



Q1 2024

INTERIM REPORT

JANUARY-MARCH 2024

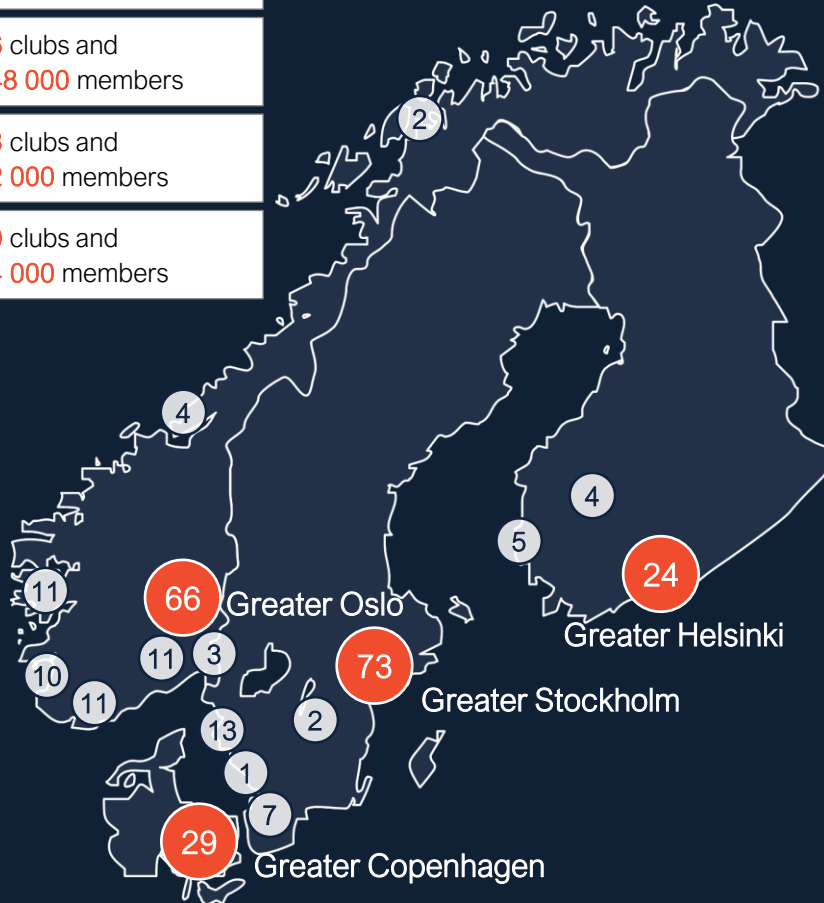
CEO SONDRE GRAVIR
CFO CECILIE ELDE

INVESTOR RELATIONS:
JONAS.SORTLAND.FOUGNER@SATS.NO
+47 94 80 58 51

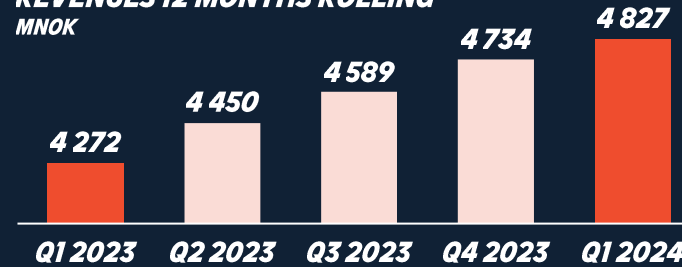
SATS AT A GLANCE

#1 FITNESS CLUB OPERATOR IN THE NORDICS

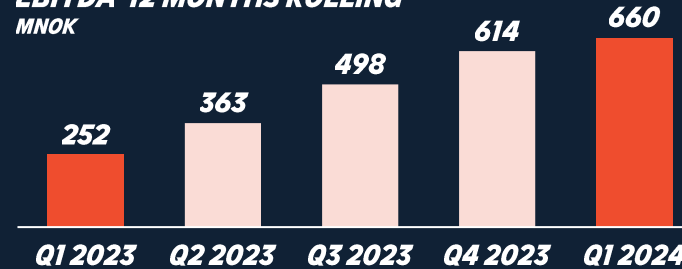
| | |
|---|----------------------------------|
|  | 118 clubs and 331 000 members |
|  | 96 clubs and 248 000 members |
|  | 33 clubs and 72 000 members |
|  | 29 clubs and 84 000 members |



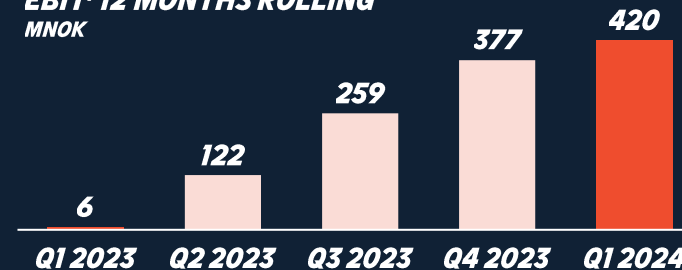
REVENUES 12 MONTHS ROLLING
MNOK



EBITDA¹ 12 MONTHS ROLLING
MNOK



EBIT¹ 12 MONTHS ROLLING
MNOK



736 000
MEMBERS

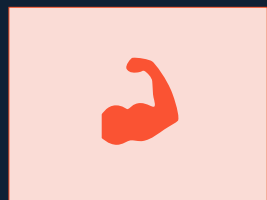
10 000
EMPLOYEES

120 000
DAILY CLUB VISITS

1 600
DAILY GROUP TRAINING CLASSES

1) Before IFRS 16 and EO items
2) Measured by 2023 revenues based on figures from Deloitte EuropeActive EHFMR 2023

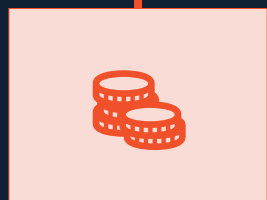
CONTINUED STRONG FINANCIAL PERFORMANCE IN Q1 2024



All time high revenue and profit



Investments in strengthening the product offering continue to drive member engagement...



...allowing us to increase yield



Solid cashflow and continued high-paced deleveraging, reaching communicated target range at 2.0x

REVENUE
+8%
1 294 MNOK

EBITDA
+27%
174 MNOK

WORKOUTS
+3%
13 MILLION

YIELD
+8%
475 NOK

FREE CASHFLOW
+230%
131 MNOK

1) Before IFRS 16
3) Net debt to EBITDA before IFRS 16

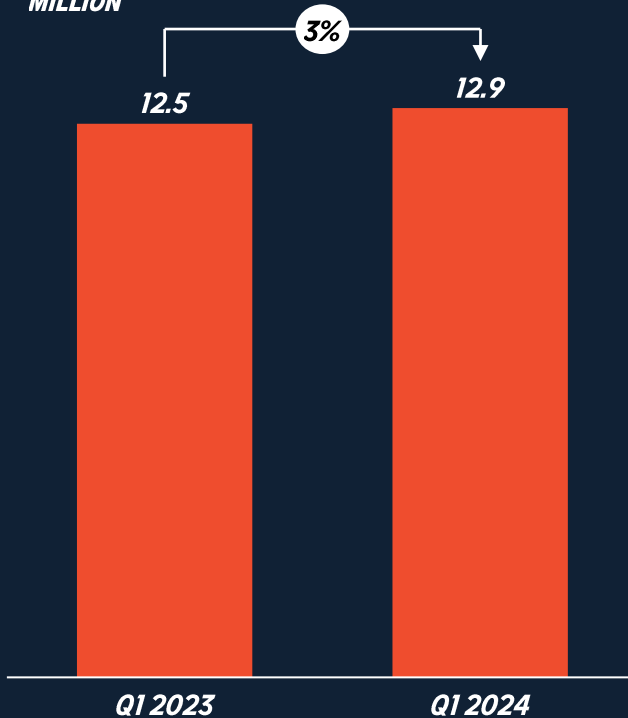
WE RIGOROUSLY INVEST IN OUR PRODUCT OFFERING TO ENHANCE ENGAGEMENT AND DRIVE FINANCIAL PERFORMANCE



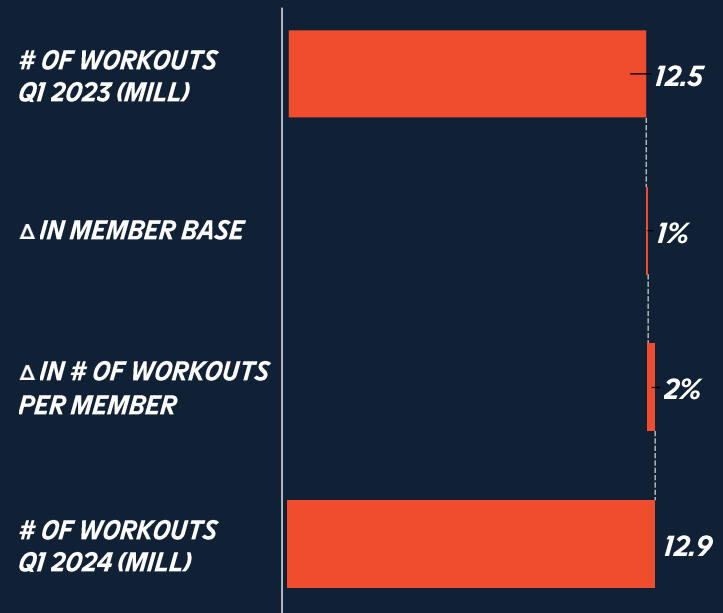
MEMBER ENGAGEMENT CONTINUE TO INCREASE, INDICATING POSITIVE SHIFT IN THE LOYALTY OF OUR MEMBERS

OF WORKOUTS

MILLION



DRIVERS FOR CHANGE IN # OF WORKOUTS



- Continued increase in activity levels versus record-high Q1 2023 comparables, driven by increase in membership numbers and higher activity levels per member
- The trend in the first quarter is consistent with earlier years, as the total number of workouts at SATS' clubs is up 24% versus Q1 2019, indicating a positive shift in loyalty in the member base
- The continued increase in activity levels per member is a strong lead indicator for improving member loyalty and willingness to pay

UNIQUE MARKET POSITION WITHIN GROUP TRAINING ENABLED BY TIGHT CLUB FOOTPRINT AND SCALE

PRODUCT DISTRIBUTION

- Tight club footprints in large cities enables optimization of product types and class schedules between clubs
- High utilization of group training areas due to scale of member base
- Product distribution and cluster optimization based on data and insight on member behavior

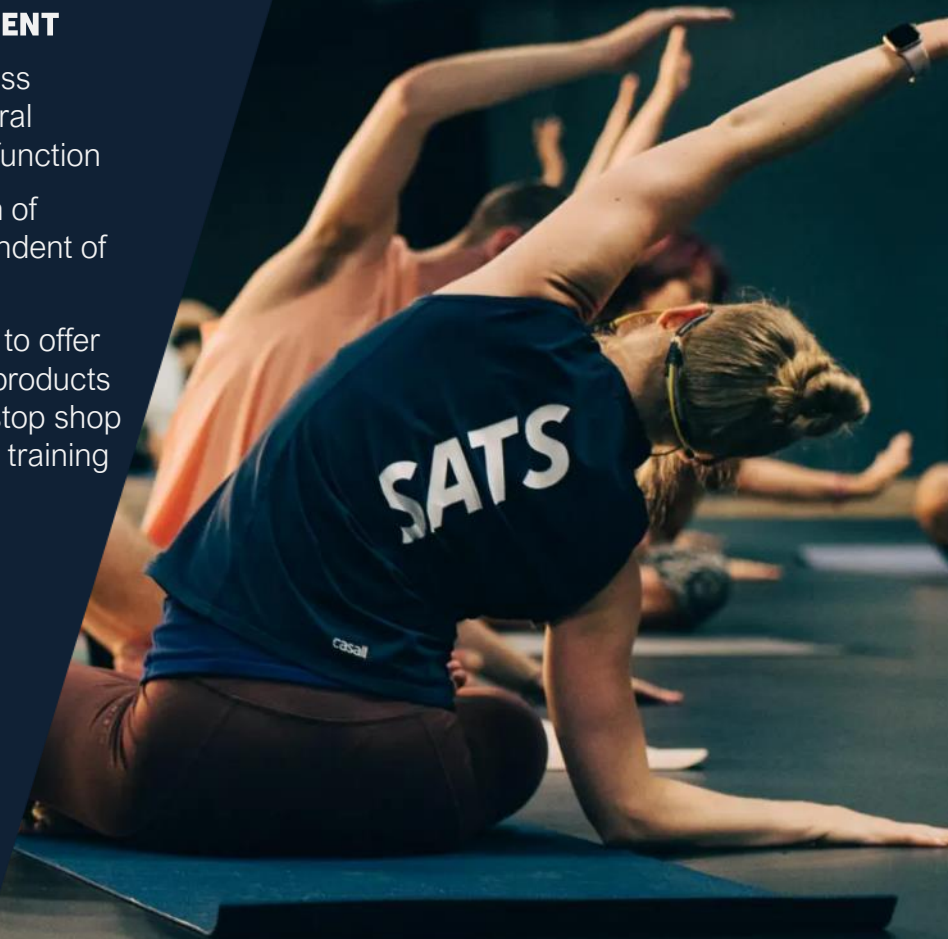


PRODUCT DEVELOPMENT

- Fast follower of fitness trends through central product innovation function
- In-house production of concepts, not dependent of external licenses
- Leveraging clusters to offer a large variation of products and acting as one-stop shop for fun and inspiring training

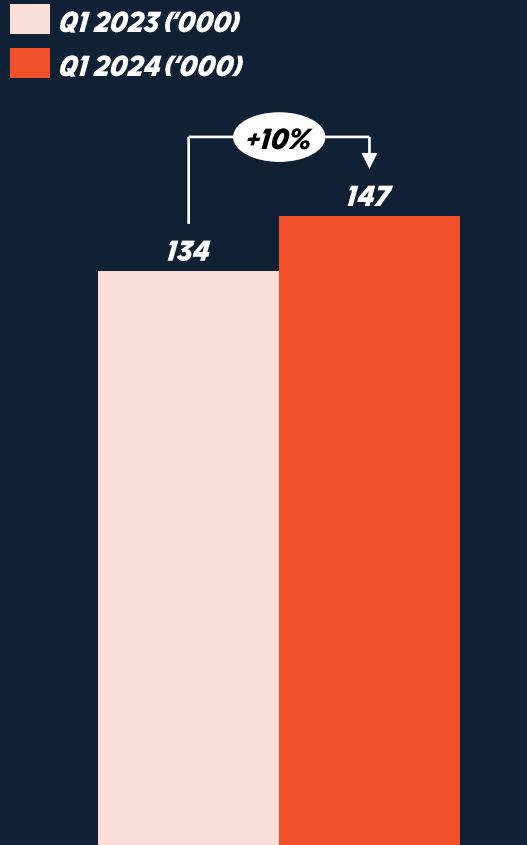
INSTRUCTOR QUALITY AND AVAILABILITY

- High quality instructor base driven by market leading education path, as well as large pool of potential instructors in the major cities
- Flexibility to optimize schedules across clubs
- Scale and quality in SATS Academy – instructor education



WE HAVE SIGNIFICANTLY INCREASED THE AVAILABILITY OF GROUP TRAINING CLASSES TO ACCOMMODATE GROWING DEMAND

TOTAL GX CLASSES



SELECT CONCEPTS DRIVING GROWTH



HIIT CLASSES

+134%

VS LY



PILATES CLASSES

+105%

VS LY



INDOOR RUNNING

+29%

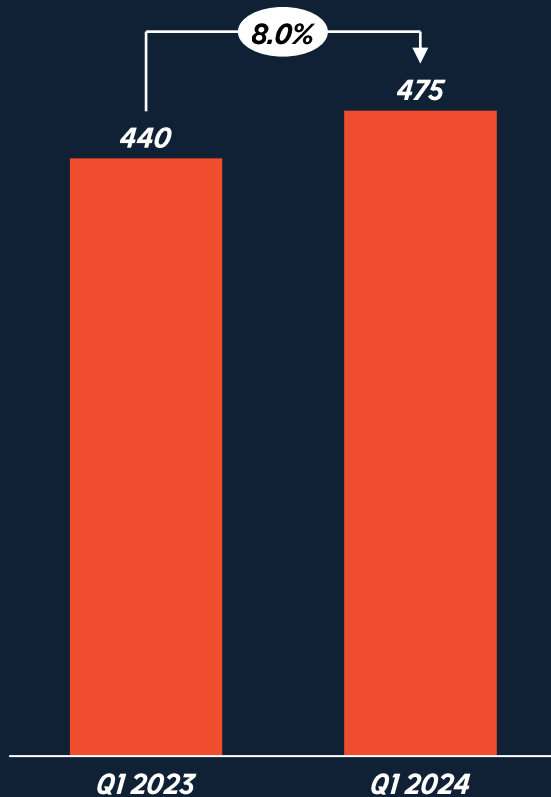
VS LY

- Group training members stay longer than non-group training members and it is therefore important to continue improving our offering
- SATS boasts a robust competitive edge with its cost-effective group training concepts, benefiting from economies of scale and rapid time-to-market

CONTINUED PROGRESSION IN MEMBERSHIP YIELD THROUGH IMPROVING OUR PRODUCT OFFERING AND FINETUNING PRICING

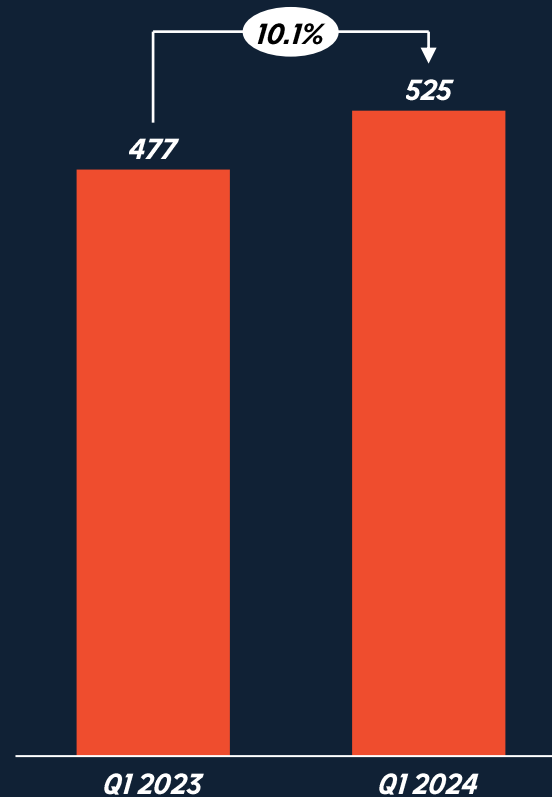
TOTAL MEMBERSHIP YIELD

NOK



AVERAGE NMU PRICE

NOK



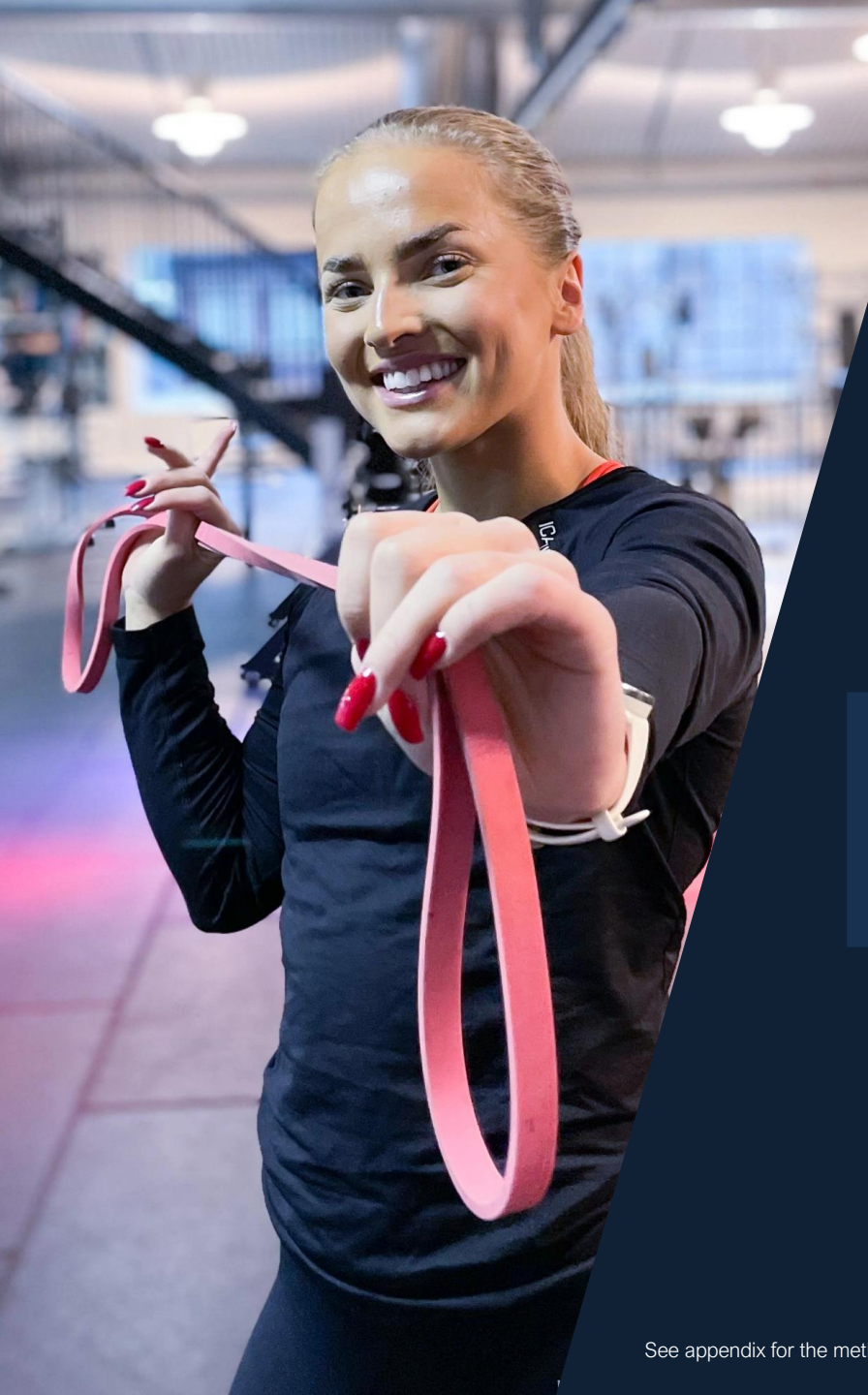
CONTINUED SHIFT TOWARDS FITNESS CLUB BASED EXERCISE¹ – DRIVING PUBLIC HEALTH BENEFITS



- Fitness club-based exercise is key to driving further increase in public activity levels and realizing untapped socio-economic benefits
- The share of fitness club users among those who exercise regularly is continuing to increase, while the share of home and outdoor users are declining
- 46% of active Europeans are working out at fitness clubs, with an upwards trend and further untapped potential in activating those who are currently not exercising at all

1) EuropeActive Consumer Survey 2024; Analysis highlight share of respondents that exercise at least once a week (61% of respondents) that leverage at home, outdoors or fitness clubs as an exercise setting, respectively. Change in % of users from January 2024 vs January 2023





STRONG CONTRIBUTION TO THE SOCIO-ECONOMIC WELFARE GAIN IN THE NORDICS

IN THE LAST 12 MONTHS SATS MEMBERS HAVE CONTRIBUTED WITH:



**~ NOK 23.1 BILLION
IN SOCIO-ECONOMIC
WELFARE GAIN**



**~17 000 QUALITY-
ADJUSTED LIFE
YEARS (QALYS)**

SUPPORTED BY:



Robust megatrends driving activity levels and higher health awareness

SATS helping members succeeding with their training




Higher fitness membership penetration among younger generations - expected to keep those habits through life


***FINANCIAL
REVIEW
Q1 2024***




Q1 2024 FINANCIAL HIGHLIGHTS


POSITIVE TREND FOR ALL FINANCIAL KPIS

 **MEMBERS**
736 000
+0.2%

 **ARPM**
588
+7%

 **REVENUES**
1 294M
+8%

 **EBITDA¹**
174M
+27%

 **EBIT¹**
114M
+61%

 **FREE CASHFLOW**
131M
+230%

 **NET DEBT**
1 343M
-20%

 **LEVERAGE²**
2.0X
VS 6.7X

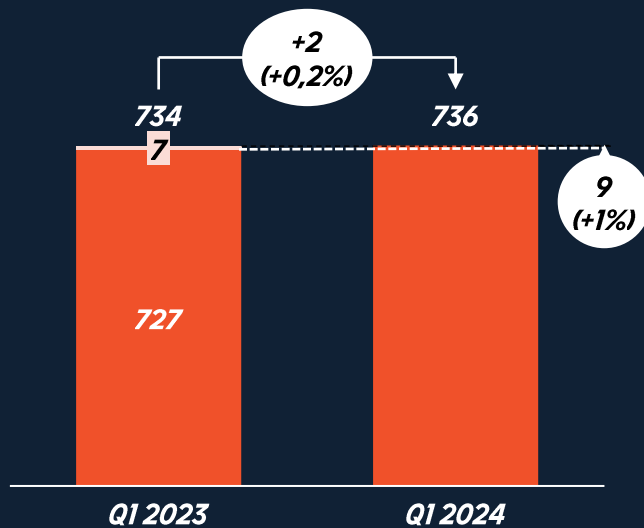
1) Before IFRS 16
2) Net debt to EBITDA before IFRS 16

CLUB CLOSURES, PRICE INCREASES AND REDUCED CAMPAIGN ACTIVITY IMPACTING MEMBER DEVELOPMENT AS A RESULT OF PRICE/VOLUME TRADE-OFF

TOTAL MEMBERS

'000

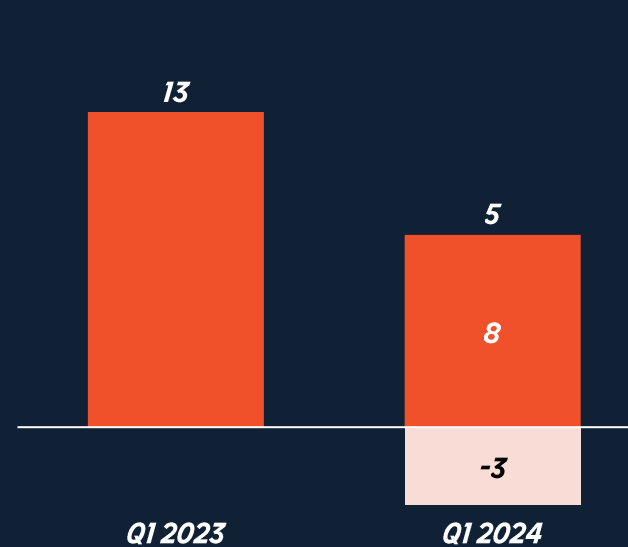
■ CLOSED CLUBS



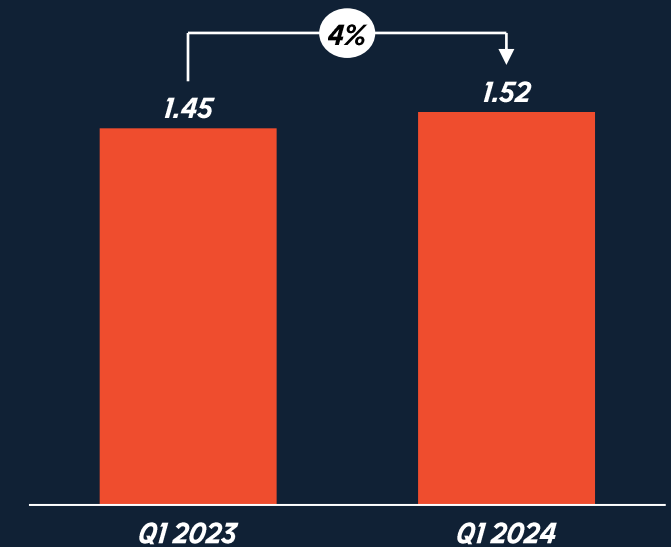
NET GROWTH

'000

■ CLOSED CLUBS



MEMBERS PER SQM



- Positive net growth in member base, somewhat below Q1 2024 due to price/volume trade-off
 - Solid sales with less campaign activity than previous quarters
 - Somewhat elevated fall-off due to price increases, in line with expectations
- Continued tuning of club portfolio to optimize profitability and members per sqm, closing 8 clubs, of which 5 were located outside strategic clusters
 - Impact on member base and net growth of 7,000 and 3,000 members respectively

ANNUAL PRICE ADJUSTMENT PROCESS RESULTS IN SIGNIFICANT LIFT IN MEMBERSHIP PRICES AND YIELD

PRICE ADJUSTMENTS



LIST PRICE ADJUSTMENT

- List prices for memberships and personal training adjusted 1 December 2023
- Avg. increase of 8% across the membership product portfolio, equivalent to NOK 50 per month



INFLATION ADJUSTMENT

- Inflation adjustment of memberships in accordance with the October 2023 CPIs (4.0-6.5%) with effect from January 2024

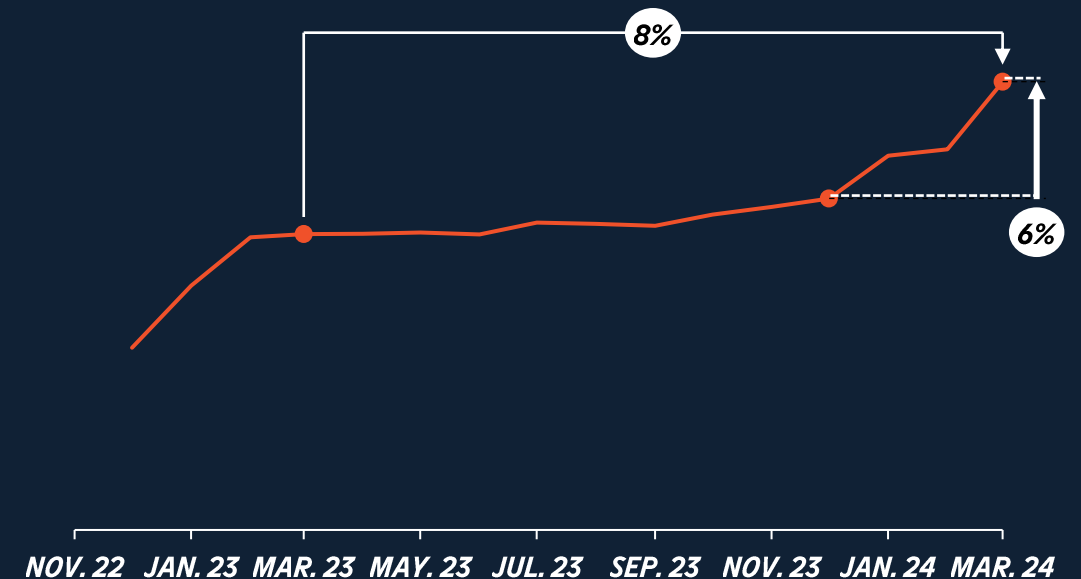


MINIMUM PRICE ADJUSTMENT

- Price increases for members with the highest deviation from the list price with effect as of February 2024

MEMBERSHIP CONTRACTUAL PRICE

NOK

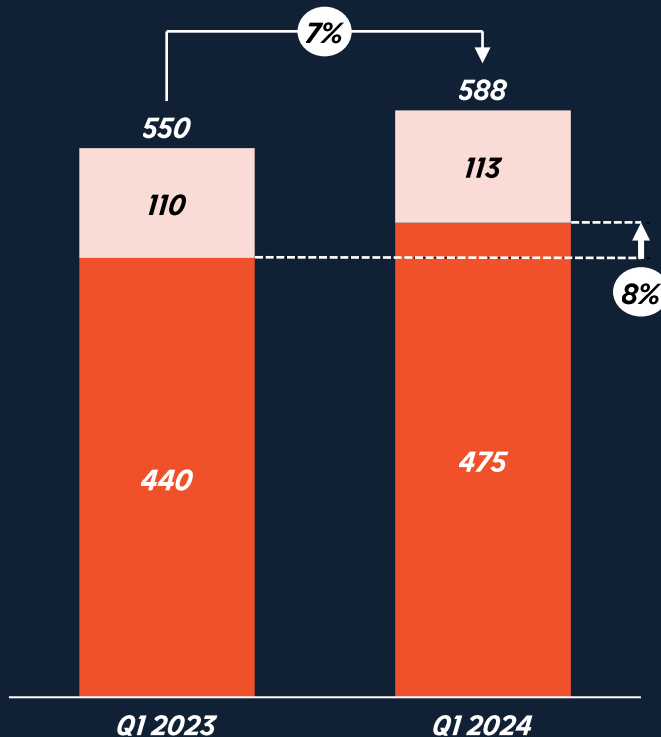


STEADY REVENUE GROWTH, + 8% COMPARED TO LAST YEAR, MAINLY DRIVEN BY YIELD IMPROVEMENT FOR MEMBERSHIPS

TOTAL ARPM

NOK

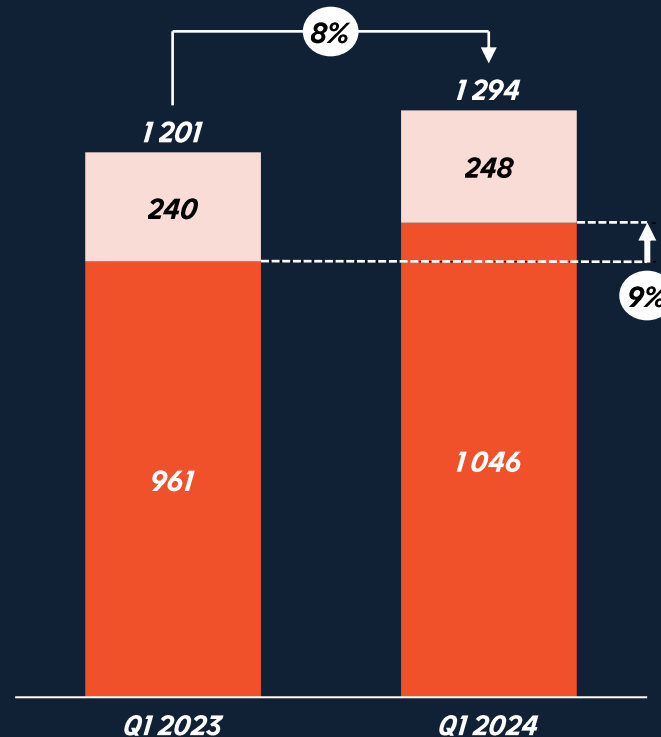
■ MEMBERSHIP YIELD
■ OTHER YIELD



TOTAL REVENUES

MNOK

■ MEMBERSHIP REVENUES
■ OTHER REVENUES



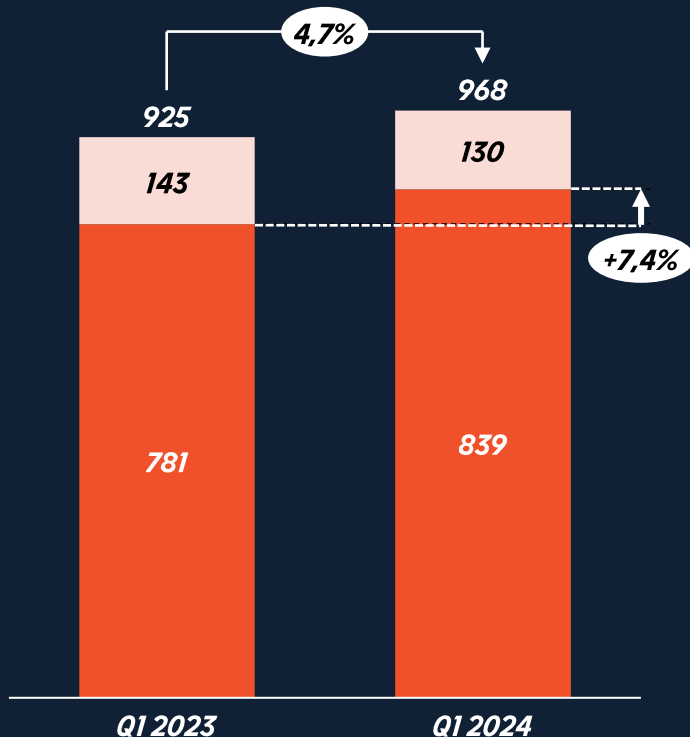
- Total revenue growth of 8% compared to Q1 2023 is driven by both increased average revenue per member and growth in members
- The membership revenue increase of 9% in the quarter is an important proof point of our ability to build member base and charge a fair price for memberships
- Other revenues affected by extraordinary revenue from received delayed covid compensation in Denmark (18 MNOK)
- Slower development for PT and retail, but with improved margins due to increased list prices and fewer campaigns

OPERATING COST DRIVEN BY INFLATION, +4.7% COMPARED TO LAST YEAR

CLUB OPERATING COST

MNOK

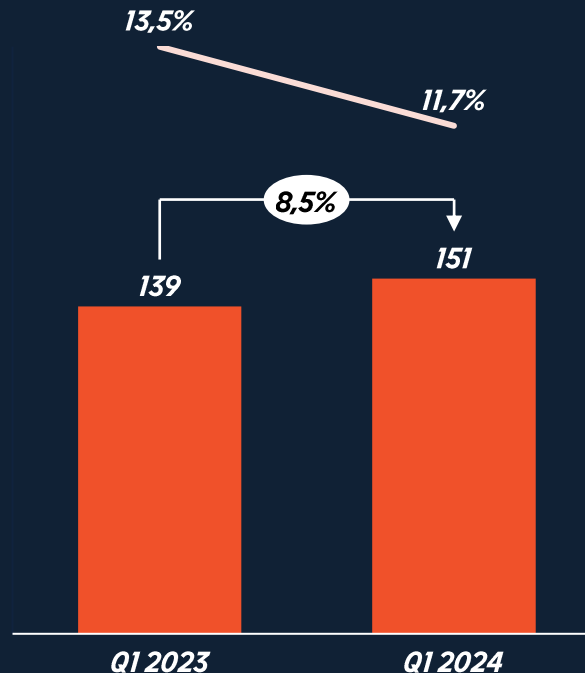
- CLUB OPEX
- DIRECT COST/COGS



OVERHEAD

MNOK

- OVERHEAD
- LTM OVERHEAD AS % OF REVENUES



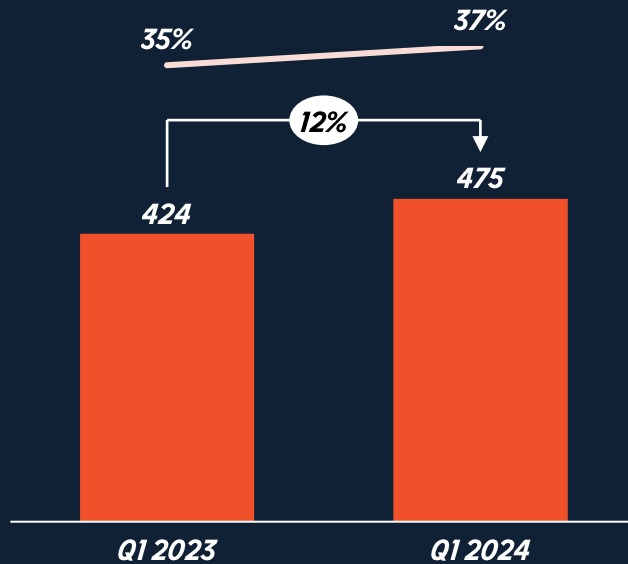
- Well controlled cost base, up 4.7% compared to last year, mainly driven by inflation
- Lower direct costs following lower additional PT and retail sales
- Temporarily higher personnel cost in the quarter due to extraordinary internal gathering for all staff
- Cost base expected to increase in line with inflation going forward, but with some additional investments in product offering, mainly related to adding more group training classes

THE IMPROVED REVENUE PERFORMANCE CONTRIBUTES TO A SUBSTANTIAL BOOST IN PROFITABILITY COMPARED TO LAST YEAR, EBITDA +27% AND EBIT+61%

REPORTED EBITDA

MNOK

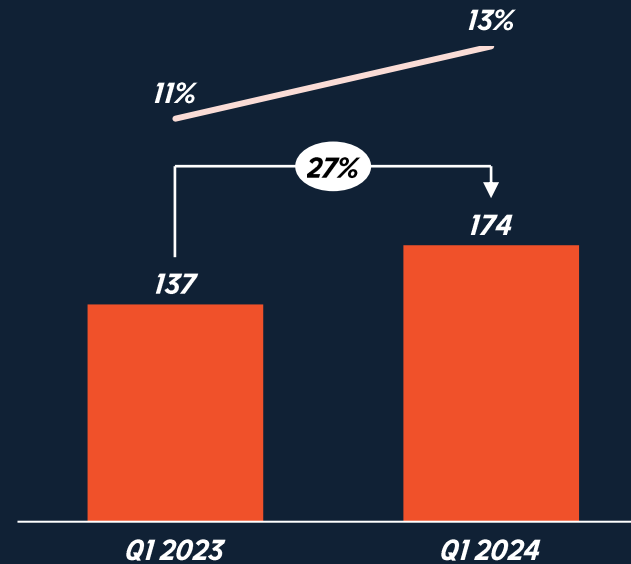
EBITDA
EBITDA MARGIN



EBITDA BEFORE IFRS 16

MNOK

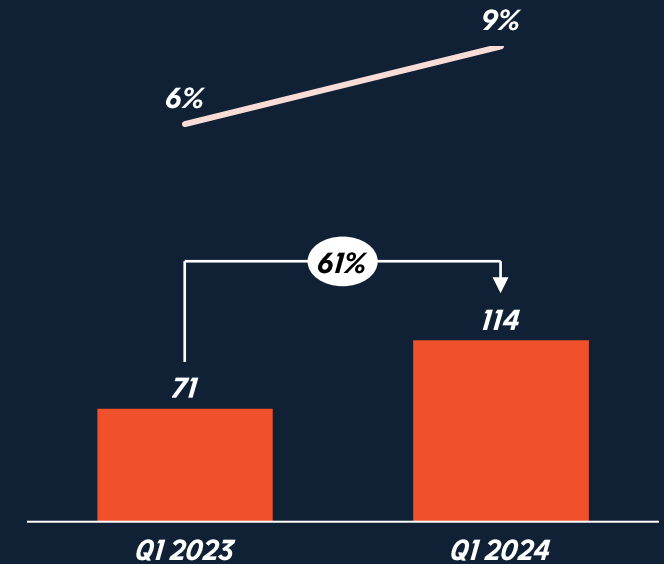
EBITDA BEFORE IFRS 16
EBITDA BEFORE IFRS 16 MARGIN



EBIT BEFORE IFRS 16

MNOK

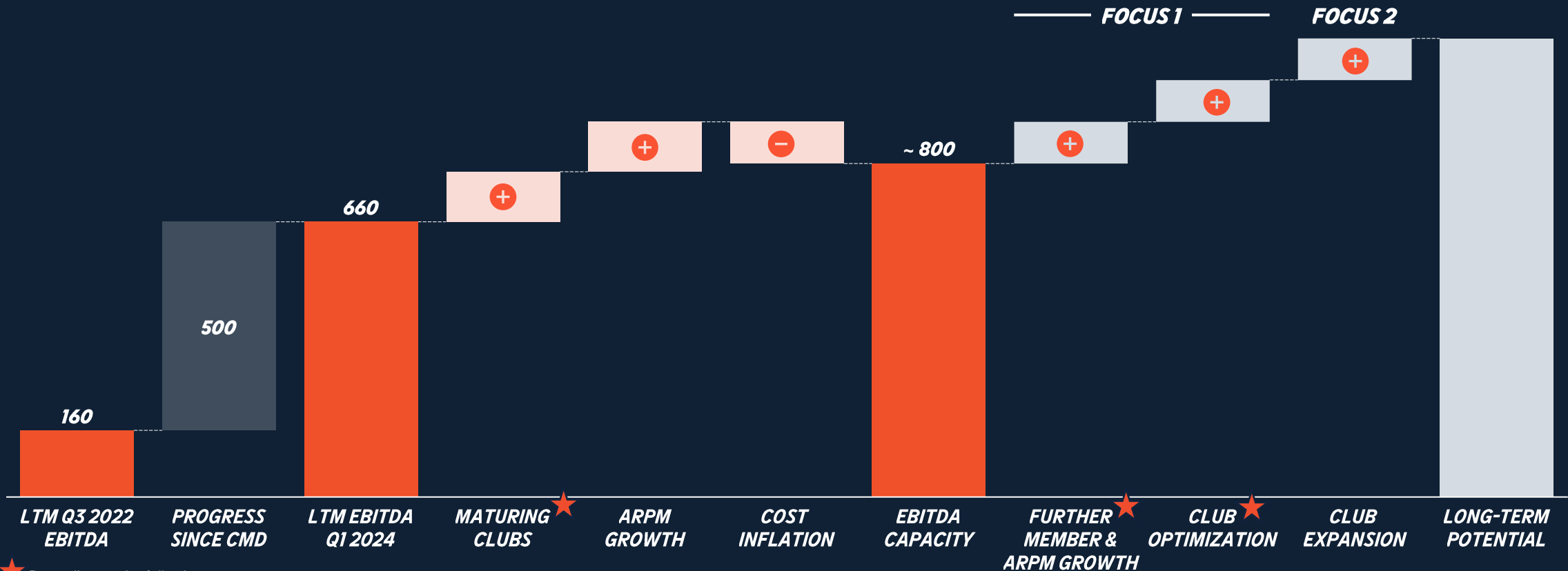
EBIT BEFORE IFRS 16 MARGIN
EBIT BEFORE IFRS 16



ON TRACK TO DELIVER ON THE FINANCIAL AMBITION IN TERMS OF EBITDA CAPACITY OUTLINED AT THE CAPITAL MARKETS DAY IN 2022

EBITDA CAPACITY IN CURRENT CLUB PORTFOLIO (ILLUSTRATIVE)

MNOK



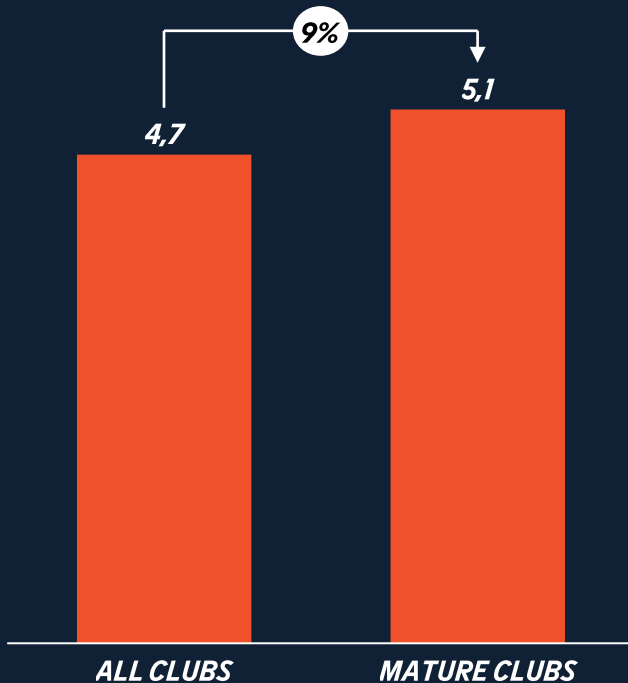
★ Deep-dive on the following pages

This illustration of future potential does not relate to any specific time frame and should not be taken as a profit forecast in any way

UNTAPPED POTENTIAL IN EXISTING CLUB PORTFOLIO AS CLUB MATURATION WILL DRIVE EBITDA GROWTH

EBITDA PER CLUB - LTM

MNOK



31 CLUBS STILL MATURING WITH HIGH OPERATIONAL LEVERAGE



31 CLUBS OPENED SINCE 2020, OF WHICH 9 LESS THAN 18 MONTHS AGO



14 CLUBS OPENED UNDER COVID RESTRICTIONS, DELAYING MEMBER BASE RAMP-UP



MEMBERSHIP REVENUE HAS ~90% DROP-THROUGH TO EBITDA



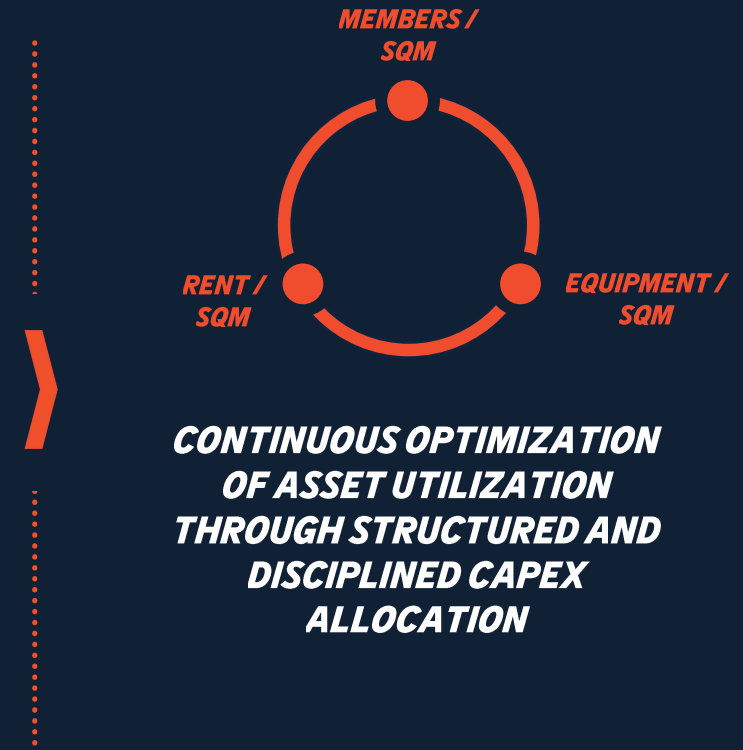
EBITDA FOR MATURING CLUBS WILL CONTINUE TO GROW, AS THEY NEAR MATURITY

- The 250 mature clubs performs 9% above average for all clubs in terms of Club EBITDA, indicating untapped potential as the newest clubs mature
- New clubs result in a short-term profit drag in the maturing phase, as the cost base required to operate the club is largely fixed
- Therefore, as the new clubs attract more members, additional revenue growth primarily translates directly to EBITDA
- The clubs opened during 2020 and 2021 were opened during heavy covid restrictions, with full ramp-up speed delayed until spring 2022

STILL AMPLE ROOM FOR INCREASED PROFITS FROM MATURE CLUBS, DRIVEN BY PRODUCT DEVELOPMENT AND CLUB OPTIMIZATION

STRUCTURED FRAMEWORK FOR VALUE CREATION THROUGH BETTER UTILIZATION OF OUR ASSETS

| | ARPM | MEMBER BASE | COST BASE |
|--|------|-------------|-----------|
| 1 Continuously work with product offering to make our clusters, as well as single clubs, more attractive for existing and potential members | + | + | |
| 2 Upgrade or relocate clubs to improve club quality and/or micro-location of club | + | + | - |
| 3 Optimize club layout and equipment mix to facilitate more members per square meter at our fullest clubs | + | + | |
| 4 Downsize and/or relocate clubs with too much space relative to member base, to optimize club layout and improve space utilization | + | | - |
| 5 Continuously leverage lease agreement expiries to negotiate improved terms through rent reductions or investment contributions | | | - |



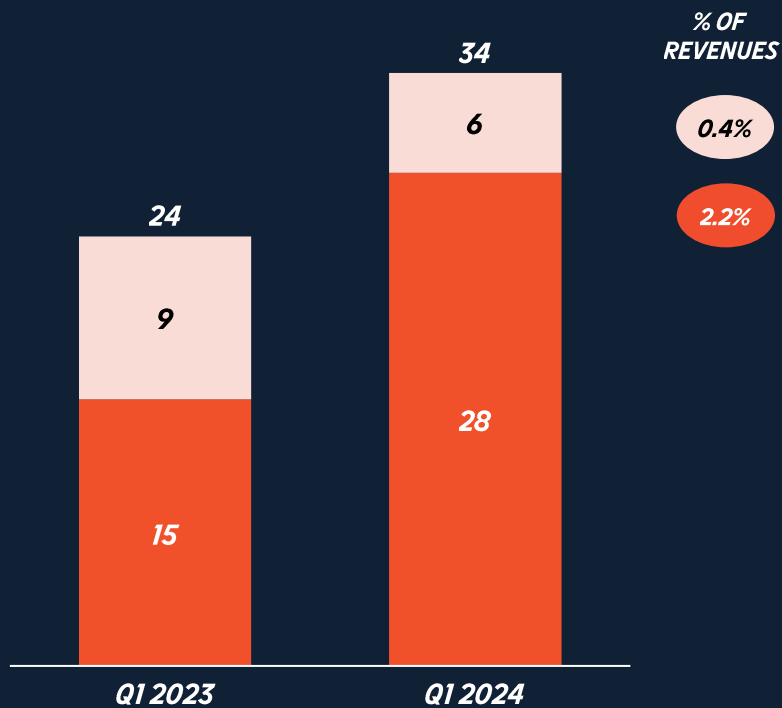
STRUCTURED APPROACH TO CAPEX ALLOCATION, INVESTING IN MEASURES THAT INCREASE CLUB CAPACITY AND/OR IMPROVE PRODUCT OFFERING

CAPITAL EXPENDITURE







MNOK

EXPANSION

UPGRADES AND MAINTENANCE



CLUB EXPANSION PIPELINE

- | | | |
|---|--|--|
| + |  Kungsmässan (Q1 2024) | • Two new clubs opened and two club closures in the quarter |
| |  Sluseholmen (Q1 2024) | |
| |  Mölndal (Q3 2024) | |
| |  Haga Norra (Q3 2024) | • Two Greenfields planned for 2024 |
| - |  Lillehammer (Closed Q1 2024) | |
| | |  Rødovre (Closed Q1 2024) |

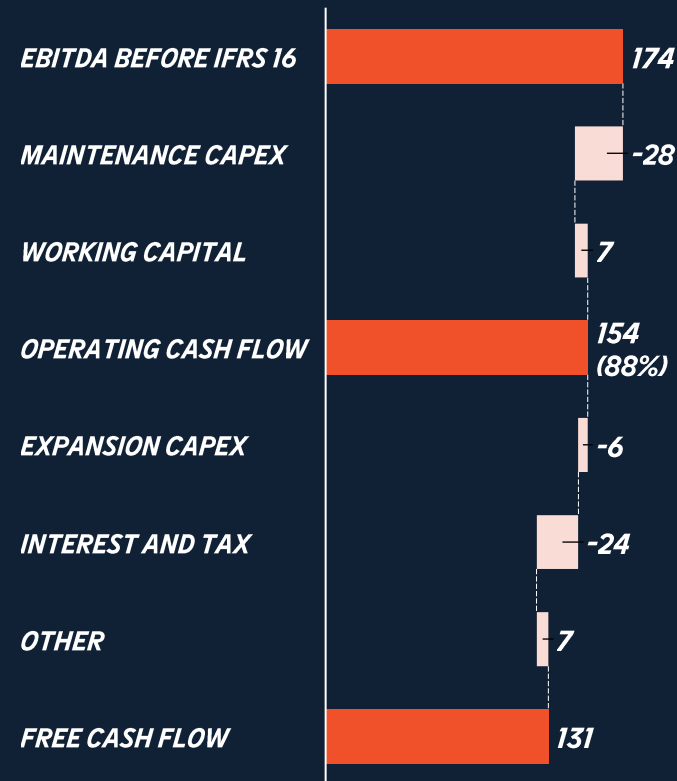
UPGRADES AND MAINTENANCE

- Moderate level of upgrades and maintenance capex in the quarter, as many maintenance activities are optimally planned to periods with lower activity at the clubs
- Going forward, we aim to return to maintenance capex levels of 5% of revenues, with continued capital discipline to ensure high-return investments and maximize equipment and space utilization
- Investment focus in existing club portfolio to facilitate further growth in member base and/or increased ARPM, through improving club capacity and value proposition towards members

STRONG OPERATING CASH FLOW OF 154 MILLION AND CASH CONVERSION OF 88%, PROVING CASH-GENERATING ABILITY

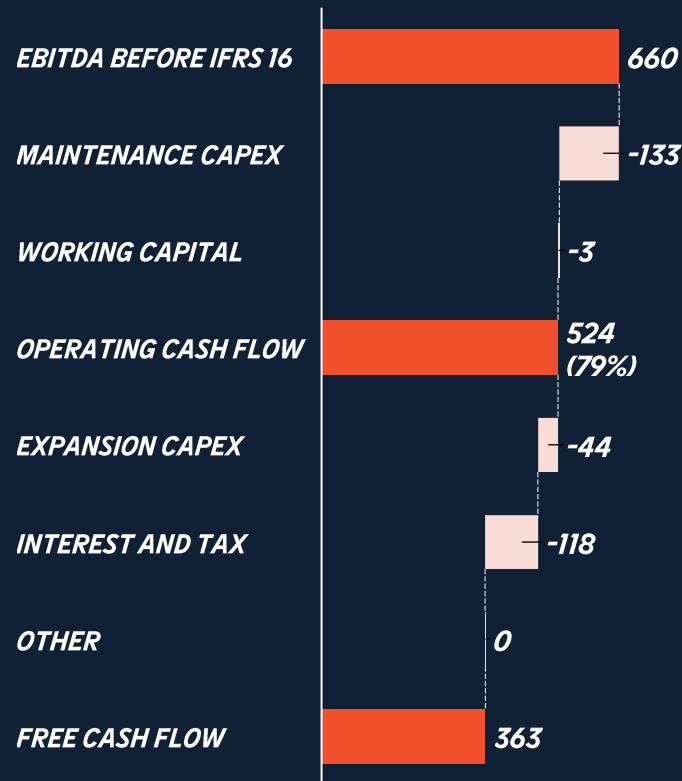
FREE CASH FLOW Q1 2024

MNOK



LTM FREE CASH FLOW

MNOK



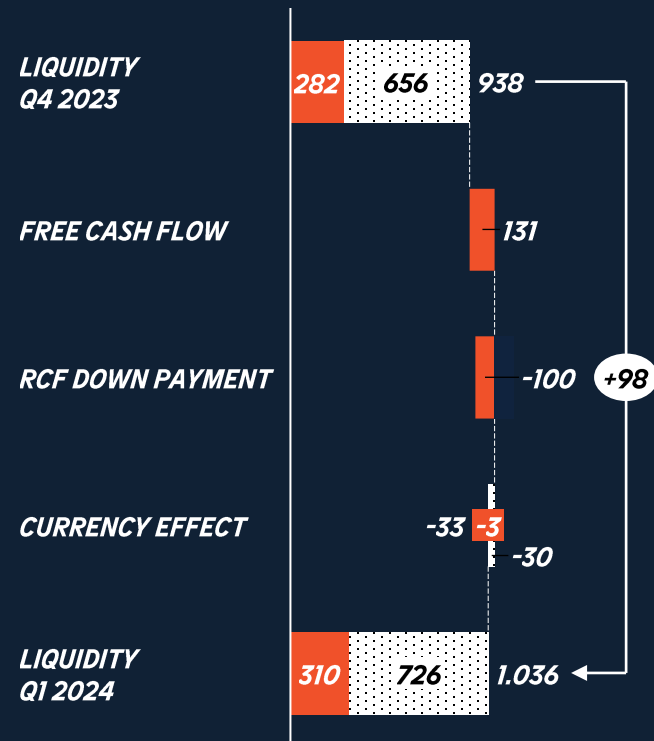
- Operating cash flow of NOK 154 million in the quarter and free cash flow of 131 million
- Positive working capital effects following the growing business with prepayment of memberships
- LTM Operating cash flow of 524 million and cash conversion of 79% shows that our cash-generating ability is recovering and is now back to pre-covid “normal” levels
- Cash flow development last twelve months (LTM) shows that the business generates sufficient cash flow to more than cover all operating costs, maintenance and growth capex and financial cost, leaving room to reduce debt and deleverage

CONTINUED SOLID DELEVERAGING, REACHING COMMUNICATED TARGET LEVERAGE¹ LEVEL OF 2.0X

LIQUIDITY POSITION

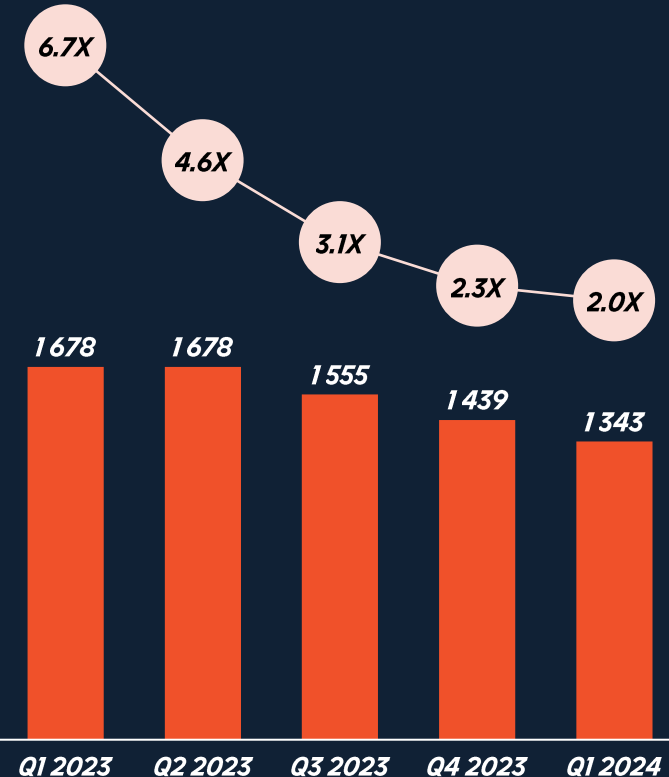
MNOK

UNDRAWN RCF
 CASH BALANCE



NET DEBT AND LEVERAGE RATIO¹

MNOK



- Liquidity position improved by 98 million, despite negative currency effects
- Solid cash generation leaves room for repayment of debt, 100 MNOK in the quarter
- Improved earnings and cash generation results in high-paced deleveraging from 6.7x last year to 2.0x in Q1 2024
- Maintain a stable leverage ratio within the range of 1.5x-2.0x by returning excess capital to shareholders via dividends or share buybacks

1) Net debt to Adj.EBITDA before IFRS 16

OUTLOOK



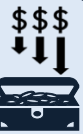
OUTLOOK



Strengthened member product offering enables volume and ARPM growth, fueling revenue going forward



Still unleashed potential in existing club portfolio driven by sqm and equipment optimization and increased operational efficiency...



...as a key driver for improved financial performance, accelerated by operating leverage and high drop-through to EBIT



The accelerating financial momentum will further strengthen our balance sheet, enabling us to execute on our ambitions of balanced expansion



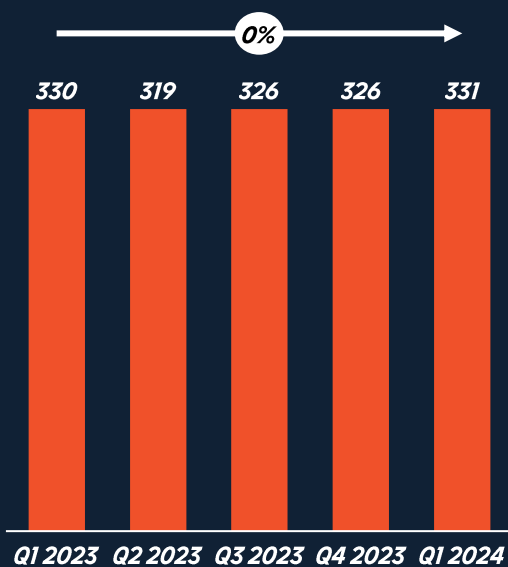
APPENDIX



NORWAY

OUTGOING MEMBER BASE

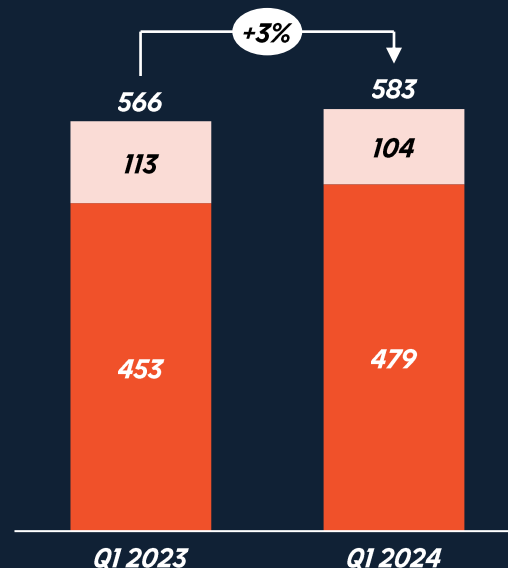
'000



ARPM AND YIELD

NOK/MONTH

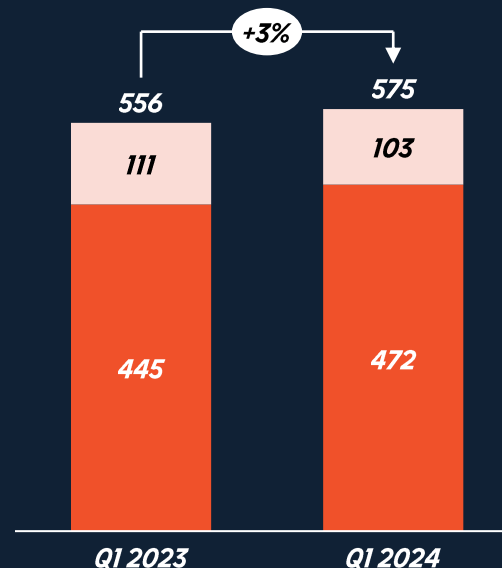
MEMBERSHIP YIELD
OTHER YIELD



TOTAL REVENUES

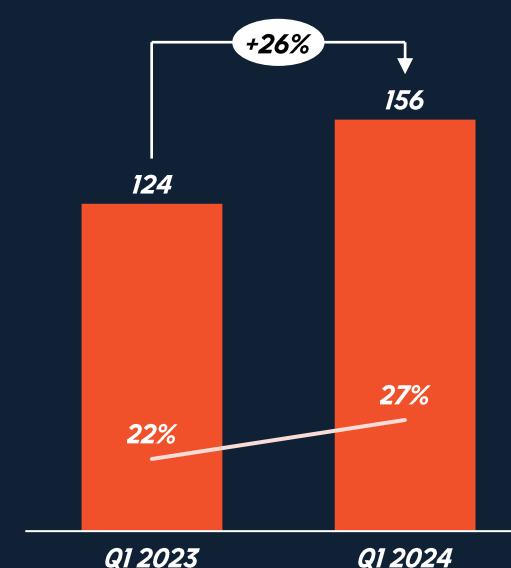
MNOK

MEMBERSHIP REVENUES
OTHER REVENUES



COUNTRY EBITDA BEFORE IMPACT OF IFRS 16

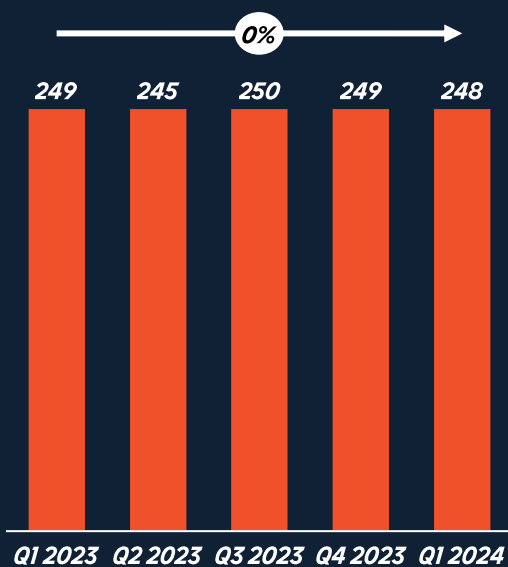
MNOK



SWEDEN

OUTGOING MEMBER BASE

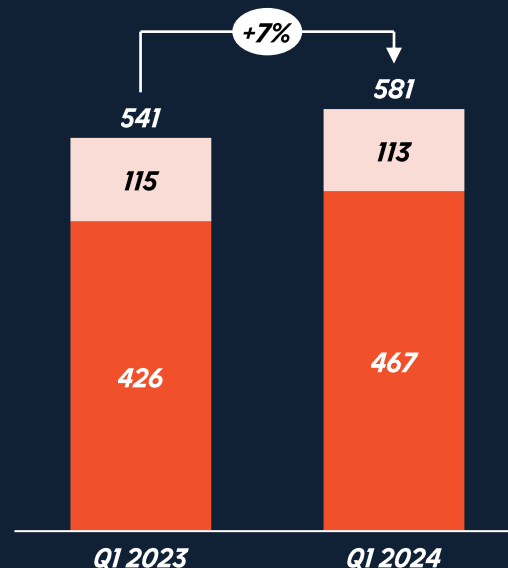
'000



ARPM AND YIELD

NOK/MONTH

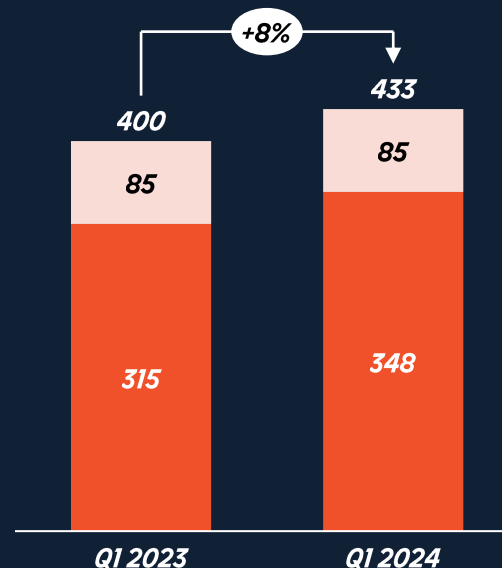
MEMBERSHIP YIELD
OTHER YIELD



TOTAL REVENUES

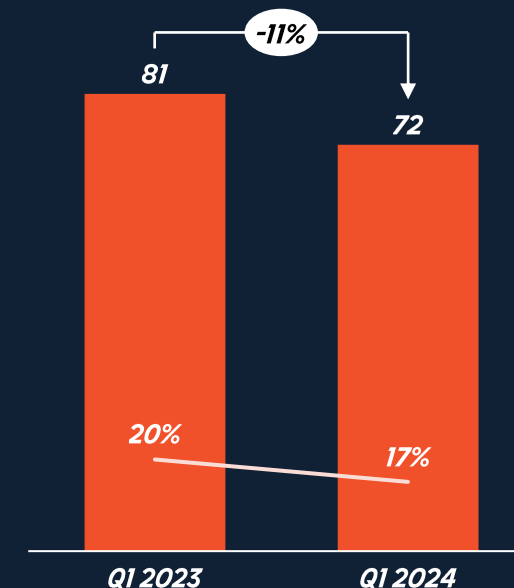
MNOK

MEMBERSHIP REVENUES
OTHER REVENUES



COUNTRY EBITDA BEFORE IMPACT OF IFRS 16

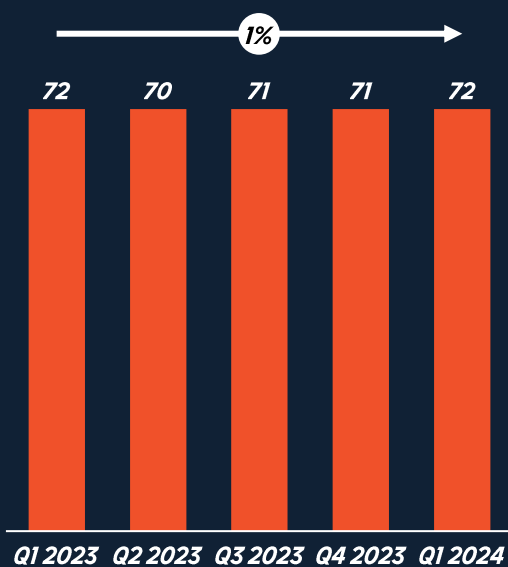
MNOK



FINLAND

OUTGOING MEMBER BASE

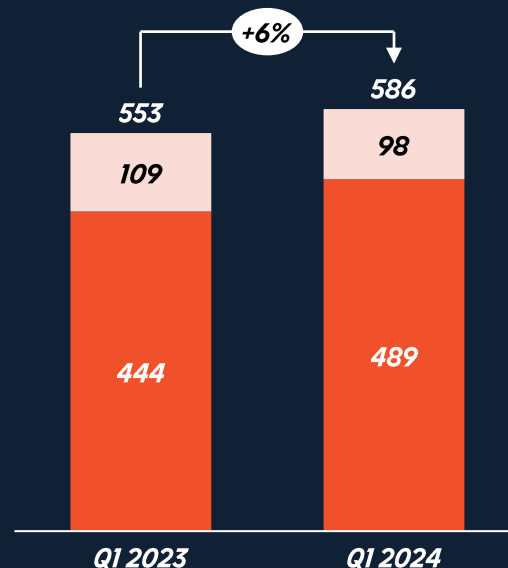
'000



ARPM AND YIELD

NOK/MONTH

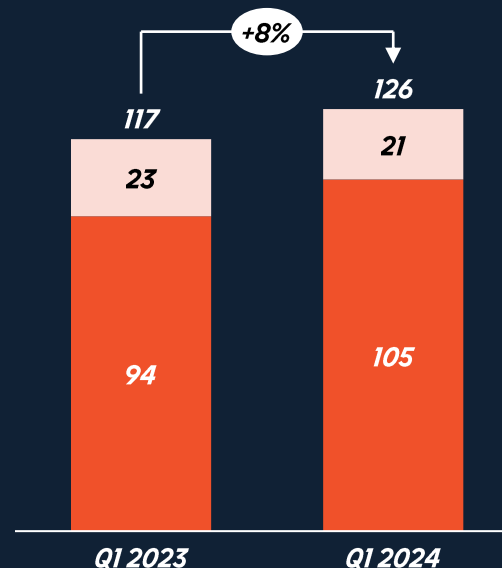
MEMBERSHIP YIELD
OTHER YIELD



TOTAL REVENUES

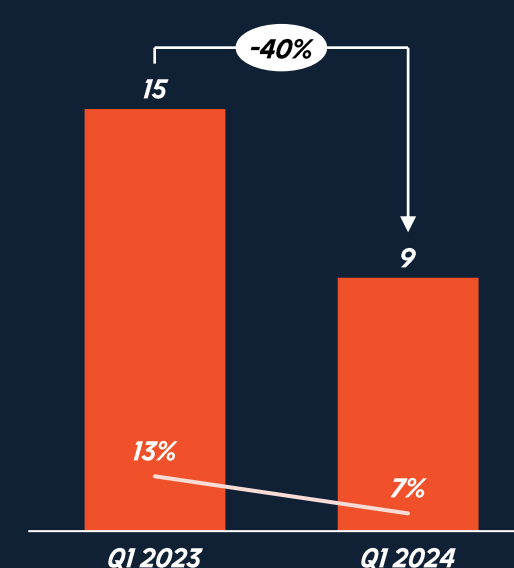
MNOK

MEMBERSHIP REVENUES
OTHER REVENUES



COUNTRY EBITDA BEFORE IMPACT OF IFRS 16

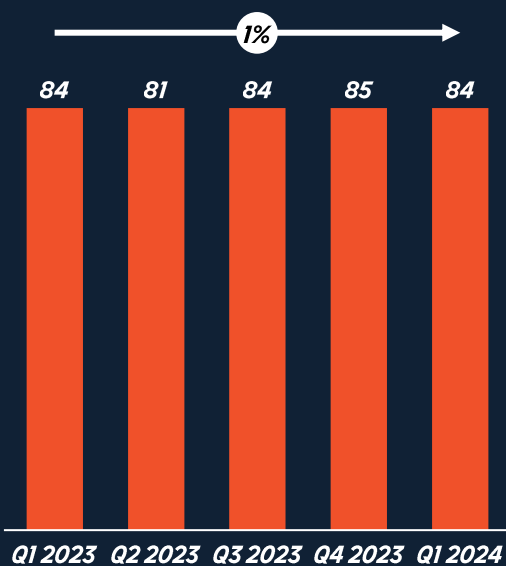
MNOK



DENMARK

OUTGOING MEMBER BASE

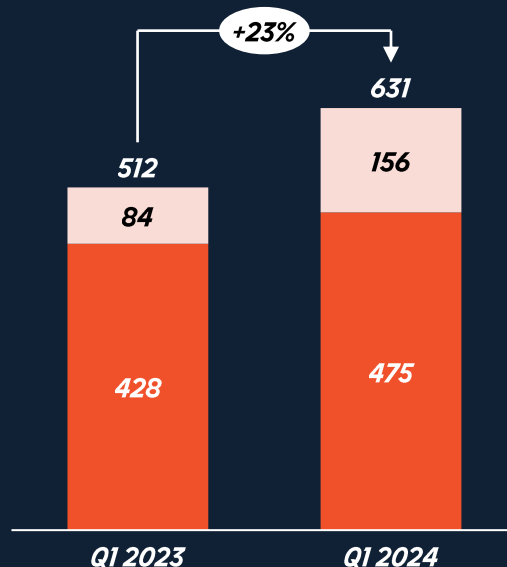
'000



ARPM AND YIELD

NOK/MONTH

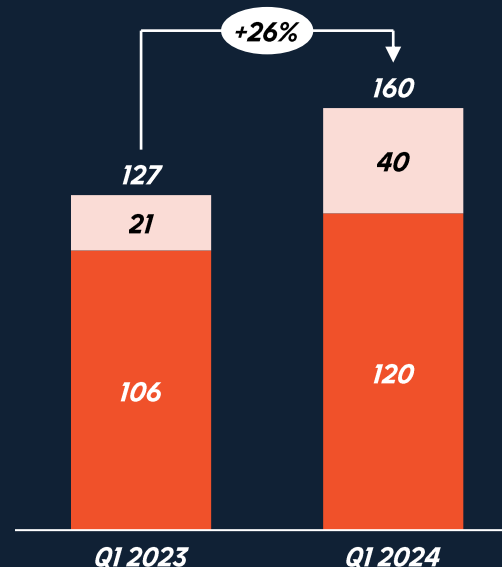
MEMBERSHIP YIELD
OTHER YIELD



TOTAL REVENUES

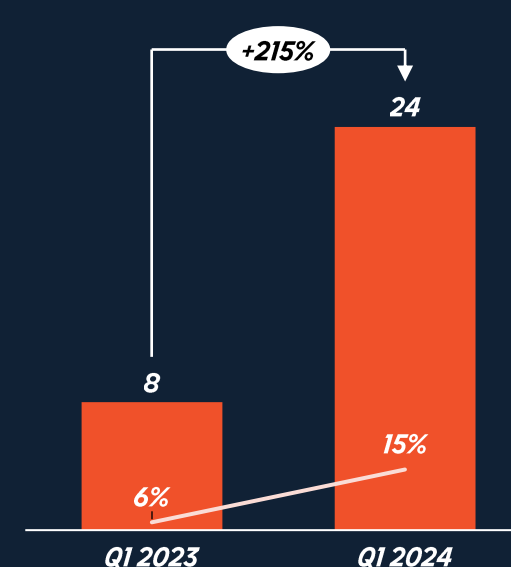
MNOK

MEMBERSHIP REVENUES
OTHER REVENUES



COUNTRY EBITDA BEFORE IMPACT OF IFRS 16

MNOK



Other revenues affected by extraordinary revenue from received delayed covid compensation (18 MNOK)

SUMMARY TABLE

| <i>Amounts in NOK million</i> | Q1 2024 | Q1 2023 |
|--|----------------|----------------|
| Number of clubs, EOP | 276 | 274 |
| Outgoing member base ('000s) | 736 | 734 |
| Average number of members per club | 2 667 | 2 680 |
| ARPM (NOK) | 588 | 550 |
| Yield (NOK) | 477 | 448 |
| Reported EBITDA (MNOK) | 475 | 424 |
| EBITDA before impact of IFRS 16 (MNOK) | 174 | 137 |
| EBITDA before impact of IFRS 16 margin | 13 % | 11 % |
| Country EBITDA before impact of IFRS 16 (MNOK) | 261 | 227 |
| Country EBITDA before impact of IFRS 16 margin | 20 % | 19 % |
| Net debt (MNOK) | 1 343 | 1 678 |
| Total capital expenditures (MNOK) | 34 | 24 |
| Expansion capital expenditures (MNOK) | 6 | 9 |
| Maintenance capital expenditures (MNOK) | 28 | 15 |
| Operating cash flow (MNOK) | 154 | 100 |
| Leverage ratio | 2,0 | 6,7 |
| Cash conversion | 88 % | 73 % |

REPORTING UNDER IFRS 16

| AMOUNTS IN NOK MILLION | REPORTED Q1 2024 | CHANGE IFRS 16 | EXCL. IFRS 16 Q1 2024 |
|--|---------------------|-------------------|--------------------------|
| BALANCE SHEET ITEMS - IFRS 16 | | | |
| Property, plant and equipment | 685 | 0 | 685 |
| Right-of use assets | 4 680 | 4 680 | 0 |
| Deferred tax assets | 179 | 73 | 106 |
| Prepaid expenses and accrued income | 213 | -99 | 311 |
| Total assets | 9 129 | 4 654 | 4 474 |
| Equity | 1 100 | -360 | 1 459 |
| Non-current lease liability | 4 105 | 4 105 | 0 |
| Current lease liability | 947 | 947 | 0 |
| Other current liabilities | 419 | -38 | 457 |
| Total liabilities | 8 029 | 5 014 | 3 015 |
| PROFIT & LOSS ITEMS - IFRS 16 | | | |
| Revenue | 1 294 | 0 | 1 294 |
| Cost of goods sold | -40 | 0 | -40 |
| Personnel expenses | -486 | 0 | -486 |
| Other operating expenses | -293 | 301 | -594 |
| Depreciation and amortization | -303 | -243 | -60 |
| Impairment of assets held for sale | 0 | 0 | 0 |
| Operating profit | 172 | 58 | 114 |
| Net financial items | -72 | -61 | -11 |
| Profit/loss before tax | 100 | -4 | 103 |

DEFINITIONS

| TERM | DEFINITION |
|--|---|
| Adjusted EBITDA before impact of IFRS 16 | EBITDA adjusted for (i) closed clubs; (ii) certain comparability items; and (iii) the impact of implementation of the IFRS 16 lease standard |
| 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 |
| 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 |

| TERM | DEFINITION |
|--------------------------------|--|
| 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 |

RECONCILIATION OF FREE CASH FLOW BRIDGE AND CONSOLIDATED STATEMENT OF CASH FLOWS

| FREE CASHFLOW | CONSOLIDATED STATEMENT OF CASHFLOWS |
|--|---|
| EBITDA before impact of IFRS16 | Profit before tax Depreciation, amortization and impairment Net financial items Installments on lease liabilities Interests on lease liabilities |
| Maintenance capex | Purchase of property, plant and equipment (contains both maintenance capex and expansion capex) |
| Working capital | Change in inventory Change in accounts receivables Change in trade payables Change in other receivables and accruals |
| Expansion capex | Purchase of property, plant and equipment (contains both maintenance capex and expansion capex) Proceeds from property, plant and equipment Acquisition of subsidiary, net of cash acquired |
| Interest and tax | Taxes paid in the period Paid interests on borrowings |
| Other | Gain/loss from disposal or sale of equipment |
| Cash flow items not included in free cash flow | Loan to related parties Repayments of borrowings Proceeds from borrowings Proceeds from issues of shares Proceeds from sale of own shares Transaction costs from issues of new shares Other financial items |

CALCULATION OF PUBLIC HEALTH EFFECT: METHODOLOGY

- Calculated health effect of all SATS members who meet WHO's recommendation of minimum 75-100 minutes of vigorous-intensity aerobic physical activity per week at SATS alone (World Health Organization, 2022)
 - Midpoint of 87.5 minutes applied
 - Assuming an average of 60 minutes per SATS workout
- Members who meet WHO's recommendation through a combination of SATS workouts and other workouts are not factored in
- Applying welfare effects of an average inactive 30-year-old person becoming moderately active of 1.9 QALYs (quality-adjusted life years) for men and 1.1 QALYs for women (Helsedirektoratet, 2008)
- Applying a value per QALY of NOK 1.4 million, not including the value labor force participation (Helsedirektoratet, 2016)

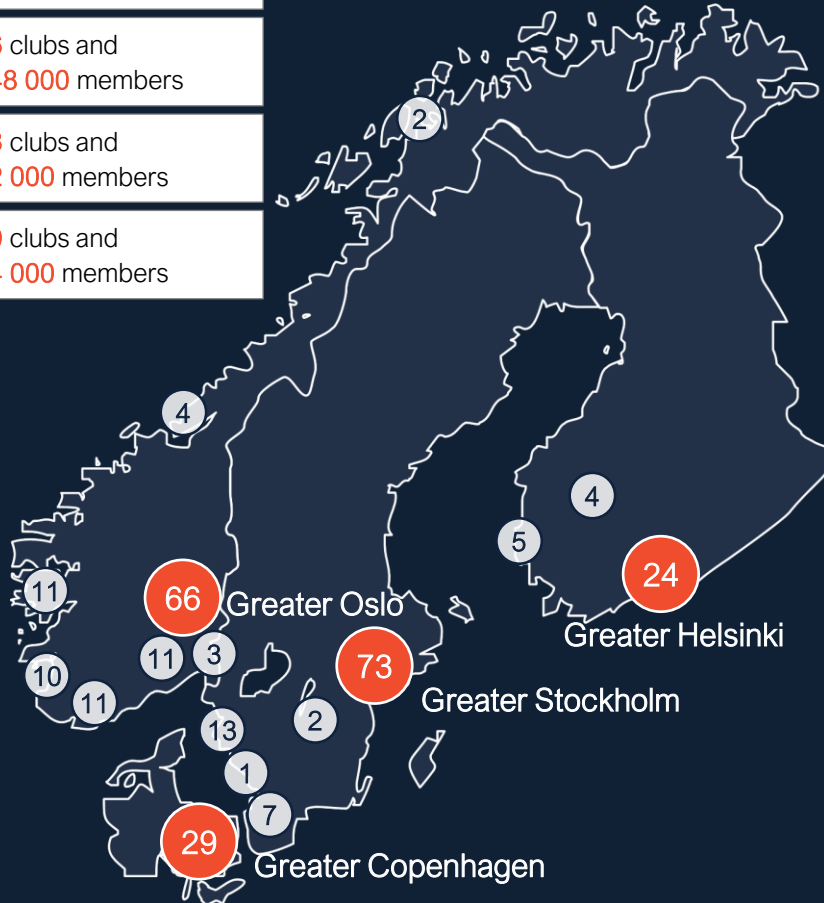
***WHY INVEST IN
SATS?***



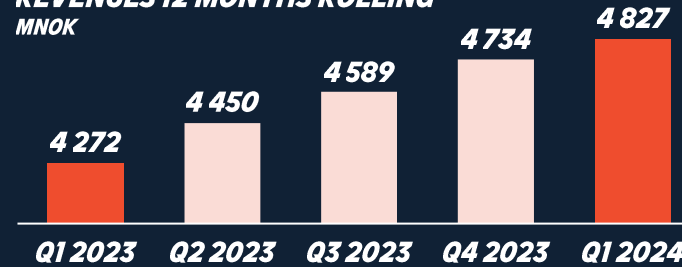
SATS AT A GLANCE

#1 FITNESS CLUB OPERATOR IN THE NORDICS

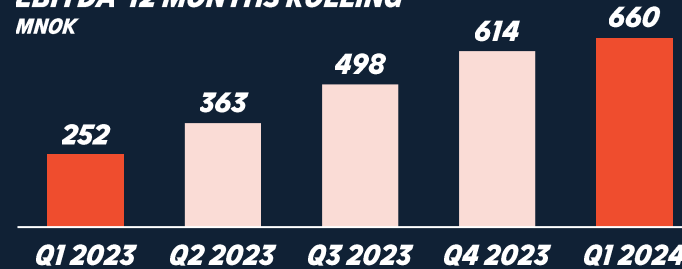
| | |
|---|----------------------------------|
|  | 118 clubs and 331 000 members |
|  | 96 clubs and 248 000 members |
|  | 33 clubs and 72 000 members |
|  | 29 clubs and 84 000 members |



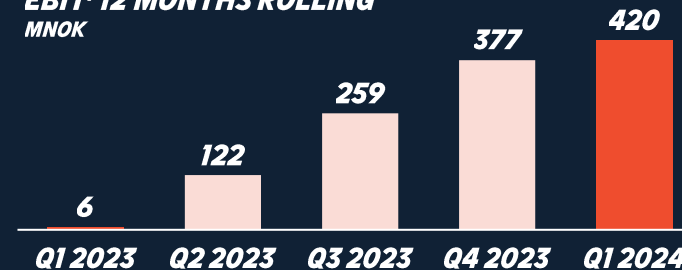
REVENUES 12 MONTHS ROLLING
MNOK



EBITDA¹ 12 MONTHS ROLLING
MNOK



EBIT¹ 12 MONTHS ROLLING
MNOK



736 000
MEMBERS

10 000
EMPLOYEES

120 000
DAILY CLUB VISITS

1 600
DAILY GROUP TRAINING CLASSES

1) Before IFRS 16 and EO items
2) Measured by 2023 revenues based on figures from Deloitte EuropeActive EHFMR 2023

SATS HAS A **PROVEN BUSINESS MODEL** MAKING OUR MEMBERS HEALTHIER AND HAPPIER

FITNESS CLUBS WITH AN UNPARALLELED VALUE PROPOSITION

1 WIDE PRODUCT OFFERING COVERING ALL TRAINING NEEDS



2 UNPARALLELED PRESENCE THROUGH CLUSTER STRATEGY



3 PROPRIETARY APP HELPING MEMBERS SUCCEED WITH THEIR TRAINING



SUPPORTED BY LEADING INSIGHTS AND STAFF

4 LEADING DATA AND INSIGHTS SUPPORTING INFORMED DECISION-MAKING



5 PROVEN OPERATING MODEL AND ENGAGED STAFF DELIVERING EXTRAORDINARY MEMBER EXPERIENCES



WE RIGOROUSLY INVEST IN OUR PRODUCT OFFERING TO ENHANCE ENGAGEMENT AND DRIVE FINANCIAL PERFORMANCE



INVEST IN OUR PRODUCT OFFERING...

We prioritize having the best employees, most compelling and wide product offering, market-leading clubs, and top-notch locations



...AND DELIVER STRONG FINANCIAL PERFORMANCE

By attracting new and loyal members who successfully achieve their fitness objectives, we improve our financial performance



...TO ENHANCE MEMBER ENGAGEMENT, ...

The offering make it easier for our members to succeed with their training and maintain a sustainable activity level, evidenced by increased activity



...FURTHER STRENGTHENING THE #1 COMPETITIVE POSITION ...

Stronger product offering result in increased member loyalty, brand strength and willingness to pay

1. SATS IS A ONE-STOP SHOP FOR TRAINING COVERING ALL OUR MEMBERS' TRAINING NEEDS

RECEPTION AND RETAIL



Manned reception welcoming and helping members with a well-equipped retail area

FITNESS FLOOR



Well-equipped fitness floor with the broadest equipment mix in the Nordics

PERSONAL TRAINING



Personal guidance and training programs to members on the fitness floor

GROUP EXERCISE



Wide offering of group exercise classes enabling members to find a class that is right for them

TREATMENTS



Physiotherapy and sports massage to keep your training on track

CHILD CARE



Let your child be taken good care of in a safe environment while you work out

SATS ONLINE



Strong digital offering with famous and high-quality instructors

STRONG COMMUNITY



Energy and support from a strong community of SATS employees and members

1. UNIQUE MARKET POSITION WITHIN GROUP TRAINING ENABLED BY TIGHT CLUB FOOTPRINT AND SCALE

PRODUCT DISTRIBUTION

- Tight club footprints in large cities enables optimization of product types and class schedules between clubs
- High utilization of group training areas due to scale of member base
- Product distribution and cluster optimization based on data and insight on member behavior

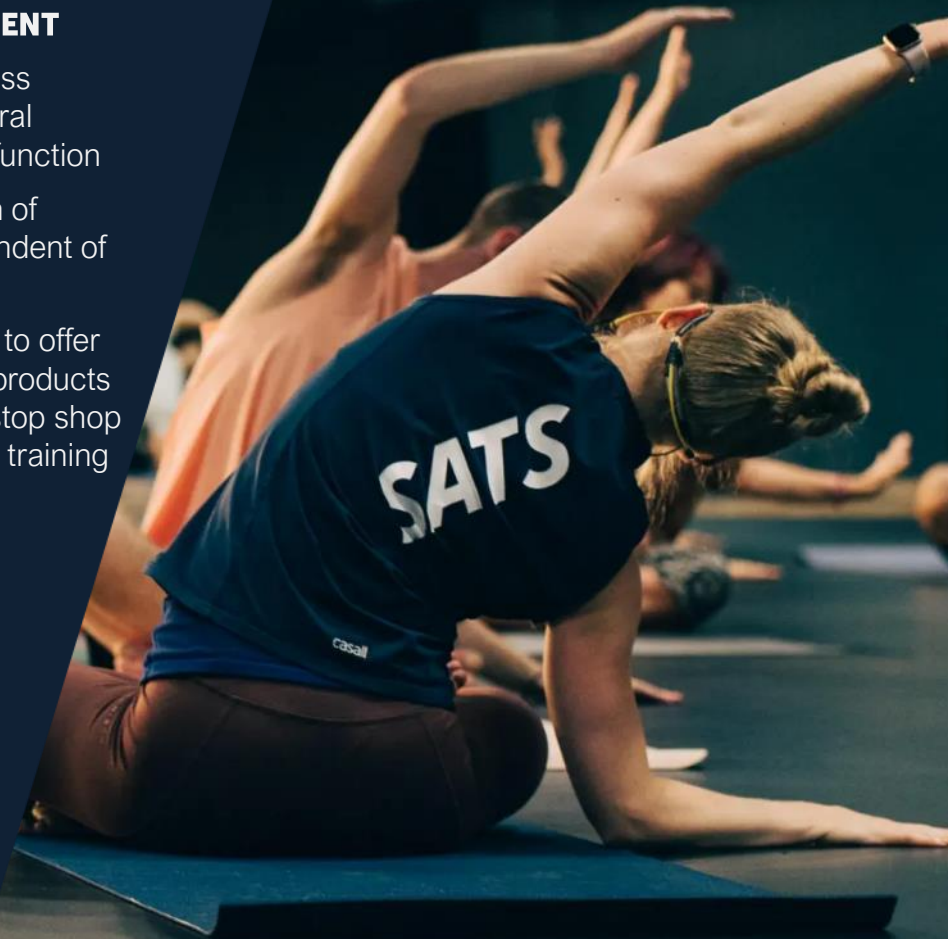


PRODUCT DEVELOPMENT

- Fast follower of fitness trends through central product innovation function
- In-house production of concepts, not dependent of external licenses
- Leveraging clusters to offer a large variation of products and acting as one-stop shop for fun and inspiring training

INSTRUCTOR QUALITY AND AVAILABILITY

- High quality instructor base driven by market leading education path, as well as large pool of potential instructors in the major cities
- Flexibility to optimize schedules across clubs
- Scale and quality in SATS Academy – instructor education



1. EXAMPLE: OPTIMIZING THE RANGE AND MIX OF EQUIPMENT IMPROVES FITNESS FLOOR UTILIZATION AND MEMBER EXPERIENCE

A PROVEN, STRUCTURED PROCESS ...

- Continuous monitoring of equipment usage in our largest clubs using sensors
- Regular feedback from members regarding range and availability of equipment
- Tracking member visits by time and purpose

... ENABLING STANDARDIZATION AND ECONOMIES OF SCALE

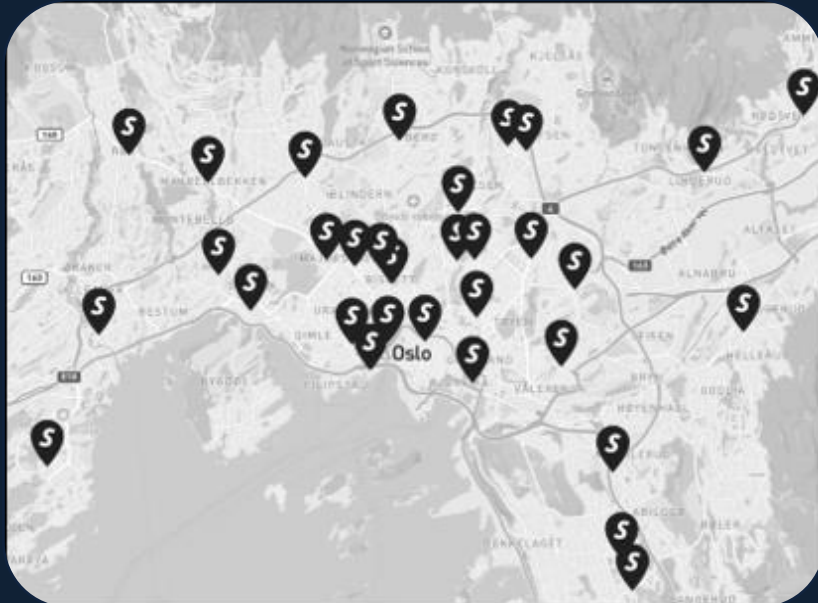
- Insight based, up to date equipment lists and standardized club layout
- Asset registry designed to help identify possible equipment swaps between clubs
- Recommendations for area optimization based on utilization per sqm



2. WE USE THE STRENGTH OF OUR CLUSTERS TO PROVIDE A SUPERIOR OFFERING TO OUR MEMBERS BY OPTIMIZING ACROSS CLUBS

MOST MEMBERS HAVE ACCESS TO MORE THAN ONE CLUB INCLUDED IN THEIR MEMBERSHIP

- Members get a unique option to workout where they live, work and travel
- Differentiated product offerings on clubs gives members access to a wide product offering including HIIT, Hot Yoga, Indoor running, Cycling, Sauna, Childcare fitness floor and more



OUR CLUSTERS LETS US OPTIMIZE ACROSS CLUBS TO PROVIDE A BROAD PRODUCT OFFERING

SATSILA



Offer premium HIIT training with large schedule per day

SATS FAGERBORG



High quality fitness floor with extended opening hours



SATS BISLETT

Offer wide range of popular yoga classes in dedicated hot room

3. OUR PROPRIETARY APP HELP INSPIRE AND BUILD HABITS, HELPING MEMBERS MAINTAIN A SUSTAINABLE ACTIVITY LEVEL

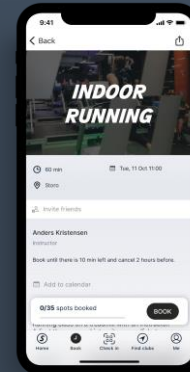
ONBOARDING

- Branched onboarding first 9 weeks, based on members activity
- Tools to succeed with their training and displaying product portfolio
- Mix of app and other channels



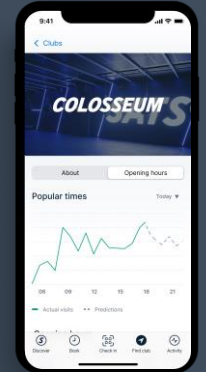
COMMUNITY

- Invite friends to join workout or class
- Let friends know about scheduled workouts or booked group classes
- Give kudos and comments to friend's workouts



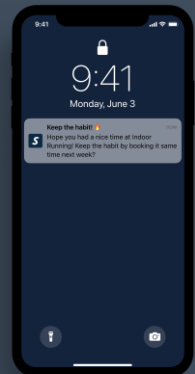
PLANNING AND MOTIVATION

- Re-book same class next week
- Scheduled your own workouts in app
- Wait list- and club capacity predictions
- Supportive push notifications



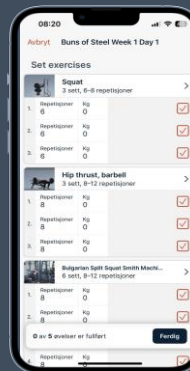
PROFILING

- Detailed onboarding survey enabling personalized communication and workout suggestions
- Customized messaging based on training experience and goals



TRAINING PROGRAMS

- Training programs for all levels with video and textual descriptions
- Options for in-gym and at home
- Leading online library with over 700 digital workouts



CHALLENGES

- Personalized challenges at different levels improving brand loyalty
- Get digital badges, and win other rewards when completing a challenge

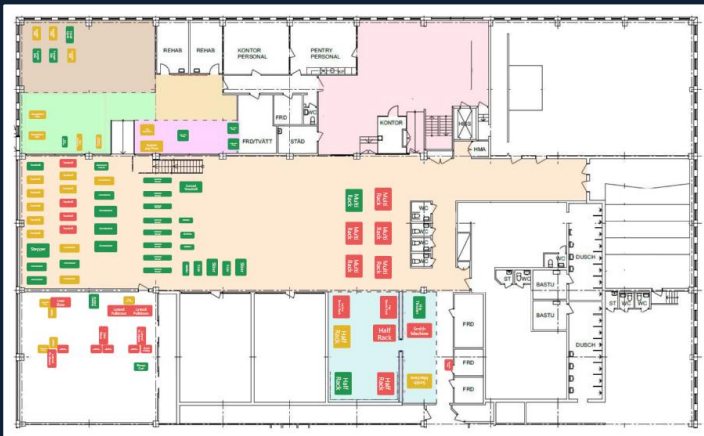


APP WITH **325K WEEKLY USERS** AND **230K WEEKLY GROUP TRAINING BOOKINGS**

4. LEADING DATA AND INSIGHTS SUPPORTING INFORMED DECISION-MAKING

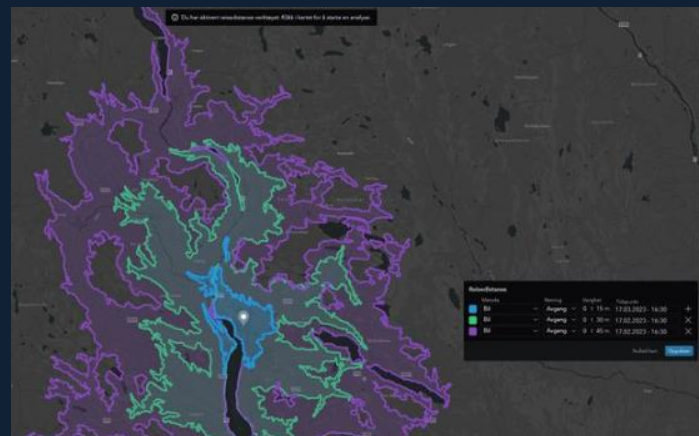
PRODUCT OFFERING

- Centralized scheduling model allocating the GX schedule to optimize number of average show-ups per class
- Equipment sensors with real-time usage data, making it easy to optimize equipment mix based on members usage



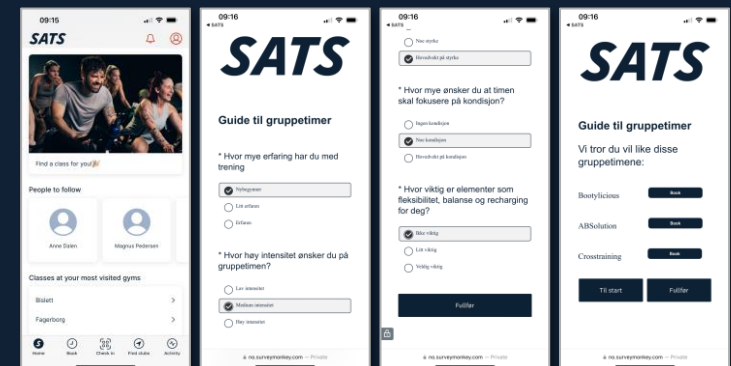
CLUSTER STRATEGY

- Demography, population, travel distance and competitor data leveraged for sourcing the best club locations
- Data driven framework for distribution of products across clubs in clusters



APP

- Live segmentation of all members used for personalized communication and triggered customer journeys
- Personalized GX recommendations based on individual member data



5. OUR PROVEN OPERATING MODEL AND STAFF DELIVER EXTRAORDINARY MEMBER EXPERIENCES

LABOR SCHEDULING

Automated scheduling tool optimizing total labor hours and role composition based on visit forecasts and member satisfaction

ROUTINES AND MANUALS

Streamlined routine-lists and manuals across all clubs to maintain service level according to SATS's standard

ONBOARDING AND TRAINING

Best-in-class onboarding and training modules to improve sales, cleaning, preventive maintenance and other key competences

NPS TRACKING

Standardized process for measuring member satisfaction and prioritizing improvement efforts accordingly

CLUB AUDITS

Annual audit across portfolio to identify gaps in construction quality and layout, basis for allocating CAPEX budget

SATS ACADEMY

Academy for talented and motivated staff with ambitions of pursuing full-time career in SATS



CAPITAL ALLOCATION PRINCIPLES; TARGETING LEVERAGE RATIO OF 1.5-2.0X

RE-INVESTMENT IN EXISTING CLUBS



Ongoing investment in physical and digital product to maintain outstanding member experience

GROWTH



Investing in high-returning growth opportunities

LEVERAGE AND DIVIDEND POLICY



Sensible leverage with excess cash returned to shareholders

SHORT TERM

Total maintenance CAPEX of 5% of revenues, including club portfolio and tech CAPEX

Prioritize investing in existing clubs to increase club capacity and product offering

Prioritizing to reduce debt, reducing leverage to below 2.0x (net debt to EBITDA)

LONG TERM

Expected to average 8-12 yearly club openings, depending on the attractiveness of acquisition targets and greenfield locations

Excess cash returned to shareholders, or re-invested in growth
Leverage ratio ranging from 1.5-2.0x

SATS