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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): September 13, 2021**

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**XPONENTIAL FITNESS, INC.**  
(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**001-40638**  
(Commission  
File Number)

**84-4395129**  
(I.R.S. Employer  
Identification No.)

**17877 Von Karman Ave., Suite 100**  
**Irvine, CA**  
(Address of principal executive offices)

**92614**  
(Zip Code)

**Registrant's telephone number, including area code: (949) 346-3000**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2, below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Class A common stock, par value \$0.0001 per share</b>	<b>XPOF</b>	<b>New York Stock Exchange</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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**Item 7.01 Regulation FD Disclosure.**

The investor presentation about Xponential Fitness, Inc. that is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference may be presented at meetings with investors, analysts, and others, in whole or in part and possibly with modifications, from time to time on or after September 13, 2021. A copy of the investor presentation is also available under the “Events and Presentations” page of the Company’s website, [www.xponential.com](http://www.xponential.com)

The information presented in Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. The information in this Item 7.01 and Exhibit 99.1 of this Current Report on Form 8-K shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date of this Current Report on Form 8-K, regardless of any general incorporation language in any such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

Exhibit No.	Description
99.1	<a href="#">Xponential Fitness, Inc. Investor Presentation</a>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

XPONENTIAL FITNESS, INC.

Date: September 13, 2021

By: /s/ Anthony Geisler  
Name: Anthony Geisler  
Title: Chief Executive Officer



**X**PONENTIAL  
FITNESS

# INVESTOR PRESENTATION

As of Q2 2021

Updated: September 10, 2021



NYSE: **XPOF** | **X**PONENTIAL FITNESS



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## LEGAL DISCLAIMER

The information contained in this presentation is provided solely for the purpose of acquainting the readers with Xponential Fitness, Inc. (the "Company," "Xponential" or "we") and its business operations, strategies and financial performance. This presentation and any accompanying oral statements is not an offer to sell nor is it a solicitation of any offer to buy any securities and conveys no right, title or interest in the Company or the products of its business activities.

The information contained herein is confidential and strictly proprietary. By accepting this document, the recipient agrees not to reproduce its contents nor disclose or distribute same to any person or entity without the expressed prior consent of the company. This presentation does not purport to be all inclusive or to contain all of the information you or any prospective investor may desire.

### Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements that involve substantial risks and uncertainties. Any statements contained in this presentation that are not statements of historical facts may be deemed to be forward-looking statements. These forward-looking statements include, without limitation, statements relating to key strategies for growth; the projected number of studio opened; expansion of market share and international business operations; the rollout of XPASS; projected financial and performance information such as studio opening, system-wide sales, annual revenue, Adjusted EBITDA, the expected trend in fitness industry; and the anticipated advantages of the franchise model. Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those contained in the forward-looking statements. These factors include, but are not limited to, the impact of COVID-19 pandemic on our business and franchisees; our relationships with master franchisees and franchisees; difficulties and challenges in opening studios by franchisees; the ability of franchisees to generate sufficient revenues; risks relating to expansion into international market; loss of reputation and brand awareness; material weakness in our internal control over financial reporting; and other risks as described in our SEC filings, including our Quarterly Report on Form 10-Q for the three months ended June 30, 2021 filed with the SEC. Other unknown or unpredictable factors or underlying assumptions subsequently proving to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance, or achievements. You should not place undue reliance on these forward-looking statements. All information provided in this press release is as of today's date, unless otherwise stated, and Xponential undertakes no duty to update such information, except as required under applicable law.

### Market Data and Non-GAAP Financial Measures

This presentation includes statistical and other industry and market data that we obtained from industry publications and research, surveys, studies and other similar third-party sources, as well as our estimates based on such data and on our internal sources. Such data and estimates involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such data and estimates. We believe that the information from these third-party sources is reliable; however, we have not independently verified them, we make no representation as to their accuracy or completeness and we do not undertake to update the data from such sources after the date of this presentation. Further, our business and the industry in which we operate is subject to a high degree of risk and uncertainty, which could cause results to differ materially from those expressed in the estimates made by the third-party sources and by us.

We use certain non-GAAP financial information in this presentation, such as EBITDA and Adjusted EBITDA, to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively with comparable GAAP financial measures, is helpful to investors because it provides consistency and comparability with past financial performance, and provides meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our business, results of operations or outlook. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool, and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measure as tools for comparison. We seek to compensate such limitations by providing a detailed reconciliation for the non-GAAP financial measures to the most directly comparable financial measures stated in accordance with GAAP in this presentation. You are encouraged to review the related GAAP financial measures and the reconciliation of the non-GAAP financial measures to their most directly comparable GAAP financial measures and not rely on any single financial measure to evaluate our business.



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Our Mission is to Make  
Boutique Fitness Accessible to  
Everyone



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Proven and Experienced Management Team



**Anthony Geisler**  
Founder & CEO  
6 Years at Xponential  
19 Years of Industry Experience



**John Meloun**  
CFO  
3 Years at Xponential  
22 Years of Industry Experience



**Sarah Luna**  
President  
6 Years at Xponential  
13 Years of Industry Experience



**Ryan Junk**  
COO  
4 Years at Xponential  
26 Years of Industry Experience



## Xponential is the **Largest Global Franchisor of Boutique Fitness Studios**

**3,603**

Global Licenses Sold;  
Additional **730+ International**  
License Obligations<sup>(1)</sup>

**1,839**

Studios Open Globally

**\$442M**

North American  
System-wide Sales in 2020

**~20M**

Workouts in 2020

**0**

Permanent Studio Closures  
in Company History

**~100%**

Studios Open as of June  
30, 2021

### 9 Leading Brands



Note: Unless specified, all figures are as of June 30, 2021. Adjusted for the Rumble acquisition.

<sup>(1)</sup> Global licenses sold are gross of terminated licenses. International contracts reflect international studios obligated to be sold.



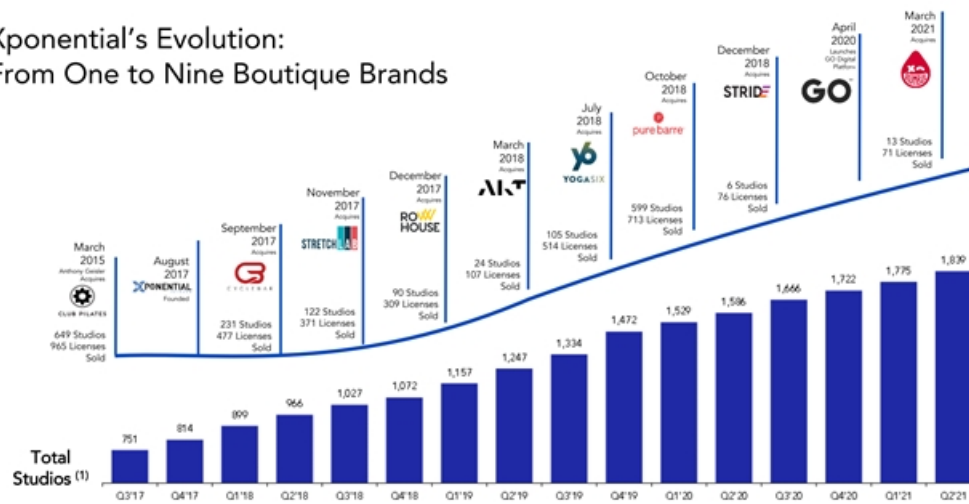
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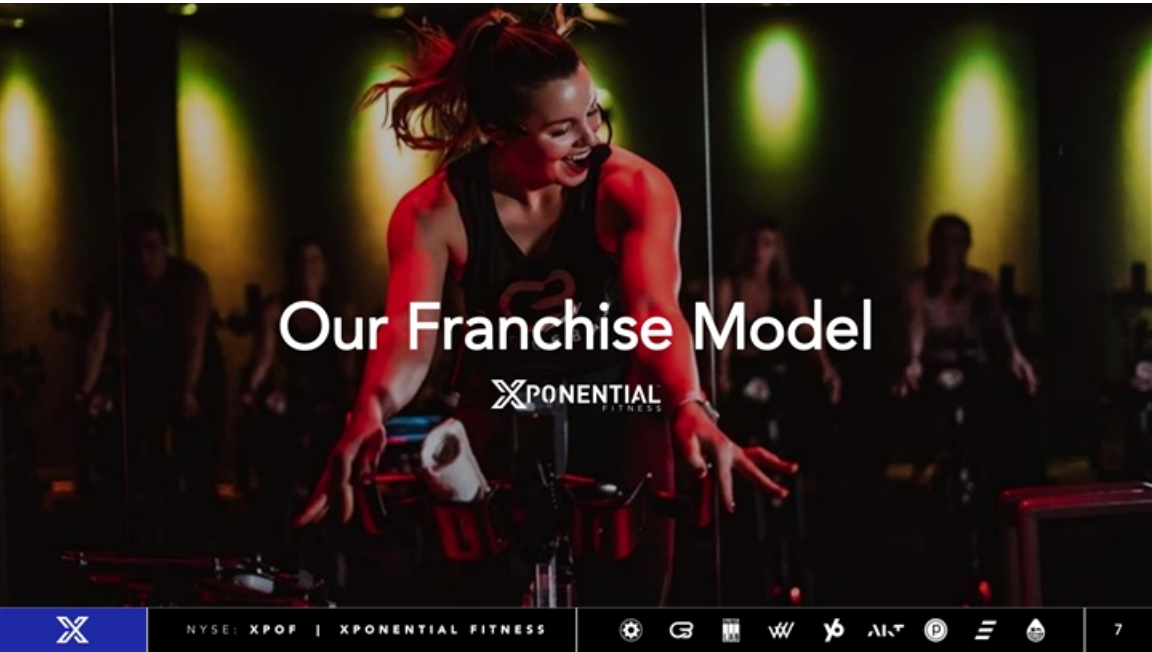
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## Xponential's Evolution: From One to Nine Boutique Brands













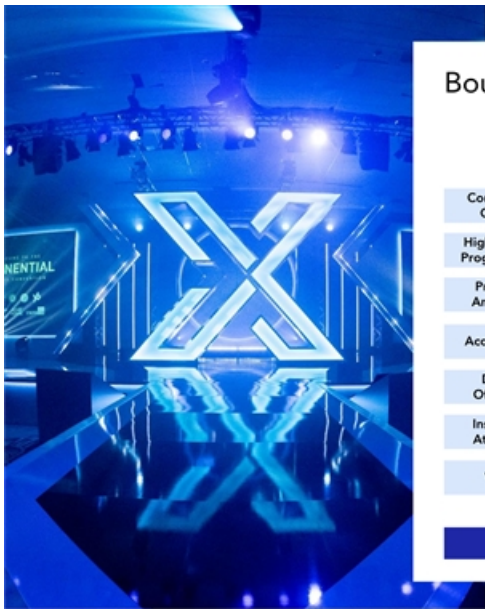
1) Global studios open and licenses sold, as of June 30, 2021. Adjusted for the Rumble acquisition.



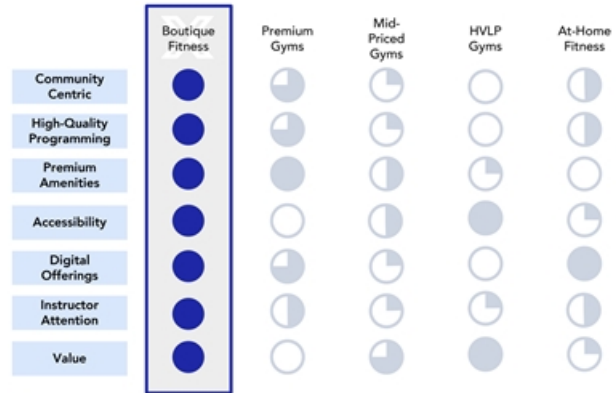
# Our Franchise Model

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## Boutique Fitness: A Compelling Proposition



Boutique Fitness: Customized, Personalized, Supportive



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## Xponential's Boutique Operations at a Glance



### Studio Storefronts

Accessible locations globally

Ability to create 'fitness rows'

Average studio:

1,500 – 2,000 sq. ft.



### Retail Operations

Branded & third-party product

Bring the studio home

Provides recurring revenue stream



### Class Sessions

Small class sizes

Flexible location (indoor/outdoor/digital)

Community driven



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## The Proven Xponential Playbook

We Provide Robust and On-Going Support to Franchisees



Optimize studio prototype & investment



Thoroughly vet franchisee candidates



Site selection, studio build-out and design assistance



Comprehensive pre-opening support



Detailed studio-level operational framework and best practices



Intensive instructor and management training



Robust digital offerings offer incremental revenue



Data-driven tools support marketing, member acquisition and retention



Sophisticated technology systems



Centralized model provides resources in the event of crises



Ongoing monitoring and support to promote success



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## Platform Synergies for All Stakeholders

Strong Value Proposition for All Parties

**Franchisor:** recurring revenue, asset-light model with strong FCF conversion

**Franchisee:** strong studio economics, multi-brand opportunity, adaptable operating model

**Customer:** 9 unique brands, quality and consistency, high quality instruction



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## Passionate, Growing and Loyal Consumer Base

### Xponential's consumer is typically:

- Female
- 20 - 60 years old
- Bachelor's degree
- Household income > \$75k annually

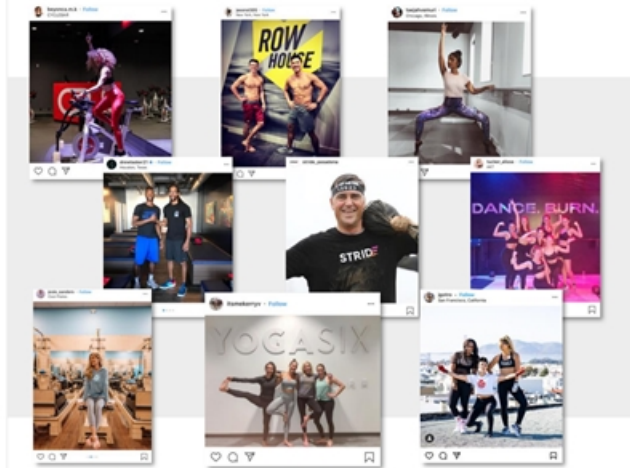
### Consumers can purchase:

- Recurring memberships or walk-in classes
- 4x, 8x or unlimited memberships
- 8x membership: average price of \$12-\$25 per class<sup>1</sup>

### Active membership base:

- Current base exceeds pre-COVID levels
- 405k+ members, of which 355k+ are actively paying members on recurring memberships as of June 30, 2021

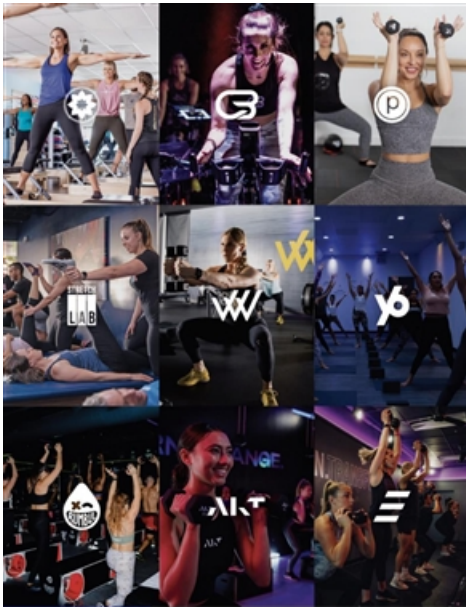
<sup>1</sup>) Pricing is based on a minimum threshold that franchisees must charge to customers. Above average excludes StretchLab which typically prices between \$31-\$75 per session for an 8x per month recurring membership.



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## Target Studio-Level Economics Across Portfolio

~\$350k  
Initial Investment<sup>(1)</sup>

25% - 30%  
Operating Margin

~\$500k  
Average Annual Revenue

2.5  
Year Payback

6 - 12  
Month Ramp to Base Maturity<sup>(2)</sup>

~40%  
Cash-on-Cash Return

<sup>1)</sup> Initial Investment is net of estimated tenant improvement benefits.

<sup>2)</sup> Base Maturity is when a studio has annualized monthly revenue in the \$400K to \$600K range.



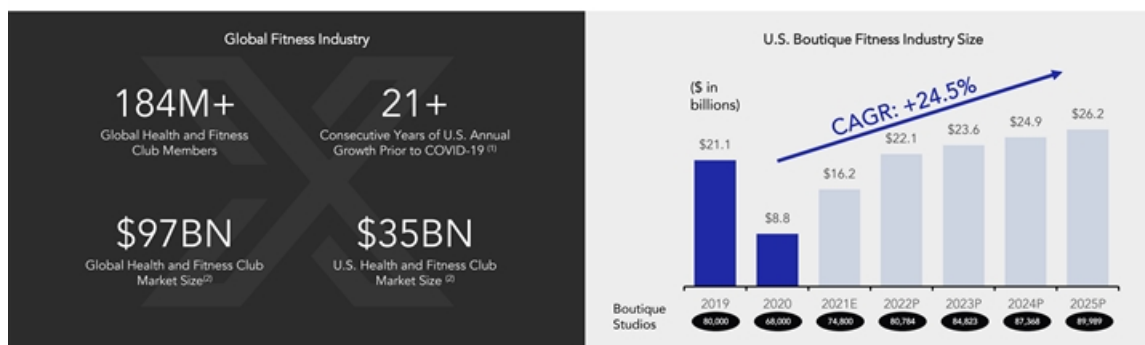
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## Boutique Fitness: Fastest Growing Segment of Attractive Industry



Source: International Health, Racquet & Sports Association ("IHRSA") Research, "IHRSA Global Report," 2005 and 2020. Third party study conducted by Frost & Sullivan.

1) Represents the period from 1998 to 2019.

2) Represents 2019 market size.



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## Resilience Through the Pandemic

### Impact on the Industry



Source: Industry figures per IHRSA research. Xponential figures adjusted for the Rumble acquisition.  
1) Studios open defined as studios conducting indoor classes. Excludes Rumble.

COVID-19 Resulted in the Temporary Closure of ~100% of Xponential Studios, But Zero Permanently Closed Locations



### Resiliency of Xponential Fitness

~100% Studios Closed in March & April 2020

▶

~100% Studios Open as of June 2021<sup>(1)</sup>

0 Corporate Layoffs

241 North American New Studios Opened in 2020

0 Studios Permanently Closed

Competitor Permanent Studio Closures and Tailwinds in Health & Wellness Represent a Material New Member Opportunity for Our Brands



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## Poised to Continue to Take Market Share as the Economy Re-Opens

- COVID-19 ignited an **increased focus on health & wellness** and a renewed emphasis on healthy, active lifestyles
- Our consumers are **actively returning** to our studios with member visits at **98%** of Pre-COVID levels
- Member continues to grow with actively paying members at **103%** of Pre-COVID levels
- **Positively trending** in Q3 2021 with July 2021 achieving record system-wide sales
- Adaptable **business model provides resiliency** to future COVID impacts: digital / outdoor offering to supplement in studio workouts

1) 2021 cumulative studio openings based on midpoint of guidance of new studio openings for the year of 215 to 235 openings.



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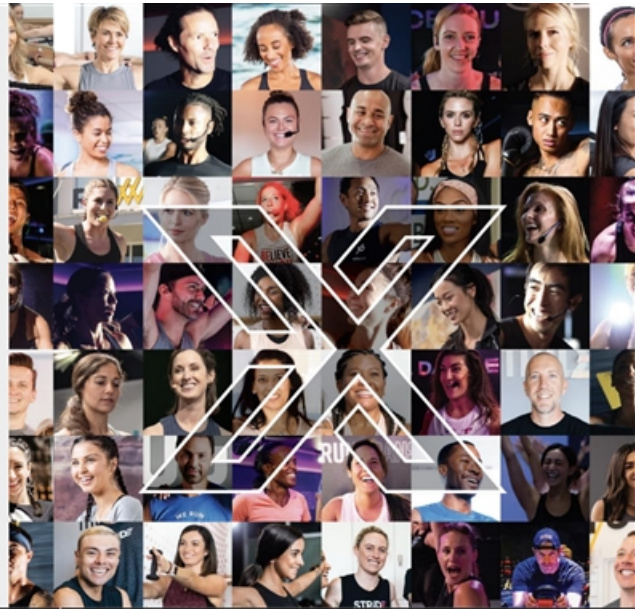
## Four Key Strategies for our Growth

Grow Our Franchised Studio Base Across All Brands in North America

Grow Our Brands and Studio Footprint Internationally

Drive System-Wide Same Store Sales and Grow AUVs

Expand Operating Margins and Drive Free Cash Flow Conversion



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## Proven Portability Nationwide

- 1,824 North American studio as of Q2-21, with potential U.S. whitespace of 6,900<sup>(1)</sup>
- Brands have **geographic reach & national appeal**
- 60%+ of U.S. population lives within 10 miles of an XPO studio<sup>(2)</sup>
- No significant regional concentration
- **Insulated** from significant events that may impact individual markets

(1) U.S. whitespace per Buxton Company report July 2021.  
 (2) U.S. population excluding Alaska and Hawaii per Buxton Company, as of March 31, 2021.  
 (3) U.S. studios open, as of June 30, 2021. Adjusted for the Rumble acquisition.



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## Growing International Presence

Scalable Master Franchisor Strategy Focused on Select Countries with Compelling Demographics

**\$97BN**

Global Health and Fitness Club Industry in 2019

**730+**

Studios  
Contractually Obligated  
to Be Sold<sup>(1)</sup>

**~53**

Studios Required  
to Sell / Open by  
Year End 2021<sup>(1)</sup>

**15**

International Studios Open  
Outside of North  
America<sup>(1)</sup>



**11**

Total Countries  
with Contracts in  
Place<sup>(2)</sup>

### Where We Have Open Studios<sup>(3)</sup>



United States

**#1** Fitness Market



Canada

**#6** Fitness Market



Saudi Arabia

**Top 20** Market;  
Largest in the Middle  
East



Australia

**#8** Fitness Market



Japan

**#5** Fitness Market



South Korea

**#11** Fitness Market



Dominican  
Republic

Opened **1st Studio**  
in Q2'21

### Agreements in Place



Germany

**#2** Fitness  
Market



Spain

**#9** Fitness  
Market



Austria



Singapore

### Top Tier Partnerships



Fraction Fitness

الحكيم

Saudi Arabia

**lifelit** group

**Corripio Group**

Dominican Republic

Source: IHRSA Research, "2020 IHRSA Global Report."

1) As of June 30, 2021.

2) As of June 30, 2021. Includes the United States and Canada.

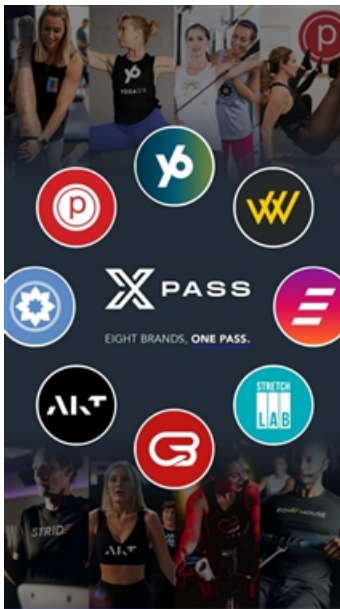
3) Market size based on total industry revenue as of December 31, 2019. Countries listed based on number of studios open in each market.



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## XPASS: Eight Brands, One Membership

- Enhances Consumer Experience – three flexible packages:
  - Explore : \$29 / month
  - Expand: \$49 / month
  - Experience: \$69 / month (most popular)
- Drives Retention – introduces consumers to new brands & verticals, reducing attrition and increasing stickiness
- Dynamic Class Pricing – based on inventory, availability, etc.
- Economics – approximate breakdown:
  - 70% Franchisee / 30% Xponential
- Rollout Continues: over 750 studios across 45 states as of August 2021





## Strong Digital Engagement: All-Access GO, Access Beyond 4 Walls

**\$19**

Per Month for Each  
Individual Brand

**\$29**

Per Month for  
All-Access<sup>(1)</sup>

**2,500+**

Digital Workouts  
in Library

**50,000+**

Total Users<sup>(2)</sup>

**~90%**

Class Bookings  
Through XPO App<sup>(3)</sup>

- **Live & on-demand** classes across all nine verticals
- Access to brands not currently in members' region
- **Variety of class times and workout intensities** makes classes accessible to any schedule or fitness level
- Members can choose a **diverse assortment of workouts** with unique class formats across our 9 brands

All statistics as of June 2021.

1) Includes access to all brands other than Rumble.

2) Includes 16,700 paid subscribers.

3) Last 90 days as of June 30, 2021.

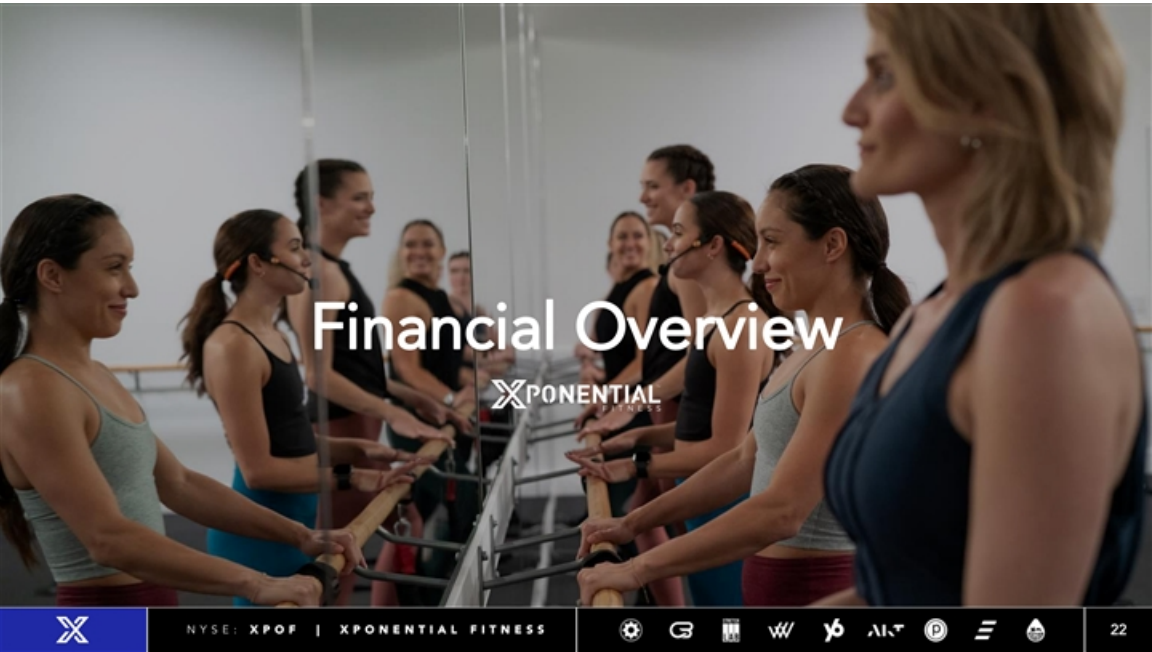


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# Financial Overview

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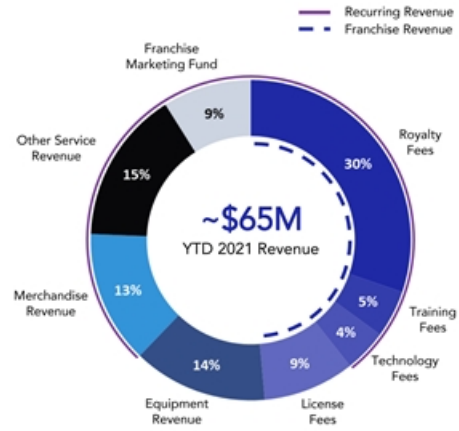
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## Revenue Overview

### Revenue Overview

- **Franchise Revenue** – Includes license fees, royalty fees, technology fees, transfer fees and instructor training
  - **Royalty Fees** – Typically 7% of the gross sales of each location operated by each franchisee recurring on a monthly basis
- **Equipment Revenue** – Sales of equipment to franchisees to be used in the franchised studios and related rebates
- **Merchandise Revenue** – Branded and non-branded merchandise sales to franchisees for retail sales to members at studios and related rebates
- **Marketing Fund Revenue** – Franchisees are required to pay marketing fees of 2% of their gross sales recurring on a monthly basis
- **Other Service Revenue** – Includes revenue from vendor rebates that are not affiliated with product and equipment, sales generated from company-owned studios and revenues from our digital platform

### ~79% of YTD 2021 Revenue Recurring

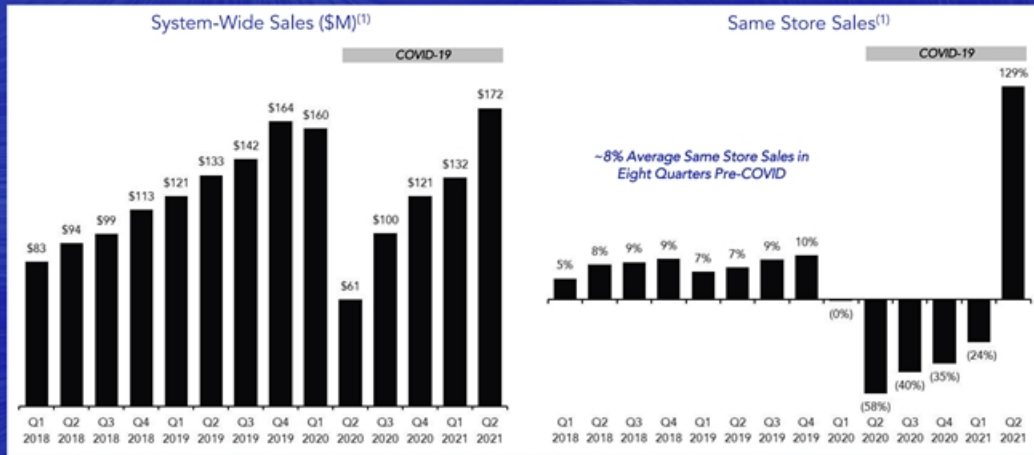


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## Top-Line Momentum Across the Xponential Platform



<sup>1)</sup> Represents system-wide sales and same store sales for North America based on studios open for 13+ months. Adjusted for the Rumble acquisition.

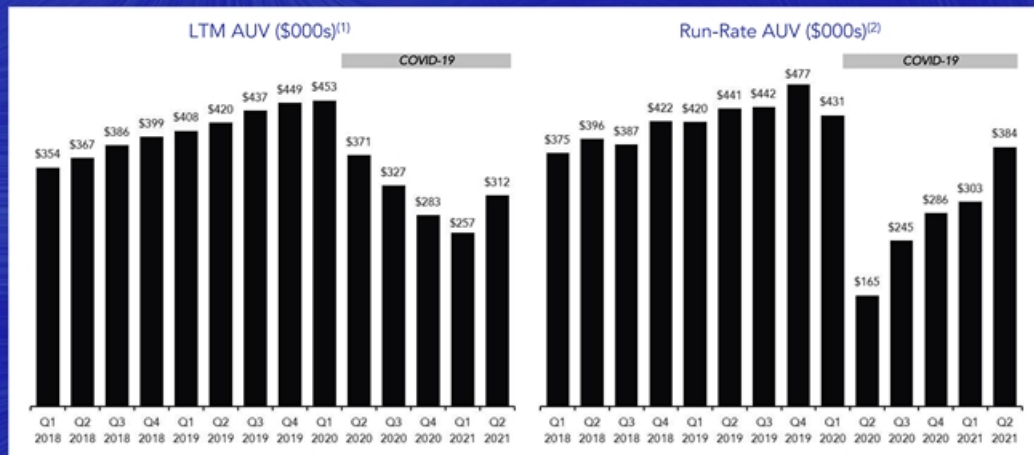


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## Recovery in Studio Performance



<sup>(1)</sup> Represents LTM AUVs for North American studios open for 13+ months. Adjusted for the Rumble acquisition.  
<sup>(2)</sup> Represents run-rate AUVs for North American studios open for 6+ months. Adjusted for the Rumble acquisition.



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## Continued Strong Performance in Q2 2021

Our Recent Performance:

### Q2 2021

*Topline Performance Driven by  
Growth in Studio Openings and  
Same-Store Sales*

(\$ in millions)	Q2 2021	Q2 2020	% Change
Revenues	\$36	\$21	67%
Adjusted EBITDA	\$8	(\$3)	NM
New Studio Openings	59	57	4%
System-wide Sales	\$172	\$61	179%
Same Store Sales	129%	-58%	NA
LTM Average Unit Volumes	\$312	\$371	-16%

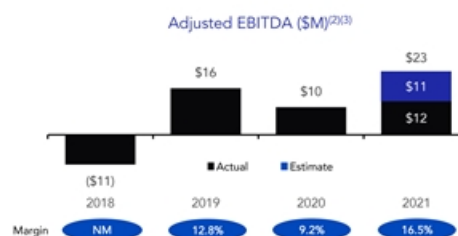
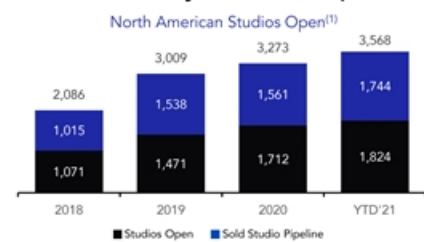


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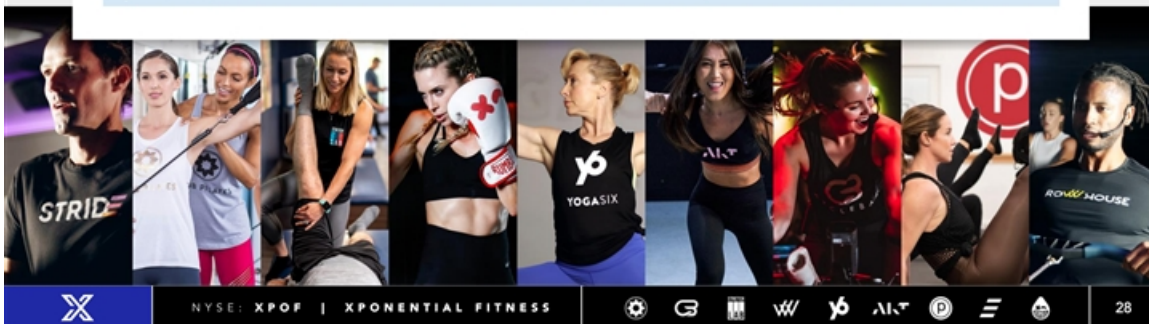
## Financial Summary & 2021 Expectations



1) North American licenses sold, North American open studios and system-wide sales pro forma for Rumble acquisition. Licenses sold are gross of terminated licenses.  
 2) For 2021 numbers, actual (black bar) represents first half 2021 actual results; estimate (blue bar) represents mid-point of second half 2021 guidance.  
 3) 2021 EBITDA includes a one-time add back for a \$3.7M forgiveness of a PPP loan awarded in April 2020.

## FY 2021 Guidance

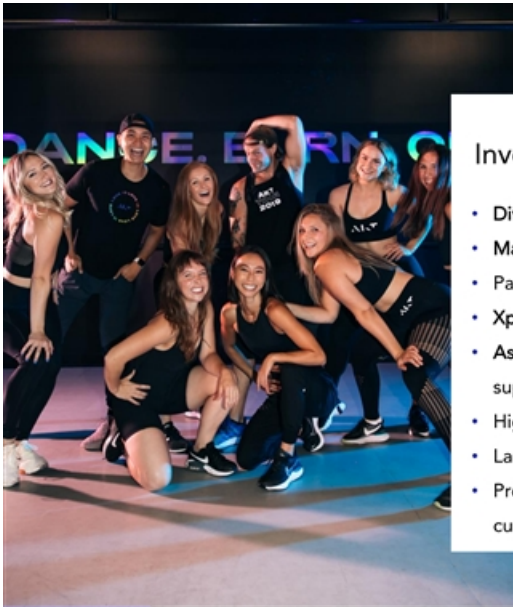
(\$ in millions)	Low	High	2020	% Change at Midpoint
Revenues	\$135.5	\$137.0	\$107	28%
Adjusted EBITDA	\$22	\$23	\$10	129%
New Franchised Studio Openings	215	235	250	-10%
System-wide Sales	\$690	\$700	\$442	57%



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## Investment Highlights

- Diversified portfolio of leading boutique fitness brands
- Market leading position with significant scale
- Passionate, growing and loyal consumer base
- Xponential Playbook supports system-wide operational excellence
- Asset-light franchise model and predictable recurring revenue streams support strong free cash flow conversion
- Highly attractive and predictable studio-level economics
- Large and expanding franchisee base with visible organic growth
- Proven and experienced management team with an entrepreneurial culture

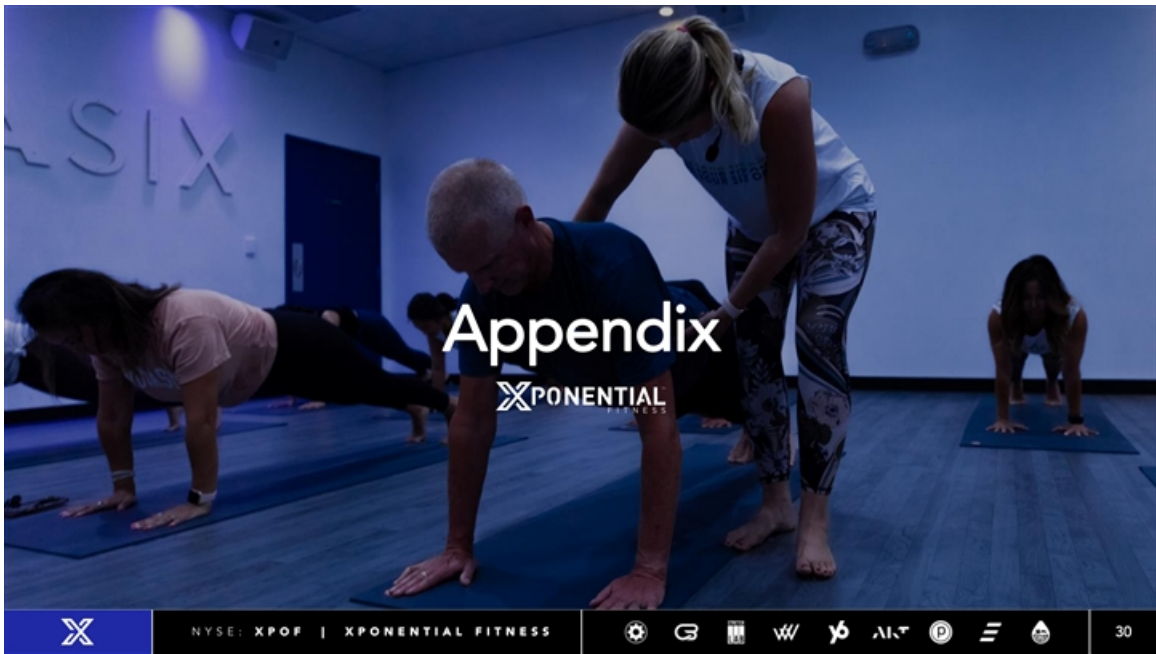


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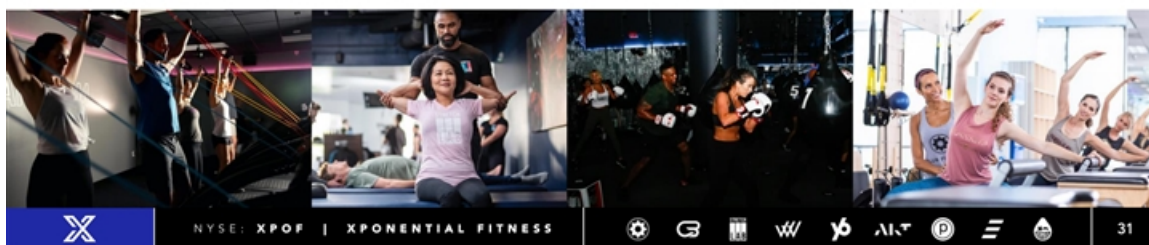


## YTD Performance: 2021

(\$ in millions)	YTD Q2 2021	YTD Q2 2020	% Change
Revenues	\$65	\$53	22%
Adjusted EBITDA	\$12	\$5	137%
New Franchised Studio Openings	117	114	3%
System-wide Sales	\$303	\$222	37%
Same Store Sales	22%	-29%	NA
LTM Average Unit Volumes	\$312	\$371	-16%

Note: All figures as of June 30, 2021.

1) Studios open defined as studios conducting indoor classes. Excludes Rumble.



## Adjusted EBITDA Reconciliation

### Adjustment Detail

	(\$ in millions)	Year Ended December 31,			Three Months Ended March 31,		Three Months Ended June 30,	
		2018	2019	2020	2020	2021	2020	2021
1 Represents non-cash equity-based compensation related to profit interest units awarded to key management and directors	Net Income	(\$42)	(\$37)	(\$14)	(\$2)	(\$5)	(\$5)	(\$8)
2 Acquisition and transaction related adjustments from 2018 acquisitions of Pure Barre, YogaSix, AKT and Stride, includes valuation change in contingent considerations related to 2017 and 2018 business acquisitions	Interest	\$6	\$16	\$21	\$8	\$4	\$4	\$11
	Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Depreciation & Amortization	\$4	\$6	\$8	\$2	\$2	\$2	\$2
	EBITDA	(\$33)	(\$15)	\$15	\$8	\$2	\$1	\$6
3 Represents required annual management fees paid to H&W Investco	Adjustments to EBITDA							
4 Represents adjustment for expenses incurred during the acquisition integration process, including refresh of legacy Pure Barre studios post acquisition to standardize studio base	1 Equity-Based Compensation	\$2	\$2	\$2	\$0	\$0	\$0	\$0
	2 Acquisition & Transaction Expenses (Income)	\$18	\$8	(\$11) <sup>(1)</sup>	(\$1)	\$0	(\$5)	\$0
	3 Management Fees & Expenses	\$1	\$1	\$1	\$0	\$0	\$0	\$0
	4 Integration & Related Expenses	\$0	\$15	\$0	\$0	\$0	(\$0)	\$0
5 Represents adjustment for one-time legal expenses (e.g. Stretch Lab founders, MBO, AKT founder)	5 Litigation Expenses	\$1	\$6	\$2	\$0	\$1	\$0	\$2
	Adjusted EBITDA	(\$11)	\$16	\$10	\$8	\$4	(\$3)	\$8

1) Income represents the valuation change in contingent consideration related to 2017 and 2018 business acquisitions.



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## Capital Structure Supports Continued Growth

- The COVID-19 pandemic impacted our business for most of the LTM period, negatively impacting Adj. EBITDA
- As our business continues to recover from the pandemic, growth in our Adj. EBITDA leads to significant reduction in our Net Leverage Ratio
- In conjunction with the IPO transaction, we completed a convertible preferred transaction with ~\$115M of proceeds used to pay down Net Debt
- Franchised business model with highly predictable and recurring revenue streams and limited on-going capital requirements creates visibility into cash available to service debt obligations

(\$ in millions)	As of		Pro Forma
	June 30, 2021	Adj.	Post-IPO
Cash & Cash Equivalents <sup>(1)</sup>	\$20	\$9	\$30
Total Debt	\$211	(\$115)	\$96
Net Debt	\$191	(\$124)	\$67
Q2'21 LTM Adj. EBITDA <sup>(2)</sup>	\$17		\$17
Net Debt / Q2'21 LTM Adj. EBITDA			4.0x
Convertible Preferred	-	\$200	\$200

Note: USD in millions.

1) Includes Restricted Cash of approximately \$2M.

2) LTM Adj. EBITDA is based upon the midpoint of the preliminary estimated range for Q2'21 and is subject to change based on closing procedures.



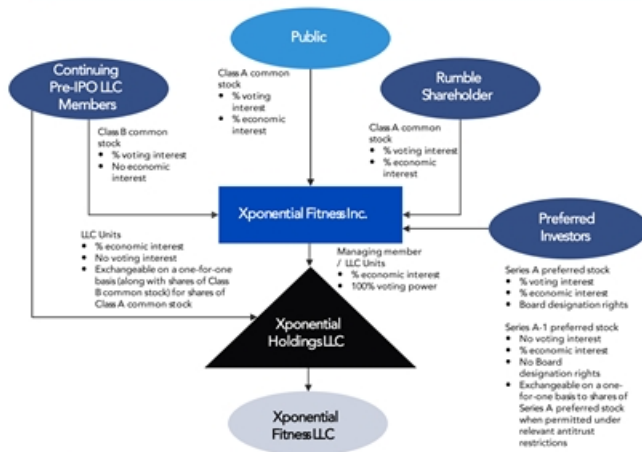
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## Up-C Structure Overview

The diagram below depicts our organizational structure immediately following this offering, after giving effect to the recapitalization and reorganization transactions, assuming no exercise by the underwriters of their option to purchase additional shares of Class A common stock.



### ✓ Purpose of the structure

- Preserves "flow-through" tax treatment for historic owners following the IPO
- Creates tax basis step-up when historic owners sell interest
  - Typical for historic owners to retain a portion of the value of the step-up via a tax receivable agreement

### ✓ Description of structure

- Historic owners typically hold their interest in the business through an LLC or other legal entity treated as a partnership for U.S. tax purposes ("OpCo LLC")
- Newly created C-corporation ("PubCo") raises IPO proceeds and uses proceeds to buy OpCo LLC units from OpCo LLC directly and/or from the historic owners
- Following the IPO, the historic owners continue to hold a direct interest in OpCo LLC
  - The OpCo LLC units are typically exchangeable on a one-for-one basis for PubCo shares
  - The historic owners also typically hold a non-economic voting interest in PubCo providing them with voting rights commensurate with their economic interest in OpCo LLC
- Public shareholders and LLC members have equal voting interests



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## EPS Calculation

	Three Months Ended 30-Jun-21	Six Months Ended 30-Jun-21
Numerator:		
Pro forma net loss .....	(8,001)	(12,751)
Add: Pro forma net loss attributable to non-controlling interests .....	4,164	6,636
Less: Preferred stock dividends .....	(3,250)	(6,500)
Pro forma net loss attributable to Xponential Fitness, Inc. ....	\$ (7,087)	\$ (12,615)
Denominator:		
Shares of Class A common stock issued in connection with this offering .....	21,694	21,694
Pro forma weighted-average shares of Class A common stock outstanding - basic .....	21,694	21,694
Effect of dilutive securities .....	-	-
Pro forma weighted-average shares of Class A common stock outstanding - diluted .....	21,694	21,694
Pro forma net loss per share attributable to Class A common stock - basic .....	\$ (0.33)	\$ (0.58)
Pro forma net loss per share attributable to Class A common stock - diluted .....	\$ (0.33)	\$ (0.58)

Note: Potentially dilutive securities that are antidilutive have been excluded from the calculation of diluted net loss per share. Potential common shares that have been excluded from net loss per share because the effect of including them would be antidilutive include the Convertible Preferred, potential common shares issued as contingent consideration under the Rumble acquisition agreement and potential common shares to be issued under our 2021 Plan and ESPP.

1) Preferred stock dividends represent \$200 million in Convertible Preferred Notes at 6.5%.



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STRIDE

CLUB PILATES

STRETCH

RUMBLE

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AKT

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