



Vivid Vision for May of 2023 for 2020FIT

Community Driven, Science Based Fitness Company on a mission to put change Health Care.

The following is the vision of what 2020FIT will be made possible by May of 2023. The entire document is written in the present tense from the viewpoint of May 2023. Sharing this Vivid Vision with our team, our Community of clients, prospective clients, vendors and prospective team members will help make 2020FIT responsible to accomplish the objectives for the business. It is important for anyone who engages with 2020FIT to know what we stand for, and where we're going. We view each interaction as an opportunity to build a long-term relationship, sharing in the vision of the future and what we will all be in the year 2023.

HEALTH. CARE. We are a Health Care provider whose foundation is built on community. What has evolved even surprises us to this day - 2020FIT is a community of positive people all working to become the best version of themselves. We all have highs and lows in life, and as the business evolves we are working to make sure our clients & staff feel the love and support of the program to benefit their HEALTH and the CARE of the community to keep us all accountable.

'It's More Than a Gym'. When we started back in 2012 the idea was to help people get Fit. We did this by giving them great coaching and providing a fun environment to workout. What evolved over the years became much more than a 'gym'. It is a Community in every sense of the word. When you join, you become part of a supportive and welcoming group that has your best interests at heart. Clients join for the workout but end up staying for the people. As we work our way to the year 2023, it of the utmost importance that we maintain this core of our business.

Thank you in advance for participating and making this happen, holding us accountable, and sharing your passion for becoming a better version of yourself.

Jon Rowley
Chief Fitness Officer, 2020FIT
May 14, 2019

OUR CORE VALUES:

Work Hard – How you do anything is how you do everything. We believe that if it's worth doing, it's worth doing the best it can possibly be done. By putting our best foot forward, we're able to create value not only for the company but we're able to give our work meaning. In committing to working hard, we value our accomplishments, demonstrate positive work ethic for others, and are able to provide best in class service to our Community.

Be Kind - Great minds discuss ideas: average minds discuss events; small minds discuss people. We strive to build the relationships we have with our clients and teammates by respecting privacy and doing everything in our power to build each other up. Seek the good in others, remain empathetic and consistently reflect on what you can do to help those you interact with. At the end of the day, if we only do one thing, let's treat everyone we interact with – kind.



WHO WE ARE AS A COMPANY:

Community Driven + Science Based - 2020FIT is not only “More than a gym” - 2020FIT provides a one of a kind boutique health club experience with a community feel. We are experts in providing the highest level coach-led group classes, all in a positive community environment. The hospitality experience provided at 2020FIT resembles what you’d receive at a high-end restaurant or hotel with the comfortable feel of your neighborhood gym.

THE BUSINESS & OUR IMPACT

In 2023 we'll have a direct impact on over 1,100 families across our 3 brick and mortar locations. 2020 HQ is not only the largest boutique fitness facility in the country, it's also the only one of its kind run like a hospitality organization. We've doubled our revenue from 2019 levels and have a profit margin of 20% which allows us to compensate our team above market levels and the utilization of cash flow to continue to grow the business. 50% of the profits will be distributed to our team as incentive compensation and 50% will be put to use as capital to grow the business operation.

Certain aspects of our service are now covered by insurance with more offerings planned to be covered in the future. We're continually pursuing the latest and greatest way to improve health. 2020FIT is a data driven, community focused coaching community.

OUR PEOPLE & THE EXPECTATIONS - We only put A-Players on the floor and have only A-Players operating the business. We are pursuing greatness as a team and only the best and brightest will be brought on board. Our hiring process is slow and deliberate. Cultural fit is the number one factor. We're working to not only better than our competition, but the best. Period.

Our staff is polished, well-spoken & professional. They are entrepreneurs at heart and want to be a part of creating something - changing what it means to create Health. When you see one of our team members you'll go “wow - now that is a member of the 2020FIT Team”. They talk the talk and walk the walk in that they are models of healthy living.

They are knowledgeable and constantly educating themselves on the latest and greatest in the wellness space. Our team is friendly with each other and engaged in helping each other be successful. They are the best in the business and are recognized not only by our clients but the fitness community as a whole. All full-time staff are Level 2 certified at a minimum and more than half our team is Level 3+.

TEAM BENEFITS

We run an open book operation where our team has monthly access to the business financials. Everyone on the team knows the numbers and is held accountable in their respective role to helping enhance the bottom line. We offer the most premium benefits package of any business in Kansas City and have a waiting list of applications of people who want to work with us – helping to change the lives of our community.

The operation of the business has matured and there are standards and procedures for every component of the business. All team members make decisions as owners and have the opportunity to participate in our profit sharing plan. Tenured employees have the opportunity to buy in to the company with stock vesting.

In addition to changing the lives of the people we work for, we are listening to our team members and helping them make their dreams come true. Each year as a part of the annual review process, we review their long-term goals - personally, professionally & financially. Nothing is off limits and it's our job as the company to listen and ensure that we're helping them work towards those goals, inside and outside the gym.

Our PTO program now includes 5 full weeks of paid time off with the requirement that each team member takes at least one full week vacation at some point throughout the year. While on PTO our team's email is forwarded so they can enjoy the time away, free of distraction. We are listed as one of the best small businesses in Kansas City



to work for due to our positive work environment, engaging culture, premium benefits and compensation offering. Our team is increasingly compensated as the professionals relative to the immense value they add to clients' lives.

By May of 2023 all Level III coaches will have the opportunity to be earning upwards of a six figure income – An objective set on day 1 of the founding of this business.

On top of our compensation benefits, we now offer on-site day care to our team members to help manage the work life balance of being the best coaches in the industry while caring for the demands of family life.

MENTORING PROGRAM - We have an active mentoring program for up and coming team members to help nourish young careers and to build the leadership skills of our more experienced team members. The leadership role is a vital component to career progression at 2020 as we believe in taking others with us on our journey. The culture is one of encouraging growth of subordinates, fostering opportunities for leadership to continually advance.

Overall, 2020FIT is a market leader in the physical wellness space and is sought after by other industry members to help enhance offerings, training staff, and implementing the best business models in the fitness industry.

EXPANSION EFFORTS - 2020 Headquarters (HQ) occupies 15,000 sq/ft of the best training facility in the country. In addition we now have 2 other brick and mortar locations that serve as compliments to HQ, one 10 minutes to the south and one 10 minutes to the north, all near the Mission corridor. In addition, we operate 10 corporate client sites with the 2020FIT brand and operate the fitness centers at 5 senior living facilities. Our fitness van and trailer travel offsite on a weekly basis to serve corporate clients & provide community events.

2020FIT HQ - In addition to training new coaches, 2020 HQ is a Lab for future services to be rolled out to our other locations. Utilizing the expertise of our on site MD, we're able to roll out beta tests on our client base that will help better the training approach of the entire company. Again utilizing the experience of our client base and their vested interest in improving their health and seeing others benefit, our community serves as the perfect test case for increasing access to data. By testing new equipment and class offerings, and engaging in biometric tests, we'll be not only giving people the feeling of being healthier, we'll be able to prove it with data.

At HQ we have 600 adult clients and 200 student athletes actively engaged.

Our HQ location is the training center for new coaches as our esteemed and experienced clients help create a high bar of expectation that we transfer to all our locations. All new coaches are trained at HQ for their initial 3 months at 2020FIT.

MARKETING – Though not an integral part of our founding, marketing efforts are now a key component of spreading the word of health and something 2020FIT is continuing working to master. Though our current clients are our best marketers and continue to be our pure focus, we're working on building our brand throughout the KC metro. By taking care of our base and continually improving our offerings, we set ourselves up for referrals that continually make 2020 'Sticky' to both new and tenured clients. We have a team member that is designated to direct social media, sharing what is done in and around our gym on a daily basis. The purpose is to showcase our community and share with others what is possible.

Outside of the gym, we are well known throughout the community as we are active in all forms of marketing. We operate a weekly checklist that ensures we are actively pursuing all funnels of promotion, regardless of how fast the business is already growing at the time. This growth is what forced us in to open location #2 and #3.

We're featured on the KC media outlets as one of the best places to train in addition to being featured in nationwide publications highlighting the changes in the fitness industry and showcasing 2020FIT as a leader. We're also featured regularly in regional publications highlighting our growth, work environment and the buzz behind the 2020FIT brand.



TO OUR COMMUNITY

FAMILY – We strongly believe in a healthy family life and now back it up with the ability to offer childcare at every class between 7:30 am and 7:00 pm to allow those with busy family lives to maintain their fitness while giving their children the opportunity to play in our world class children's area.

YOUTH - Looking after those who are not old enough to train with us is the first pillar of taking care of the whole family. The second is being able to offer classes for ages 3+. We're working to create a place where the entire family can be involved and training 'together' under one roof. We've found over the years that the kids who see their parents setting the example grow up believing that fitness is a natural part of life and completing hard work is a skill that can be learned.

SERVICING OUR CLIENTS - 2020FIT is acknowledged as being synonymous with family, quality coaching, health, honesty, support, and providing a positive training and work environment. We're constantly pursuing the best methodologies to share with our clients and are known for doing extensive R&D throughout the marketplace and implementing the best practices at 2020. To our clients it is "More than Gym" – 2020 is a gathering place to each community we serve. We've added to this layer by offering Community Coffee as well as grab and go food options that allow those in the area to 'meet up' at 2020 or to even office out of our café at HQ when convenient.

THE LIFESTYLE - 2020FIT is a part of our Community's daily life. You have your family, your career and your fitness as daily staples in your life you cannot avoid. We've created a program that is a foundational component of day-to-day living and something our clients would never consider giving up. What we teach at 2020 makes you a better family member, better in business, healthier person, and it is an investment that our community willingly, and excitedly makes each month.

We help our clients become the best version of themselves. We help prevent disease. We extend the quality of life. We help relationships and build new ones. We offer a break in the day one geared towards mental health support. We set a course of positivity in the lives we touch that alters the course of their existence. Helping change lives is what gets us out of bed everyday.

GROWTH OPPORTUNITIES AND PROGRAM OFFERINGS

- Our core programming is composed of: CrossFit, FIT, Sweat, SwingFit, Sweat & Stretch, & Yoga
- Our Sports Performance program services hundreds of local kids from the ages of 3 – 17. We have dedicated CrossFit Kids coaches for the program and a comprehensive schedule after school with a dedicated training space.
- We have an MD on staff that is our Chief Medical Officer
- Our program offering at Senior Living facilities is nationally known and offered at 5 facilities around KC
- SwingFit, apart from it's offering at HQ, is offered at country clubs throughout Kansas City and is the model golf fitness program in the country
- We run a state of the art recovery program helping our clients recover from the stress of training
- The 2020 Podcast helps 20,000 people each week optimize their lifestyle.
- 2020 owns property on 73rd terrace that is used for in town guests to train with us at 2020. This allows us to host training seminars that help other gym owners see behind the facade and help build their business.
- We operate a "FIT Truck" and trailer that travels around KC delivering 2020FIT to corporate sites and other 'pop up' locations.
- We are a drop off location and retail outpost for Evolve Paleo.
- 2020FIT is the owner of 80 acres of land 45 minutes from KC where families of 2020 will have the freedom to roam, play, and be EMF free.

COMMUNITY OUTREACH – With a profitable business comes the opportunity to have impact outside our 4 walls. Leadership will have the time & resources to make allocations to helping those in need. The company will take two days per year where we'll close the gym and invest our time and money into worthy causes in the KC area that promote education and active lifestyles to children in need. In addition we plan to contribute in the following ways:



- We distribute \$10,000 annually of business investment to Beyond Your Block to help underprivileged youth find career & education opportunities that they're not currently exposed to.
- Our annual triathlon will raise \$20,000 for kids in need & child mentoring programs.
- We have a children's program at HQ that is scholarship based through an internship program.

BUSINESS OPPORTUNITIES

We are actively looking to acquire other fitness facilities as the market matures and as other owners tire of running day-to-day operations. We'll explore new ventures including off-site experiences, educational seminars & training opportunities. We regularly speak in front of corporate clients about implementing wellness programs at our corporate locations. Our data about increased productivity and decreased sick days has caught the ears of the business community and we've become the voice for wellness in the KC market place. Word has spread to local professional athletes who are eager to work with our team to find the best practices as it relates to strength, conditioning and recovery.



2020FIT
PROFIT AND LOSS
January - December 2020

	TOTAL
Income	
Revenue	
Revenue - 2020 Fitness	611,624.05
Revenue - Private Training	32,412.18
Revenue - Retail	52,610.07
Revenue - Sports Performance	50,996.86
Revenue - Swing Fit	27,637.74
Revenue - Workplace Wellness	15,337.50
Total Revenue	790,618.40
Total Income	\$790,618.40
Cost of Goods Sold	
Cost of labor - COS	
CrossFit Coaching	560.00
Total Cost of labor - COS	560.00
Cost of Revenue	
2020 Fitness	131,065.11
Client Management	60,212.85
Facility	29,518.64
Front Desk	9,405.00
In House Training	1,924.04
Nutrition	0.00
Retail	32,289.21
Sports Performance	15,468.49
Swing Fit	6,274.08
Training - In House	18,869.28
Training - Outside Certification	895.00
Workplace Wellness	3,111.82
Yoga Instructor	7,650.00
Total Cost of Revenue	316,683.52
Total Cost of Goods Sold	\$317,243.52
GROSS PROFIT	\$473,374.88
Expenses	
Advertising	0.00
AMEX - Early Pay Credit	-2,115.12



2020FIT
PROFIT AND LOSS
January - December 2020

	TOTAL
Fuel	621.59
Operating Expenses	
Client Services	
ACH/Credit Card Fees	8,088.93
Advertising/Promotion	13,295.36
Child Care	2,781.74
Client Amenities	12,643.99
Client Management	77,610.14
Coaching Supplies	4,018.19
Community Events	3,906.81
Dues & Licenses	3,263.00
Front Desk Staff	1,540.00
New Client Orientation	85.99
Total Client Services	127,234.15
Facilities Expense	
Equipment Leasing	38,500.00
Facilities Supplies	20,112.89
Facility Cleaning Expense	3,842.20
Facility Maintenance	62,676.49
Phone & Internet	147.87
Plowing/Lawncare	2,991.94
Rent	132,000.00
Parking Rental	9,600.00
Total Rent	141,600.00
Scrubber Rental	6,181.71
Utilities	95.05
Electric	13,071.78
Gas	2,314.16
Internet	2,291.46
Phone	2,248.37
Trash	2,135.94
Water	1,892.06
Total Utilities	24,048.82
Total Facilities Expense	300,101.92



2020FIT
PROFIT AND LOSS
January - December 2020

	TOTAL
Other Operating Expenses	
Accounting Services	93.43
CEO Salary	38,094.92
Human Resources	4,350.00
Insurance - Liability	16,365.50
Insurance - Life	606.00
Insurance - Worker's Comp	649.40
Legal & Professional Fees	2,795.00
Meals and Entertainment	405.64
Office Supplies	4,713.11
Office Supplies/Postage/Printing	1,163.71
Postage/Shipping/Printing	452.42
Recurring Admin Fees	17,125.10
Research & Development	1,588.92
Travel	5,019.65
Travel Meals	812.24
Total Other Operating Expenses	94,235.04
Training Expenses	
Training - In House	1,597.45
Training-Outside Certification	1,588.00
Total Training Expenses	3,185.45
Total Operating Expenses	524,756.56
Payroll Expenses	
Taxes	29,421.90
Wages	0.00
Total Payroll Expenses	29,421.90
Repair & Maintenance	0.00
SEP IRA	8,000.00
SwingFit Coaching	0.00
SwingFit Program	628.05
Taxes & Licenses	829.01
Workplace Wellness	-1,000.00
Yoga Instruction	0.00
Total Expenses	\$561,141.99
NET OPERATING INCOME	\$ -87,767.11
Other Expenses	
Interest Expense	761.53



2020FIT
PROFIT AND LOSS
January - December 2020

	TOTAL
Other Expense	
Sales Tax	3,870.76
Total Other Expense	3,870.76
Total Other Expenses	\$4,632.29
NET OTHER INCOME	\$ -4,632.29
NET INCOME	\$ -92,399.40