

FITELL CORPORATION

Nasdaq: FTEL

FY2023 Earnings Call Presentation

October 31, 2023



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We believe that it is important to communicate future expectations to investors. However, there may be events in the future that we are not able to accurately predict or control. Factors that may cause such differences include, but are not limited to, those discussed under Risk Factors in our registration statement and other filings with the SEC, including the uncertainties associated with the Company's ability to raise additional capital to finance the Company's activities; the Company's and its subsidiaries' ability to fully perform all of their obligations under the contractual obligations applicable to them; the effectiveness, profitability, and the marketability of its ongoing mix shift to more advanced products; legal and regulatory risks; the Company's ability to execute its growth strategy and the effectiveness of its increased research and developments pending; the future trading of the ordinary shares of the Company; the Company's ability to operate as a public company; the period of time for which its current liquidity will enable the Company to fund its operations; general economic and business conditions; the volatility of the Company's operating results and financial condition; the Company's ability to attract or retain qualified senior management personnel and research and development staff. We do not assume any obligation to update forward-looking statements as circumstances change.

Management on Call



Yinying "Sam" Lu

Chief Executive Officer



Jamarson Kong

Chief Financial Officer

Agenda



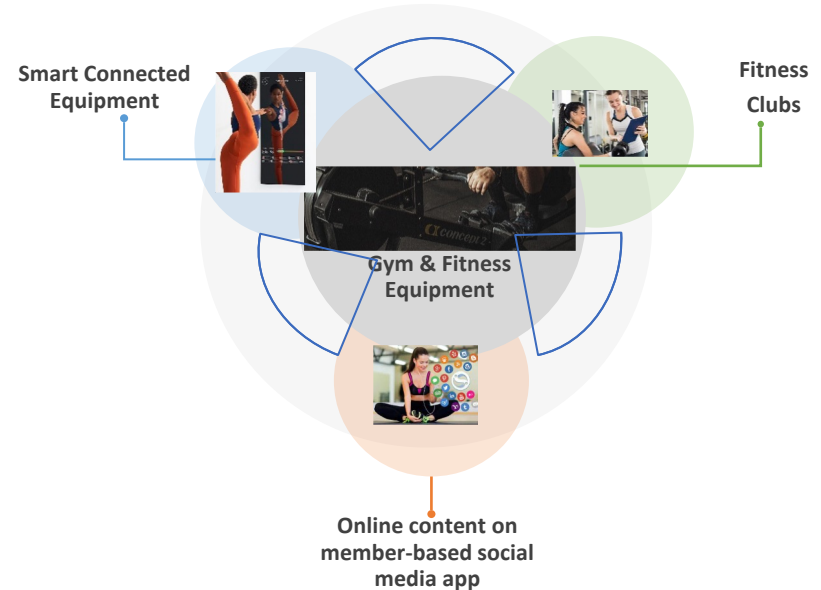
- CEO/CFO Perspective
- FY2023 Financials Overview
- Questions & Answers

CEO/CFO Perspectives



Company Overview

- Fitell Corporation (“FTEL”) is an online retailer of quality gym and fitness equipment that provides other complementary fitness related services.
- The Company’s mission is to build an ecosystem with a whole fitness and wellness experience powered by technology.
- In addition to fitness equipment portfolio to individuals and commercial customers, FTEL launched three new business verticals with integration of technology in 2021,
 - Smart Connected Equipment – includes interactive bikes and workout mirrors.
 - AI-powered interactive platform – online training content and capability to interact with trainers, follow members and track workout progress.
 - Boutique fitness clubs licensing – target at health-conscious customers with higher disposable incomes with an engaging fitness community in both online and offline setting.



Fitness Equipment

- Extensive range of strength and exercise equipment from premium proprietary and non-proprietary brands.
- Full spectrum of product coverage is exemplified by the following three proprietary brand names, which represent over 84% of revenues in the fiscal year ended June 30, 2023:



Supplier of home gym and commercial strength-training equipment. Products have an emphasis on weights, bars, power racks, benches, and gym machines.



Features similar products as Muscle Motion but with a stronger focus on commercial items.



Focus on cardio equipment, including products such as rowing machines, exercise bikes, treadmills and more. All of these items are available in both home and commercial-grade quality.

Smart Connected Equipment

- Interactive exercise bikes, treadmills, and workout mirrors with built-in touchscreens and training content platforms.
- Initiated in May 2021 and currently in development.
- Expect commercial launch in March 2024.



Boutique Fitness Clubs Licensing

mYSTEPS Training Clinic:

- Fitell has launched its licensing business with mYSTEPS Training Clinic in late 2021.
- Assisted mYSTEPS in opening 6 fitness centers in Eastern China as of April 25, 2022.



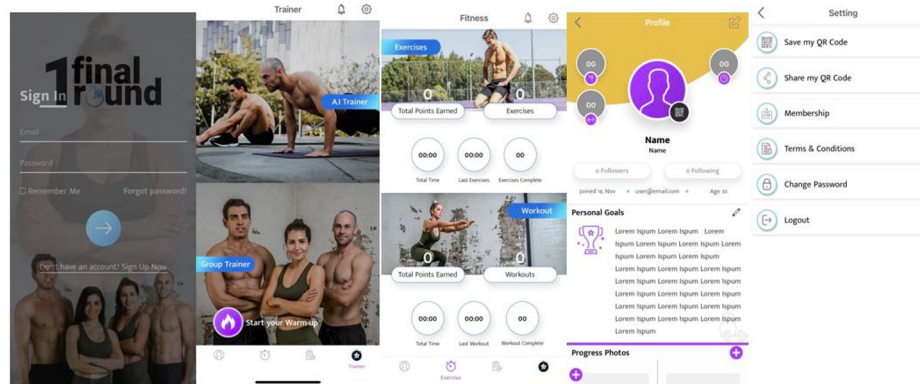
Fitell offers a turnkey solution for personal training studios and commercial gym chains.

- Work closely with licensees and offer the following services:
 - Outfitting their facilities with our proprietary state-of-the-art equipment and related products;
 - Installation of intuitive members management systems and in-depth training;
 - In-person training and virtual training services which give greater flexibility and convenience to time poor users;
- Going forward, the Company intends to seek opportunities to expand its licensing partnership footprint in the Asia-Pacific regions such as Singapore, Indonesia and Malaysia with other selective partners.



AI-powered Interactive Platform – 1FinalRound

- Proprietary online training content and capability to interact with personal trainers, follow members, and track workout progress.
- Pre-installed with our interactive fitness equipment.
- Customized solutions/one-on-one remote coaching:
 - Users pay a premium and will receive customized programs to fit individual schedules and personalized needs.
- Allow both online and offline users to participate in the training either on their own schedule or via livestreaming to interact with other subscribed members.



Growth Strategy

The Company has the following pathways toward growth in the next two to three years.

Increase Fitness Equipment Product Marketing

- Expand strategic investment on marketing campaigns in Key Opinion Leaders (KOLs), sponsoring sports events and outdoor advertisement.

Development of Private-Label Cardio Equipment

- Develop our proprietary branded cardio equipment to increase our profit margin.

Development of Gym Direct Mobile Application

- Develop a native mobile application to further expand the marketing platform.
- Will also be beneficial in tracking consumer trends and purchasing data.

Expansion of Licensing Business

- Expand licensing partnership footprint in the Asia-Pacific regions with other selective partners.

Development of Smart Connected Equipment and Digital Fitness Program

- Expand into this market in Australia and Southeast Asia.
- Grow brand awareness
- Improve member experience
- Leveraging our database of customers to increase interactive cardio equipment sales and subscription revenues
- Continue to launch new and innovative contents and products

Opportunities to Explore Other Revenue Streams

- Develop a host of solutions for white-label functional health supplement products.
- Expand businesses into used fitness equipment sales.
- Expand business segments.

FY 2023 Financials Overview



Summary Financials

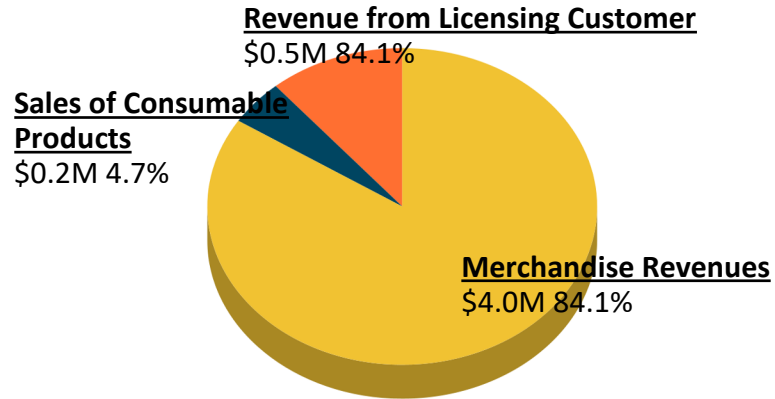


Income Statement ⁽¹⁾	FY2023 ⁽²⁾	FY2022 ⁽²⁾	Change %
Total Revenue	\$ 4,799,222	\$ 8,155,734	<i>(41.2%)</i>
Gross Profit	\$2,173,401	\$3,635,656	<i>(40.2%)</i>
Net Income	(\$1,593,394)	\$12,602	<i>(10077.7)%</i>
<i>Gross Profit Margins</i>	<i>45.3%</i>	<i>44.6%</i>	
<i>Net Income Margins</i>	<i>(33.2%)</i>	<i>0.2%</i>	

(1) All numbers in the Income Statement represented in USD.

(2) All Fiscal year-ended numbers are as of June 30.

Segment Growth



Merchandise Revenue (Millions)



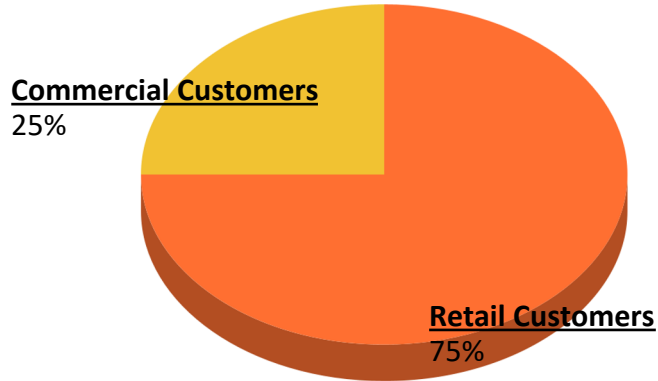
Sales of Consumable Products (Thousands)



Bioactive Ingredients (Thousands)



Customers and Orders



- Fitell's growth in both number of customers and orders from FY2022 to FY2023 was affected by inflation and raising of interest rate in Australia.
 - Received 15,183 orders and acquired 23,321 customers in FY2023, an decrease of 42.6% and 41.1%, respectively, compared to the same period of FY2022.
 - The average order value per sales order have slightly decreased by 3% in FY2023 compared to FY2022.
- Members
 - 171,905 members by end of FY2023, compared to 167,264 members at the end of FY2022.

Subsequent Events

Fitell has successfully listed on Nasdaq and has raised a net proceed of approximately \$13.6 million for the issuance of 3,000,000 shares of common stock.

August 8, 2023

June 30, 2023

Subsequent to June 30, 2023, the Company has entered into a consulting agreement with a third party, for future capital market and fund-raising consulting services. The consideration of the contract is \$1.8 million.

Fitell announced the Board appointed Yinying “Sam” Lu, a member of the Board, to serve as Chief Executive Officer beginning as of October 23, 2023.

October 23, 2023

Q&A



- To ask a question you may **press * then 1** on your touch-tone phone. If you are using a speakerphone, please pick up your handset before pressing the keys. To withdraw your question please **press * then 2**.
- For those on the webcast, You may submit questions by typing in the Submit a Question box on your screen.

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