



# OLIVEX

THE DIGITAL HEALTH AND FITNESS BUSINESS

VOLUTION ACQUISITION - INVESTOR OVERVIEW

NSX RELEASE – FRIDAY 4th DECEMBER 2020



## THE ACQUISITION OF VOLUTION BY OLIVEX

As foreshadowed in our NSX Release dated 2nd of December 2020<sup>2</sup>, the OliveX Board is delighted to announce that on the 3rd of December 2020, OliveX completed the acquisition of the assets of UK-based Anorton Holdings Limited, trading as Volution.

We are pleased to share the following Investor Presentation to showcase the business, and the strategic and accretive nature of the acquisition in more detail.



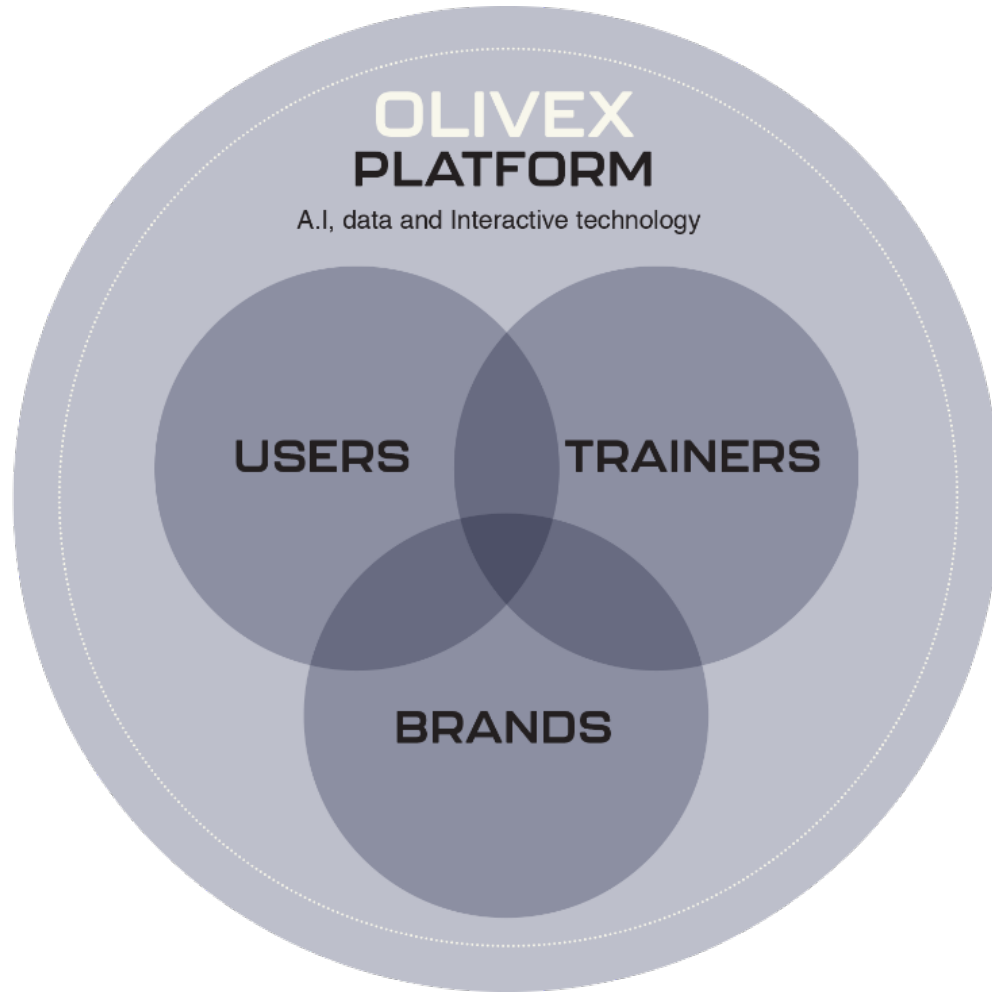
**FITNESS THAT FITS**

# WE ARE

**HEALTH  
TECHNOLOGY  
FITNESS  
CONTENT  
SOCIAL  
INTERACTIVE  
GAMING  
PRODUCT  
BRAND EXPERIENCE  
DATA**







**CONNECTING PEOPLE TO BRANDS THROUGH  
DIGITAL FITNESS TECHNOLOGY**

# OUR STRATEGY

## **DEMOCRATISE FITNESS**

Create premium fitness content experiences that link trainers to users globally, and lets them choose any workout - any time, anywhere

## **PROVIDE THE THIRD SCREEN IN EVERY HOME**

The KARA Mirror and Apps create daily connections to highly engaged global fitness users, creating a new high-value marketing platform for brands

## **OFFER BUSINESSES NEW WAYS TO PROVIDE WELLNESS**

Provide hotel operators and property developers personalised health and fitness solutions in customers' rooms, extending brand reach and enabling new revenue streams

## **PARTNER WITH FITNESS BRANDS TO DELIVER VIRTUAL SERVICES**

Extend traditional "bricks and mortar" gyms to members' homes with premium branded content delivered through OliveX

## **ACCELERATE REACH AND SERVICES THROUGH ACQUISITIONS**

Open new product audiences and fast-track developments by looking at synergistic businesses with existing revenue and customer bases

## **PARTNER TO OPEN NEW MARKETS FASTER**

Work with partners to open new markets by leveraging their local knowledge, resources and capital to accelerate and de-risk expansion

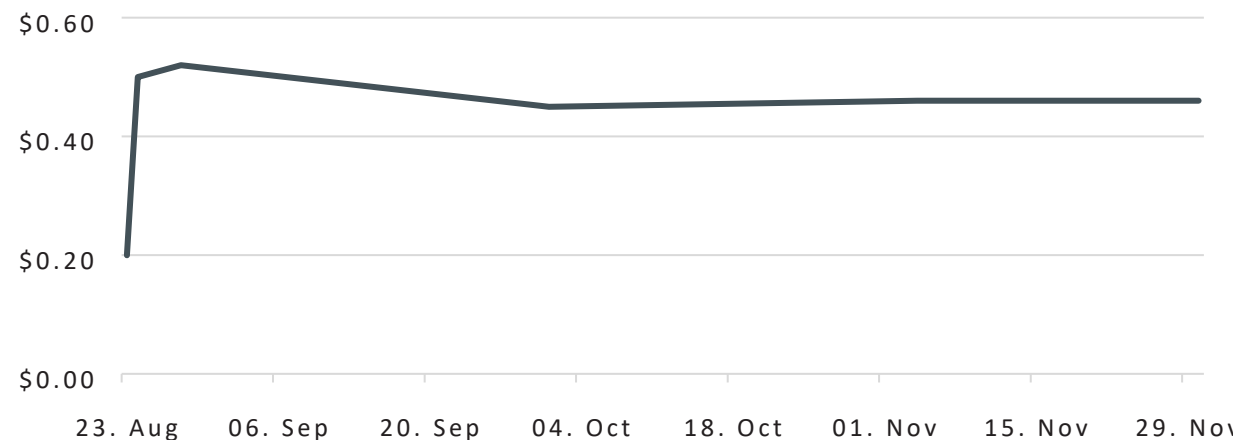


- OLIVEX IS PUBLICLY LISTED ON THE NSX  
Listed as [NSX:OLX](#) on the NSX, an Australian stock exchange
- LAST TRADED SHARE PRICE A\$0.46<sup>1</sup>  
37,444,931 Ordinary shares originally listed at A\$0.20 on 24th August 2020
- INDICATIVE MARKET CAPITALISATION A\$17M  
Market capitalisation has grown by 130% since listing

<sup>1</sup> as at 3rd December 2020.

OLX.5

### OLIVEX NSX TRADING HISTORY



## BOARD OF DIRECTORS



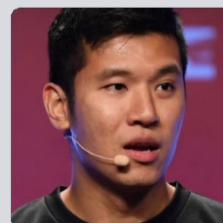
**SONNY VU**  
Non-Executive Chairman

Original founder of Misfit, acquired by Fossil Group for US\$260m. Sonny has extensive experience and connections in the fitness technology industry to drive OliveX.



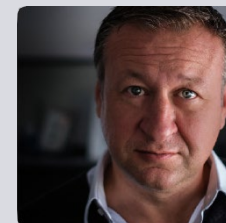
**YAT SIU**  
Non-Executive Director

Founding CEO of Outblaze Limited and Founder & Chair of Animoca Brands, the original parent of OliveX. Immense expertise in digital media and gaming.



**KEITH RUMJAHN**  
Managing Director and CEO

Following the successful launch of Coachbase App, (acquired by Animoca Brands), Keith launched OliveX and in turn KARA after recognising the potential for smart home fitness devices.



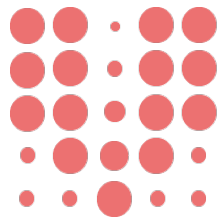
**XAVIER KRIS**  
Executive Director

Former MD and Chair of Swift Media, focused on media, tech and telecoms, specialising in business expansion through M&A. Leads OliveX's M&A strategy and execution.



**JOHN BELL**  
Chief Financial Officer

A seasoned executive with multi-jurisdictional experience, including as Director and CFO of ASX listed businesses.



# VOLUTION



- HEALTH
- TECHNOLOGY
- FITNESS
- CONTENT
- SOCIAL
- INTERACTIVE
- PRODUCT
- BRAND EXPERIENCE
- DATA

**Significant Strategic Overlap with OliveX.**

# VOLUTION SNAPSHOT

OLX.7

## PRODUCTS

### <Sales Marketing>



Generate and convert more prospects into paying members with our suite of lead generation, conversion and promotion management tools.

### <Club Management>



Streamline your business, easily process and on-board new members, organise class and trainer schedules, take bookings online and process payments.

### <Retention Technology>



Utilise our technology to quickly identify those members at higher risk of leaving and ensure they remain engaged with your business.

### <Business Intelligence>



Track everything you need to know about your business and goals. Real time reporting helps you locate resources, budget and measure your success.

### <Virtual Training>



Remain engaged with your members even when outside the gym environment with on-demand, scheduled and bespoke classes and workouts.

### <Franchise & Multi-Location>



Built with scalability in mind, our modular framework allows you to adopt only what you need from across our suite of technologies.

## CONTRACTS



256 gyms

## MARKET POTENTIAL



5,000+ GYMS

Addressable market of  
>50,000 gyms

## TEAM



A team of 9 UK staff, led by Andy Hall, (previously of Les Mills) including 7 software and product resources

## OLIVEX RE-USE



- Virtual Training
- Live Classes
- Custom Workouts

Virtual Hub product, can be immediately leveraged by KARA

# VOLUTION STRATEGY

## INCREASE GYM PROFITS BY FOCUSING ON THEIR DATA

Gyms are driven to reduce member churn, increase revenue and streamline processes but they are held back by scattered technology and limited foresight. Volution's strategy is to solve this problem by unlocking the power of their data

## CENTRALISE DATA IN ONE PLACE

Focus on integrating to each key data platform, so they can provide the singular view of data for each customer. i.e. be the glue that makes the data useful and moves them from many platforms to just a few, in time, just Volution

## START SMALL BUT KEEP ADDING MORE

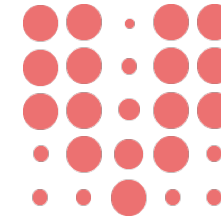
Once the data is centralised, Volution then offer new services through modularised software that further embed the client in the Volution ecosystem and generate additional revenue

## BUILD ONCE, THEN SCALE THROUGH LARGE GROUPS

Custom dashboards and apps are highly desirable by large gym groups. Equally, once built are very easy to sell to the rest of the group and highly sticky as they are purpose built. Leads to reduce cost of sale and very high retention rates

## SCALE PROFITABILITY THROUGH SUBSCRIPTIONS

Strategy of offering software modules at incremental subscription fees to grow client revenue over the term and increase profitability through economies of scale





# ACQUISITION OVERVIEW



## OLIVEX HAVE BEEN MONITORING VOLUTION FOR SOME TIME

Active conversations regarding collaboration and partnership potential have been on-going for several months allowing us to act very swiftly and with high confidence on short notice

## ACQUIRING ALL BUSINESS ASSETS

Offer grants ownership to all software, websites, servers, marketing, trademarks, business systems and processes

## ESTABLISHING A UK ENTITY TO INTEGRATE THE TEAM

OliveX is establishing a UK entity (OliveX (UK)) to operate the business and to employ the local team of nine (9) resources

## SALE INCLUDES EXISTING MONTHLY REVENUES OF £20,000

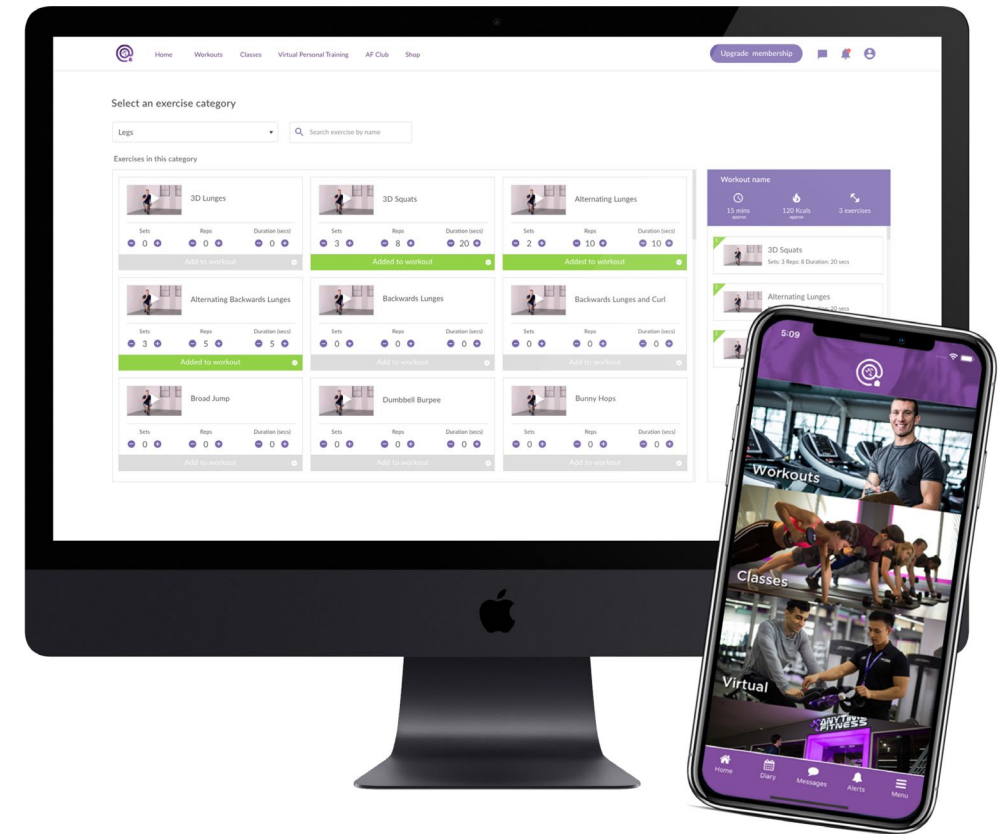
Agreement includes the novation of existing Anytime Fitness Philippines and Fitness World contracts, subject to third party approvals

## OLIVEX WILL SAVE BY RE-PURPOSING SOME OF THE SOFTWARE

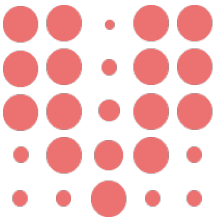
KARA will integrate the Virtual Hub software to fast-track features and reduce the cost of development for the business

## TOTAL COST OF ACQUISITION

OliveX has acquired all business assets from Volution for £190,000 in a 100% cash transaction from existing capital reserves



# KEY ACQUISITION TERMS

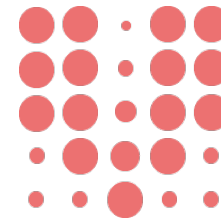
PURCHASE PRICE	GBP190,000 (~A\$345,000) in cash.
<div>ACQUISITION ASSETS</div> 	<ul style="list-style-type: none"> <li>• Volution's goodwill.</li> <li>• Subject to third party consents, Volution's existing contracts with customers (by way of assignment / novation), including:               <ul style="list-style-type: none"> <li>➢ Anytime Fitness Philippines; and</li> <li>➢ Fitness World.</li> </ul> </li> <li>• Subject to third party consents, Volution's existing hosting contracts to operate its business (by way of assignment / novation).</li> <li>• Subject to third party consents, Volution's existing lease in London (by way of assignment / novation).</li> <li>• Volution's software modules, executables, source code, products and developments, launched, in development or already developed with respect to its business including the following modules:               <ul style="list-style-type: none"> <li>➢ Data Dashboard and Insights;</li> <li>➢ The Virtual Solution;</li> <li>➢ Lead Management;</li> <li>➢ Complete CRM/ERM; and</li> <li>• third party API development for Fitness World.</li> </ul> </li> <li>• Volution's hosting, process, customer and sales data.</li> <li>• Volution's trademarks, websites, brand and marketing collateral.</li> <li>• Volution's other intellectual property.</li> </ul>
STAFF	<ul style="list-style-type: none"> <li>• OliveX will ensure payment of any unpaid salaries to the existing staff for up to 2 months of their salaries.</li> <li>• OliveX will employee existing staff on materially similar terms to their existing contracts.</li> </ul>

# ACQUISITION SYNERGIES & BENEFITS



## OLIVEX GROWS HEALTH AND FITNESS CAPABILITIES

- Immediate contracts with high value brands already targeted by OliveX
- Significant overlap in target customers and partnerships, enabling sharing of sales and marketing resources
- Software IP that accelerates and enhances the development of KARA's content management system
- Additional software, product and sales resources added to the team
- Leverage existing relationships in target health and fitness businesses to open doors for sales and partnerships



## VOLUTION EMPOWERED TO REALISE ITS POTENTIAL

- Financial certainty for the staff, customers and prospects
- Further investment in the platform and staffing to grow the business in line with agreed strategic goals
- Access to additional senior sales and marketing resources of OliveX to help in the development of Asia Pacific sales and partnership opportunities
- Addition of KARA Mirror as an additional product to offer existing and potential clients
- Reduce cost of acquisition of new customer targets by leveraging shared resources (both pre and post sales)

# SUMMARY

- Acquiring Volution is another step forward in OliveX's strategy to grow as a digital health and fitness business globally
- Builds on core OliveX strategy to focus on subscription revenues in health & fitness
- Significant overlap in segments and target customers enabling resource pooling to reduce cost of customer acquisition
- Immediate revenue with significant potential for future growth from minimal investment
- Access to software that fast-tracks committed features and saves on development time and money for KARA
- Low cost of acquisition with very short payback period based on software re-use, existing contracts and pipeline potential





#### **Forward-looking statements disclosure**

This press release contains forward-looking statements or forward-looking information, within the meaning of applicable securities laws with respect to **OliveX Holdings Limited** ACN 631 675 986 (the Company). By their nature, forward-looking statements are subject to a variety of factors that could cause actual results to differ materially from the results suggested by the forward-looking statements. Accordingly, readers should not place undue reliance on the forward-looking statements.

Forward-looking information contained in this press release is based on Company management's opinions, estimates and assumptions in light of its experience and perception of historical trends, current conditions and expected future developments as well as other factors that management currently believes are appropriate and reasonable in the circumstances. Forward-looking statements involve significant risks, uncertainties and assumptions, and there can be no assurance that such statements, underlying risks, uncertainties and assumptions will prove to be accurate. Factors that could cause actual results or events to differ materially include, without limitation, risks related to laws, rules and regulation applicable to the Company as well as the industry in which it operates (including in respect of taxes and other levies), economic or market conditions on both a national and global level, currency fluctuations, risks inherent to other entities at a similar stage of development and industry in which the Company currently is, competition from the Company's competitors, unsatisfactory development or marketing of the Company and/or its products or services, regulatory action or litigation (including product liability claims), and failure to enter into agreements or arrangements with other parties on fair or reasonable terms. Forward-looking information is made only as of the date on which it is provided and, except as may be required by applicable laws, the Company disclaims any intent or obligation to update such forward-looking information whether as a result of new information, future events or otherwise.