

# BOD*i*<sup>®</sup>

**The Beachbody Company**

**Ticker: BODY**

**May 2023**

# FORWARD-LOOKING STATEMENTS

- This presentation of The Beachbody Company, Inc. (the "Company") contains "forward-looking" statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, which are statements other than historical fact or in the future tense. These statements include but are not limited to statements regarding the Company's future performance and market opportunity, including expected financial results for the fiscal year 2023, its business strategy, plans, and objectives and future operations. You can identify these statements by the use of terminology such as "believe", "desire", "plans", "expect", "will", "should," "could", "estimate", "anticipate" or similar forward-looking terms. You should not rely on these forward-looking statements as they involve risks and uncertainties that may cause actual results to vary materially from the forward-looking statements.
- Forward-looking statements are based upon various estimates and assumptions, as well as information known to the "Company" as of the date of the release of this presentation, and are subject to risks and uncertainties. Accordingly, actual results could differ materially due to a variety of factors, including: the Company's ability to effectively compete in the fitness and nutrition industries; the ability to successfully enter the Company's target markets and total addressable markets; the ability to successfully acquire and integrate new operations; the reliance on a few key products; market conditions and global and economic factors beyond the Company's control; intense competition and competitive pressures from other companies worldwide in the industries in which the Company operates; and litigation and the ability to adequately protect the Company's intellectual property rights. For more information regarding the risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements, as well as risks relating to our business in general, refer to the "Risk Factors" section of the Company's Securities and Exchange Commission ("SEC") filings, including those risks and uncertainties included in the Form 10-K filed with the SEC on March 16, 2023, and quarterly reports on Form 10-Q, which are available on the Investor Relations page of the Beachbody website at <https://investors.thebeachbodycompany.com> and on the SEC website at [www.sec.gov](http://www.sec.gov).
- The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, performance, or achievements. The Company undertakes no obligation to update any of these forward-looking statements for any reason after the date of this press release or to conform these statements to actual results or revised expectations, except as required by law. Undue reliance should not be placed on forward-looking statements.

# SOME KEY METRICS

Rounded Numbers as of March 31, 2023

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**120**

**STREAMING PROGRAMS**

WITH OVER

**8,500**

**UNIQUE STREAMING VIDEOS**



**121M**  
**STREAMED VIEWS**  
**IN 2022**

**1.75M**

**PAID DIGITAL SUBSCRIPTIONS**

**95.9%**

**AVERAGE DIGITAL RETENTION**



**11**  
**MONTHLY**  
**WORKOUTS**  
**PER ACTIVE SUBSCRIBER**



**210,000**

**NUTRITION SUBSCRIPTIONS**

**58% GROSS MARGINS**



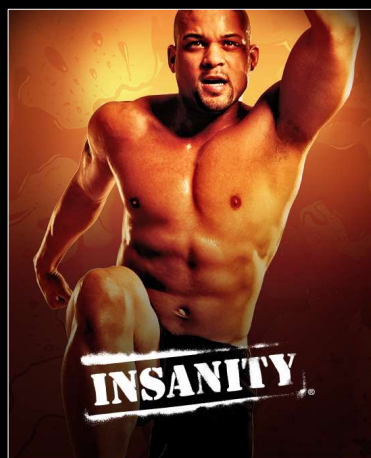
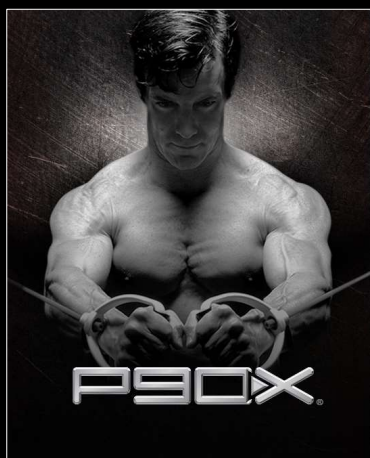
**32.5%**  
**DAU/MAU**

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The only Fitness, Nutrition and Wellness platform



Key Metrics:

- FY 2022 Revenues: \$692 million
- Q1-23 Total Paid subscriptions: 2 million
- Q1-23 Gross margin: 63%
- Operating in the USA, Canada, UK and France

- Track record: Profitable for 21 out of the 24 years history
- Objective: Get back to 10% Adjusted EBITDA

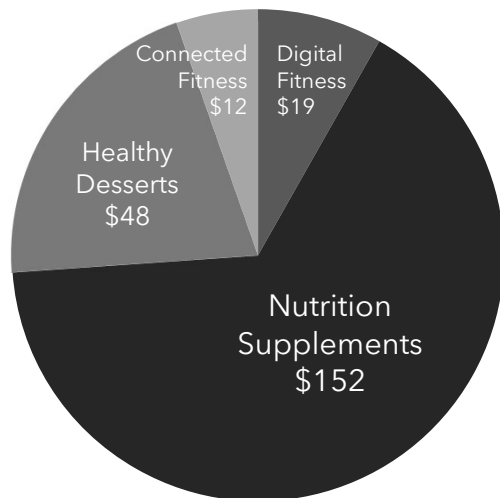
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# SUBSTANTIAL NEAR-TERM GLOBAL TAM Ticker: BODY

Operating In a Large and Underpenetrated Market

## OUR SEGMENTS IN 2023: \$231 BILLION OPPORTUNITY

TOTAL ADDRESSABLE MARKET  
IN BILLIONS



## PERSISTING HEALTH ISSUES

- 74% of adults in the US are overweight—this presents a massive opportunity
- Majority of US adults need a better solution
- Digital Fitness is expected to grow at 33% through 2027

Source:

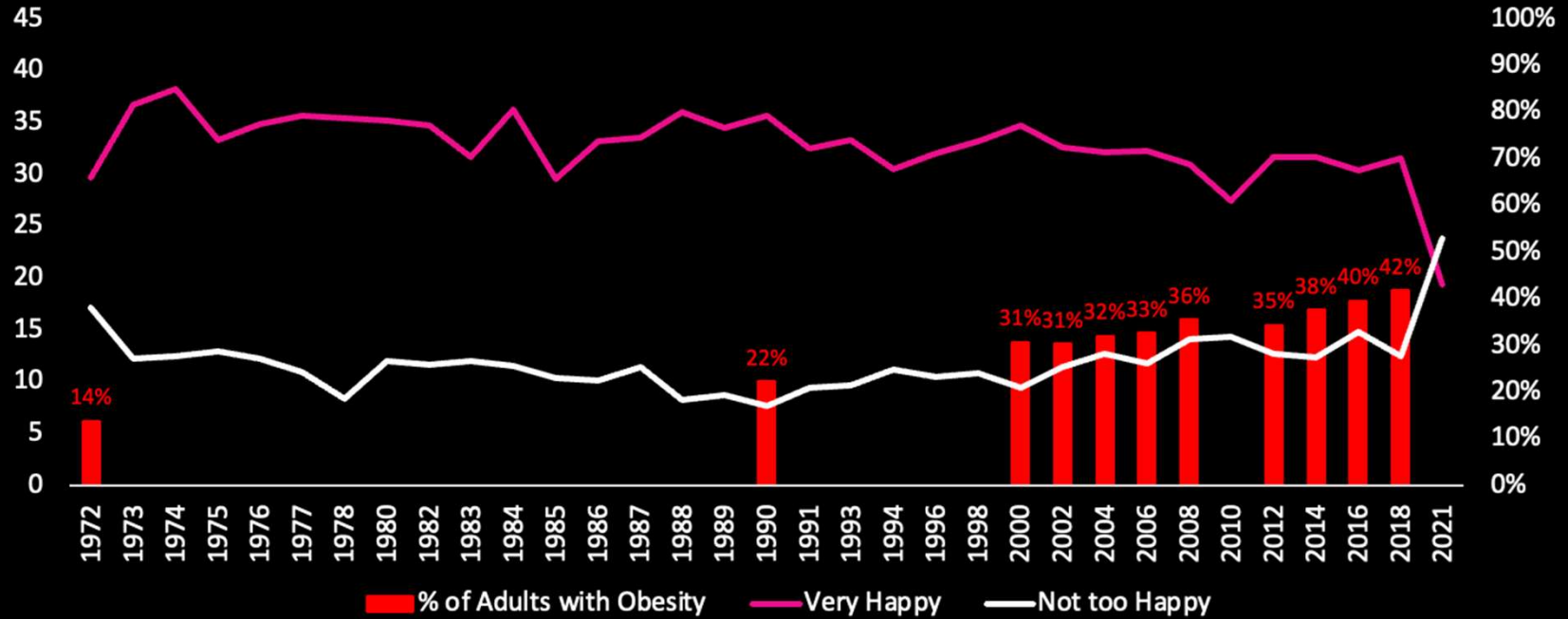
- Digital Fitness - Allied Market Research published Online/Virtual Fitness Market Statistics, 2020
- Connected Fitness - Acumen Research published Home Fitness Market, Analysis Report and Region Forecast, 2022 - 2030, 2022
- Nutrition supplements - Grand View Research on global dietary supplements market, 2021
- Healthy Dessert - Category Pirates Analysis of the Global Confection (\$189B), Global Frozen Dessert (\$94B) and Global Cookies (\$36B) determined to be \$319B, of which 15% of adults want a healthier choice.

## HEALTHY DESSERTS

- 76% of adults in the US claim to have a sweet tooth, of which, 15% of consumers are seeking healthier snacks/desserts to help them manage their weight
- Shakeology is a Gourmet Superfood Dessert with over 200 recipes for Healthy Desserts

# BODI IS DESIGNED TO ADDRESS A MASSIVE PROBLEM

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Source: General Social Survey, NORC, Global Obesity Observatory

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# OUR VISION AND TRANSFORMATION

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Health Esteem — A New Health and Wellness Category

## How did we define our transformation?

- Market opportunity: 74% of US adults remain overweight
- We listened to our super consumers
- Ran pilots and tests

## How do we plan to address this?

- Consolidate to one digital app
- 1) **Simpler Fitness programming**, and 2) new **Positive Mindset** content
- Targeting the **Healthy Dessert** market

## We believe that we are uniquely positioned to help with the top-5 new years' resolutions\*:

- Improve mental health\*\*
- Improve diet
- Improve Fitness
- Lose weight
- Improve finances

\* Source: Forbes Health Survey, 2023

\*\* Top 2023 New Year Resolutions

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# THE ONLY HOLISTIC WELLNESS SUBSCRIPTION PLATFORM

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## Digital Streaming Platform

\$179 annual membership  
1.75 million subscriptions at March 31, 2023



Fitness

Digital Streaming & Live Interactive Programs



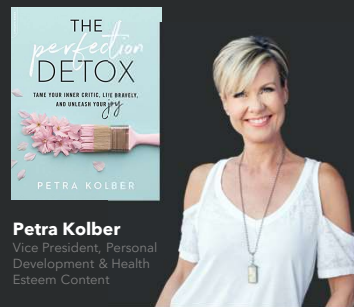
Nutrition

Nutrition Programs & Eating Plans



Mindset

Personal Development Programs & Events



Petra Kolber  
Vice President, Personal Development & Health Esteem Content

## Nutrition & Supplements

\$100 monthly AOV  
210K subscriptions



## Connected Fitness

\$50/month



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# NEW FITNESS PROGRAMMING: **BODi BLOCKS**

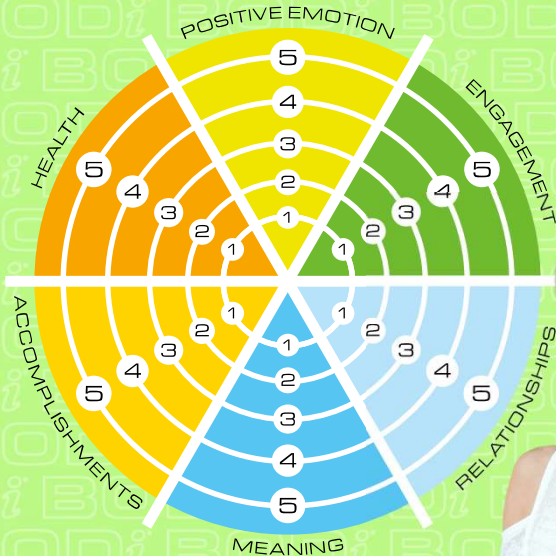
- 120 Programs and the 8,500+ individual workouts
- Moving from “Movies” to “Series” to improve retention and engagement
- 4 BODi Blocks per month - so more content
- Lower content production costs

|                     | MAR                          | APR                          | MAY                          | JUN                          | JUL                          | AUG                          | SEP                          | OCT                          | NOV                          | DEC                          |
|---------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| MONTHLY BODi BLOCKS | ALL BODi                     | ALL BODi                     | ALL BODi                     | ALL BODi                     | ALL BODi                     | ALL BODi                     | ALL BODi                     | ALL BODi                     | ALL BODi                     | ALL BODi                     |
|                     | BIKE                         | BIKE                         | BIKE                         | BIKE                         | BIKE                         | BIKE                         | BIKE                         | BIKE                         | BIKE                         | BIKE                         |
|                     | IRON                         | IRON                         | IRON                         | IRON                         | IRON                         | IRON                         | IRON                         | IRON                         | IRON                         | IRON                         |
|                     | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> | FOR BEGINNERS<br><i>Only</i> |

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# NEW INNOVATION CONTENT: **MINDSET**

## THE **PERMAH** WHEEL OF WELL-BEING



**Petra Kolber**  
Vice President, Personal  
Development & Health  
Esteem Content

## Our Key Strategies for Unlocking the 74%

- Brand and content change is about reducing the psychological barrier to entry
- Launching a “Beginners” monthly BODi Block workout
- Changing our name from “Beachbody” to “BODi”
- Monthly master classes to build positive psychology
- **Result: higher customer acquisition and retention**

### BEFORE

### AFTER

- |                       |   |                                    |
|-----------------------|---|------------------------------------|
| Beachbody             | → | <b>Health Esteem</b>               |
| Not Good Enough       | → | <b>You Can Do It</b>               |
| Impossible to Achieve | → | <b>Inclusive and Accessible</b>    |
| No Dessert, No Cheats | → | <b>Eat a Healthy Dessert Daily</b> |

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# HEALTHY DESSERTS

EAT MORE SUPERFOOD DESSERT



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- Historically, we upsold fitness customers with Nutrition or focused on starting a Total Solution, which includes Fitness and Nutrition
- We intend to address in 2023 the emerging \$48B Healthy Dessert market
- Extending the positioning our core brand Shakeology to be a Superfood dessert
- Healthy desserts is researched 10x more in 2022 versus protein supplements\*
- This is not a new product, but rather, extending Shakeology with Digital Recipes to a new segment

\* 2022 Google and Amazon Search results

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# OUR DESIRED FINANCIAL MODEL

- Product Lines (blended GM at 65-70%)
  - **Digital:** 1.75 million subscriptions x ARPU of \$179/annual at ~80% GM
  - **Nutrition:** 2/3 subscriptions with 210,000 x \$100 AOV x 12 months at ~60% GM (1/3 stand alone orders)
  - **Bikes:** aim for break even with LTV of digital at 80% GM
- Sales and Marketing 50% of Revenue
  - Coach network: commissions and bonuses are 45% of network revenue
  - Direct media: aiming for in year payback (renewals driving ROI)
  - CRM: 20 million social media followers and 16 million emails
- Tech and G&A each 10% of revenue

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# RE-INVENTING OUR LTV TO CAC MODEL FOR 2023

## ROUTE TO MARKETS (CAC)

Coach network  
- variable commission

CRM (20M+ social media  
following) - \$0 costs

Direct acquisition (media)  
in-year Payback

## HEALTH ESTEEM FLYWHEEL



## LTV KEY LEVERS

Pricing

Margin/costs

Retention

Product penetration

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# OUR SOCIAL MEDIA FOLLOWING

AS OF FEBRUARY 2023

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## Company

## Micro-Influencers (Coaches/Partners)



Beachbody/BODi  
**4.3M**



Shakeology  
**1.0M**



BODiCoach411  
**0.8M**



Carl Daikeler  
**0.4M**



Emily Fauver  
**4.9M**



Natasha Pehrson  
**2.3M**



Hailey Peters  
**1.4M**



Jess Dukes  
**0.6M**

## Super Trainers



Shaun T  
**4.7M**



Ilana Muhlstein  
**2.6M**



Autumn Calabrese  
**2.0M**



Joel Freeman  
**0.5M**



Jericho McMatthews  
**0.5M**



Jennifer Jacobs  
**0.5M**



Megan Davies  
**0.3M**



Amoila Cesar  
**0.3M**

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# MANAGEMENT TEAM

A Strong, Collaborative Team with Extensive Experience

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**Carl Daikeler**  
Co-Founder, Chairman & CEO



**Kathy Vrabeck**  
Chief Operating Officer



**Marc Suidan**  
Chief Financial Officer



**Michael Neimand**  
President, Beachbody



**Jennifer Schwartz**  
SVP Digital Product



**Matt Halpern**  
Chief of Staff and SVP,  
Content Development



**Christina Cartwright**  
SVP, Nutrition Products



**Kit Boyd**  
Chief Supply Chain Officer

# RECAPPING OUR Q1-23 HIGHLIGHTS

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Making Financial Progress on Our Strategies

- Q1-23 Net Loss of \$29M and Adjusted EBITDA Loss of \$1M
- Reduced operating cash use to \$8 million—versus the \$33 million in Q1-22
- Delivered the \$125 million EBITDA and Capex savings in 2022
- Ended Q1 with \$66 million of cash on hand
- Entered into a \$50 million debt financing agreement with Blue Torch Capital, with the potential to increase by another \$25 million
- Exceeded EBITDA guidance for 7 out of 7 quarters since IPO
- Reduced headcount by 40% from the prior year



# OUR TRACKING RECORD OF NEW BUSINESSES

At Each Major Pivot, We Accelerated Our Path to a \$1B in Aggregate Revenues

| OUR KEY PIVOTS     | YEAR LAUNCHED | YEARS TO \$100M | YEARS TO \$1B |
|--------------------|---------------|-----------------|---------------|
| P90X Franchise     | 2000          | 5               | 17            |
| Shakeology         | 2009          | 3               | 7             |
| BOD                | 2016          | 1               | 6             |
| BODi Health Esteem | 2023          | 1*              | 4*            |

\*Forecast.

# NET LOSS TO ADJUSTED EBITDA RECONCILIATION

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(in thousands)

Three Months Ended March 31,

|  | 2023            | 2022               |
|--|-----------------|--------------------|
| Net loss   | \$ (29,188)     | \$ (73,533)        |
| <i>Adjusted for:</i>   |                 |                    |
| Depreciation and amortization                                    | 10,713          | 21,587             |
| Amortization of capitalized cloud computing implementation costs | 41              | 168                |
| Amortization of content assets                                   | 5,561           | 6,164              |
| Interest expense   | 2,331           | 19                 |
| Income tax provision (benefit)                                   | 48              | (706)              |
| Equity-based compensation  | 9,555           | 4,564              |
| Employee incentives, expected to be settled in equity (1)        | (5,466)         | —                  |
| Inventory net realizable value adjustments (2)                   | —               | 14,934             |
| Restructuring and platform consolidation costs (3)               | 6,059           | 7,887              |
| Change in fair value of warrant liabilities                      | (57)            | (264)              |
| Non-operating (4)  | (484)           | 72                 |
| Adjusted EBITDA  | <u>\$ (887)</u> | <u>\$ (19,108)</u> |

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# Q&A

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**END**

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