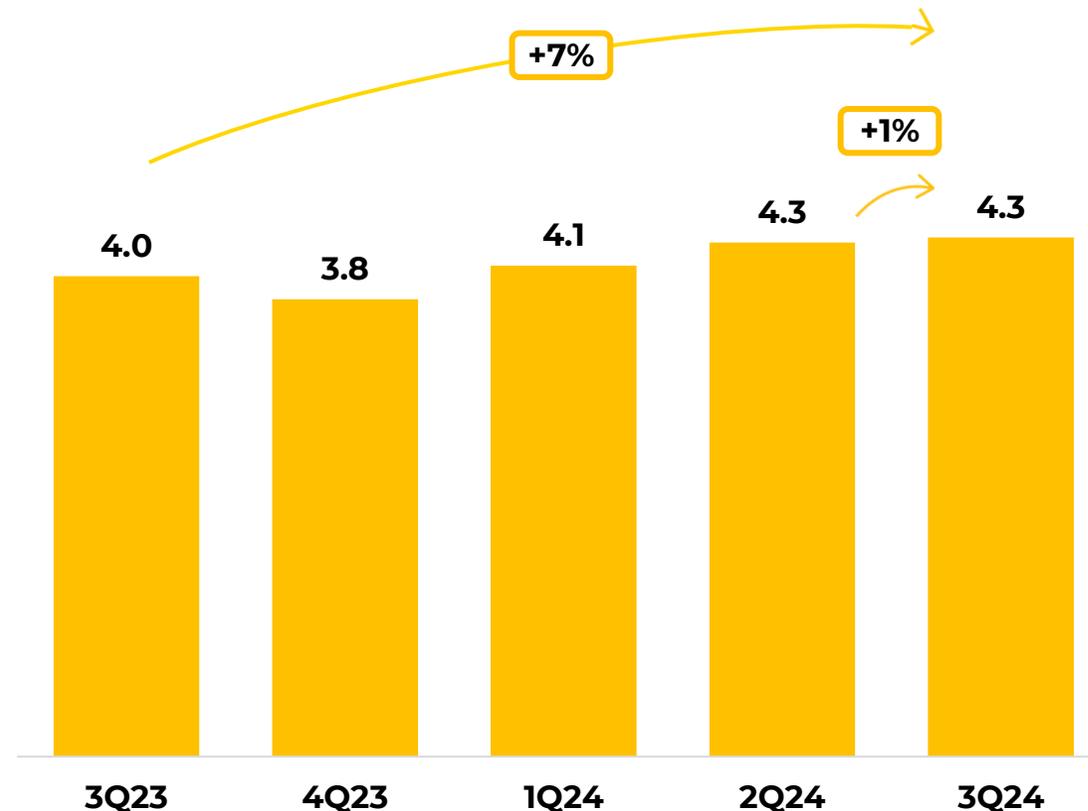
MEMBER BASE IN CLUBS
(# '000 end of period)

+18%

+4%

	3Q23	4Q23	1Q24	2Q24	3Q24
Total	4,087	4,140	4,536	4,624	4,826
Others Latin America	1,249	1,288	1,415	1,471	1,593
Mexico	909	900	958	1,016	1,043
Brazil	1,929	1,952	2,163	2,137	2,189

■ Brazil   ■ Mexico   ▫ Others Latin America

AVERAGE NET REVENUE PER SMART FIT OWN CLUB (ANNUALIZED)
(R$ million)

+7%

+1%

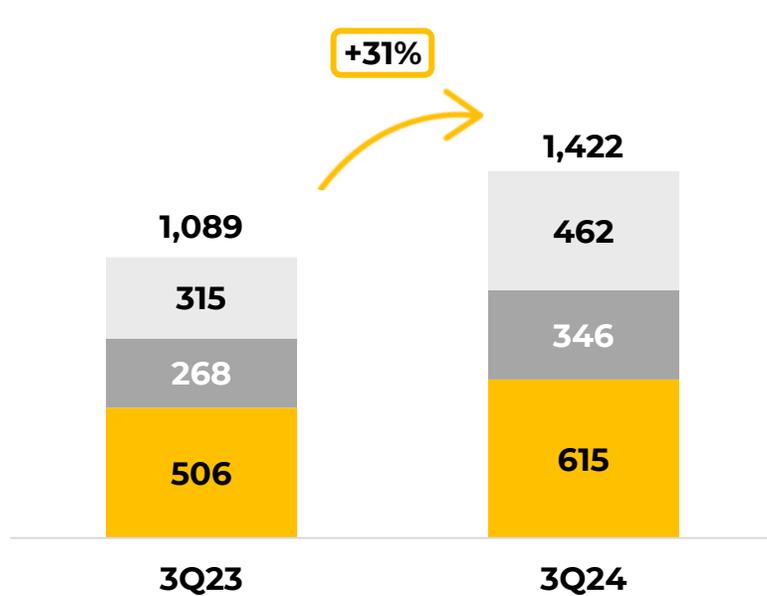| 3Q23	4Q23	1Q24	2Q24	3Q24
4.0	3.8	4.1	4.3	4.3

In 3Q24, annualized average net revenue per own club grew **7% vs. 3Q23** due to an **average ticket increase**

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VARIATION IN NET REVENUE
(R$ million)

+31%

	3Q23	3Q24
Others Latin America	315	462
Mexico	268	346
Brazil	506	615
Total	**1,089**	**1,422**

EVOLUTION OF NET REVENUE
(R$ million)

+5%

	3Q23	4Q23	1Q24	2Q24	3Q24
Others Latin America	315	334	369	417	462
Mexico	268	267	326	346	346
Brazil	506	530	565	595	615
Total	**1,089**	**1,131**	**1,260**	**1,358**	**1,422**
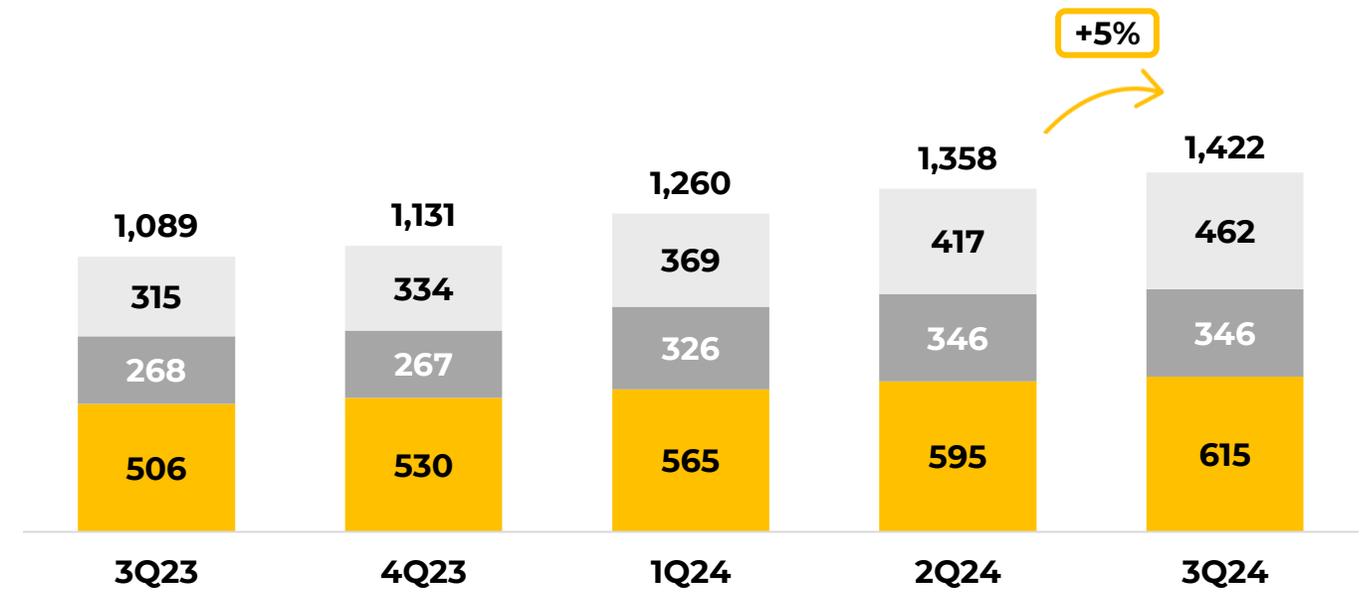
■ Brazil   ■ Mexico   ▢ Others Latin America

➢ Net revenue of **R$1,422 million** in 3Q24, **+31% vs. 3Q23**, mainly due to the 19% increase in the average member base in Smart Fit's own clubs, reflecting the solid 23% expansion of the average own club network and the maturation of these units

➢ The strong revenue growth is also explained by the **11% increase in the average ticket** compared to 3Q23, with growth in all regions of operations

➢ In the last 12 months, the net revenue surpassed the mark of **R$5 billion** for the first time, totaling R$5,171 million
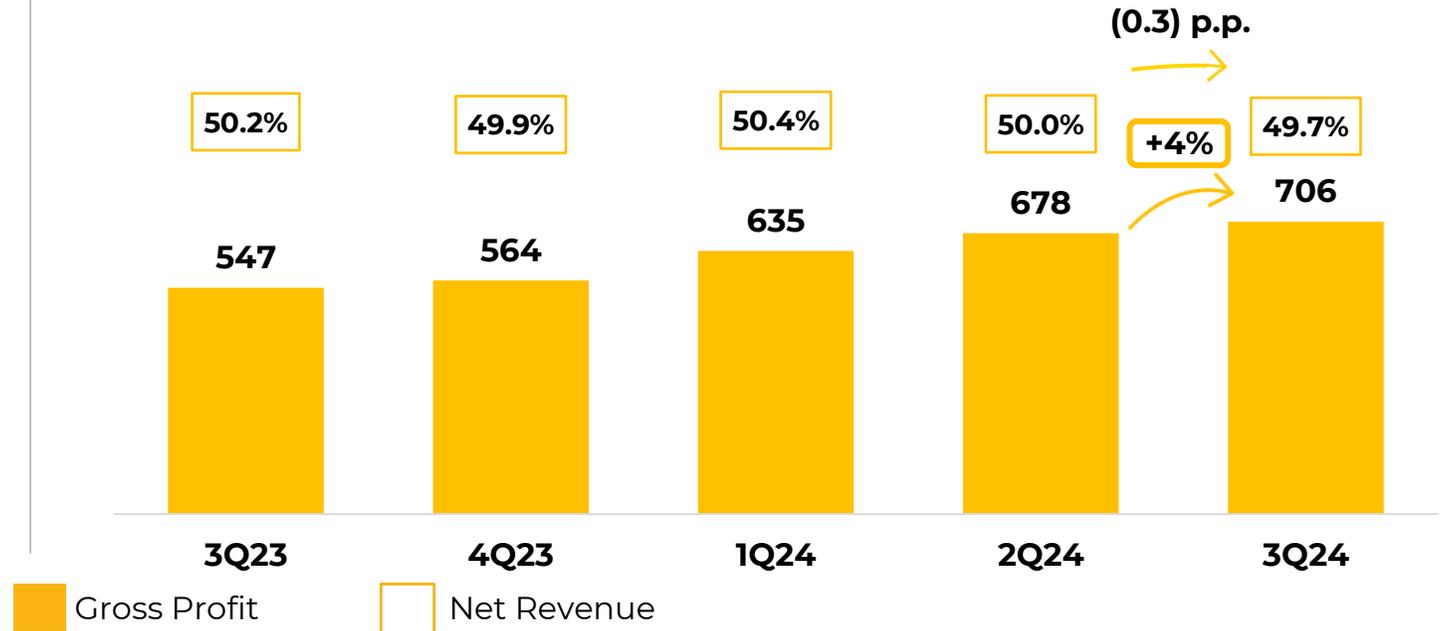
CASH GROSS PROFIT

VARIATION IN CASH GROSS PROFIT[1]

(R$ million)

(0.6) p.p.

| 50.2% | +29% | 49.7% |

547 → 706

3Q23 — **3Q24**
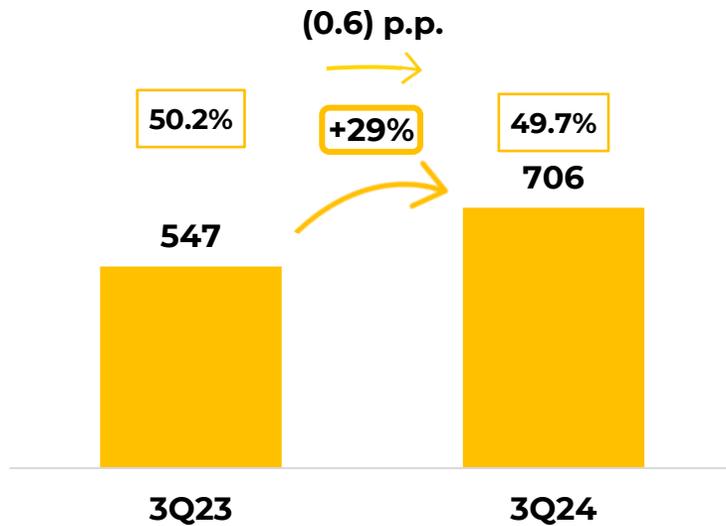
EVOLUTION OF CASH GROSS PROFIT

(R$ million)

(0.3) p.p.

| 50.2% | 49.9% | 50.4% | 50.0% | +4% | 49.7% |

547 — 564 — 635 — 678 — 706

3Q23 — **4Q23** — **1Q24** — **2Q24** — **3Q24**

Gross Profit   Net Revenue

- ➤ Cash gross profit reached **R$706 million** in 3Q24, **+29% vs. 3Q23**, due to the consistent maturation of the units inaugurated over the last three years

- ➤ Cash gross margin came to **49.7%**, decreasing 0.6 p.p. versus 3Q23, due to the increase in costs of units undergoing the ramp-up process, especially for the clubs opened in the last 12 months, and the higher expenses related to the opening of new units

- ➤ In the last 12 months, cash gross profit totaled **R$2.6 billion**, resulting in a cash gross margin of **50.0%**.

(1)   For a better analysis of our operational performance, all indicators exclude the effects of IFRS-16, depreciation, and amortization.
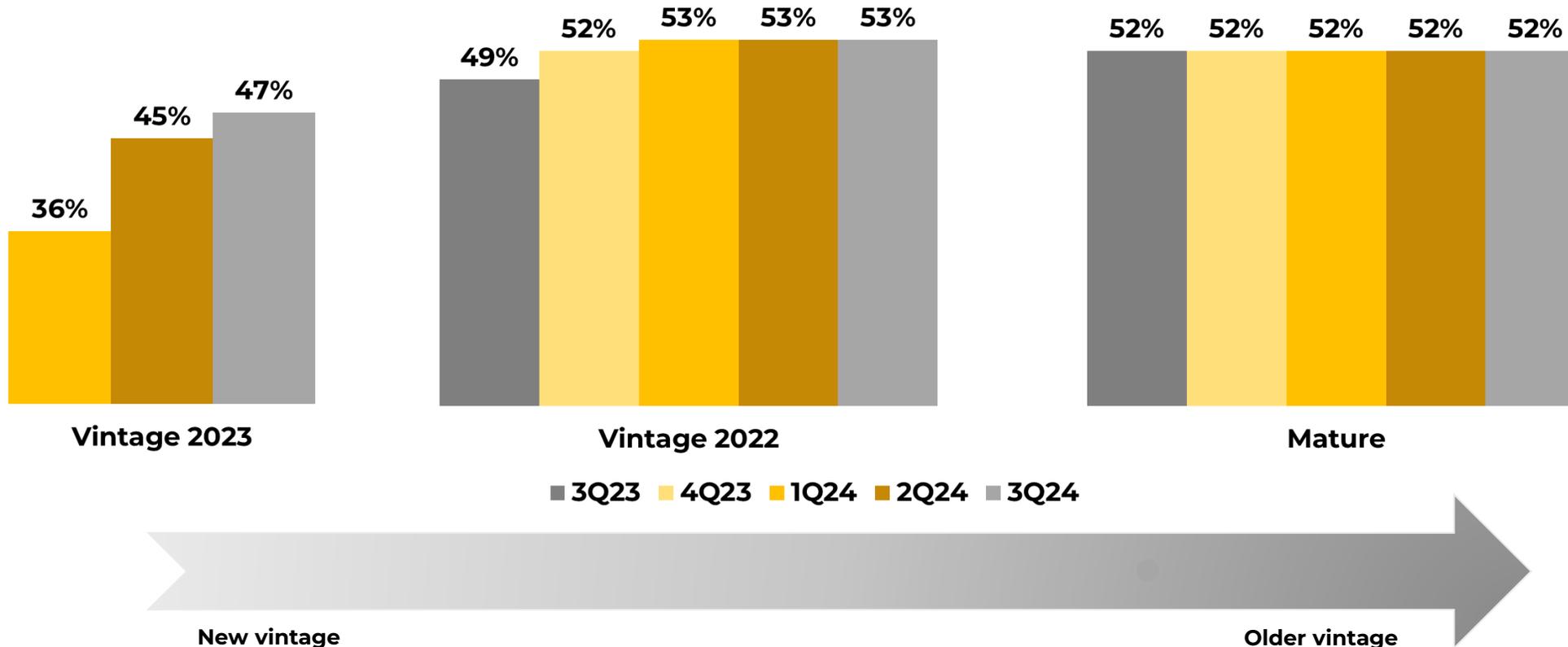
GROSS MARGIN OF MATURE CLUBS STABLE AT 52%

7th straight quarter of margin of mature clubs[1] at 52%, and maturation of units opened in recent years consistent with historical levels
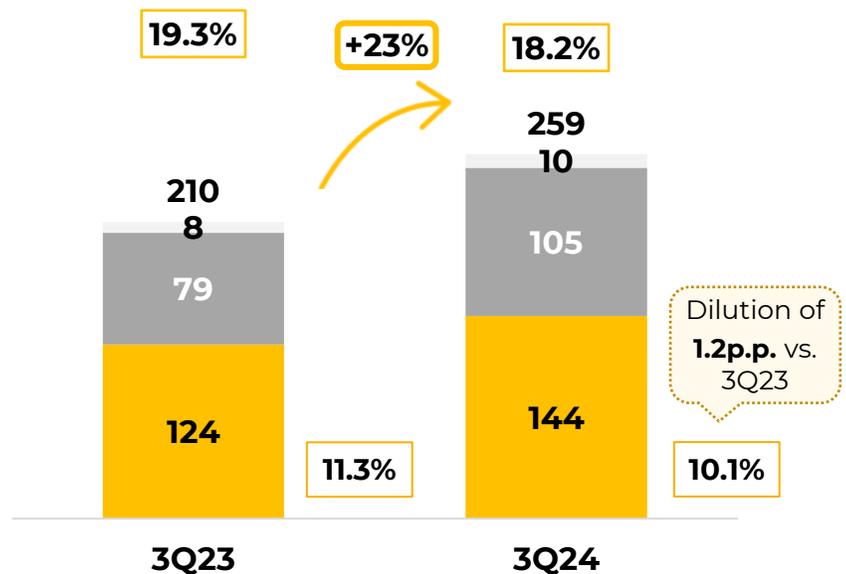
GROSS MARGIN PER VINTAGE[1]

Annualized cash gross profit/unit of **R$2.4 million**

Vintage 2023
- 36%
- 45%
- 47%

Vintage 2022
- 49%
- 52%
- 53%
- 53%
- 53%

Mature
- 52%
- 52%
- 52%
- 52%
- 52%

■ 3Q23 ■ 4Q23 ■ 1Q24 ■ 2Q24 ■ 3Q24

New vintage → Older vintage

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VARIATION IN EXPENSES

(R$ million)

	3Q23	3Q24
% Net Revenue (top)	19.3%	18.2%
Pre-operating	8	10
Selling	79	105
G&A	124	144
Total	210	259
% (G&A)	11.3%	10.1%

+23%

Dilution of **1.2p.p.** vs. 3Q23

EVOLUTION OF EXPENSES

(R$ million)

	3Q23	4Q23	1Q24	2Q24	3Q24
% Net Revenue	19.3%	20.1%	18.2%	17.5%	18.2%
Pre-operating	8	10	7	7	10
Selling	79	88	95	101	105
G&A	124	130	127	131	144
Total	210	227	229	238	259
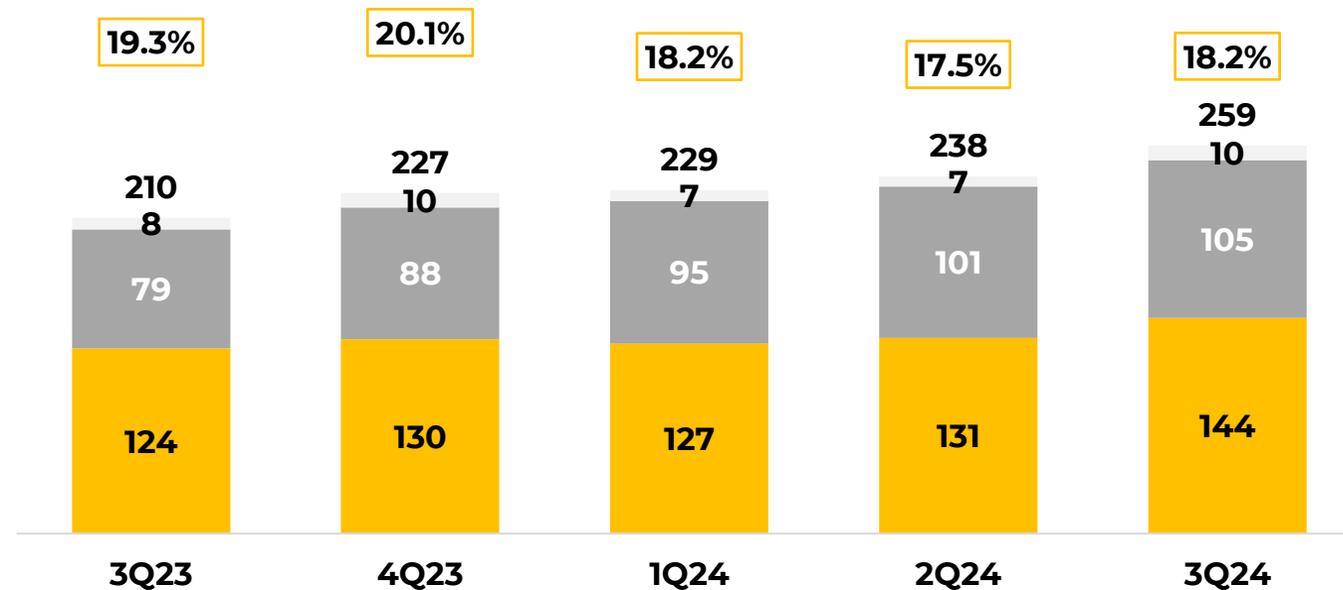
Legend: ■ G&A   ■ Selling   ■ Pre-operating   ▢ % Net Revenue

➤ Selling, general, and administrative expenses (SG&A) totaled **R$259 million** in 3Q24, **+23% vs. 3Q23,** representing 18.2% of net revenue, a **dilution of 1.1 p.p.** vs. 3Q23

➤ General and administrative expenses totaled **R$144 million in 3Q24**, +16% vs. 3Q23, representing **10.1% of net revenue** for the period, a **dilution of 1.2 p.p.** vs. 3Q23, reflecting the business's operational leverage

➤ Compared to 2Q24, selling, general, and administrative expenses rose by 9% due to higher investments in the structuring of new businesses
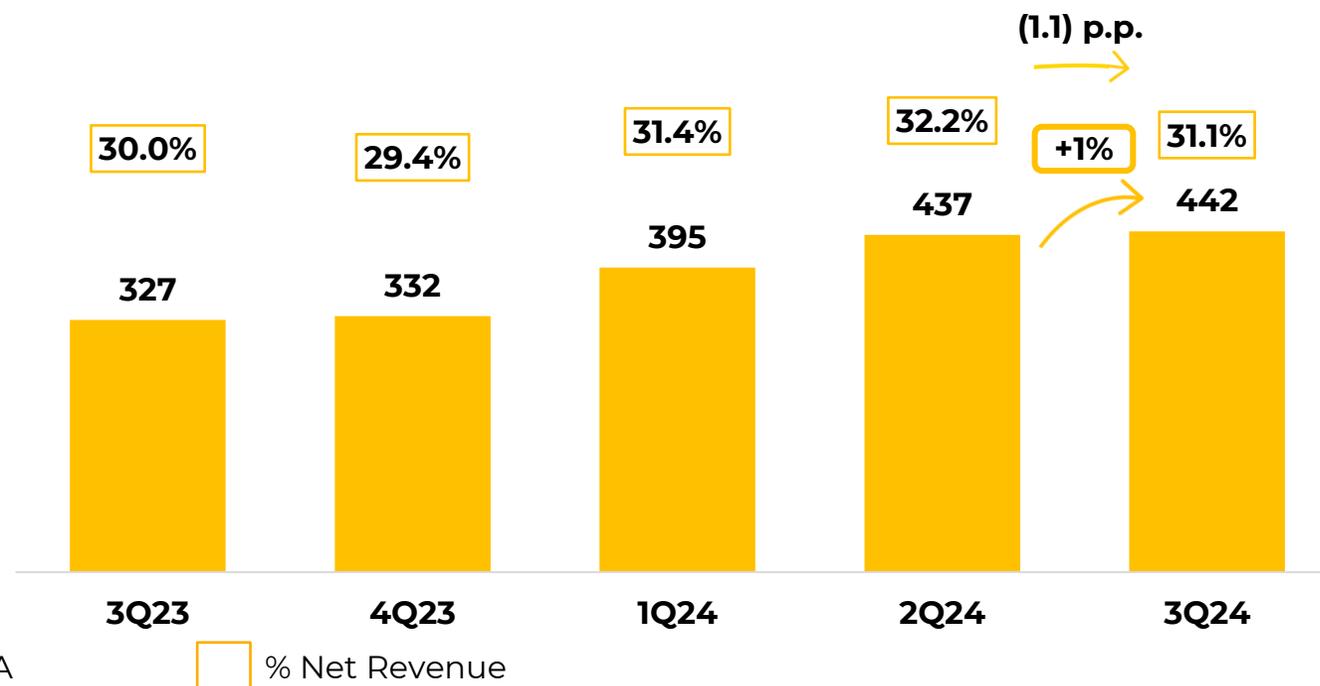
(1)   For a better analysis of our operational performance, all indicators exclude the effects of IFRS-16, depreciation, and amortization.

12

EBITDA

VARIATION IN EBITDA
(R$ million)

+1.1 p.p.

| 30.0% | **+35%** | 31.1% |

| | 442 |
| 327 | |

3Q23 | **3Q24**

EVOLUTION OF EBITDA
(R$M)

(1.1) p.p.

| 30.0% | 29.4% | 31.4% | 32.2% | **+1%** | 31.1% |
| 327 | 332 | 395 | 437 | | 442 |

3Q23 | **4Q23** | **1Q24** | **2Q24** | **3Q24**

■ EBITDA ▢ % Net Revenue
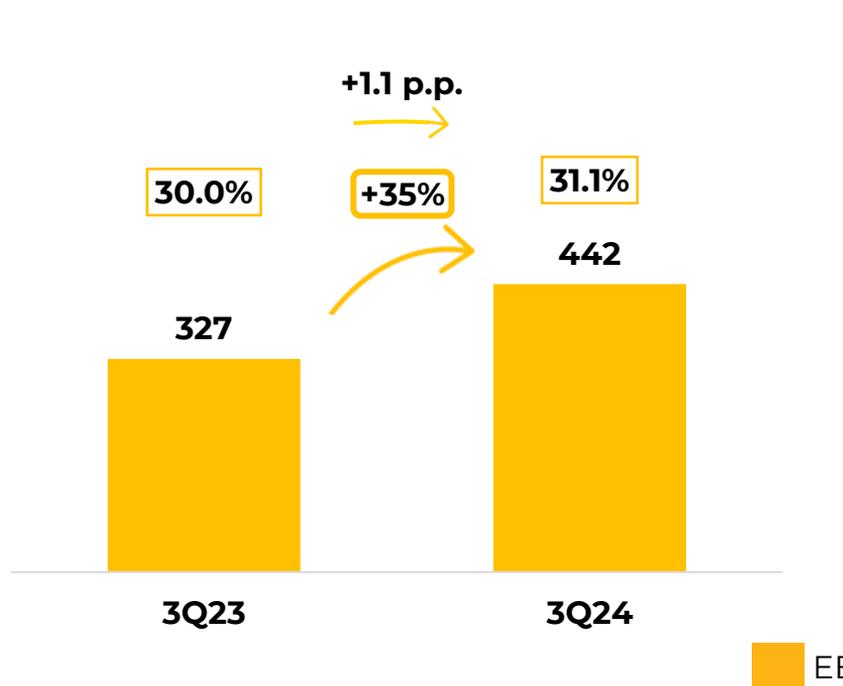
- ➤ EBITDA totaled **R$442 million** in 3Q24, the highest historical level for a quarter, registering strong growth of **35% vs. 3Q23**, with a margin of **31.1%** (**+1.1 p.p.** vs. 3Q23)

- ➤ In the last 12 months, EBITDA totaled **R$1.6 billion**, with a margin of **31.1%**

- ➤ EBITDA before pre-operating expenses, also at a record level, totaled **R$465 million** in 3Q24, an increase of **35%** compared to 3Q23, with a margin of **32.7%** (+1.1 p.p. vs. 3Q23)

VARIATION IN RECURRING NET INCOME[1]
(R$ million)

9.3% — 3Q23: **101**

+22%

8.7% — 3Q24: **124**

3Q23 | 3Q24
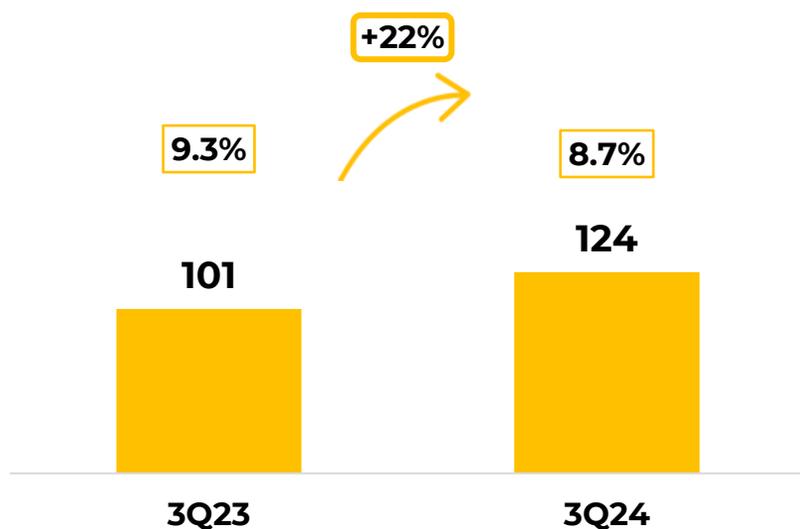
EVOLUTION OF RECURRING NET INCOME[1]
(R$ million)

(1.8) p.p.

3Q23	4Q23	1Q24	2Q24	3Q24
9.3%	18.5%	9.1%	10.5%	8.7%
101	209	115	143	124

(13%)
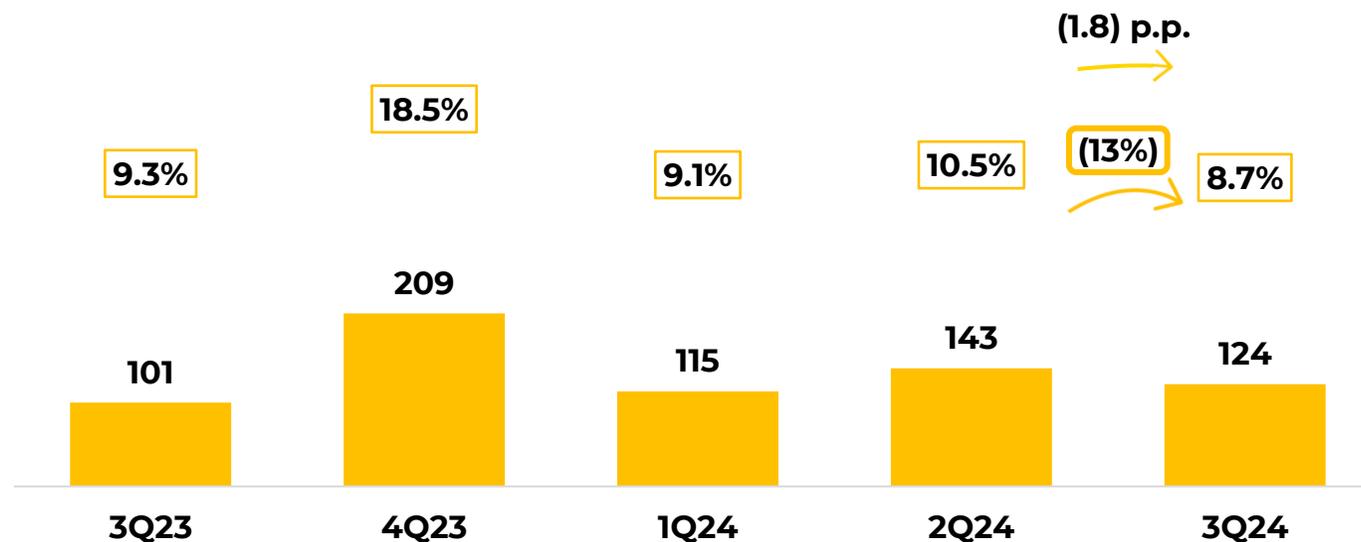
■ Recurring Net Income   □ Recurring Net Margin

➢ Recurring net income[1] of **R$124 M** in 3Q24, a **22%** growth vs. 3Q23, and a net margin of **8.7%**, reflecting the growth and maturation of the clubs open until 2023, with consequent operating leverage, offset by the increase in depreciation, amortization, and financial expenses, a momentary result of the acceleration of investments in 2024

➢ In the last 12 months, recurring net income reached **R$591 million**, resulting in a net recurring net margin of **11.4%**

➢ Compared to 2Q24, recurring net income for the quarter decreased **13%** mainly due to the higher income tax and social contribution rate in the period, given that 2Q24 was positively impacted by the declaration of interest on equity
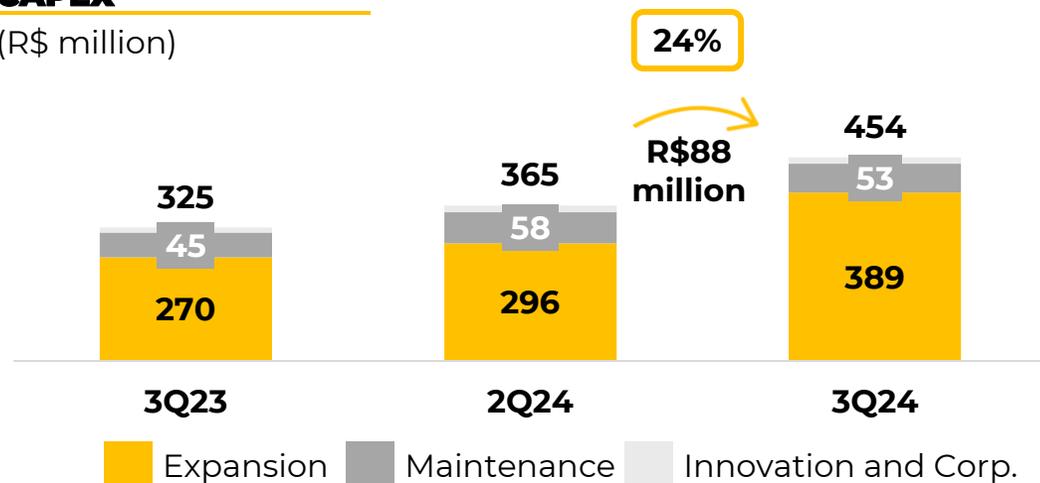
FINANCIAL LIQUIDITY AND CAPEX

Strong cash position of R$3.0 billion and lengthy debt profile

CAPEX

(R$ million)

24%

R$88 million

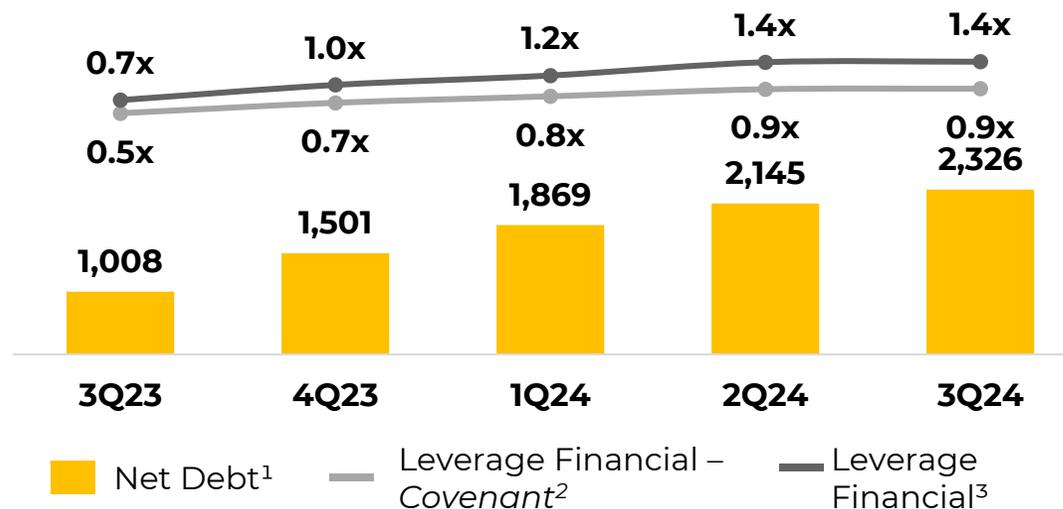|	3Q23	2Q24	3Q24
Total	325	365	454
Innovation and Corp.			
Maintenance	45	58	53
Expansion	270	296	389

■ Expansion ■ Maintenance □ Innovation and Corp.

🏋 Capex of **R$454 million** in 3Q24, primarily reflecting the increase in investments in the expansion of the club network

🏋 In the last 12 meses, the **maintenance capex** of Smart Fit clubs came to **R$226 million**, representing **5.7%** of the gross revenue of mature units, which is in line with the strategy of offering a high standard experience

🏋 Financial leverage ratio at **0.9x**, stable compared to 2Q24, even considering the higher capex and the IoE payment in the quarter
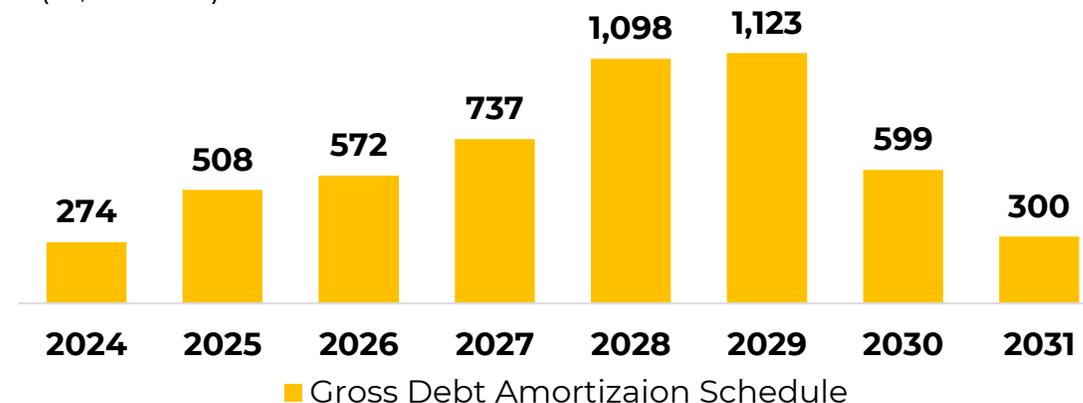
🏋 Continuity in the liability management agenda in 3Q24, reducing costs and extending maturities across several geographies. On Oct/24, the **11th bond issuance** was carried out with the best historical conditions

NET DEBT[1] (R$ MILLION) AND FINANCIAL LEVERAGE[2,3]

	3Q23	4Q23	1Q24	2Q24	3Q24
Leverage Financial[3]	0.7x	1.0x	1.2x	1.4x	1.4x
Leverage Financial – Covenant[2]	0.5x	0.7x	0.8x	0.9x	0.9x
Net Debt[1]	1,008	1,501	1,869	2,145	2,326

■ Net Debt[1] ── Leverage Financial – Covenant[2] ── Leverage Financial[3]

GROSS DEBT REPAYMENT FLOW[4]

(R$ million)

2024	2025	2026	2027	2028	2029	2030	2031
274	508	572	737	1,098	1,123	599	300

■ Gross Debt Amortizaion Schedule

Instructions:

- To ask questions, click on the **Q&A** icon at the bottom of the screen.

- A request will appear on the screen to activate your microphone. Activate your microphone to ask questions.

- Please ask your questions all at once.

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