



Q4 2024
SATS

The Group, through our brands and concepts SATS, ELIXIA, Fresh Fitness, SATS Yoga, and SATS Online, is the leading provider of fitness and training services in the Nordics with 272 clubs, close to 10 000 employees, and 733 000 members.

Everyone is welcome at SATS, and our members have full flexibility to tailor their membership package to address their individual needs. We offer cutting-edge studio facilities for individual training, the broadest selection of group training with superior programming, and highly qualified personal trainers for specialized training and individual coaching. We also have a strong focus on supporting our members through online training and digital tools for when they are not able to physically visit our club facilities. We are also constantly working with trend research and innovation to be the industry's best and most forward-looking fitness chain.

THIS IS SATS

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WORDS FROM THE CEO

"Product improvements, increased member engagement and disciplined execution have translated into robust revenue growth, improved profitability, and a strengthened financial position."

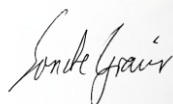
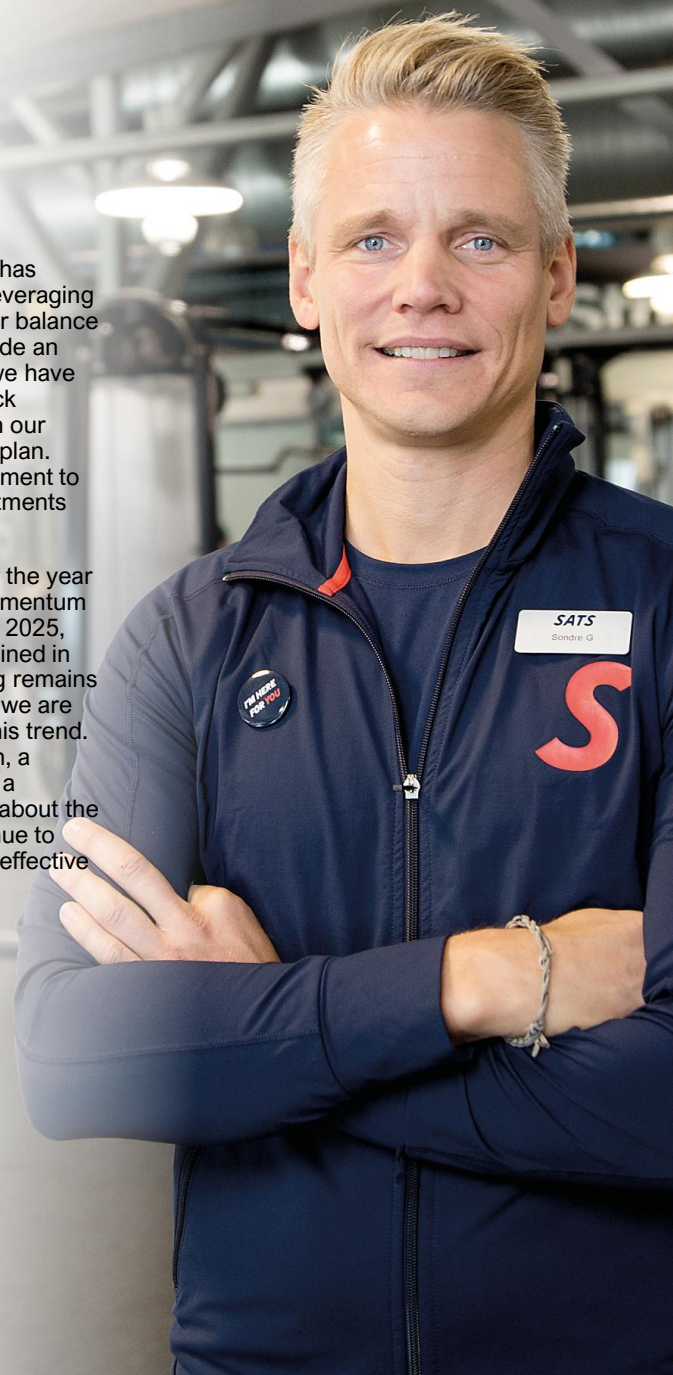
2024 was a year of strong progress for SATS, both in terms of financial performance and our commitment to delivering the best training experience for our members. Our strategic investments in product enhancements have resulted in increased activity levels, higher member engagement and strong financial performance. We are improving our capacity and quality in the product offering in all countries, with a strong focus on improving our group training offering. This strengthens our competitive position and reinforces member loyalty.

Our financial performance in Q4 and throughout 2024 has been solid, with continued growth across all key metrics. Product investments, increased member engagement and disciplined execution have translated into robust revenue growth, improved profitability, and a strengthened financial position. This momentum enables reinvestments in our product offering while maintaining financial resilience.

The strong cash flow generation has allowed us to accelerate our deleveraging journey, further strengthening our balance sheet. During the quarter, we made an additional debt repayment, and we have now also initiated a share buyback program, marking the first step in our broader shareholder distribution plan. These actions reflect our commitment to balancing strategic growth investments with shareholder value creation.

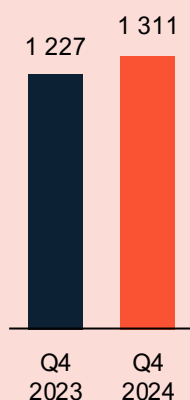
Looking ahead to 2025, we enter the year with confidence. The positive momentum from Q4 has continued into early 2025, with elevated activity levels sustained in the first half of Q1. Group training remains a key driver of engagement, and we are well-positioned to capitalize on this trend. With a strong financial foundation, a compelling product offering, and a passionate team, we are excited about the opportunities ahead as we continue to make training available, fun, and effective for everyone.

Sondre Gravir
CEO

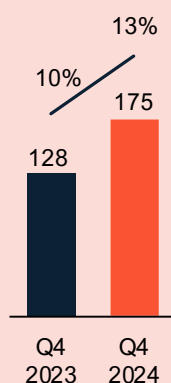
Revenues
NOK million

7%



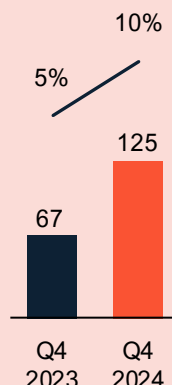
EBITDA¹
NOK million / margin

37%



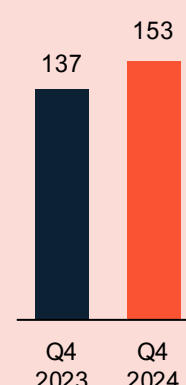
EBIT¹
NOK million / margin

87%



Free cash flow
NOK million

12%



1) Before impact of IFRS 16. For further information regarding definitions and Alternative Performance Measures, please see Appendix

HIGHLIGHTS

- Total revenues summed up to NOK 1 311 million and NOK 5 064 million in Q4 2024 and FY 2024 respectively, increasing by 7% in both periods
- EBITDA before IFRS 16 of NOK 175 million in Q4 2024 and NOK 738 million in FY 2024, up 37% and 20% respectively
- EBIT before IFRS 16 increasing by 87% to NOK 125 million in Q4 2024 and 40% to NOK 526 million in FY 2024
- Operating cash flow of NOK 180 million in the quarter and NOK 509 million full year 2024, corresponding to cash conversions of 103% and 68% respectively
- Focused product investments continued to boost activity levels and member loyalty, translating into the strong financial performance
- Financial strength enabling debt reduction of NOK 103 million in Q4 2024 and initiation of the first share buyback program in 2025 of up to NOK 100 million before AGM in April
- Positive momentum from Q4 2024 has carried into early 2025, with elevated activity levels persisting into the first half of Q1

Key Financial Figures and Alternative Performance Measures (APM)¹

	Q4 2024	Q4 2023	FY 2024	FY 2023
<i>Amounts in NOK million (unless otherwise stated)</i>				
Membership revenue	1 080	1 004	4 193	3 870
Other revenues	230	223	871	864
Total revenues	1 311	1 227	5 064	4 734
EBITDA	474	425	1 942	1 784
Margin (%)	36 %	35 %	38 %	38 %
Operating profit	181	123	744	607
Profit for the period	75	35	326	224
Earnings per share (NOK)	0.37	0.17	1.59	1.10
Total overhead costs	-161	-157	-591	-550
EBITDA before impact of IFRS 16	175	128	738	614
Margin (%)	13 %	10 %	15 %	13 %
EBIT before impact of IFRS 16	125	67	525	377
Margin (%)	10 %	5 %	10 %	8 %
Maintenance Capex	155	66	265	120
Total Capex	163	83	287	167
Net debt	1 069	1 439	1 069	1 439
Operating cash flow	180	161	509	473
Free cash flow	153	137	407	299
Leverage	1.4	2.3	1.4	2.3
Clubs	272	276	272	276
Members ('000)	733	731	733	731
ARPM (NOK/month)	598	559	576	543

¹⁾ As defined in Appendix under Alternative Performance Measures

BOARD OF DIRECTORS' REPORT

ANALYSIS OF THE Q4 2024 FINANCIAL STATEMENTS

All financial statements show the period 1 October 2024 to 31 December 2024, compared to the accounts for the period 1 October 2023 to 31 December 2023.

Statement of comprehensive income

Total revenues increased by 7% to NOK 1 311 million in Q4 2024, compared to NOK 1 227 million in Q4 2023, driven by higher membership revenues. Membership revenues increased in all countries in Q4 2024 compared to Q4 2023. The total member base increased by 0.3% compared to Q4 2023, with four fewer clubs in the portfolio this quarter than last year. ARPM increased by 7%, as a result of improved product mix and price adjustments.

Total operating expenses increased by 2% to NOK 1 130 million in Q4 2024, while operating expenses excluding depreciation and amortization increased by 4% to NOK 836 million. The increase in operating expenses from last year is mainly due to higher personnel expenses related to investments in product offering and the higher price levels in general. Management has performed a review of the economic useful life for fixed assets, resulting in adjustments to the depreciation periods for a certain group of assets. With effect from January 1, 2024, the depreciation period for fitness equipment has been prolonged from 5-9 years to 7-12 years. As a result of this adjustment, depreciation expenses in 2024 were reduced by NOK 21 million.

The operating profit increased by 47% from NOK 123 million in Q4 2023 to NOK 181 million in Q4 this year.

Net financial items in Q4 2024 was negative NOK 77 million, compared to negative NOK 67 million in Q4 2023. Income tax expense in Q4 2024 was NOK 28 million.

Profit before tax was NOK 103 million in Q4 2024, compared NOK 57 million in Q4 2023. Profit for the period was NOK 75 million in Q4 2024, compared to NOK 35 million in Q4 2023. The total comprehensive income was NOK 82 million, compared to a loss of NOK 3 million in Q4 2023.

Statement of financial position

Consolidated assets increased by NOK 353 million to NOK 9 336 million in Q4 2024 compared to Q4 2023. Right-of-use assets and intangible assets were the most significant components of consolidated assets, amounting to NOK 4 657 million and NOK 2 661 million, respectively, on December 31, 2024. Non-current assets increased by NOK 204 million, while current assets increased by NOK 149 million. The increase in non-current assets was mainly driven by an increase in right-of use assets and property, plant and equipment. The increase in current assets was primarily driven by cash and cash equivalents and other current receivables.

Total liabilities increased from NOK 7 963 million as of December 31, 2023, to NOK 7 991 million as of December 31, 2024, primarily due to increased contract liability and current tax liabilities.

As of December 31, 2024, consolidated equity amounted to NOK 1 345 million, representing an equity ratio of 14.4%, compared to NOK 1 020 million and 11.4% of December 31, 2023.

Statement of cash flows

In Q4 2024, consolidated cash and cash equivalents increased by NOK 52 million, compared to a decrease of NOK 149 million in Q4 2023.

The Group had cash and cash equivalents of NOK 371 million as of December 31, 2024. In addition, the Group had NOK 931 million available in undrawn amount on the revolving credit facility.

Net cash flow from the Group's operations was NOK 630 million in Q4 2024, compared to NOK 543 million in Q4 2023. The increased cash flow from operations was mainly due to the change in trade payables and an increase in profit. The net working capital has high seasonal fluctuations, typically being lower in Nov-May and higher in Jun-Oct. In the quarter, the net working capital effect was positive by NOK 160 million (compared to positive NOK 99 million in Q4 2023), mainly due to an increase in trade payables.

Net cash outflow from investing activities amounted to NOK 160 million in Q4 2024, compared to an outflow of NOK 80 million in Q4 2023, mainly due to significant increase in club maintenance and upgrades.

Net cash outflow from financing was NOK 418 million in Q4 2024, compared to a cash outflow of NOK 612 million in Q4 2023. In Q4 2023, the company repaid NOK 288 million to the credit facility and restated the currency mix for borrowings. In Q4 2024, NOK 103 million was repaid to the credit facility.

Segment development

The following sections of this report review each operating segment. Unless otherwise stated, comments regarding development reflect a comparison between Q4 2024 and Q4 2023.

Norway is the largest operating segment in the Group, with 45% of the consolidated total revenues in 2024. SATS Norway had 332 000 members at the end of the quarter. SATS is a well-known brand in Norway and the largest operator of fitness clubs.

SATS Norway counted 117 clubs by the end of Q4 2024, of which 78 SATS clubs and 39 Fresh Fitness clubs.

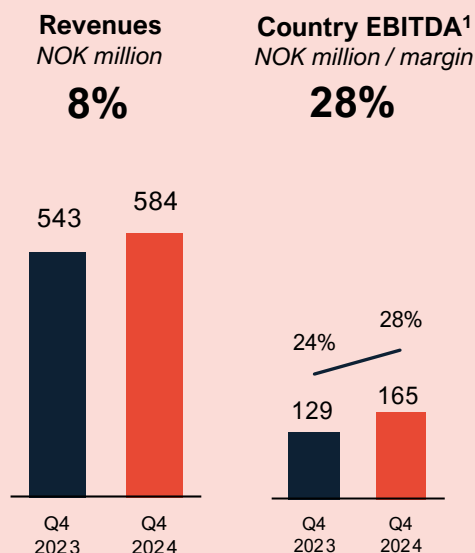
The member base grew by 2% during the year, despite a slight reduction in the number of clubs, as a part of optimizing the club portfolio.

The average revenue per member (ARPM) was NOK 589 in Q4 2024, up 6% from Q4 2023, driven by improved membership mix and successful price adjustments of both new and existing members. The price increases in combination with volume growth translated into a 8% revenue increase to NOK 584 million in the quarter.

Country EBITDA increased by 28% to NOK 165 million, resulting in a quarterly Country EBITDA margin of 28%, 4 p.p. higher than in Q4 2023.

Key Financial Figures and Alternative Performance Measures (APM)

	Q4 2024	Q4 2023	FY 2024	FY 2023
<i>Amounts in NOK million (unless otherwise stated)</i>				
Membership revenue	484	446	1 887	1 763
Other revenues	100	96	378	389
Total revenues	584	543	2 265	2 153
EBITDA	235	197	955	859
Margin (%)	40%	36%	42%	40%
Operating profit	131	91	539	437
Profit/loss for the period	108	85	376	301
Country EBITDA before impact of IFRS 16	165	129	668	560
Margin (%)	28%	24%	29%	26%
EBITDA before impact of IFRS 16	119	80	489	387
Margin (%)	20%	15%	22%	18%
Clubs	117	119	117	119
Members ('000)	332	326	332	326
ARPM (NOK/month)	589	555	573	551



¹⁾ Country EBITDA before impact of IFRS 16

SWEDEN

Sweden is the second-largest segment in the Group, with 34% of the total consolidated revenues in 2024. SATS Sweden had 248 000 members at the end of the quarter. SATS has maintained a strong position in Sweden over many years.

SATS Sweden counted 95 clubs by the end of Q4 2024, with the majority of the portfolio in the Stockholm area. SATS closed one club in Sweden in the quarter, as part of a portfolio optimization.

The member base development was flat during 2024. However, the average revenue per member (ARPM) increased by 6% from Q4 2023 to Q4 2024 to NOK 600.

In sum, total revenues increased by 5% to NOK 445 million in the quarter, driven by increased membership revenue.

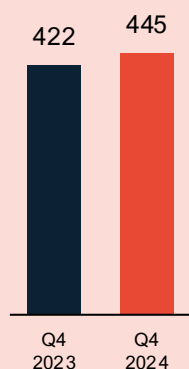
Country EBITDA decreased by 11% to NOK 74 million, resulting in a quarterly Country EBITDA margin of 17%, 3 p.p. down from Q4 2023.

Key Financial Figures and Alternative Performance Measures (APM)

	Q4 2024	Q4 2023	FY 2024	FY 2023
<i>Amounts in NOK million (unless otherwise stated)</i>				
Membership revenue	359	337	1 397	1 281
Other revenues	86	85	311	315
Total revenues	445	422	1 708	1 597
EBITDA	150	151	612	605
Margin (%)	34%	36%	36%	38%
Operating profit	38	44	171	193
Profit/loss for the period	4	23	58	95
Country EBITDA before impact of IFRS 16	74	83	302	330
Margin (%)	17%	20%	18%	21%
EBITDA before impact of IFRS 16	34	41	152	185
Margin (%)	8%	10%	9%	12%
Clubs	95	95	95	95
Members ('000)	248	249	248	249
ARPM (NOK/month)	600	564	573	540

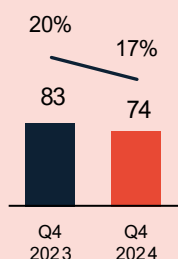
Revenues NOK million

5%



Country EBITDA¹ NOK million / margin

-11%



¹⁾ Country EBITDA before impact of IFRS 16

In Finland, the business is operated under the brand ELIXIA, and the Finnish operations constituted 10% of consolidated total revenues in 2024. At the end of the quarter, ELIXIA Finland had 71 000 members. The Finnish fitness market is highly fragmented, and ELIXIA is the market leader.

The member base has been relatively stable in Finland the past year, despite a net reduction of two clubs.

The Q4 average revenue per member (ARPM) is up 9% to NOK 623 as a result of successful product improvements and price adjustments. Correspondingly, total revenues for the quarter increased by 9% to NOK 132 million.

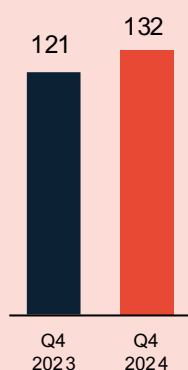
Country EBITDA decreased by 794% to NOK 17 million in the quarter. Quarterly Country EBITDA margin was consequently 13%, up 11 p.p. from Q4 2023.

Key Financial Figures and Alternative Performance Measures (APM)

	Q4 2024	Q4 2023	FY 2024	FY 2023
<i>Amounts in NOK million (unless otherwise stated)</i>				
Membership revenue	110	102	422	390
Other revenues	22	19	79	76
Total revenues	132	121	501	466
EBITDA	44	30	165	159
Margin (%)	33%	25%	33%	34%
Operating profit	12	-5	29	27
Profit/loss for the period	5	-11	3	3
Country EBITDA before impact of IFRS 16	17	2	52	48
Margin (%)	13%	2%	10%	10%
EBITDA before impact of IFRS 16	11	-5	29	25
Margin (%)	8%	-4%	6%	5%
Clubs	31	33	31	33
Members ('000)	71	71	71	71
ARPM (NOK/month)	623	570	588	550

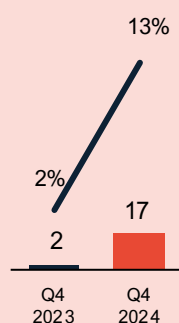
Revenues NOK million

9%



Country EBITDA¹ NOK million / margin

794%



¹⁾ Country EBITDA before impact of IFRS 16

DENMARK

The Danish operation constituted 12% of consolidated total revenues in 2024. SATS Denmark, with 82 000 members at the end of the quarter, is one of the largest fitness operators in the Greater Copenhagen area, and the number two operator in the Danish fitness club market.

SATS Denmark has 29 clubs in the Copenhagen area, a club portfolio which has been unchanged during the year. The member base is down 3% compared to Q4 2023. However, revenue per member (ARPM) has increased by 10% in the quarter, reaching NOK 604. The substantial ARPM increase is a result of broader price adjustments than in the other markets in Q4 2023 and Q1 2024.

Total revenues of NOK 149 increased by 7% compared to the same quarter last year.

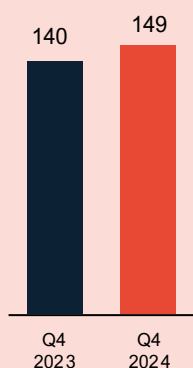
Country EBITDA improved by 44% to NOK 12 million, resulting in a quarterly Country EBITDA margin of 8%, 2 p.p. higher than in Q4 2023.

Key Financial Figures and Alternative Performance Measures (APM)

	Q4 2024	Q4 2023	FY 2024	FY 2023
<i>Amounts in NOK million (unless otherwise stated)</i>				
Membership revenue	128	119	487	436
Other revenues	21	21	102	80
Total revenues	149	140	589	516
EBITDA	39	37	165	132
Margin (%)	26%	26%	28%	26%
Operating profit	3	-3	17	-29
Profit/loss for the period	-10	-21	-51	-98
Country EBITDA before impact of IFRS 16	12	8	53	15
Margin (%)	8%	6%	9%	3%
EBITDA before impact of IFRS 16	4	0	24	-13
Margin (%)	3%	0%	4%	-3%
Clubs	29	29	29	29
Members ('000)	82	85	82	85
ARPM (NOK/month)	604	551	590	517

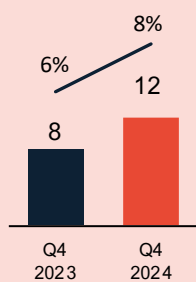
Revenues NOK million

7%



Country EBITDA¹ NOK million / margin

44%



¹⁾ Country EBITDA before impact of IFRS 16

BUSINESS AND INDUSTRY OUTLOOK

The heightened societal emphasis on health and well-being, as well as the strong global trends such as political initiatives for health and digitalization, are driving awareness of health and fitness. This is leading to a growing health and wellness sector.

SATS has strengthened the member product offering, which enables volume and ARPM growth, fueling revenue going forward. The company still has unleashed potential in the existing club portfolio, driven by square meter utilization and equipment optimization and increased operational efficiency. This will be a key driver for improved financial performance, accelerated by operating leverage and high drop-through to EBIT. The financial momentum will further strengthen our balance sheet, enabling SATS to execute on the company's ambitions of balanced expansion.

SHAREHOLDER INFORMATION

SATS ASA's share capital was NOK 435 million as at December 31, 2024, divided into 204 694 588 ordinary shares, each with a par value of NOK 2.125. All the shares have been fully paid and have equal rights. SATS owned 234 114 treasury shares as at the balance sheet date. The number of shareholders as at December 31, 2024, was 7 420.

FINANCIAL POLICY AND DIVIDEND

SATS has a conservative approach to leverage, targeting a net debt (current and non-current bank borrowings less cash and cash equivalents) to adjusted EBITDA before impact of IFRS 16 at the lower end of the 1.5x to 2.0x range.

SATS prioritize maintaining a robust balance sheet and strong liquidity position to ensure financial stability and flexibility.

Excess capital will be returned to shareholders, while considering long term financial robustness, growth opportunities and strategic initiatives, aiming to distribute at least 50% of annual net profit as a combination of share buybacks and semi-annual dividends.

RISK AND UNCERTAINTY FACTORS

SATS operates in a broad range of geographical markets in the highly competitive health and fitness industry. In achieving its long-term strategic objectives, SATS is inherently involved in taking risks. Please see the Group's 2023 Annual Report (Board of Directors' Report and Note 25), for a detailed description of the Group's risk factors and risk management policies and procedures.

EVENTS AFTER THE BALANCE SHEET DATE

On February 11, 2025, the Board of Directors of SATS ASA resolved to initiate a share buyback program with a maximum consideration of NOK 100 million. The buyback program will commence on February 17, 2025 and end no later than April 25, 2025.

There have been no other material events subsequent to the reporting period that might significantly affect the consolidated interim financial statements for the fourth quarter of 2024.

DISCLAIMER

This report includes forward-looking statements based on our current expectations and projections about future events. Statements herein regarding future events or prospects, other than statements of historical facts, are forward-looking statements. All such statements are subject to inherent risks and uncertainties, and many factors can lead to actual profit and developments deviating substantially from what has been expressed or implied in such statements. As a result, undue reliance should not be placed on these forward-looking statements.

Oslo, February 11, 2025

The Board of Directors

CONSOLIDATED INCOME STATEMENT

	Notes	Q4 2024	Q4 2023	2024	2023
(Amounts in NOK million)					
Revenue	2	1 311	1 227	5 064	4 734
Operating expenses					
Cost of goods sold		-40	-35	-143	-137
Personnel expenses		-511	-476	-1 861	-1 677
Other operating expenses		-286	-291	-1 119	-1 136
Depreciation and amortization	6, 7, 8	-294	-302	-1 198	-1 178
Total operating expenses		-1 130	-1 104	-4 320	-4 127
Operating profit		181	123	744	607
Interest income		9	13	39	50
Finance income		13	38	115	106
Interest expense		-81	-94	-334	-395
Finance expense		-18	-23	-131	-55
Net financial items		-77	-67	-310	-293
Profit before tax		103	57	434	313
Income tax expense	3	-28	-21	-108	-89
Profit for the period		75	35	326	224
Profit for the year is attributable to:					
Equity holders of the Group		75	35	326	224
Total allocation		75	35	326	224
Earnings per share in NOK					
Basic earnings per share attributable to equity holders of the company	4	0,37	0,17	1,59	1,10
Diluted earnings per share attributable to equity holders of the company	4	0,37	0,17	1,59	1,10

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q4 2024	Q4 2023	2024	2023
<i>(Amounts in NOK million)</i>				
Profit for the period	75	35	326	224
Other comprehensive income				
Currency translation adjustment - may be reclassified to profit or loss	6	-38	-10	-62
Other comprehensive income, net of tax	6	-38	-10	-62
Total comprehensive income for the period	82	-3	315	162
Total comprehensive income is attributable to:				
Equity holders of the Group	82	-3	315	162
Total comprehensive income for the period	82	-3	315	162

CONSOLIDATED BALANCE SHEET

	Notes	December 31 2024	December 31 2023
(Amounts in NOK million)			
ASSETS			
Non-current assets			
Intangible assets	6	2 661	2 628
Right-of-use assets	8	4 657	4 570
Property, plant and equipment	7	792	705
Other non-current receivables		56	63
Derivative financial instruments	9	33	36
Deferred tax assets	3	185	178
Total non-current assets		8 384	8 181
Current assets			
Inventories		54	55
Accounts receivables		159	136
Other current receivables		131	86
Prepaid expenses and accrued income		237	237
Derivative financial instruments	9	0	6
Cash and cash equivalents		371	282
Total current assets		952	802
Total assets		9 336	8 983
EQUITY			
Share capital		435	435
Share premium		3 050	3 050
Treasury shares		-19	-24
Other reserves		-7	-1
Retained earnings		-2 115	-2 441
Total equity		1 345	1 020
LIABILITIES			
Non-current liabilities			
Deferred tax liability	3	103	78
Borrowings	5	1 440	1 721
Lease liability	5	4 090	4 009
Derivative financial instruments	9	4	0
Total non-current liabilities		5 638	5 808
Current liabilities			
Borrowings	5	12	17
Lease liability	5	959	929
Derivative financial instruments	9	6	0
Contract liability		653	548
Trade and other payables		178	130
Current tax liabilities		74	2
Public fees and charges payable		112	115
Other current liabilities		360	415
Total current liabilities		2 353	2 155
Total liabilities		7 991	7 963
Total equity and liabilities		9 336	8 983

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Treasury shares	Foreign exchange translation reserve	Share-based payments reserve	Retained earnings	Total attributable to owners of the Group	Total equity
<i>(Amounts in NOK million)</i>								
Equity January 1, 2023	431	3 045	-14	58	6	-2 668	860	860
Profit for the period						224	224	224
OCI for the period				-62			-62	-62
Total comprehensive income for the period	0	0	0	-62	0	224	162	162
Investment program			4		-4	4	4	4
Share issues and capital increase expenses	4	5					8	8
Repurchase of shares			-21				-21	-21
Proceeds from sale of own shares			6				6	6
Equity December 31, 2023	435	3 050	-24	-3	2	-2 441	1 020	1 020
Equity January 1, 2024	435	3 050	-24	-3	2	-2 441	1 020	1 020
Profit for the period						326	326	326
OCI for the period				-10			-10	-10
Total comprehensive income for the period	0	0	0	-10	0	326	315	315
Investment program					4		5	5
Proceeds from sale of own shares			5				5	5
Equity December 31, 2024	435	3 050	-19	-14	7	-2 115	1 345	1 345

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Q4 2024	Q4 2023	2024	2023
<i>(Amounts in NOK million)</i>					
Cash flow from operations					
Profit before tax		103	57	434	313
Adjustment for:					
Taxes paid in the period		-4	18	-24	-4
Gain/loss from disposal or sale of equipment		-1	1	-1	-1
Depreciation, amortization and impairment	6, 7, 8	294	302	1 198	1 178
Net financial items		77	67	310	293
Change in inventory		2	3	1	2
Change in accounts receivables		-23	-18	-23	-11
Change in trade payables		110	13	49	13
Change in other receivables and accruals		72	101	9	-26
Net cash flow from operations		630	543	1 953	1 758
Cash flow from investing					
Purchase of property, plant and equipment and intangible assets	6, 7	-163	-80	-287	-167
Loan to related parties	10	0	0	0	-6
Proceeds from property, plant and equipment		1	0	2	1
Proceeds from loan to related parties	10	2	0	3	0
Net cash flow from investing		-160	-80	-282	-172
Cash flow from financing					
Repayments of borrowings	5	-103	-288	-435	-288
Proceeds from borrowings	5	0	0	113	0
Installments on lease liabilities	5	-240	-238	-962	-947
Paid interests on borrowings	5	-16	-28	-58	-123
Interests on lease liabilities	5	-62	-59	-246	-224
Proceeds from issues of shares	4	0	0	0	8
Purchase of own shares	4	0	0	0	-21
Proceeds from sale of own shares	4	0	0	5	6
Other financial items		2	2	2	1
Net cash flow from financing		-418	-612	-1 580	-1 587
Net increase/decrease in cash and cash equivalents		52	-149	91	-1
Effect of foreign exchange rate changes on cash and cash equivalents		0	-11	-2	-63
Cash and cash equivalents at the beginning of the period		319	442	282	345
Cash and cash equivalents at the end of period		371	282	371	282

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NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 **General information and basis for preparation**

General information

SATS (the "Group") consists of SATS ASA (the "Company") and its subsidiaries. The accompanying consolidated interim financial statements include the financial statements of SATS ASA and its subsidiaries. The consolidated financial statements of the Group for the year ended December 31, 2023 are available at www.satsgroup.com.

Basis for preparation

These consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union (the "EU") and additional requirements in the Norwegian Securities Trading Act. This interim financial report does not include all information and disclosures required by International Financial Accounting Standards ("IFRS") for a complete set of annual financial statements. Accordingly, this report should be read in conjunction with the annual report for the year ended December 31, 2023.

These consolidated interim financial statements are unaudited.

The accounting policies applied by the Group in these consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended December 31, 2023. Because of rounding differences, numbers or percentages may not add up to the sum totals. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to or has rights to variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Significant changes in the current reporting period

The financial position and the performance of the Group was not, other than mentioned above, mainly affected by any events or transactions during 2024.

General

The Group's business is primarily the sale of fitness club memberships, personal trainer sessions and retail sales through the fitness clubs' stores and the Group's website. The Group's sales are made primarily from fitness clubs in Norway, Sweden, Finland and Denmark.

The Group's chief operating decision maker is the Nordic Management Group, consisting of the CEO, country managers and the heads of Group functions. The Nordic Management Group is responsible for allocating resources and assessing the performance of the segments.

The Group's performance is reviewed by the Nordic Management Group by geographical area of operations which are identified as Norway, Sweden, Finland and Denmark. The "Group functions and other" column relates to other business activities, such as HQ functions and other unallocated items (mainly financing and derivatives).

The Nordic Management Group primarily uses EBITDA¹⁾, EBITDA before impact of IFRS 16¹⁾ and Country EBITDA before impact of IFRS 16¹⁾ to assess the performance of the operating segments. However, the Nordic Management Group also receives information about the segments' revenue and the consolidated balance sheet of the Group on a monthly basis.

None of the Group's customers amounts to 10% or more of total revenues.

Operating segment information

The segment information provided to the Nordic Management Group for the reportable segments for Q4 2024, Q4 2023 and the years ended December 31, 2024 and 2023 is as follows:

SATS Group	Norway	Sweden	Finland	Denmark	Group functions and other	Total
(Amounts in NOK million)						

Q4 2024**Revenue**

Membership revenue	484	359	110	128	0	1 080
Other revenues	100	86	22	21	0	230
Total revenues	584	445	132	149	0	1 311

EBITDA¹⁾ and EBITDA before impact of IFRS 16¹⁾ reconcile to profit/loss for the period as follows:

EBITDA before impact of IFRS 16¹⁾	119	34	11	4	7	175
Impact of IFRS 16	116	116	33	35	0	300
EBITDA¹⁾	235	150	44	39	7	474
Depreciation and amortization	-104	-112	-32	-36	-11	-294
Operating profit/loss	131	38	12	3	-4	181
Net financial items ²⁾	-20	-30	-6	-14	-7	-77
Income tax expense	-4	-4	0	0	-20	-28
Profit/loss for the period	108	4	5	-10	-31	75

Q4 2023**Revenue**

Membership revenue	446	337	102	119	0	1 004
Other revenues	96	85	19	21	1	223
Total revenues	543	422	121	140	1	1 227

EBITDA¹⁾ and EBITDA before impact of IFRS 16¹⁾ reconcile to profit/loss for the period as follows:

EBITDA before impact of IFRS 16¹⁾	80	41	-5	0	11	128
Impact of IFRS 16	116	110	35	36	0	297
EBITDA¹⁾	197	151	30	37	11	425
Depreciation and amortization	-105	-107	-35	-40	-15	-302
Operating profit/loss	91	44	-5	-3	-4	123
Net financial items ²⁾	-22	-16	-6	-18	-5	-67
Income tax expense	16	-4	0	0	-33	-21
Profit/loss for the period	85	23	-11	-21	-42	35

¹⁾ For further information about definitions, please see the appendix Alternative Performance Measures.

²⁾ Financial income and expenses are allocated to Group functions and other since this type of activity is derived by the central treasury function, which manages the cash position of the Group.

SATS Group	Norway	Sweden	Finland	Denmark	Group functions and other	Total
(Amounts in NOK million)						
2024						
Revenue						
Membership revenue	1 887	1 397	422	487	0	4 193
Other revenues	378	311	79	102	1	871
Total revenues	2 265	1 708	501	589	1	5 064

EBITDA¹⁾ and EBITDA before impact of IFRS 16¹⁾ reconcile to profit/loss for the period as follows:

EBITDA before impact of IFRS 16¹⁾	489	152	29	24	44	738
Impact of IFRS 16	466	460	137	141	0	1 204
EBITDA¹⁾	955	612	165	165	44	1 942
Depreciation and amortization	-416	-441	-137	-148	-55	-1 198
Operating profit/loss	539	171	29	17	-11	744
Net financial items ²⁾	-84	-95	-25	-69	-37	-310
Income tax expense	-79	-18	0	1	-12	-108
Profit/loss for the period	376	58	3	-51	-60	326

2023

Revenue						
Membership revenue	1 763	1 281	390	436	0	3 870
Other revenues	389	315	76	80	3	864
Total revenues	2 153	1 597	466	516	3	4 734

EBITDA¹⁾ and EBITDA before impact of IFRS 16¹⁾ reconcile to profit/loss for the period as follows:

EBITDA before impact of IFRS 16¹⁾	387	185	25	-13	29	614
Impact of IFRS 16	472	420	133	145	0	1 170
EBITDA¹⁾	859	605	159	132	29	1 784
Depreciation and amortization	-421	-412	-132	-161	-52	-1 178
Operating profit/loss	437	193	27	-29	-22	607
Net financial items ²⁾	-93	-76	-25	-69	-31	-293
Income tax expense	-44	-22	0	1	-24	-89
Profit/loss for the period	301	95	3	-98	-77	224

¹⁾ For further information about definitions, please see the appendix Alternative Performance Measures.

²⁾ Financial income and expenses are allocated to Group functions and other since this type of activity is derived by the central treasury function, which manages the cash position of the Group.

NOTE 3 Profit and loss information

Income tax expense

The actual tax expense is used as basis for the fourth quarter, 2024 and 2023 full-year income tax recognition. Deferred tax assets for Finland and Denmark from losses carried forward are not recognized in 2024 due to uncertainty that future taxable profits will be available against the unused tax losses within a reasonable time frame.

Definitions

In the interim financial statements, Q4 is the reporting period from October 1 to December 31.

NOTE 4 Earnings per share

Earnings per share are calculated by dividing profit attributable to holders of shares in the parent company by a weighted average number of shares outstanding. Earnings per share after dilution is calculated by dividing profit/loss attributable to holders of shares in the parent company by the average number of shares outstanding, adjusted for the dilution effect of shares from share investment programs delivering matching shares. Dilutive shares are disregarded in the calculation of diluted EPS when a loss is reported.

On March 25, 2024, the board of directors resolved to award a total of 12,124 matching shares to two participants as a part of the share investment program implemented in 2020. The value of the matching shares is NOK 15,77 each, representing the trading price of the company's shares at the close of trading on March 22, 2024, with a 13.33% discount to reflect the one-year lock-up obligation.

The share investment programs for employees in the SATS ASA Group imply that the company, on the balance sheet date of December 31, 2024, will deliver 181 982 matching shares to employees in 2025, 723 344 shares in 2026 and 124 072 shares in 2027. Allocation of matching shares is further contingent upon the company's performance over time.

As of the balance sheet date of December 31, 2024, the number of shares issued was 204 694 588 and the company holds 234 114 treasury shares.

Basic earnings per share attributable to equity holders of the company

(NOK per share)	Q4 2024	Q4 2023	2024	2023
Basic earnings	0,37	0,17	1,59	1,10
Total basic earnings per share	0,37	0,17	1,59	1,10
Weighted average number of outstanding shares	204 460 474	204 075 774	204 426 382	203 103 000

Diluted earnings per share attributable to equity holders of the company

(NOK per share)	Q4 2024	Q4 2023	2024	2023
Diluted earnings	0,37	0,17	1,59	1,10
Total diluted earnings per share	0,37	0,17	1,59	1,10
Weighted average number of outstanding shares	205 493 006	205 275 662	205 458 913	204 069 165

Reconciliation of earnings used in calculating earnings per share

(Amounts in NOK million)	Q4 2024	Q4 2023	2024	2023
Basic earnings per share				
Profit attributable to equity holders of the Group	75	35	326	224
Profit used in calculating basic earnings per share	75	35	326	224
Diluted earnings per share				
Profit used in calculating diluted earnings per share	75	35	326	224
Profit used in calculating diluted earnings per share	75	35	326	224

NOTE 5 Interest-bearing liabilities

	December 31 2024	December 31 2023
Overview of interest-bearing liabilities		
<i>(Amounts in NOK million)</i>		
Current		
Accrued interest cost	12	17
Lease liabilities	959	929
Total current interest-bearing liabilities	971	946
Non-current		
Bank borrowings	1 440	1 721
Lease liabilities	4 090	4 009
Total non-current interest-bearing liabilities	5 530	5 730
Total interest-bearing liabilities	6 501	6 676
Total bank borrowings	1 440	1 721
Cash and cash equivalents	371	282
Net debt¹⁾	1 069	1 439

¹⁾ For further information regarding Net debt, please see the appendix Alternative Performance Measures.

The long-term loan facility agreement

The company has an unsecured revolving credit facility (RCF) agreement, consisting of a multicurrency RCF with a maximum principal amount of NOK 2 500 million. At the end of the fourth quarter, the remaining undrawn credit amounted to NOK 931 million.

Interests on borrowings under the facility will be paid at an annual interest rate equal to the applicable IBOR plus a margin reliant on the leverage ratio of the Group.

The facility will fully mature in July 2027, with options for extension for up to two one-year terms. No installment payments are due before this time. Interest payable will depend on the principal amount of the facility at any given time. However, based on the current draw-down, IBOR and margin, the interest payment for the next twelve months is expected to be at 61 million before any gains or losses from the swap, please see note 9 for details.

Covenants

The loan facility agreement includes a financial covenant requiring the leverage ratio, Net Debt to EBITDA before IFRS 16, not to exceed 3.5x. The facility agreement does not contain any restrictions on dividend payments.

Compliance with financial borrowing covenants

SATS ASA executes the financing functions within the Group, holds the long-term financing agreement with the Group's long-term lenders, and provides long-term financing to other Group entities. SATS ASA has complied with the financial covenants related to its borrowing facility throughout 2023 and 2024.

Payment profile

The following table shows the undiscounted payment profile of the Group's interest-bearing liabilities, based on the remaining period as of December 31, 2024:

Bank borrowings	Total	Lease liabilities	Total
<i>(Amounts in NOK million)</i>		<i>(Amounts in NOK million)</i>	
Less than 1 year	61	Less than 1 year	1 182
1–2 years	61	1–2 years	1 074
2–3 years	1 485	2–3 years	956
3–5 years	0	3–5 years	1 424
More than 5 years	0	More than 5 years	1 229
Total payments	1 607	Total payments	5 866

NOTE 6 Intangible assets

Goodwill	Norway	Sweden	Finland	Denmark	Total goodwill
<i>(Amounts in NOK million)</i>					
At December 31, 2023					
Cost	1 868	223	652	0	2 744
Accumulated impairment	-199	0	-10	0	-209
Net book value	1 669	223	642	0	2 535
Period ended December 31, 2024					
Opening net book amount	1 669	223	642	0	2 535
Net effect of changes in foreign exchange	0	4	32	0	35
Closing Net book value	1 669	227	674	0	2 570
At December 31, 2024					
Cost	1 868	227	684	0	2 779
Accumulated impairment	-199	0	-10	0	-209
Net book value	1 669	227	674	0	2 570
Useful life	Indefinite	Indefinite	Indefinite	Indefinite	
Amortization method	Not amortized	Not amortized	Not amortized	Not amortized	

Other intangible assets	Trademark	Internally developed software ¹⁾	Customer list	Total other intangible assets
<i>(Amounts in NOK million)</i>				
At December 31, 2023				
Cost	267	519	72	857
Accumulated amortization and impairment	-266	-442	-56	-764
Net book value	1	77	15	93
Period ended December 31, 2024				
Opening net book amount	1	77	15	93
Effect of changes in foreign exchange cost	0	9	2	11
Effect of changes in foreign exchange accumulated amortization	0	-8	-2	-9
Additions	0	63	0	63
Amortization charge	0	-58	-9	-67
Closing Net book value	1	83	7	91
At December 31, 2024				
Cost	267	590	74	931
Accumulated amortization and impairment	-266	-507	-67	-840
Net book value	1	83	7	91
Useful life	10 years	3 years	3–7 years	
Amortization method	Straight-line	Straight-line	Straight-line	

¹⁾ Software consists of capitalized development expenditure being an internally generated intangible asset.

NOTE 7 Property, plant and equipment

Property, plant and equipment (Amounts in NOK million)	Capitalized leasehold improvements	Fitness equipment	Other fixtures and equipment	Total tangible fixed assets
At December 31, 2023				
Cost	1 502	1 013	509	3 024
Accumulated depreciation	-1 091	-773	-455	-2 319
Net book value	411	240	54	705
Period ended December 31, 2024				
Opening net book amount	411	240	54	705
Additions	116	81	27	224
Effect of changes in foreign exchange cost	29	17	8	54
Depreciation charge	-85	-36	-26	-146
Effect of changes in foreign exchange accumulated depreciation	-22	-13	-7	-41
Disposals costs	-316	-27	-73	-416
Disposals costs accumulated depreciations	314	27	73	413
Closing Net book value	447	289	56	792
At December 31, 2024				
Cost	1 331	1 085	470	2 886
Accumulated depreciation	-885	-796	-414	-2 094
Net book value	447	289	56	792
Useful life	10 years	7–12 years	3–7 years	
Depreciation method	Straight-line	Straight-line	Straight-line	

Management has performed a review of the economic useful life for fixed assets, resulting in adjustments to the depreciation periods for a certain group of assets. With effect from January 1, 2024, the depreciation period for fitness equipment has been prolonged from 5-9 years to 7-12 years. As a result of this adjustment, depreciation expenses for 2024 were reduced by NOK 21 million.

NOTE 8 Right of use ("RoU") assets

RoU assets	Premise rental	Other leases	Total RoU assets
<i>(Amounts in NOK million)</i>			
At January 1, 2023			
Cost	10 815	87	10 903
Accumulated depreciation	-6 663	-78	-6 741
Net book value	4 152	9	4 161
Period ended December 31, 2023			
At January 1, 2023	4 152	9	4 161
Effect of changes in foreign exchange cost	298	4	302
Additions/disposals	1 175	5	1 180
Depreciation charge	-933	-8	-940
Effect of changes in foreign exchange accumulated depreciation	-129	-4	-133
Closing Net book value	4 563	7	4 570
At December 31, 2023			
Cost	12 212	97	12 309
Accumulated depreciation	-7 649	-90	-7 739
Net book value	4 563	7	4 570
Period ended December 31, 2024			
At January 1, 2024	4 563	7	4 570
Effect of changes in foreign exchange cost	164	3	167
Additions/disposals	989	4	993
Depreciation charge	-981	-4	-985
Effect of changes in foreign exchange accumulated depreciation	-85	-3	-88
Closing Net book value	4 650	8	4 657
At December 31, 2024			
Cost	13 272	99	13 371
Accumulated depreciation	-8 622	-91	-8 714
Net book value	4 650	8	4 657
Useful life	1–15 years	1–5 years	
Depreciation method	Straight-line	Straight-line	

Overview

Through its activities, the Group will be exposed to different financial risks: market risk, credit risk, and liquidity risk. This note presents information related to the Group's exposure to such risks, the Group's objectives, policies, and procedures for risk management and handling, as well as the Group's management of capital. The interim financial statements do not include all financial risk information and should be read in conjunction with the annual report. There have not been any changes in the Group's risk management policies since year-end. The Group does not apply hedge accounting.

Exchange rate – sensitivity analysis

The Group is primarily exposed to changes in the SEK/NOK, EUR/NOK, and DKK/NOK exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from the profit or loss in the Group's foreign subsidiaries, borrowings, intercompany loans, and bank accounts in currencies other than where the legal entity is located. The sensitivity analysis below illustrates the impact of EUR, SEK, and DKK strengthened by 10% against NOK. A 10% weaker NOK against SEK/EUR/DKK results in a negative effect of NOK 3 million on Profit/loss before tax when reconsolidating the last twelve months. Reconsolidating borrowings, intercompany loans, and bank accounts in foreign currency as of December 31, 2024 with a weaker NOK results in a positive effect of NOK 49 million.

	Profit/loss in foreign currency	Borrowings, intercompany loans and bank accounts in foreign currency	Total
<i>(Amounts in NOK million)</i>			
SEK/NOK exchange rate - increase 10% ¹⁾	4	41	45
EUR/NOK exchange rate - increase 10% ¹⁾	0	-5	-4
DKK/NOK exchange rate - increase 10% ¹⁾	-7	13	6
Effect on profit/loss before tax	-3	49	46

¹⁾ Holding all other variables constant.

Financial instruments by category

Derivatives are only used for economic hedging purposes to reduce cash flow risk and not as speculative investments.

Derivatives are classified as held for trading and initially recognized at fair value on the date a derivative contract is entered into. They are subsequently remeasured to their fair value through profit and loss at the end of each reporting period. The fair values are based on observable market prices obtained from external parties and are based on mid-range marked interest rates and prices, excluding margins, at the reporting date. The derivatives are defined as Level 2 in the fair value hierarchy. The derivatives are classified as non-current asset or liability if the maturity date is later than twelve months from the balance sheet date and there is no intention to close the position within twelve months from the balance sheet date. Otherwise they are classified as current asset or liability.

There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments from the last balance sheet date.

	December 31 2024		December 31 2023	
Financial instruments - Assets	Assets measured at amortized cost	Fair value through profit and loss	Assets measured at amortized cost	Fair value through profit and loss
<i>(Amounts in NOK million)</i>				
Other non-current receivables	56	0	63	0
Accounts receivables	159	0	136	0
Other current receivables	131	0	86	0
Derivatives	0	33	0	43
Cash and cash equivalents	371	0	282	0
Total financial assets	718	33	567	43

	December 31 2024		December 31 2023	
Financial instruments - Liabilities	Liabilities measured at amortized cost	Fair value through profit and loss	Liabilities measured at amortized cost	Fair value through profit and loss
<i>(Amounts in NOK million)</i>				
Borrowings	1 451	0	1 738	0
Lease liabilities	5 050	0	4 938	0
Trade and other payables	178	0	130	0
Derivatives	0	10	0	0
Other current liabilities	360	0	415	0
Total financial liabilities	7 039	10	7 220	0

Financial derivative instruments

The Group has the following derivative financial instruments:

December 31
2024

December 31
2023

(Amounts in NOK million)

Non-current assets

Interest rate swap contracts	33	36
Total non-current derivative financial instrument assets	33	36

Current assets

Interest rate swap contracts	0	6
Total current derivative financial instrument assets	0	6

Non-current liabilities

Commodity contracts	4	0
Total non-current derivative financial instrument liabilities	4	0

Current liabilities

Commodity contracts	6	0
Total current derivative financial instrument liabilities	6	0

Overview of interest rate swaps per December 31, 2024	Notional in currency million	Maturity	Fixed rate	Unrealized gain
IRS NOK	694	28.10.2026	1,751	33
Fair value of the Group's interest rate swaps in NOK million				33

Overview of commodity contracts per December 31, 2024	Underlying quantity in thousand MWH	Maturity	Fixed price	Unrealized loss
Commodity contracts NOK	2,0 - 2,2	31.12.2026	700	-8
Commodity contracts SEK	1,3 - 1,5	31.12.2026	485	-2
Fair value of the Group's commodity contracts in NOK million				-10

Changes in fair value are presented within finance income and finance expense in the income statement.

NOTE 10 Related parties

As of December 31, 2024, total loans issued by SATS ASA to key employees participating in a partly debt-financed share investment program were NOK 15 million. The terms are regulated according to the arm's length principle.

All transactions with related parties are priced at market terms, and there are no special conditions attached to them. Transactions with subsidiaries have been eliminated in consolidated statements and do not represent transactions with related parties.

NOTE 11 Events after the balance sheet date

On February 11, 2025, the Board of Directors of SATS ASA resolved to initiate a share buyback program with a maximum consideration of NOK 100 million. The buyback program will commence on February 17, 2025 and end no later than 25 April 2025.

There have been no other material events subsequent to the reporting period that might significantly affect the consolidated interim financial statements for the fourth quarter of 2024.

NOTE 12 New IFRS standards

New standards adopted by the Group

No standards or amendments have been adopted by SATS Group for the first time for the financial year beginning on January 1, 2024.

NOTE 13 Critical estimates and judgements

Critical estimates

Preparing financial statements requires using accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity and of items more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

The areas involving significant estimates or judgments are a typical estimation of current tax payable and current tax expense, potential goodwill impairment, estimated useful life of intangible assets, recognition of deferred tax assets for carried forward tax losses, etc.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and are believed to be reasonable under the circumstances.

Goodwill

Goodwill is recognized at NOK 2 570 million per the balance sheet date. Goodwill is not amortized, but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. The recoverable amount of the cash-generating units (CGUs) is determined based on value-in-use calculations, which require several assumptions. The calculations use cash flow projections based on financial budgets and prognoses approved by management covering five years for all segments. Cash flows beyond the five years are extrapolated using the estimated growth rates stated in Note 13 Intangible assets in the Annual Report for 2023. These growth rates are consistent with forecasts included in economic outlook reports specific to the area in which each CGU operates.

Sensitivity analyses show that no reasonable change in any fundamental assumptions would cause the recoverable amount to be lower than the carrying value. For Finland, sensitivity analyses show that the headroom is limited, and the development will be monitored closely.

Deferred tax assets

Deferred tax assets for Denmark and Finland are not recognized in Q4 2024 due to uncertainty that future taxable profits will be available against the unused tax losses within a reasonable time frame.

Lease

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension or termination option related to premise lease contracts. This assessment is reviewed if a significant event or change in circumstances occurs, affecting this assessment. During the current financial period, there was no material financial effect of revising lease terms to reflect the impact of exercising extension or termination options.

Fair value estimates

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves; and
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for certain derivative contracts where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

APPENDIX

ALTERNATIVE PERFORMANCE MEASURES

The Group reports its financial results in accordance with accounting principles IFRS as issued by the IASB and endorsed by the EU. However, management believes that specific Alternative Performance Measures (APMs) provide management and other users with additional meaningful financial information that should be considered when assessing the Group's ongoing performance. These APMs are non-IFRS financial measures and should not be considered a substitute for any IFRS financial measure. Management, the Board of Directors, and the long-term lenders regularly use supplemental APMs to understand, manage and evaluate the business and its operations. These APMs are among the factors used in planning for and forecasting future periods, including assessment of financial covenants compliance.

Alternative Performance Measures reflect adjustments based on the following items:

EBITDA

EBITDA is a measure of earnings before deducting net financial items, taxes, amortization, and depreciation charges. The Group has presented this APM because it considers it an important supplemental measure to understand the overall picture of profit generation in the Group's operating activities. Please see the reconciliation to profit or loss before tax in the table below.

EBITDA before impact of IFRS 16

EBITDA before impact of IFRS 16 is a measure of EBITDA adjusted for lease expenses applying IAS 17 Leases, and the Group has presented this APM because it considers it to be an important supplemental measure to understand the underlying profit generation in the Group's operating activities. Please see the reconciliation to profit or loss before tax in the table below.

EBITDA before impact of IFRS 16 margin

EBITDA before impact of IFRS 16 divided by total revenue.

EBIT before impact of IFRS 16

EBIT before impact of IFRS 16 is a measure of EBIT adjusted for lease expenses applying IAS 17 Leases, depreciations and amortization, and the Group has presented this APM because it considers it to be an important supplemental measure to understand the underlying profit generation in the Group's operating activities. Please see the reconciliation to profit or loss before tax in the table below.

EBIT before impact of IFRS 16 margin

EBIT before impact of IFRS 16 divided by total revenue.

Net debt

Current and non-current borrowings (excluding property lease liabilities recognized under IFRS 16) less cash and cash equivalents for the period. Net debt is a non-IFRS financial measure, which the Group considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measure. The Group has presented this APM as a helpful indicator of the Group's indebtedness, financial flexibility, and capital structure because it indicates the level of borrowings after taking into account cash and cash equivalents within the Group's business that could be utilized to pay down the outstanding borrowings. Net Debt is also used as part of the assessment for financial covenants compliance. Please see note 5 Interest-bearing liabilities for reconciliation to Total interest-bearing liabilities.

Leverage ratio

Net debt divided by last twelve months EBITDA before impact of IFRS 16.

Capital expenditure

Capital expenses (CAPEX) is a measure of total investments in the period both in the operations and in new business, either through business combinations (acquisitions) or through new club openings (greenfields). Capital expenditures consist of both upgrades and maintenance CAPEX and expansion CAPEX, and the source of CAPEX is the Statement of cash flows.

Upgrades and maintenance CAPEX

Upgrades and maintenance capital expenditures are a measure of investments made in the operations and consist of investments in tangible and intangible assets, excluding business combinations (acquisitions) and greenfields. The measure is defined as the sum of purchase of property, plant, and equipment from the Statement of cash flows less investments in greenfields. Upgrades and maintenance CAPEX can be divided into IT CAPEX and Club portfolio CAPEX where IT CAPEX is investments and development of common software programs used by the whole Group, and Club portfolio CAPEX is physical investments at the clubs.

Expansion CAPEX

Expansion capital expenditures are a measure of business combinations (acquisitions), investments in greenfields, and digital expansion. The measure is defined as the sum of Acquisition of subsidiary from the Statement of cash flows in addition to investments in greenfields and digital expansion.

Operating cash flow

Operating cash flow is a measure of how much cash that is generated by the operations and is used to evaluate SATS's liquidity. The definition is EBITDA excluding IFRS 16 less maintenance CAPEX and working capital.

Cash conversion

Operating cash flow divided by EBITDA before impact of IFRS 16.

DEFINITIONS

Term	Definition
Average number of members per club	Outgoing member base divided by outgoing number of clubs
Average revenue per member (ARPM)	Calculated as monthly total revenue divided by the average member base
Capex: Expansion capital expenditures	The sum of investments related to acquisitions and greenfields, as well as capex related to the perfect club initiative and digital expansion
Capex: Upgrades and maintenance capital expenditures	Club upgrades and maintenance and IT capital expenditures
Cash conversion	Operating cash flow divided by EBITDA before impact of IFRS 16
Country EBITDA before impact of IFRS 16	EBITDA before impact of IFRS 16 less allocation of Group overhead and cost allocations
EBIT before impact of IFRS 16	EBIT adjusted for the impact of implementation of the IFRS 16 lease standard
EBITDA	Profit/(loss) before net financial items, income tax expense, depreciation and amortization
EBITDA before impact of IFRS 16	EBITDA adjusted for the impact of implementation of the IFRS 16 lease standard
Group overhead	Consists of group services such as commercial functions, IT, finance and administration
Leverage ratio	Net debt divided by last twelve months EBITDA before impact of IFRS 16
Member base	Number of members, including frozen memberships, excluding free memberships
Operating cash flow	EBITDA before impact of IFRS 16 less upgrades and maintenance capital expenditures and working capital
Other yield	Calculated as monthly other revenue in the period, divided by the average member base
Total overhead	The sum of country overhead and group overhead
Underlying operating cash flow	Operating cash flow less expansion capital expenditures
Yield	Calculated as monthly member revenue in the period, divided by the average member base

Financial Calendar

12 FEB 2025	Q4 2024 Results
27 MAR 2025	2025 Annual Report
28 APR 2025	2025 Annual General Meeting
07 MAY 2025	Q1 2025 Results
21 AUG 2025	Q2 2025 Results
28 OCT 2025	Q3 2025 Results

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