

Talwalkars Healthclubs Limited

(Formerly known as Talwalkars Lifestyles Limited)

Regd Office: 801-813, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai – 400026.

CIN: U93090MH2016PLC280127; Tel.: 022-2355 6000 Fax: 022-2355 6363

Email: investor@talwalkars.net website: www.talwalkarshealthclubs.com

Date: 30th May, 2019

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block, BKC,
Bandra (East), Mumbai - 400051.

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Dear Sir,

Re: **Talwalkars Healthclubs Limited; Scrip Symbol: TALWGYM; Scrip Code: 541545**

Sub: **Furnishing Updates on the Financial Results for the quarter ended 31st March, 2019**

We are enclosing herewith the updates on the Financial Results for the quarter ended as on 31st March, 2019.

Kindly take the same on records and acknowledge the receipt of the same.

Thanking You.

Yours faithfully,
For **Talwalkars Healthclubs Ltd.**



Avanti Sankav
Company Secretary



Talwalkars
Committed to FITNESS

Talwalkars Healthclubs Limited
Q4FY19 – 30th May, 2019

What this presentation contains



Formats

**Key Developments –
Q4FY19**

Marketing Initiatives

Result Update

Going Ahead

About Us

MULTI FORMAT MULTI BRAND STRATEGY FOR DIFFERENT MARKET SEGMENTS

260 locations
across 75+ cities

Basic membership

Personal training

Steam and Massage

Value-added services

Apt for Metros,
Tier I & Tier II

Large format

Steam and Massage

Highly personalized
training

All value added service

Apt for upscale Metro
locations and Tier I cities.

Functional format

Franchise Model

Apt for Tier II, III and
IV cities, catchment
areas of Metro cities

Gyms in Sri Lanka and
India

Low capex and low
opex

Mass target audience

No-frills

After clustering in
Colombo, Bengaluru
and Delhi, moving to
PUNE

Gyms in South Asia

Master Franchise
Model

Apt for Tier I & II cities

Six Asian countries-
Bangladesh, Sri Lanka,
Malaysia, Thailand,
Singapore and
Vietnam

Nationwide rationalization and consolidation of different formats being undertaken to optimize store level profitability

Key Developments Q4FY19



- Consolidated the Company's position and dominate top cities like Pune, Mumbai, Bangalore and Colombo in terms of number of gyms and members .
- Nationwide rationalization and consolidation of different formats being undertaken to optimize store level profitability across country.
- 20 PWG have been soft launched in Pune, Maharashtra under the PWG model .
- 2 HiFi gyms to be launched shortly in Wagholi, Pune and Jagatpura, Jaipur.
- The company saw a good retention rate and received encouraging response from its existing customers, despite the competition from the market players.
- The Company is moving towards a pro-rata system of accounting . This system will not have any affect the cashflows of the Company.
- Strengthened its online reach through aggressive marketing on the online portals like Grow Fitter and Fitternity.
- The Company during the quarter created innovative marketing ideas which led to increase in footfalls in the gyms and increased number members taking personal training .

Personal Training



Talwalkars Personalized Exercise Program is customized to meet your individual goals.

Our certified fitness trainers will guide you through every step of your program and ensure you see results.

The Personal trainers are incentivised on the member conversions to improve rate and quality assurances.

Talwalkars Aurangabad
May 23 at 2:00 PM · 🌐

Mrs. Soniya Bhatiya is another inspiring success story! Soniya's workout endeavors go beyond physical fitness. She credits her trainer Rhythm Mohad to have helped her explore her true potential, and realize her own strengths. Of course, she's improved on the health front as well! Soniya feels excited and delighted to come to the gym every day, and therefore we truly salute Soniya's zeal to achieve the highest levels of health and fitness. We thank Soniya for being a part of the Talwalkars family, and wish her success!

#ThinkFitnessThinkTalwalkars #MuscleGain #fitnessaddict
#Transformation #fitnessmodel #FitnessGoals #Dedication #GymLife
#Motivation #Fitness #healthylife #gymbenefits #fitlife #Exercise
#GymDiet #FitnessJourney #Determination #Workout

MRS. SONALI BHATIYA

Talwalkars
Spreading fitness since 1932

OPTIMIZE YOUR WORKOUT
with your own
PERSONAL TRAINER

NOW YOU CAN GET MORE FOR LESS

Pay for **6 months PERSONAL TRAINING**
and get
ANNUAL GYM MEMBERSHIP COMPLIMENTARY

*T & C Apply

Increasing Digital Presence

Talwalkars has tapped the market through online portals Growfitter and Fitternity and Online Apps

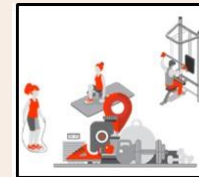
- Growfitter is your one stop shop for all fitness services across your city.
- India's largest health & fitness discovery portal to list 10000+ fitness centre Pan India across 14 cities.

<https://www.growfitter.com>

• Talwalkars acquired 19% stake in this Company.

- Fitternity is India's largest fitness discovery and booking platform.
- With Fitternity, you can discover & experience various fitness forms by taking unlimited trials. Fitness memberships with lowest price guarantee & best offers with online payments & EMI.
- Fitternity enables fitness journeys at over 12,000+ fitness centers with 15+ fitness forms across [Mumbai](#), [Delhi](#), [Gurgaon](#), [Noida](#), [Bangalore](#), [Pune](#), [Ahmedabad](#) and [Hyderabad](#).

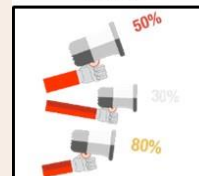
How Does it Work ?



OneStop Solution for Health & Fitness



Search Nearby Fitness Centers



Get the Best Deals



Buy Membership

Mobile App



View schedules, book classes, book Appointments at your fitness centre and even see which classes your friends are attending. Buy personal training sessions, renew your membership and view your account details and balance sessions conveniently from your own device.

FitKit

- The Company with Growfitter introduced the country's first ever AI (Artificial Intelligence) based Incentivized Wellness Program.
- The FITKIT Program is a technologically advanced mobile application that tracks individual fitness consistency and maps their performance to generate an incentive oriented & reward based fitness solution.
- It motivates individuals to adopt and sustain a holistic and healthy lifestyle, which coincides with the vision of THL, of creating a healthy and fit India.
- One can access the program only by purchasing or renewing their membership at any of the Talwalkars fitness centers. The more a member works out, better are the rewards they get.



5 Days | A MOVIE TICKET

90 Days | HONDA ACTIVA 5G

120 Days | FITNESS BAND

199 Days | LAPTOP

250 Days | CASHBACK

300 Days | iPhone XS MAX

333 Days | HYUNDAI i10 ERA

HOW TO EARN?

FITNESS ki kamai

STEP 1 Buy Talwalkars Gym Membership

STEP 2 Download the FITKIT app and register

STEP 3 Choose your Rewards

STEP 4 Scan IN and OUT on every visit

*Spend minimum ₹300 at gym to make attendance eligible

For more details visit: www.tfkk.in


Talwalkars
Spreading fitness since 1932

Members workout daily with a zeal to burn calories and Earn from Fitness

Fitness Ki Kamaai


Talwalkars is with Growfitter at Talwalkars SoBo Gym.
Published by Pranav Adnani [?] · 27 February · Mumbai ·

Anchit earns movie tickets as his #FitnessKiKamai!




NAME : ANCHIT AGARWAL
REWARD: MOVIE TICKET

Fitness Ki Kamaai: Anchit Agarwal
00:43




“I earned a Honda Activa by attending 100 days”
Workout in Talwalkars




FITNESS ki kamaai

www.growfitter.com




“I earned a Mi Fitness Band by attending 100 days”
Workout in Talwalkars




FITNESS ki kamaai

www.growfitter.com




“I earned a Uber Ride by attending 7 days”
Workout in Talwalkars




FITNESS ki kamaai

www.growfitter.com



“I earned a i phone by attending 300 days”
Workout in Talwalkars




FITNESS ki kamaai

www.growfitter.com

Talwalkars is with Growfitter.
Published by Pranav Adnani [?] · 30 March ·

Ketaki Watkar can now listen to her favorite music when working out, as her #FitnessKiKamai has earned her FREE Headphones! Register for #FitnessKiKamai, & workout daily to earn rewards and a healthy lifestyle at Talwalkars. Hurry, registration ends today! Call +91-22-66553636 or visit www.tfkk.in



NAME : KETAKI WATKAR
REWARD: HEADPHONES

Fitness Ki Kamaai: Ketaki Watkar Wins HEADPHONES!
00:39

Fitness Ki Kammai engaged the members fully with its innovative ideas and compelled the inactive members to workout in gym .

Corporate Tie-ups



Follow us on:    
www.talwalkars.net

Talwalkars
Spreading fitness since 1932

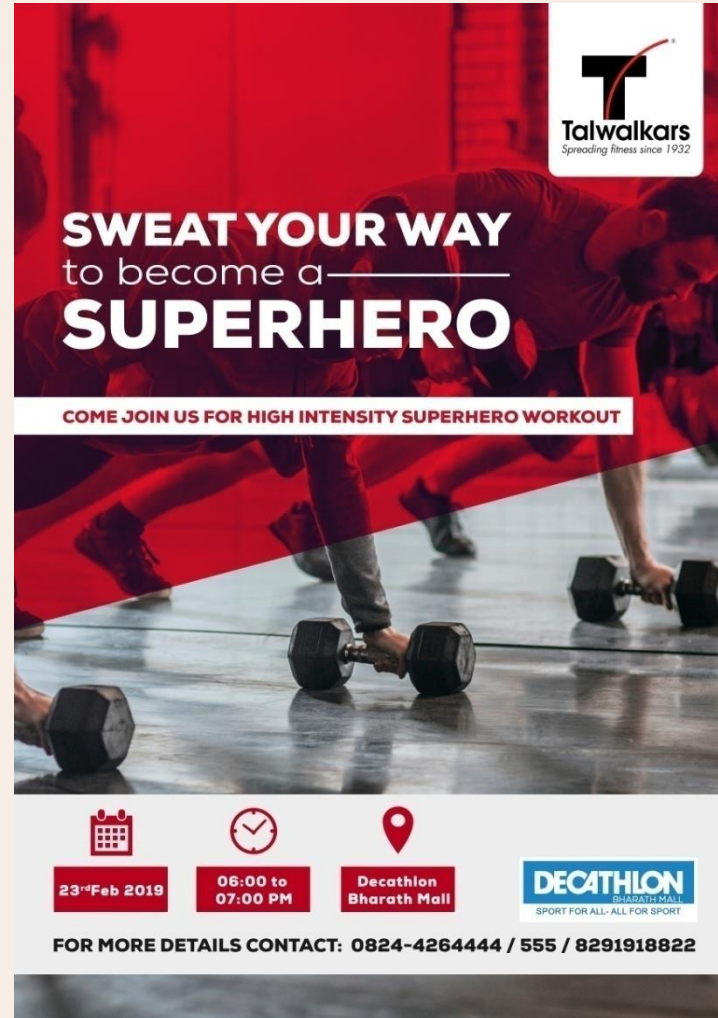
**HEALTHY
EMPLOYEES
HEALTHY
BUSINESS**

SPECIAL CORPORATE PACKAGES

REDUCE
EMPLOYEE
STRESS

INCREASE
PRODUCTIVITY




LOWER
ABSENTEEISM



Talwalkars
Spreading fitness since 1932

SWEAT YOUR WAY
to become a
SUPERHERO

COME JOIN US FOR HIGH INTENSITY SUPERHERO WORKOUT

23rd Feb 2019 06:00 to 07:00 PM Decathlon Bharath Mall

DECATHLON
SPORT FOR ALL - ALL FOR SPORT

FOR MORE DETAILS CONTACT: 0824-4264444 / 555 / 8291918822

The Company has increased its market reach through its corporate offers to enterprises and corporate giants.

It usually offers free trial of 3 days – 1 week to the employees, to give them a feel of the gym and understand the essence of fitness.

Effective training is carried out at reasonable intervals. This has resulted in increase the number of footfalls.

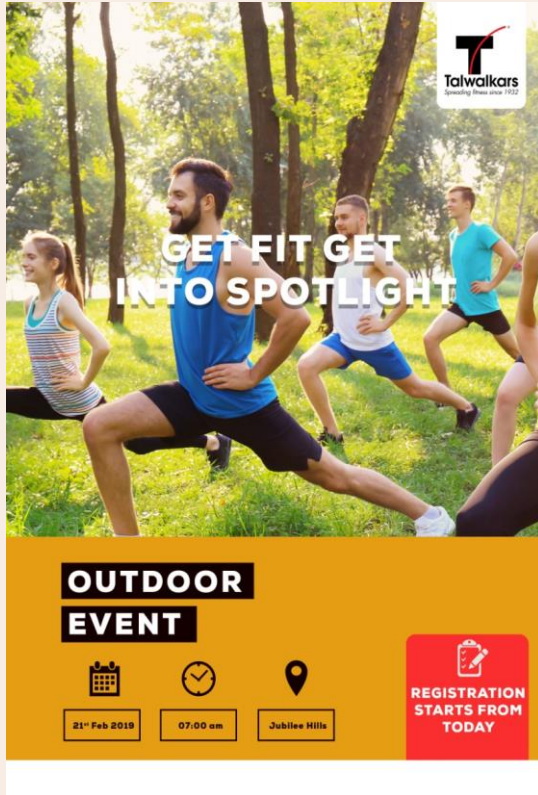
Corporate Tie-ups is bundled up with offers which is a win-win situation for both entities.

Marketing Initiatives



Promotions like New Year's , Valentines day, Women Day , Engaging College Students etc

Get Fit Get Into Spotlight



Various Initiatives were undertaken during the quarter encashing the IPL fever to increase the footfalls in the gyms and membership conversions

Result Update



Consolidated Results

Particulars (Rs In Mn)	Quarter Ended			Year Ended		
	31.03.2019 (Audited)	31.03.2018 (Audited)	▲	31.12.2019 (Audited)	31.12.2018 (Audited)	▲
Revenues	778	776	0%	2857	2592	10%
EBITDA	392	535	-27%	1466	1513	-3%
PAT	218	248	-12%	729	693	5%

Result Update



Consolidated Financial Results

Particulars (Rs in Mn)	Quarter Ended			Year Ended		
	Mar-19	Mar-18	Y-o-Y%	Mar-19	Mar-18	Y-o-Y%
Income from Operations	753	765	-1%	2,814	2,471	14%
Other Income	25	12		43	121	
Total	778	776	0%	2,857	2,592	10%
Expenditure						
Change in Inventories	(2)	-		38	-	
Purchases	76	-		133	-	
Personnel Cost	112	76	47%	419	356	18%
Admin & Other Exp	200	165	21%	801	723	11%
Total	386	241	60%	1,391	1,079	29%
EBITDA	392	535	-27%	1,466	1,513	-3%
Depreciation	101	76	33%	362	303	20%
EBIT	291	459	-37%	1,104	1,211	-9%
Interest	57	32	75%	214	167	28%
EBT before exceptional Items	235	427	-45%	890	1,044	-15%
Exceptional Items	3	1	141%	3	1	301%
PBT	238	428	-44%	893	1,045	-14%
Tax	53	183	-71%	183	356	-49%
Profit for the period	185	246	-25%	710	688	3%
Other Comprehensive Expense	(2)	0	-469%	2	1	354%
Profit for the period	183	246	-26%	712	689	3%
Share of Associates	-	7	-100%	24	13	83%
Minority Interest	(35)	5	-775%	8	9	-10%
¹ Profit after Tax	218	248	-12%	729	693	5%

Personal Training and the Income from PWG locations provided impetus to the growth in revenues

EBITDA margins stood at 51% for the year

PAT margins stood at 26% for the year

EPS for year stood at Rs. 23.43 for the year

Result Update

Consolidated Audited Balance Sheet as at	March 31, 2019	March 31, 2018
ASSETS		
I) Non- Current Assets		
Fixed Assets	5,893	4,140
Non Current Investments	1,066	967
Other Financial Assets	1,378	1,442
Other Non Current Assets	541	208
	8,878	6,757
II) Current Assets		
Inventories	95	133
Current Investments	10	75
Loans	709	398
Trade Receivables	295	138
Cash and Bank Balances	468	448
Other financial assets	185	164
Other current Assets	257	273
	2,019	1,629
Total Assets (I+II)	10,897	8,386
Equity and liabilities		
Shareholders Funds	5,008	4,342
Minority Interest	36	25
Long Term Borrowings	4,332	3,006
Non Current Liabilities	89	125
Current Liabilities	1,432	888
Total Equity and Liabilities (A+B)	10,897	8,386

Increase in Fixed Assets includes

- soft launch 20 new gyms in Pune
- additional space taken to accommodate the increase in members
- Upgradation and renovation of locations
- 20-25 gyms in CWIP

The Company has been able to raise funds during the year on the back of its strong financials and AA rating from 2 rating agencies.
Net Borrowings increased by Rs.114.43crs.

DER stood at 0.98
NET DER stood at 0.88

Increase in Shareholders Funds on the back of profits

Depreciation Policy



Depreciation on plant and equipment is provided from the date the assets are put to use on straight-line method using the useful lives of the assets estimated by the management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows

Assets	Useful Life (Yrs)
Building	60 years
Gym Equipment's	15 years
Lease Hold Improvements	10 years
Furniture & Fittings	10 years
Electrical Installations	5 years
Office Equipment's	6 years

The Company has elected the option of fair value as deemed cost for all items of property, plant & equipment as on the date of transition to Ind AS.

Awards and Accolades



Going Ahead

Adding
30-40
centers
per year

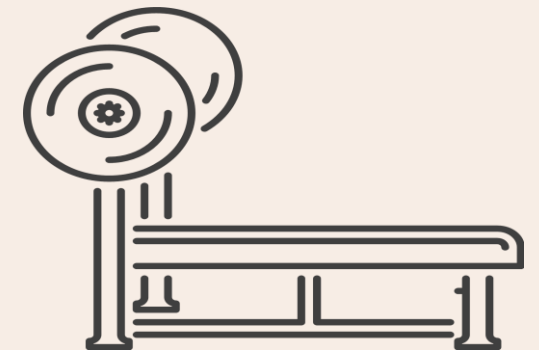
Enhance
presence in
Top 10-12
cities

Consolidate
formats and
Optimize store
level
profitability

Sweat Existing
Assets to
Improve Asset
Turnover Ratio

Improving
Return Ratios

Low Debt
Equity
ratio



About Us



- Largest fitness chain in India and SriLanka.
- 260 locations across 75+ cities in South Asia.
- Multi Brand strategy with Five Fitness Centres formats
- World-class gym experience backed by professional trainers.

Safe Harbor Statement



Talwalkars Healthclubs Ltd.

The views expressed here may contain information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of this information.

Any forward-looking information in this presentation has been prepared on the basis of a number of assumptions which may prove to be incorrect. This presentation should not be relied upon as a recommendation or forecast by Talwalkars Healthclubs Limited.

This presentation may contain 'forward-looking statements' - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as 'expects,' 'anticipates,' 'intends,' 'plans,' 'believes,' 'seeks,' or 'will.' Forward-looking statements by their nature address matters that are, to different degrees, uncertain.

For us, uncertainties arise from the behavior of financial markets and change in consumption patterns; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of an environmental, climatic, natural, political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements.

We do not undertake to update our forward-looking statements.

Grishma Shetty

Sr. Vice President

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Email: grishmas@talwalkars.net

Website : <https://talwalkarshealthclubs.com>



**WORK
SWEAT
ACHIEVE**
ACHIEVE

Thank You