SATS
ANNUAL REPORT 2024

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SATS IN SHORT

At SATS, we believe that everyone deserves the opportunity to live an active and healthy life. Every day, our 10,000 passionate employees work to inspire and support our 733,000 members in reaching their fitness goals—whether they are just starting their journey or pushing their limits.

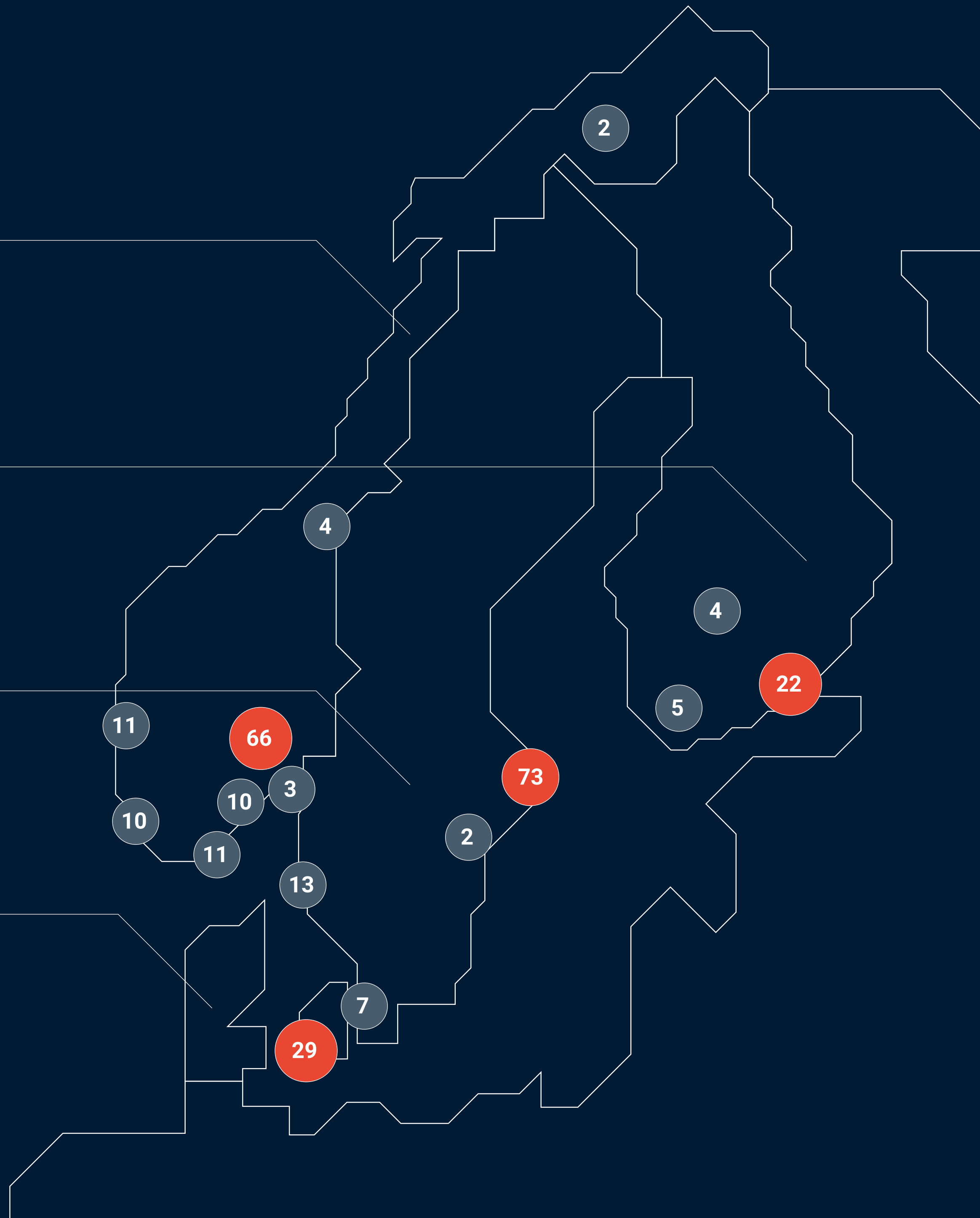
As the leading provider of fitness and training services in the Nordics, our 272 clubs and strong portfolio of brands—SATS, ELIXIA, Fresh Fitness, SATS Yoga, and SATS Online—make us a natural choice for the broader population, catering to different needs, preferences, and fitness levels. We offer full flexibility, allowing members to tailor their fitness experience to suit their individual goals and lifestyles. With cutting-edge studio facilities for individual training, the widest selection of group training with superior programming, and highly qualified personal trainers for specialized coaching, we ensure that everyone can train in a way that suits them best. Beyond our clubs, we extend our support through digital tools and online training, helping our members stay active anytime, anywhere. To stay at the forefront of the industry, we continuously innovate and adapt to new fitness trends to ensure that SATS remains the most inspiring fitness community in the Nordics.

332,000 MEMBERS
117 CLUBS
NORWAY

71,000 MEMBERS
31 CLUBS
FINLAND

248,000 MEMBERS
95 CLUBS
SWEDEN

82,000 MEMBERS
29 CLUBS
DENMARK



HIGHLIGHTS 2024

OPERATIONAL PERFORMANCE

CLUBS
272

-1%

Maintaining a strong club footprint across the Nordics.

MEMBERS
733,000

+0.3%

The member base is key to achieving SATS' vision of making people healthier and happier, as well as maintaining a financially sustainable company.

WORKOUTS
47 MILL

+5%

Active members are loyal members, who reach their goals and stay over time.

GROUP TRAINING CLASSES
585,000

+9%

Well-positioned to capitalize on the group training trend, which remains a key driver of engagement.

FINANCIAL PERFORMANCE

REVENUES (NOK)
5,064 MILL

+7%

The revenue performance is driven by higher member engagement and strategic pricing initiatives.

EBIT[1] (NOK)
525 MILL

+39%

EBIT lifted the past years, due to vigorous product improvements, regained member base, disciplined cost control and high operational leverage.

CASHFLOW (NOK)
272 MILL

+12%

Delivering a strong cash flow through disciplined financial management and high operational efficiency.

LEVERAGE
1.4X

VS 2.4X LY

Significant deleveraging has brought the company below the target of the lower end of the 1.5x-2.0x range, enabling initiation of shareholder distribution.

1) *EBIT before IFRS 16*

SUSTAINABILITY

PUBLIC HEALTH (QALYS)
17,300

+5%

Number of QALYs (quality adjusted life years), contributed to even longer and better lives for the Nordic population

EMPLOYEE SATISFACTION (ENPS)
23

VS REFERENCE INDEX AT 10

eNPS lift demonstrates a positive trend and reflects our ongoing efforts to enhance the employee experience

ENGAGEMENT INDEX
4.2

VS REFERENCE INDEX AT 3.9

Significantly higher than the reference index, proving that the organization is effectively executing its tasks across various organizational levels.

EMISSIONS (TCO2/REVENUES)
0.7

-20%

Reducing GHG emissions intensity while driving sustainable revenue growth through strategic investments and operational efficiencies.

OUR VISION AND OUR VALUES

We make people healthier and happier!

SATS' vision is to make people healthier and happier. To achieve this, we are dedicated to helping our members succeed with their training—since we know from decades of industry experience that regular training is the best way to stay committed and become healthier and happier.

To achieve our vision and help our members succeed in their training, we have the most competent, dedicated and inspiring staff, the broadest product offering with world-class quality, and the best presence with the widest network of physical clubs and industry-leading digital offerings. We promise both members and non-members that we will take an extended responsibility toward training and physical activity in society.

Our values serve as the compass that leads our actions and behavior in our daily work.

I put **MEMBERS FIRST** — Our members are the foundation of everything we do and our number one priority; we have a genuine passion to serve our members and make a real difference.

I am **ACCOUNTABLE** for what I do — We deliver what we promise and always set a good example for others; we do the right thing, not the easiest thing; we give each other the confidence, trust and support to succeed and fail.

I am **PROFESSIONAL** — We set the standards in our industry by seeing it through our members' eyes; we have the most dedicated and competent employees. We are always good SATS ambassadors.

I am **EXTRAORDINARY** in everything I do — Together as a team, we create experiences that others will remember; we surpass expectations; we recognize great performance and team members who have gone the extra mile.

OUR HISTORY

1995

SATS is launched in Norway, and grows rapidly by re-branding eight existing fitness clubs.

1998

SATS operates 49 fitness clubs and is acquired by the American fitness club group 24 Hour Fitness Worldwide.

1999

SATS acquires the Swedish Sports Club group and establishes its operations in Sweden.

2000

SATS becomes the first chain in the Nordics to offer personal training. The expansion continues, and after entering Denmark, SATS operates 100 clubs in the Nordics.

2001

ELIXIA is launched, and by year-end the chain operates a total of 16 fitness clubs in Norway and Finland.

2002

The private equity investor Nordic Capital and the Norwegian founders of SATS acquire SATS from 24 Hour Fitness Worldwide.

2003

SATS establishes its first clubs in Finland.

2006

TryghedsGruppen smba acquires SATS.

2010

Fresh Fitness is launched as a low-cost alternative in Norway and Denmark.

2011

ELIXIA is acquired by Altor, a private equity investor.

2014

SATS and ELIXIA merge, creating the largest fitness chain in the Nordics.

2016

SATS launches Online Training along with multiple niche training concepts, including HiYoga, Build'n Burn, and Martial Arts

2018

All ELIXIA clubs in Norway and Fresh Fitness clubs across the Nordics are rebranded to the SATS/ELIXIA concept.

2019

SATS acquires fitness dk, consisting of 39 fitness clubs, to re-enter the Danish market after leaving in 2013. SATS ASA is listed on the Oslo Stock Exchange.

2020–2021

SATS faces significant challenges due to the COVID-19 pandemic and associated business restrictions.

2022

A pivotal turnaround year marked by the introduction of a new strategy, laying the groundwork for achieving record-breaking operational and financial performance.

2023–2024

A strong rebound in financial performance, surpassing pre-pandemic levels. Strategic investments in the group training product further strengthen our competitive edge and enhance member experience.

LETTER FROM THE CEO

Dear Reader,

2024 has been a great year for SATS. We have never had so many visits to our clubs, we expanded our product offering, and we truly made the Nordic population healthier and happier.

We closed the year with 272 clubs and 733,000 members and had in total 46.5 million visits, which is an increase of 5 percent. We upgraded 76 of our clubs and launched several new products throughout our portfolio. The wellness bundle of new group training concepts and the new Pilates classes are examples of great new products and also recruited new members to our community. Total visits to our group training classes increased by 12 percent in 2024.

Fitness clubs will play an increasingly important role in our society going forward. Lifestyle diseases, mental health illnesses, and people outside of working life are examples of key challenges we face as a society. The fitness industry is a vital part of the solution to these challenges.

A survey from Europe Active shows that a decreasing share of the population in the Nordics is active outdoors or in their homes while the activity level at fitness clubs is increasing. SATS' own trend report also shows that 30 percent prefer to be active at a fitness club. Today, only 20 percent of the Nordic population above the age of 16 is a member of a fitness club. Hence, the fitness industry will continue to grow and be a strong positive contributor to the total health and well-being of the population.

As the market leader in the Nordics, and with a strong presence in the cities with the highest population growth, the SATS community will continue to grow. We invest in our clubs to improve the quality of the product offering, increase capacity and attract new target groups, and we will gradually open more new clubs to expand our footprint. We are truly committed to our vision of making people healthier and happier.

More members, and more active members, improve financial delivery—and in 2024 we delivered strong financial results. Revenue increased by 7 percent to NOK 5,064 million, EBITDA before IFRS 16 increased by 20 percent to NOK 738 million, and EBIT increased by 39 percent to NOK 525 million. With a strong cash conversion, we were able to repay debt and brought leverage (net debt to EBITDA) down from 2.3 to 1.4. We also announced a shareholder distribution program, encompassing both dividends and share buybacks. Looking ahead to 2025, we aim to further expand our community, continue investing in innovative fitness solutions, and strengthen our commitment to sustainability and public health.

Finally, I want to say thank you to all 10,000 of our wonderfully dedicated and passionate employees for creating extraordinary moments for our members, and to all our members for prioritizing their health and wellbeing. Together, we're building a healthier, more active society.

Sondre Gravir
CEO

THIS IS SATS

VISION

At SATS, we strive to achieve our vision of making people healthier and happier. The Nordic population is among the most physically active in the world, and approximately 20 percent of the population is a member at a fitness club. However, people spend more than 60 percent of their waking hours sitting or resting. We aim to change this trend by helping members become more active and find joy in activity. Supporting our members in succeeding with their training is also a key element for us in building a profitable business. Based on decades of experience from the fitness industry, we know that active members who stick to their habits over time are the most loyal members.

We truly delivered on our vision during 2024, with 45.3 million visits to our clubs, an increase of 7 percent over the previous year. We have worked systematically to help our members succeed and will continue to do so in the future.

STRATEGIC ASPIRATION

To achieve our vision, SATS aims to help more members succeed with their training. The strategy is centered around being the best fitness club operator, meaning that we will focus on delivering on the core of our product, which is to operate gyms efficiently and provide adjacent services that help members reach their fitness goals. Specifically, we will focus on four strategic areas: attract new members, engage our members, create extraordinary moments, and provide high-quality clubs.

Attract new members

Make members excited to start exercising and show them how we can help them live healthier lives.
A large share of the Nordic population is inactive and would likely experience substantial health benefits from exercise. SATS will inspire people to take the first step to a healthier life by showing them both how exercise can be fun and enjoyable and the joys of being part of a training community. We want to remove barriers to exercise by helping members find memberships that suit their needs and make becoming a member quick and easy so they can start benefitting from an active lifestyle as soon as possible.

Engage our members

Help members achieve a sustainable activity level by using our people, insights and diverse portfolio of products.

Regarding exercise, consistency is key, both for capturing the health benefits from training and for reaching performance goals. SATS will help members achieve this consistency and build lasting habits. As part of this work, it is important to recognize that each member needs to be challenged at their own level. By using member insights and maintaining a diverse portfolio of products, we will ensure that members find a way to exercise that they enjoy and that brings them closer to their training goals.

Create inspiring moments

Create a great experience every time a member meets us by providing world-class service and operating standards.
Our people are at the core of our product and a key part of the SATS experience. Our staff play a critical role in delivering our product by making people feel welcome at the club, instructing our group training classes, or providing personalized coaching as a personal trainer. We aim to attract the best people and give them the training and support they need to perform in their roles and help our members succeed with their training. Our operating model provides a standardized framework for how we run our clubs and enables us to provide great experiences in all clubs across the Nordics.

Provide high quality clubs

Ensure clubs are of high quality and that members get access to a wide training offering through our clusters.

We have strong clusters of clubs across the Nordics. This means that SATS members get access to a wide product offering and gyms in great locations. By optimizing our product offering with a cluster perspective, we can deliver a broad product offering on the cluster level while maintaining high utilization in every club. SATS clubs will have a premium standard and good atmosphere, and as part of this ambition we also strive to have high uptime on equipment and facilities.

Our people, product and atmosphere

Our strategy comes to life through our people, product and atmosphere. At SATS, we truly believe that activity is an important element of a healthy lifestyle, and we aim to motivate people to become active and experience the benefits. To help members succeed with their training, we strive to always have talented people, a strong product offering, and an inspiring club atmosphere.

Our People

We are powered by passionate, skilled, and energetic people who deliver exceptional service, helping every member succeed and feel valued and recognized as an individual. We are the inspirators!

Our Product

We strive to have the most complete offering of equipment, group training, personal training and retail. Distributed to the right clubs, at the right time, supported by technology to create unique member experiences.

Our product is an important enabler to lower the threshold for working out by providing inspiration and support to members at all fitness levels.

Our happiest members are those who use our wide product range of group training, our personal training and our wide clusters of clubs. These members are more active and stay with us longer—proof of how our product helps our members succeed.

Our atmosphere

We create an atmosphere that makes everyone feel welcome and motivates each member at their own level for a joyful training experience.

We want everyone to feel welcome when joining our SATS community regardless of their current fitness level and previous training experience. At SATS, members should find a joyful atmosphere that makes going to the gym a little bit easier.

At SATS, we are proud of how our people, product and atmosphere contribute to an even gender balance and members of all age groups—proof that we help members live healthy and happy life.

VALUES

Our values are Members First, Accountable, Professional, and Extraordinary.

I put Members First — Our members are the foundation of everything we do and our number one priority; we have a genuine passion to serve our members and make a real difference.

I am Accountable for what I do — We deliver what we promise and always set a good example for others; we do the right thing, not the easiest thing; we give each other the confidence, trust and support to succeed and fail.

I am Professional — We set the standards in our industry by seeing it through our members' eyes; we have the most dedicated and competent employees. We are always good SATS ambassadors.

I am Extraordinary in everything I do — Together as a team, we create experiences that others will remember; we surpass expectations; we recognize great performance and team members who have gone the extra mile.

Our values represent the heart of our culture. When we interact with members and colleagues, our values guide us. We believe in the importance of building a strong value-based culture. Our overall goal is for everyone in the company to know the SATS vision and values, reflect on them, and use them in their daily work.

GROWTH ROUTES TO DRIVE VALUE CREATION

SATS sees several avenues for growth going forward. In the short term, there is significant potential in growing the member base at the existing clubs. We see four main routes to increasing the number of members per club.

First, we will continue to work with our product offering to make our clusters, as well as single clubs, more attractive for existing and potential members. Second, for some clubs, there is a substantial upside in upgrading to improve the club's quality. Third, we optimize the club layout and equipment mix to facilitate more members per square meter at our fullest clubs. Fourth, we downsize and/or relocate clubs with too much space relative to the member base to optimize club layout and improve club space utilization.

We will keep growing the club portfolio, expanding in existing clusters, and potentially entering new attractive clusters. We also see an opportunity to improve the average revenue per member by offering adjacent products and services and continue to develop our personal training and retail offering. We continue to improve the scale and platform advantages as the operating leverage drives a high drop-through of incremental revenue. In addition, we will focus on club and overhead cost discipline.

CAPITAL DEPLOYMENT

SATS is committed to a disciplined and strategic approach to capital allocation, ensuring long-term value creation for members and shareholders alike. We prioritize reinvestments in our existing clubs to maintain and enhance the member experience while selectively pursuing high-return growth opportunities. With a balanced focus on financial strength, we aim to keep leverage at the lower end of our target range and return capital to shareholders through a combination of dividends and share buybacks.

Re-investing in existing clubs

Allocating 5 percent of revenue to maintenance CAPEX

Leverage

Aiming for a leverage ratio[1] in the lower end of the 1.5–2.0x range

Club growth

Investing in high-returning growth opportunities, expected to average 8–12 yearly club openings

Shareholder distribution

Aim to distribute at least 50 percent of annual net profit as a combination of share buybacks and semi-annual dividends

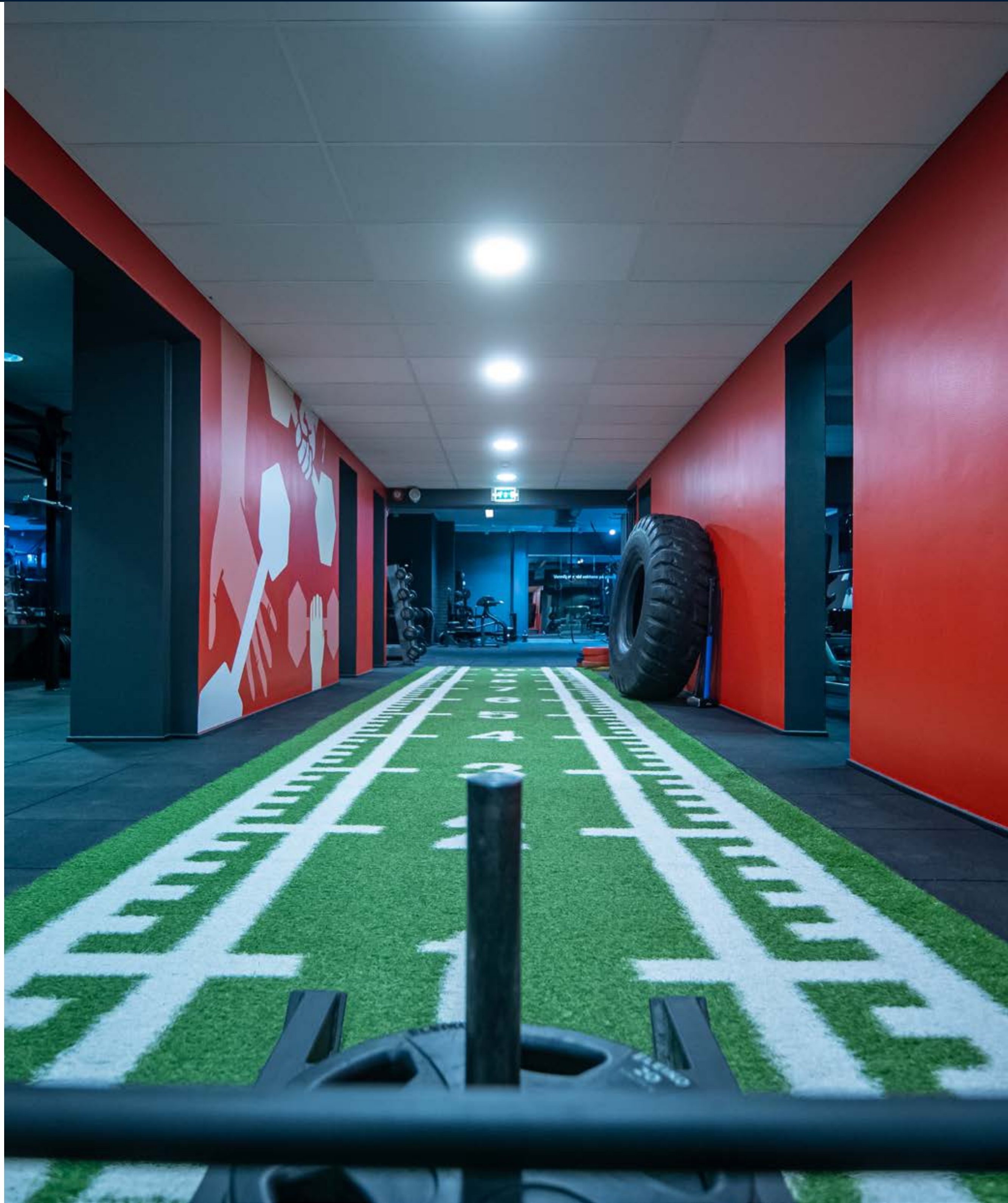
1) Net debt to EBITDA before IFRS 16

FRESH FITNESS – SATS GROUP'S LOW-COST OPERATOR

Fresh Fitness was launched by SATS Group in 2010 as a low-cost alternative in Norway and Denmark. In Norway, Fresh Fitness was an immediate success, offering high-quality training at a significantly lower price than traditional operators. By the end of 2024, Fresh Fitness operated 39 clubs. Fresh Fitness extends SATS' vision of making people healthier and happier by targeting the most cost-conscious consumers. Fresh Fitness' vision is to provide affordable training to the people, with a brand profile tailored to reach the general public. During the past few years, Fresh Fitness has taken significant steps toward becoming a pure low-cost player, offering a no-frills product to consumers. The product resembles SATS' product, but with a simplified operating model, more self-service solutions, and no group training.

Fresh Fitness clubs range from 600 to 1,400 sqm with up to 90 percent of their area dedicated to fitness activity. The clubs are open from 5:00 AM–12:00 AM, 365 days per year, enabled by automated club operations, including single check-in gates. Access is granted through QR-code check-ins in the app or by scanning a membership card. Even though club operations are fully automated, all clubs are staffed during peak hours. All clubs offer personal training through externally hired contractors.

Fresh Fitness had a strong year in 2024, with more than 4.1 million visits and record-high profitability, proving the attractiveness of a low-cost business model. More than 30 percent of the portfolio was upgraded and opening hours extended to 5AM–midnight to keep the concept competitive. Fresh Fitness is a key contributor to the SATS portfolio, both to compete with other low-cost operators and to give the Group added flexibility in terms of growth going forward.



WHERE WE OPERATE

NORWAY

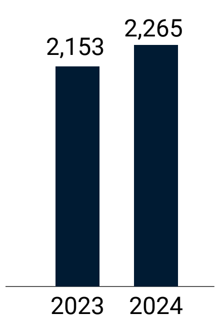
SATS and Fresh Fitness are well-known brands in Norway and together the largest operator of fitness clubs. Norway is the largest operating segment in the Group with 45 percent of the consolidated total revenue in 2024 and 332,000 members at year-end 2024. The Group has 117 clubs in Norway, of which 78 SATS clubs and 39 Fresh Fitness clubs. Our clubs are spread out from Kristiansand in the south to Tromsø in the north, with 66 clubs located in the greater Oslo area.

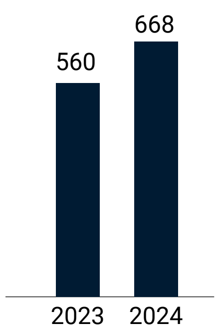
The member base in Norway increased by 2 percent during the year, despite a club optimization project leading to a net reduction of two clubs. Total revenue increased by 5 percent to NOK 2,265 million. Country EBITDA before impact of IFRS 16 increased from NOK 560 million last year to NOK 668 million in 2024, resulting in a Country EBITDA margin of 29 percent.
The members of SATS Norway and Fresh Fitness worked out 20.4 million times at our clubs during 2024, up 4 percent from 2023.

SATS and Fresh Fitness employed a total of 4,498 employees at the end of the year, corresponding to 858 full-time equivalents.

Key financial figures and Alternative performance measures (APM)

Amounts in NOK million (unless otherwise stated)	**2024**	2023
Membership revenue	1887	1763
Other revenues	378	389
Total revenues	2265	2153
Country EBITDA[1]	668	560
Margin (%)	*29%*	*26%*
EBITDA[2]	489	387
Margin (%)	*22%*	*18%*
Clubs	117	119
Members ('000)	332	326
ARPM (NOK/month)	573	551





SWEDEN

SATS Sweden has maintained a strong position over many years and had 248,000 members at the end of 2024. With 34 percent of consolidated total revenue, it is the second-largest operating segment in the Group. The club portfolio consisted of 95 clubs across the country at year-end, including a strong cluster of 73 clubs in the Greater Stockholm area.

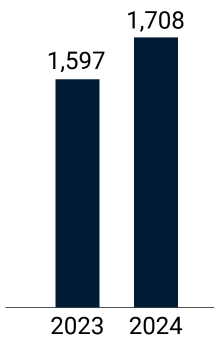
The member base was stable during the year, and revenue per member increased by 6 percent compared to 2023. Consequently, total revenue increased 7 percent (5 percent curr. adj.) to NOK 1,708 million. Country EBITDA before impact of IFRS 16 decreased from NOK 330 million last year to NOK 302 million in 2024, resulting in a Country EBITDA margin of 18 percent.

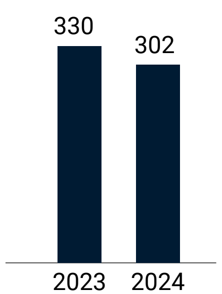
During 2024, the members visited SATS Sweden 15.8 million times, an increase of 5 percent since 2023.

The number of employees in Sweden totaled 3,418 at year-end 2024, corresponding to 877 full-time equivalents.

Key financial figures and Alternative performance measures (APM)

Amounts in NOK million (unless otherwise stated)	**2024**	2023
Membership revenue	1397	1281
Other revenues	311	315
Total revenues	1708	1597
Country EBITDA[1]	302	330
Margin (%)	*18%*	*21%*
EBITDA[2]	152	185
Margin (%)	*9%*	*12%*
Clubs	95	95
Members ('000)	248	249
ARPM (NOK/month)	573	540





1) *Adjusted Country EBITDA before the impact of IFRS 16.*
2) *Adjusted EBITDA before the impact of IFRS 16.*

FINLAND

In Finland, the business is operated under the brand ELIXIA and had 71,000 members at year-end 2024. ELIXIA Finland constituted 10 percent of consolidated total revenue in 2024. We currently have 31 clubs in Finland, 22 of which are in the Helsinki cluster. The Finnish fitness market is highly fragmented, and ELIXIA is the market leader.

The number of members was stable during the year, while the average revenue per member rose by 7 percent. Total revenue increased 8 percent (6 percent curr. adj.) to NOK 501 million. Country EBITDA before impact of IFRS 16 increased from NOK 48 million last year to NOK 52 million in 2024, resulting in a Country EBITDA margin of 10 percent.

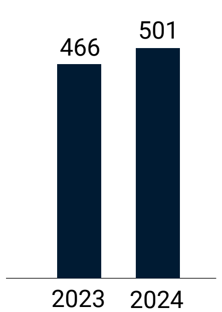
ELIXIA members worked out 4.8 million times at the clubs during the year, up 8 percent from 2023.

ELIXIA Finland had 934 employees at year-end 2024, which corresponded to 260 full-time equivalents.

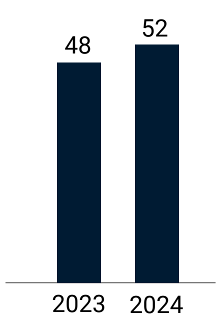
Key financial figures and Alternative performance measures (APM)

Amounts in NOK million (unless otherwise stated)	**2024**	2023
Membership revenue	422	390
Other revenues	79	76
Total revenues	501	466
Country EBITDA[1]	52	48
Margin (%)	*10%*	*10%*
EBITDA[2]	29	25
Margin (%)	*6%*	*5%*
Clubs	31	33
Members ('000)	71	71
ARPM (NOK/month)	588	550

REVENUES
NOK million
+8%



COUNTRY EBITDA[1]
NOK million
+8%



DENMARK

The Danish operations contributed 12 percent of consolidated total revenue in 2024 with 82,000 members at the end of the year. The Danish club network consists of 29 clubs, which together create a strong cluster in Greater Copenhagen. SATS is the second-largest operator in the Danish market.

The member base in Denmark decreased by 3 percent in 2024, while the average revenue per member increased by 14 percent, resulting in a revenue growth of 14 percent (12 percent curr. adj.) to NOK 589 million. In 2024, other revenue was positively affected by COVID compensation of NOK 18 million. Country EBITDA before impact of IFRS 16 increased from NOK 15 million last year to NOK 53 million in 2024, corresponding to a Country EBITDA margin of 9 percent.

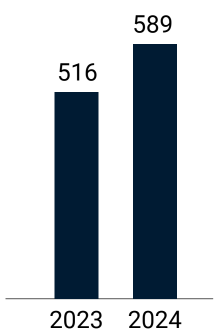
The Danish members worked out 5.5 million times at the SATS clubs in 2024, an increase of 3 percent from 2023

SATS Denmark employed 1,035 employees at year-end 2024, which corresponded to 263 full-time equivalents.

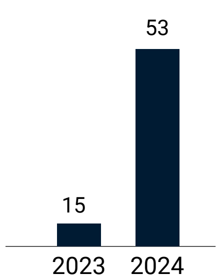
Key financial figures and Alternative performance measures (APM)

Amounts in NOK million (unless otherwise stated)	**2024**	2023
Membership revenue	487	436
Other revenues	102	80
Total revenues	589	516
Country EBITDA[1]	53	15
Margin (%)	*9%*	*3%*
EBITDA[2]	24	-13
Margin (%)	*4%*	*-3%*
Clubs	29	29
Members ('000)	82	85
ARPM (NOK/month)	590	517

REVENUES
NOK million
+14%



COUNTRY EBITDA[1]
NOK million
+258%



[1)] *Adjusted Country EBITDA before the impact of IFRS 16.*
[2)] *Adjusted EBITDA before the impact of IFRS 16.*

FINANCIAL PERFORMANCE

In 2024, the member base increased by 0.3 percent and revenue per member increased by 6 percent compared to 2023. As a result, total revenue was lifted by 7 percent to NOK 5,064 million. EBITDA before impact of IFRS 16 was NOK 738 million, up from NOK 614 million in 2023.

SATS has 30 years of experience within the fitness industry and is the leading operator of fitness clubs in the Nordic region. The Group operates the SATS brand in Norway, Sweden and Denmark and ELIXIA in Finland, in addition to the low-cost fitness club brand Fresh Fitness in Norway. The Group offers members access to studio training, group training, yoga and online training. In addition, highly qualified personal trainers offer individual coaching, and food, drinks, apparel and training accessories are available through the retail shops in the clubs' reception areas.

SATS is the fifth-largest fitness chain in Europe with a strong presence in four Nordic capital cities, making it the clear leader in the Nordic fitness market. As at the 2024 balance sheet date, the Group had a leading network of 272 clubs, with strongholds in key metropolitan cities throughout the Nordic region and 733,000 members. Our 10,000 employees across the Nordic countries are working to make people healthier and happier every day.

ANALYSIS OF THE 2024 FINANCIAL STATEMENTS

The Board of Directors believes that the 2024 financial statements give a true and fair view of the Group's assets and liabilities, financial position, and profit for the period. The financial statement shows the results for the period January 1–December 31, 2024, compared to the period January 1–December 31, 2023. The Board confirms that the Group's liquidity position will be adequate to fulfil short-term liabilities, including installments on bank borrowings as they fall due.

During 2024, we continued to uphold the focus on portfolio optimization and club profitability, increasing the number of members per club by attracting new members and retaining existing members while capitalizing on economies of scale. Price adjustments and a continued focus on cost control have laid a solid foundation for profitability in 2024 and going forward. The Board confirms that the use of the going concern assumption is appropriate. The 2024 financial statements have been prepared in accordance with this assumption.

STATEMENT OF COMPREHENSIVE INCOME

In 2024, total revenue increased by 7 percent to NOK 5,064 million compared to NOK 4,734 million in 2023. Revenue for all segments increased compared to 2023, by 5 percent in Norway, 7 percent in Sweden, 8 percent in Finland, and 14 percent in Denmark (including COVID compensation of NOK 18 million received in 2024). The increase in revenue is primarily due to the increase in average revenue per member (ARPM). The total member base increased by 0.3 percent compared to last year. Reported ARPM increased by 6 percent , mainly driven by price increases and a lower average freeze level through 2024.

Operating expenses including depreciation and amortization increased by 4.7 percent from NOK 4,127 million in 2023 to NOK 4,320 million in 2024.

Operating profit increased by NOK 137 million, from NOK 607 million in 2023 to NOK 744 million in 2024. Net financial items increased by NOK 17 million, or 6 percent, from an expense of NOK 293 million in 2023 to an expense of NOK 310 million in 2024.

The income tax expense increased by NOK 18 million, from an expense of NOK 89 million in 2023 to an expense of NOK 108 million in 2024, driven by taxable results. Losses carried forward increased from NOK 93 million to NOK 94 million in the Swedish entities due to currency effects. Deferred tax assets from losses carried forward are not recognized for the Finnish or Danish segments in 2024 due to uncertainty as to whether profits will be utilized against the unused tax losses within a reasonable time frame.

The profit before tax was NOK 434 million in 2024 compared to a profit before tax of NOK 313 million in 2023. Total comprehensive income was NOK 315 million compared to an income of NOK 162 million in 2023.

As at the balance sheet date, the Group's total tax loss carried forward was NOK 1,336 million, of which the NOK 1,242 million generated in Denmark and Finland is not recognized in the balance sheet.

SEGMENT DEVELOPMENT

Norway

Total revenue increased by 5 percent to NOK 2,265 million in Norway in 2024. The revenue increase was driven by a 2 percent higher average member base and a 4 percent higher ARPM. Operating expenses increased by 1 percent mainly due to increased salary costs and general inflationary pressure, partly outweighed by a net reduction of two clubs and significantly lower electricity prices compared to last year. Country EBITDA before impact of IFRS 16 increased from NOK 560 million last year to NOK 668 million in 2024, resulting in a Country EBITDA margin of 29 percent.

Sweden

Total revenue were NOK 1,708 million in 2024, an increase of 7 percent (5 percent curr. adj.) compared to last year, driven by the ARPM, which increased by 6 percent (4 percent curr.adj.). Operating expenses increased by 11 percent, mainly driven by an increase in club salaries related to product offering and costs related to premises, in addition to an increase in general inflation and price levels. The Country EBITDA before impact of IFRS 16 decreased from NOK 330 million in 2023 to NOK 302 million in 2024, resulting in a Country EBITDA margin of 18 percent.

Finland

Total revenue amounted to NOK 501 million in 2024, an increase of 8 percent (6 percent curr. adj.) compared to last year. The revenue increase was driven by ARPM, which increased by 7 percent (5 percent curr. adj.). Operating expenses increased by 9 percent, mainly due to an increase in salaries and costs related to premises. The Country EBITDA before impact of IFRS 16 increased from NOK 48 million last year to NOK 52 million in 2024, resulting in a Country EBITDA margin of 10 percent.

Denmark
Total revenue amounted to NOK 589 million in Denmark in 2024, an increase of 14 percent (12 percent curr. adj.) compared to last year. In 2024, other revenue was positively affected by COVID compensation of NOK 18 million. The member base totaled 82,000 members at year-end, down 3 percent from last year, and ARPM increased by 14 percent (12 percent curr. adj.). Excluding COVID compensation, ARPM increased by 10 percent. Operating expenses increased by 10 percent, mostly due to an increase in salaries and general inflation. Country EBITDA before IFRS 16 was NOK 53 million, up from NOK 15 million in 2023, resulting in a Country EBITDA margin of 9 percent.

STATEMENT OF FINANCIAL POSITION

Consolidated assets increased by NOK 353 million to NOK 9,336 million between the balance sheet dates for 2023 and 2024. Right-of-use assets and intangible assets were the largest 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 in 2024. The increase in non-current assets was driven by increased right-of-use assets, property, plant and equipment, and goodwill. The increase in current assets was primarily driven by an increase in cash and cash equivalents and other current receivables.

Total liabilities increased from NOK 7,963 million as at December 31, 2023, to NOK 7,991 million as at December 31, 2024.

As at December 31, 2024, consolidated equity amounted to NOK 1,345 million, representing an equity ratio of 14.4 percent, compared to NOK 1,020 million and 11.4 percent as at the balance sheet date of 2023.

STATEMENT OF CASH FLOWS

Net cash flow from the Group's operations was NOK 1,953 million in 2024, compared to NOK 1,758 million in 2023. The increased cash flow from operations of NOK 194 million was mainly due to an increase in profit for the year and a change in other receivables and accruals. Net cash outflow from investing activities amounted to NOK 282 million in 2024, compared to an outflow of NOK 172 million in 2023. The main reason for the increased outflow was a significant increase in club maintenance and upgrades. Maintenance activities amounted to 5.2 percent of total revenue in 2024, according to the target of about 5 percent.

Net cash outflow from financing activities was NOK 1,580 million in 2024, compared to an outflow of NOK 1,587 million in 2023. In Q4 2023, the company repaid NOK 288 million on the credit facility and restated the currency mix for borrowings. During 2024, the company repaid a total of NOK 300 million of the credit facility.

In 2024, consolidated cash and cash equivalents increased net by NOK 91 million compared to a decrease of NOK 1 million in 2023. As at the balance sheet date, the Group had cash and cash equivalents of NOK 371 million compared to NOK 282 million at the balance sheet date in 2023.

PARENT COMPANY

The parent company had no operating income in 2024 and NOK 13 million in operating expenses. The parent company's equity was NOK 2,836 million as at the balance sheet date.

Statement of comprehensive income

Amounts in NOK million	**2024**	2023
Total revenues	5,064	4,734
Operating expenses	-4,320	-4,127
Operating profit	744	607
Net financial items	-310	-293
Profit/loss before tax	434	313
Income tax expense	-108	-89
Profit/loss for the year	326	224
Total comprehensive income	**315**	**162**

Statement of financial position

Amounts in NOK million	**2024**	2023
Total assets	9,313	8,983
Total liabilities	7,968	7,963
Total equity	**1,345**	**1,020**

Statement of cash flows

Amounts in NOK million	**2024**	2023
Net cash flow from operations	1,953	1,758
Net cash flow from investments	-282	-172
Net cash flow from financing	-1,580	-1,587
Net increase/decrease in cash and cash equivalents	91	-1
Cash and cash equivalents at the end of the period	371	282

RISK PROFILE AND RISK FACTORS

Risk

SATS operates in the highly competitive health and fitness industry, with 272 fitness clubs across Norway, Sweden, Denmark, and Finland. Most of these clubs are located in larger Nordic cities and urban areas. To achieve its long-term strategic objectives, SATS is inherently involved in risk-taking, making risk management an essential part of the company's culture, corporate governance, strategy, and operational and financial management.

SATS defines risk as anything that could have a material adverse effect on the achievement of its goals. Risks can include threats, uncertainties, or missed opportunities related to current or future operations and activities, directly or indirectly affecting profitability and growth.

The company has established a robust risk management framework to regularly identify, analyze, assess, and report on four key categories of risk: strategic, operational, regulatory and compliance, and financial. SATS also evaluates how to mitigate the materialization of these risks through a structured process that aggregates and categorizes risks across the organization.

SATS strives for continuous improvement through a risk strategy, corporate governance procedures, a risk management policy, and an internal control framework, ensuring compliance with relevant laws and regulations. These efforts contribute to the effective identification and management of strategic, operational, financial, regulatory, and compliance risks. SATS' risk management strategy is designed to provide reasonable assurance that objectives are met by integrating management control into daily operations.

Risk profile

SATS takes a commercial yet prudent approach to risk-taking. The company's risk boundaries are defined by its culture and corporate governance, as outlined in SATS' strategy, values, code of conduct, policies, and procedures. SATS assesses each risk based on its potential impact, the likelihood of it occurring, its severity (impact * likelihood), and the level of control SATS has over the risk. This helps guide mitigation efforts and determine how to best manage the risks.

- **Strategic risks:** SATS focuses on factors such as member attraction, marketing, brand reputation, expansion, site selection, and competition, with a higher risk appetite in these areas.
- **Operational risks:** Emphasizing adaptability, resource management, and business continuity, SATS maintains a medium risk appetite, especially for areas like IT security and talent management.
- **Regulatory and compliance risks:** SATS highlights the importance of adhering to regulations, particularly regarding sustainability and data security, maintaining a low-risk appetite in these areas.
- **Financial risks:** SATS manages financial risks conservatively to maintain solvency, with a low-risk appetite for financial uncertainty.

The risks that potentially have the greatest adverse effect on the achievement of SATS' objectives are described in the following section. The overview below is not meant to be exhaustive, and there may be risks or risk categories that are currently identified as not having a significant impact on the business of SATS but could develop into key risks. The primary purpose of SATS' risk management systems is to identify changes in SATS' risk profiles and any risk-related incidents on a timely basis so that appropriate measures can be taken. Certain risks are inherently difficult to foresee, and no guarantee can therefore be made that our risk management system will properly identify all risks that we might be exposed to at any given point in time.

STRATEGIC RISKS

SATS faces several strategic risks that impact on its long-term growth and competitive position. Ensuring a positive member experience and satisfaction remains a top priority, as retaining and attracting members is crucial for revenue generation. SATS continuously invests in service improvements, staff training, equipment maintenance, and enhanced digital engagement through the SATS app to mitigate these risks.

Competition, particularly from low-cost fitness providers, is another significant challenge. SATS differentiates itself

by offering premium services, developing unique fitness concepts, and implementing a strong cluster strategy in key urban areas.

Expansion into new and existing markets also carries financial and operational risks. Poor site selection or market misjudgment could negatively impact profitability. SATS mitigates this risk by conducting rigorous market research and financial modeling before opening new clubs, ensuring sustainable growth. Securing suitable sites is another key concern, as factors such as lease costs, location convenience, and regulatory considerations play a significant role. SATS addresses this by employing experienced real estate teams and negotiating flexible lease terms. Furthermore, maintaining a strong brand perception and reputation is crucial for long-term success. SATS actively manages public relations, monitors social media sentiment, and prioritizes excellent customer service to safeguard its reputation.

OPERATIONAL RISKS

SATS' operations rely heavily on technology, making cybersecurity and IT infrastructure key concerns. Cyber threats, system failures, and data security risks could disrupt business activities and damage member trust. SATS mitigates these risks by insourcing IT functions, implementing advanced security protocols, and conducting regular audits to enhance digital resilience.

Talent management is another operational priority. Attracting and retaining skilled staff is essential for maintaining service quality. SATS strengthens its workforce through structured training programs, leadership development initiatives, and competitive compensation packages.

Health, safety, and environmental (HSE) risks are also significant in the fitness industry. Equipment maintenance, hygiene protocols, and injury prevention are essential to ensuring member well-being. SATS implements strict health and safety measures, including first aid training for staff and regular equipment inspections. Additionally, criminal activities in fitness clubs, such as theft or harassment, pose security challenges. SATS mitigates these risks by enhancing security measures, such as installing surveillance cameras, employing security personnel in high-risk locations, and collaborating with law enforcement.

Unexpected business disruptions, such as pandemics or natural disasters, could impact SATS' revenue and member engagement. SATS has strengthened its digital training platform to allow members to continue workouts remotely if physical clubs must close. Business continuity plans are also regularly reviewed and updated to ensure rapid responses to crises.

REGULATORY & COMPLIANCE RISKS

Operating across multiple Nordic countries means SATS must comply with diverse regulatory frameworks, including consumer protection laws, labor regulations, and corporate governance requirements. To manage this complexity, SATS maintains a dedicated legal and compliance team that monitors regulatory changes, conducts staff training, and collaborates with external legal advisors when necessary.

Data protection is another crucial area of compliance, particularly under the General Data Protection Regulation (GDPR). SATS processes large volumes of personal data, making data security a top priority. To prevent breaches and regulatory penalties, SATS has implemented strong encryption measures, access controls, and incident response protocols. Employees undergo regular training to ensure compliance with data handling policies.

Environmental, social, and governance (ESG) considerations are increasingly important for both regulatory compliance and corporate reputation. SATS is actively working to reduce its environmental footprint, improve energy efficiency in clubs, and ensure ethical supply chain practices. Sustainability reporting and ESG compliance are integrated into business operations to meet investor and consumer expectations.

FINANCIAL RISKS

Economic conditions, including inflation and fluctuating interest rates, can impact consumer spending on fitness memberships. SATS manages this risk by offering flexible membership models, optimizing pricing strategies, and implementing cost-control measures.

Capital expenditures for new clubs, equipment upgrades, and facility maintenance are key financial concerns. SATS ensures financial sustainability by following a structured investment strategy, prioritizing high-return projects, and closely monitoring spending.

Liquidity management is crucial for maintaining financial stability. SATS ensures sufficient cash reserves, secures access to credit facilities, and regularly reviews financial forecasts to mitigate liquidity risks. Credit risk, particularly from non-paying members, is managed through strict payment policies, debt collection procedures, and flexible payment options.

Currency and interest rate fluctuations also pose financial challenges, as SATS operates in multiple countries. The company uses hedging strategies and structured debt agreements to minimize exposure to exchange rate volatility. Additionally, changes in tax laws and VAT regulations could impact financial operations. To address this, SATS continuously monitors tax policies and works closely with advisors to ensure compliance and minimize financial risk.

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 commenced on February 17, 2025, and ended on March 12, 2025.

Additionally, the Board of Directors has approved a new investment program aimed aligning the interests of the participants with those of the Company's shareholders. A total of 223 participants in the Share Investment Program have applied for and been allocated 2,094,198 shares in the Company.

The Board of Directors is not aware of any other events that occurred after the balance sheet date, or any new information regarding existing matters, that could have a material effect on the 2024 consolidated financial statements.

GOING CONCERN

The Board of Directors confirms that the accounts have been prepared on a going-concern basis and in accordance with International Financial Reporting Standards (IFRS). The Board of Directors believes the SATS Group has sufficient equity and liquidity to fulfil both its short-term and long-term obligations.

SHAREHOLDER INFORMATION IN SHORT

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 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.

CORPORATE GOVERNANCE IN SHORT

Good corporate governance is a priority for the Board of Directors. SATS' objectives for its corporate governance principles are based on openness, independence, equal treatment, control, and management, with the ultimate goal of maximizing shareholder value while creating added value for all stakeholders. The principles are designed in compliance with applicable laws, regulations and ethical standards.

SATS is incorporated and registered in Norway and subject to Norwegian law as well as the laws and regulations in the other Nordic countries in which it operates. SATS' shares are listed on the Oslo Stock Exchange (Oslo Børs). As a Norwegian public limited liability company listed on the Oslo Stock Exchange, SATS must comply with inter alia the Norwegian Public Limited Liability Companies Act, the Norwegian Securities Trading Act (including without limitation the Market Abuse Regulation, as implemented under Norwegian law), and the regulations of Oslo Børs for issuers of shares listed on the Oslo Stock Exchange. The company endorses the Norwegian Code of Practice for Corporate Governance (Norsk anbefaling for eierstyring og selskapsledelse) issued by the Norwegian Corporate Governance Board, which was most recently revised on October 14, 2021.

SATS is subject to the corporate governance reporting requirements of Section 2-9 of the Norwegian Accounting Act and the Code, cf. Section 4-4 of the continuing obligations for stock exchange listed companies on the Oslo Stock Exchange (Oslo Rule Book II). The annual report on SATS' compliance with the Code has been approved by the Board of Directors, and it is included in a separate section of the annual report.

SATS ASA has purchased and maintains a Directors and Officers Liability Insurance on behalf of the members of the Board and the executive management. The insurance covers pure financial loss claims against the Board of Directors and the executive management as a consequence of compensatory acts and/or omissions in their respective duties, with an adequate insurance limit.

BUSINESS AND INDUSTRY OUTLOOK

As society increasingly emphasizes health and wellness, alongside significant global trends like political health initiatives and digital transformation, awareness around fitness is on the rise. This shift is driving growth within the health and wellness sector.

Fitness clubs, particularly full-service operators, are pivotal to the health and wellness landscape and have the potential to expand into related areas. The Nordic region stands out as the most advanced market in Europe regarding membership penetration. Although the markets exhibit fragmentation in terms of value, clubs, and membership numbers, there remains substantial potential for consolidation. Nordic markets demonstrate a "penetration premium" compared to the rest of Europe and are expected to maintain this advantage. Membership fees in Nordic fitness clubs are the most affordable in Europe, particularly when considered against overall leisure spending and similar offerings.

SATS anticipates steady growth in its club membership over time, driven by its strong market position, as well as the growing societal interest in health. The company is confident in its ability to continue adjusting prices, charging a fair price for its product.

SATS is committed to prioritizing a comprehensive and top-notch equipment collection, establishing itself as the premier personal training destination in the Nordics and introducing a variety of highly esteemed niche concepts. The company will continue to provide flexible memberships, ensuring that SATS remains available to individuals of all preferences.

In line with the ongoing digital evolution in the fitness industry, SATS is actively exploring exciting avenues for improving the product. The company is committed to embracing this trend and focusing on developing an engaging, high-quality hybrid offering. This strategic direction ensures that SATS remains valuable to those who prefer exercising in fitness clubs, outdoors, or from the comfort of their own homes.

DISCLAIMER

This report includes forward-looking statements that are 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.

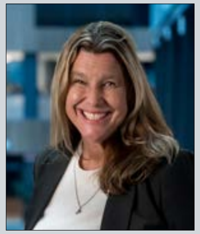
BOARD OF DIRECTORS

Hugo Lund Maurstad
Chair of the Board

- Managing partner and majority shareholder of Monte Rosa Capital
- Has previously been partner in Altor and Director in McKinsey & Company
- Has many years of experience as the chair and board member of multiple private and public companies
- Has a Master's in Economics from the Norwegian Business School (BI)

Andreas Holm
Board Member

- Previous CEO of the sports retail chain Sportmaster
- Has more than 20 years of experience within the sporting goods and retail sector
- Has a Master's in Economics from the Copenhagen Business School



Lisa Åberg
Board Member

- Previous senior partner in McKinsey & Company, with broad experience across a wide range of industries and functional areas
- Has a Master's in Economics from the Stockholm School of Economics

Maria Tallaksen
Board Member

- Previous partner with Altor Equity Partners, and currently serves as board member in Hafslund, Scatec solar ASA and VOW ASA
- Previous analyst at Morgan Stanley
- Has a business degree (Siviløkonom) from the Norwegian Business School (BI)

Martin Folke Tivéus
Board Member

- CEO of Attendo and has held managerial positions at Klarna, Evidensia Djursjukvård and Avanza Bank
- Previous board experience from Telia Company, Danske Bank and Teracom Group
- Has a BSc in Marketing, Economics, Business and Politics from Stockholm University

EMPLOYEE REPRESENTATIVES

Anita Gullstedt
Board Member

- Club Manager at SATS Sportpalatset in Sweden

Carl Thorsson
Board Member

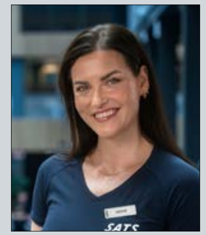
- Club Manager at SATS SoFo in Sweden

EXTENDED MANAGEMENT

GROUP MANAGEMENT

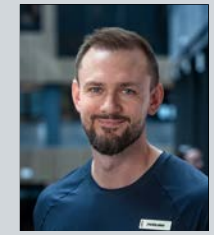
Sondre Gravir
Chief Executive Officer

- CEO of SATS since 2018
- Previously held several senior management positions, e.g., CEO Aftenposten, CEO FINN and CEO Schibsted Marketplaces (Now Adevinta)
- Member of Board of Directors of Monterosa Sport and FINN.no
- Has a business degree from the Norwegian School of Economics (NHH)



Cecilie Elde
Chief Financial Officer

- Long-standing relationship with SATS through various roles, CFO since 2016
- Prior to becoming CFO in SATS, she held managerial positions in NetCom and Tele2
- Board member of RevolutionRace AB
- Has a business degree from the Norwegian Business School (BI)

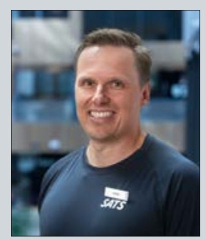


Thorbjørn Milling
Country Manager Denmark

- Country Manager for Denmark since 2024
- Has extensive experience from the fitness industry in both Denmark and Saudi Arabia, as well as retail experience from McDonald's
- Holds a Graduate Diploma of Business Administration from Aalborg University

Wenche Evertsen
Country Manager Norway

- Country Manager for Norway since 2020
- Long-standing relationship with SATS through various roles
- Has a Bachelor of Business Administration from the University of Texas of Austin and an Executive Master of Management from the Norwegian Business School (BI)



Aleksi Virkkunen
Country Manager Finland

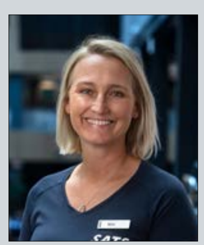
- Country Manager for Finland since 2024
- Held the position as Country Manager of Byggmax Finland for nine years prior to joining SATS
- Has a Master of Science degree from Helsinki School of Business

Karolina Gutke
Country Manager Sweden

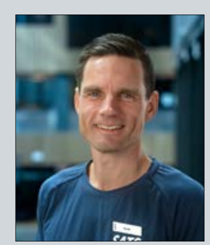
- Country Manager for Sweden since 2023
- Held leading positions in H&M for several years prior to joining SATS
- Has a Master's in Economics from Lund University, Sweden

OTHER EXECUTIVES

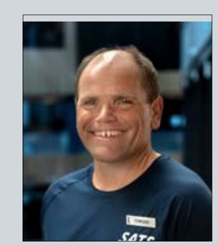
Ellen Marie Vanberg
Chief Product Officer



Mia Lund Hanusek
Chief Marketing and Communication Officer



Gaute Sandal
Chief Digital Officer



Torodd Gøystdal
Chief People & Operations Officer

CORPORATE GOVERNANCE

SATS considers good corporate governance to be a prerequisite for value creation and trustworthiness as well as access to capital. In order to secure strong and sustainable corporate governance, it is important that SATS ensures good and healthy business practices, reliable financial reporting, and an environment of compliance with legislation and regulations across the Group structure.

SATS has governance documents setting out principles for how its business should be conducted to ensure that its shareholders' interests are protected and that the Group complies with high ethical and social standards. SATS' governance regime has been approved by the Board of Directors and applies to both SATS and its subsidiaries.

1. IMPLEMENTING AND REPORTING ON CORPORATE GOVERNANCE

Applicable rules and regulations for corporate governance

SATS is incorporated and registered in Norway and is subject to Norwegian law. The shares of SATS are listed on the Oslo Stock Exchange (Oslo Børs). As a Norwegian public limited liability company listed on the Oslo Stock Exchange, SATS must comply with the Norwegian Public Limited Liability Companies Act, the Norwegian Securities Trading Act (including, but not limited to, the Market Abuse Regulation as implemented under Norwegian law), the Continuing Obligations for Issuers of Shares on the Oslo Stock Exchange, as set out in Oslo Rule Book II, and all other applicable laws and regulations for SATS.

As a company listed on the Oslo Stock Exchange, SATS is subject to corporate governance reporting requirements pursuant to Section 2-9 of the Norwegian Accounting Act, as well as Section 4.4 of Oslo Rule Book II (the continuing obligations for stock exchange listed companies). SATS follows the Norwegian Code of Practice for Corporate Governance (Norsk anbefaling for eierstyring og selskapsledelse, "NUES") issued by the Norwegian Corporate Governance Board as of October 14, 2021 (hereafter named as the "Code").

SATS' Board of Directors actively adheres to good corporate governance standards, and it strives to ensure that SATS at all times is compliant with the requirements of Section 2-9 of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance. To the extent SATS does not fully comply with the Code, it will provide an explanation for the deviation and the relevant basis for the chosen solution in its annual report on corporate governance. The annual report on corporate governance for 2024, as set out herein, has been approved by the Board of Directors.

Main objectives for corporate governance

The governance structure in SATS is designed to ensure that operational results correspond to decisions made and is structured to encourage all employees to strive, within set boundaries, toward the same goals, with a common and clear understanding of our vision, set of values, roles, responsibilities and authority to act. Corporate governance involves the set of relationships between management, the Board of Directors, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and it determines the means of achieving those objectives and monitoring performance.

SATS' governance structure comprises the following governing bodies:

- General Meeting, electing Board members based on input from the Nomination Committee and making other corporate resolutions that pursuant to law lie with the General Meeting.
- The Board of Directors, which sets the strategic direction for SATS and the overall organization, in addition to employing the Chief Executive Officer (CEO), and monitoring performance, risks and control functions within the Group.
- The CEO, who operationalizes and implements the Board of Directors' strategies and directions, is responsible for the day-to-day management of the company and reports back to the Board of Directors.
- Group functions, which support the CEO in maintaining Group-wide policies and oversight and follow-up on Group wide initiatives.
- Business units, which have been delegated responsibilities for achieving business objectives.

SATS' corporate governance policy is based on the Code and, as such, it is designed to establish a solid basis for good corporate governance and support the achievement of SATS' core objectives on behalf of its shareholders, including to achieve profitability.

The manner in which SATS is governed is vital to the development of its value to the shareholders and the investor market over time. SATS believes that good corporate governance involves openness and trustful cooperation between all parties involved in the Group: the shareholders, the Board of Directors, the management, employees, members, suppliers, public authorities, and society at large. By pursuing the principles of good corporate governance, which have been approved by the Board of Directors, the Board of Directors and management strive to contribute to achieving the following objectives:

- Openness. Communication with SATS' interest groups should be based on openness to issues relevant for the evaluation of the development and position of the company.
- Independence. The relationship between the Board of Directors, management and shareholders should be based on independence, which ensures that decisions are made on an unbiased and neutral basis.
- Equal treatment. One of SATS' primary objectives is equal treatment and equal rights for all its shareholders.
- Control and management. Good control and corporate governance mechanisms should contribute to predictability and reduce the level of risk for shareholders and other interest groups.

For more information about SATS' work with corporate governance and its compliance with the Code, please read the following sections.

Deviations from Section 1 of the Code: None.

2. BUSINESS

In accordance with SATS' objectives in its articles of association, it is a leading provider of products and services related to health and fitness in the Nordics. The Group, through its brands and concepts SATS, ELIXIA, Fresh Fitness and SATS Yoga, operates 272 fitness clubs that serve 733,000 members. The Group employed close to 10,000 employees as at December 31, 2024.

SATS' vision is to make people healthier and happier. To achieve this vision, SATS focuses on four key pillars: 1) attract new members, 2) engage our members, 3) create extraordinary moments, and 4) provide high quality clubs.

SATS' vision is directly linked to its sustainability strategy, and it is integrated into its daily operations. Sustainability and social responsibility are key parts of SATS' overall strategy. The company aims to create shareholder value within a sustainable framework, considering economic, social and environmental factors that involve SATS' business and the way it operates. For more information, please read more in SATS' sustainability report.

Deviations from Section 2 of the Code: None

3. EQUITY AND DIVIDENDS

Shareholders' equity and capital structure
As at December 31, 2024, SATS had a share capital of NOK 434,975,999.50, divided into 204,694,588 shares, each with a nominal value of NOK 2.125. The shares in SATS are registered in Euronext Securities Oslo, the Norwegian Securities Trading Depository.

The Board of Directors ensures that the company has equity capital at a level appropriate to its objectives, strategy and risk profile, and is continuously monitoring SATS' capital situation.

Authorizations to the Board of Directors

Authorizations empowering the Board of Directors to increase the company's share capital or to acquire treasury shares are limited to defined purposes as resolved by the General Meeting. Any such authorizations are granted for a period of no longer than until the next Annual General Meeting.

The Annual General Meeting held on April 25, 2024, granted the Board of Directors the following authorizations:

- Authorization to increase the share capital by up to NOK 10,004,448 in connection with a potential investment program should one be established by SATS. Deviation from shareholders' pre-emption rights is allowed. The authorization is valid until the 2025 Annual General Meeting, but no longer than June 30, 2025.
- Authorization to increase the share capital by up to NOK 86,995,199.90. Deviation from shareholders' pre-emption rights is allowed. The authorization is valid until the 2025 Annual General Meeting, but no longer than June 30, 2025.
- Authorization to acquire treasury shares with a total nominal value of up to NOK 43,497,599.95, to be used in connection with any obligations by SATS under existing or any new investment programs. The authorization is valid until the 2025 Annual General Meeting, but no longer than June 30, 2025.

Dividend policy

SATS' leverage and dividend policy aims to ensure prudent leverage going forward, with excess cash returned to shareholders. The company targets 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. Excess capital will be returned to shareholders while considering long-term financial robustness, growth opportunities and strategic initiatives. The aim is to distribute at least 50 percent of annual net profit as a combination of share buybacks and semi-annual dividends.

When proposing a payout, the Board of Directors reserves the right to deviate from its current leverage targets taking into consideration internal and external factors such as material acquisitions, macroeconomic conditions and the capital markets environment.
Deviations from Section 3 of the Code: None.

4. EQUAL TREATMENT OF SHAREHOLDERS

SATS has one class of shares, with each share carrying one vote. The shares in SATS carry equal rights, including the rights to dividends. The nominal value of the SATS share is NOK 2.125.

As part of their equal rights in SATS, shareholders have preemption rights to participate in and subscribe for new shares in a share capital increase. Any deviation from this pre-emption right must be justified in the common interest of the company and its shareholders, as well as applicable equal treatment regulations.

If the Board of Directors resolves to issue new shares and deviates from existing shareholders' pre-emptive rights pursuant to an authorization granted to the Board of Directors, the stock exchange announcement must also include a justification for such deviation. Similarly, if any resolution by the Board of Directors to issue new shares is subject to approval by the General Meeting, justification must also be provided in the notice of the General Meeting.

The Board of Directors has been granted authorization from the General Meeting to acquire treasury shares, inter alia in connection with its share investment program. SATS' transactions in treasury shares (own shares) must be carried out through the Oslo Stock Exchange's trading platform at the prevailing trading price or by making a public offer to all shareholders. If the liquidity of the SATS share is weak, the Board of Directors must take particular care when carrying out a transaction in treasury shares through the stock exchange to ensure equal treatment of its shareholders.

Deviations from Section 4 of the Code: None.

5. SHARES AND NEGOTIABILITY

SATS' shares are listed on the Oslo Stock Exchange. The articles of association do not include any form of restrictions on the ownership, negotiability or voting rights relating to SATS' shares.

Deviations from Section 5 of the Code: None

6. GENERAL MEETINGS

The General Meeting of shareholders is SATS' supreme corporate body, serving as a forum for interaction between the shareholders, the Board of Directors, and management. The company holds its Annual General Meeting in accordance with the law and its articles of association. Extraordinary General Meetings are held as required.

The next Annual General Meeting of SATS is scheduled for April 28, 2025. Practical details for the meeting will follow from the notice to the Annual General Meeting and on SATS' investor website.

The Annual General Meeting must be held by the end of June each year. The articles of association stipulate that the General Meeting must approve the annual accounts and the annual report, including distribution of dividends, and any other matter referred to in the General Meeting by law or the articles of association. The notice of the Annual General Meeting must be sent to SATS' shareholders with known addresses at least 21 days prior to the meeting. Documents relating to matters to be dealt with by the General Meeting, including documents that by law must be included or attached to the notice, will not be sent to the shareholders if such documents have been made available on the company's website, provided that a shareholder nevertheless may request that documents relating to matters to be dealt with at the Annual General Meeting are sent to them.

Shareholders who want to participate in the General Meeting must notify the company thereof within a specific deadline that cannot expire earlier than two days prior to the General Meeting.

Shareholders will be able to vote on each individual matter in the General Meeting. Shareholders who are unable to attend the General Meeting may vote in advance or by proxy. SATS' shareholders may vote in writing, including through electronic communication, during a specific period before the General Meeting. More information about voting instructions as well as the use of proxies will be included in the notice of the General Meeting.

The chair of the Board of Directors, or another person nominated by the Board of Directors, attends and opens the General Meeting. The company facilitates the chairing of the General Meeting by an independent person.

Deviations from Section 6 of the Code: None.

7. NOMINATION COMMITTEE

The articles of association of SATS stipulate that the company must have a Nomination Committee consisting of between two and three members. Furthermore, the composition of the Nomination Committee must be resolved by the General Meeting, where the majority of the committee members must be independent from the Board of Directors and management. The members are elected for periods of two years, unless otherwise resolved by the General Meeting.

The Nomination Committee consists of Erik Thorsen (chair), Øistein Widding (member) and Ulrik Andersson (member). They were appointed at the 2023 Annual General Meeting until the 2025 Annual General Meeting. The members are independent from the Board of Directors and management.

The work of the Nomination Committee is to give recommendations to the General Meeting for the election of members to the Board of Directors as well as the members of the Nomination Committee, and to recommend the remuneration for the Board members and Nomination Committee members. The General Meeting has adopted instructions for the Nomination Committee.

Deviations from Section 7 of the Code: None.

8. BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

Pursuant to the articles of association of SATS, the Board of Directors must comprise between three and nine members elected by the General Meeting. Board members are appointed for a period of two years unless otherwise decided by the General Meeting in connection with the election.

The SATS Board of Directors is diverse, meeting the gender balance requirements set by Norwegian legislation (allmennaksjeloven). Of the seven board members, three are woman. The current Board of Directors comprises the following seven Board members: Hugo Lund Maurstad (chair), Maria Tallaksen (member), Andreas Høgdall Holm (member), Lisa Birgitta Charlott Åberg (member), Martin Folke Tivéus (member), Anita Gullstedt (member, employee representative) and Carl Thorsson (member, employee representative). Additionally, there are two deputy representatives to the Board: Helena Tahkola (deputy member, employee representative) and Hermon Melles (deputy member, employee representative). The Board is composed of 43% women and 57% men. All members of the Board are non-executive and independent.

The Code stipulates that the composition of the Board of Directors should ensure that it can operate independently of any special interest and therefore that the majority of the Board members should be independent from the company's management and material business contacts. At least two Board members must be independent from the company's main shareholders (shareholders holding more than 10 percent of the shares in the company). The Board composition meets the requirements of the Code, as all the shareholder-elected members are independent from the company's management, material business contacts and largest shareholders.

The members of the Board bring extensive and relevant experience to the company, particularly in sectors and geographical locations where SATS operates. The Board's duties, such as approving budgets, business plans, and overseeing capital and financing issues, require experience and knowledge relevant to the specific markets and products in which SATS is involved. Additionally, they ensure the strategic planning and compliance activities are aligned with the company's objectives in the relevant regions and industries. A description of the competence and background for the Board members can be found at the webpage. Please refer to the sustainability report for additional information.

Deviations from Section 8 of the Code: None.

9. THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors

The SATS Board of Directors is composed with the intention of exercising significant involvement and extensive oversight of the Group's operations. The Board of Directors is responsible for the governance and administration of the company and must ensure the appropriate organization of the company's business. While the Board of Directors has formal and overall responsibility for the administration of the company, the day-to-day administration and activities are delegated to the CEO. It is nevertheless the Board of Directors' responsibility to ensure that the company's activities are properly organized, keep itself informed of the company's financial position, and ensure that the company's activities, accounts, and asset management are subject to adequate control.

The Board of Directors conducts its work in accordance with the Instructions for the Board of Directors, which includes a policy on how the company handles related-party transactions and the Board of Directors' annual agenda. The annual agenda covers an annual meeting and activity plan covering strategic planning, business issues and oversight activities for the upcoming financial year. The key activities of the Board of Directors include:

- Setting and overseeing the achievement of SATS' overall long-term strategies and goals
- Setting the overall organization and principles for company operations and monitoring compliance with these
- Approving budgets, business plans and investment limits
- Handling capital and financing issues
- Issuing the instructions for the CEO, as well as monitoring the CEO's work and the company's performance
- Evaluating the company's internal control functions, risk management, sustainability reporting and compliance with SATS' Code of Conduct
- Evaluating any transactions between SATS and its shareholders, a shareholder's parent company, members of the Board of Directors, management or any related person to any such party that are deemed to be material pursuant to the Norwegian Public Limited Liability Companies Act. Any such material transactions are subject to approval by the General Meeting, and the Board of Directors is in such case required to arrange for an independent auditor valuation of the transaction.

Additional matters that require attention from the Board of Directors will be included in the Board of Directors' agenda as needed. The agenda, meeting materials and minutes from the Board meetings are distributed and archived by the CFO.

Neither members of the Board of Directors nor members of management can consider items in which they have a special and prominent interest. The interest of such persons is always considered in accordance with the principles included in the Instructions for the Board of Directors, and any interest is notified by the relevant person to ensure that all matters can be considered in an unbiased and satisfactory way.

Nine board meetings were held in 2024.

Board committees

The Board of Directors has established two permanent sub-committees: the Remuneration Committee and the Audit Committee, which are described below. The committees function as advisory committees to the Board, meaning that all decisions lie with the Board of Directors in accordance with the Norwegian Public Limited Liability Companies Act. The Remuneration Committee and the Audit Committee supervise the work of the company's management on behalf of the Board of Directors and prepare matters for the Board of Directors to consider and resolve within their respective designated areas. The committees have the opportunity to work together with company resources as part of their preparatory work as well as to seek advice and recommendations externally.

Remuneration Committee

The Remuneration Committee must consist of between two and three members of the Board of Directors. The current members of the Remuneration Committee are Hugo Lund Maurstad (chair) and Lisa Birgitta Charlott Åberg (member).

The primary purpose of the Remuneration Committee is to assist the Board of Directors in matters relating to the remuneration of the executive management of the Group, review succession policies, career planning and management development plans, and prepare matters relating to other material employment issues in respect of executive management.

The Remuneration Committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations through Board resolutions.

One Remuneration Committee meeting was held in 2024.

The Audit Committee

The Audit Committee must consist of between two and three members of the Board of Directors who jointly have the required qualifications and competence in accounting and auditing set out in the Norwegian Public Limited Liability Companies Act. The current members of the Audit Committee are Martin Tivéus (chair) and Maria Tallaksen (member). The committee members serve for two years until 2025 unless their service is extended by the Board of Directors.

The Audit Committee supports the Board of Directors in fulfilling its responsibilities with respect to financial reporting, internal controls, internal and external audit, risk management and risk framework. The primary purposes of the Audit Committee are to Assist the Board of Directors in discharging its duties relating to the safeguarding of assets, the operation of adequate system and internal controls, the control processes and the preparation of accurate financial reporting and statements in compliance with applicable legal requirements, corporate governance, and accounting standards.

- Monitor and assess the quality of the statutory audit of Group companies and the Group's financial statements
- Contribute to ensure the independence of the external auditor and ensure compliance with applicable rules and guidelines regarding the provision of additional services by the auditor to the Group or Group companies
- Provide support to the Board of Directors on the risk profile and risk management of the Group
- Initiate investigations, if necessary, and propose measures relating to the abovementioned.
- Oversee the company's approach to sustainability reporting and disclosures, ensuring alignment with regulatory requirements and the company's broader ESG commitments

The Audit Committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementation of such recommendations through Board resolutions.

Six Remuneration Committee meetings were held in 2024.

The CEO

The Board of Directors has prepared instructions for the CEO. The CEO is responsible for business development and leads and coordinates the day-to-day operations in accordance with such instructions as well as any other decisions made by the Board of Directors.

Having the overall responsibility, the CEO has the final say in all decisions according to legal requirements after consulting and receiving feedback from relevant members of the management team.

The CEO issues a delegation of obligations and authority, which defines the responsibilities of the country managers and Group functions, and within which limits they may make decisions. Within this framework, duties and decision authorities are further delegated person-to-person via solid reporting lines based on the roles in the operational organization.

Deviations from Section 9 of the Code: None.

10. RISK MANAGEMENT AND INTERNAL CONTROL

Risk management

SATS operates within four jurisdictions in the Nordics: Norway, Sweden, Denmark and Finland. The health and fitness industry in these geographical markets is highly competitive. In achieving its long-term strategic goals, SATS is inherently involved in taking risks. Hence, risk management is an essential element of SATS' culture, corporate governance, strategy and operational and financial management.

SATS' risk management is centralized as part of its Nordic functions. Through this work, SATS ensures that all significant risks relating to strategic, operational, regulatory and financial aspects of its operations are identified, analyzed and followed up through the day-to-day work carried out by the business units and functions.

The Board of Directors is involved in the risk management of the Group's operations and bears overall responsibility for the company having sound internal control systems for risk management. In this respect, the Board of Directors, together with SATS' management team, carries out an annual review of the most important areas of the Group's overall risk exposure. The compliance function of the Group is responsible for SATS' risk management model. This includes presenting the Group's consolidated risk report to management, the Audit Committee and the Board of Directors and maintaining guidelines and templates for risk management and reporting. Refer to SATS' Risk Management Policy and the risk chapter of this Annual Report for more information.

Internal control

SATS' internal control framework is an essential part of its governance system. An annual review is in place to ensure compliance with policies and procedures, while assessing the effectiveness of process-level controls. SATS must comply with and adhere to various regulations concerning, for example, health and safety, privacy, environment, accounting, and taxes.

A plan for ensuring ongoing effective and efficient internal control shall be prepared and presented to the Audit Committee and Board for approval annually and prior to the start of the fiscal year. The plan shall be prepared by the Compliance Officer and consider the learning and takeaways of managers of the relevant business units ("Control Owners") from this year's process and any changes expected to impact the internal control process. The Compliance Officer shall prepare a report annually that evaluates and consolidates the results from the self-assessment process, any additional testing performed, and any detected incidents of errors indicating control deficiencies and present this report to the relevant Control Owners and the CFO.

The annual report summarizes the identified deficiencies and assesses if they, either individually or in aggregate, are significant at the Group level. The summary should also include an analysis of root causes and planned remediating activities.

SATS' compliance function is responsible for supporting and monitoring compliance with legal requirements and internal governance documents. The function is independent of operational activities and reports to the CEO as well as administratively to the CFO. The function monitors the development of the company's risk exposure and internal control regime on an ongoing basis. The function has the right and obligation to report directly to the Board of Directors if material risks and compliance incidents have not been communicated in a timely manner to the Board of Directors through ordinary reporting lines.

The SATS system for ICFR is based on the COSO framework and the three lines of defense model. The approach is top-down and risk-based, beginning with the assessment of risks of significant errors in the Group's consolidated financial statements. The controls are designed from the top (Entity Level Controls) down to the process level (Process Level Controls), and the sum of all these controls makes up the total ICFR design for SATS.

The ICFR Framework at SATS is an integral part of SATS' governance system, and the company has designed an annual process to ensure compliance with policies and procedures, the effectiveness of process level controls, and maintenance of system effectiveness. An ICFR plan for ensuring ongoing effective and efficient ICFR must be prepared every year and presented to the Board of Directors for approval prior to the start of the fiscal year. The ICFR plan must be prepared by the ICFR Officer and take into account the Control Owners' learnings, the results from the year's ICFR process, and any changes expected to impact ICFR.

Deviations from Section 10 of the Code: None.

11. REMUNERATION TO THE BOARD OF DIRECTORS

The remuneration to the Board of Directors must reflect the Board's responsibility, expertise, and time commitment and the complexity of SATS' business. No Board member has taken on any specific assignments for SATS in addition to their appointment as a member of the Board of Directors. The remuneration is resolved by the General Meeting pursuant to the recommendation from the Nomination Committee.

Remuneration to the Board of Directors is reported in the notes to the consolidated financial statements. The remuneration to the Board of Directors is not linked to SATS' performance. No Board member has been granted any share options.

Deviations from Section 11 of the Code: None.

12. REMUNERATION TO EXECUTIVE PERSONNEL

The Board of Directors has prepared and adopted clear and understandable guidelines for salary and other remuneration to executive personnel in line with the requirements of Section 6-16a of the Norwegian Public Limited Liability Companies Act and Section 12 of the Code. The guidelines set out principles that ensure responsible and sustainable remuneration decisions in a manner that promotes SATS' business strategy, long-term interests and financial sustainability. The current guidelines were approved by the 2023 General Meeting.

The guidelines will be assessed by the Board of Directors on an annual basis, as a minimum, whereas any significant changes in SATS' remuneration policies for executive personnel require a revision of the current guidelines and will be subject to approval by the General Meeting. The guidelines, in any event, will be approved by the General Meeting every fourth year.

The Remuneration Committee presents its recommendation to the Board of Directors concerning remuneration to executive personnel on an annual basis, and in this respect, assesses such remuneration annually. The performance-based elements of the remuneration to executive personnel are subject to an absolute limit, as set out in SATS' guidelines for salary and other remuneration to executive personnel. See report on salaries and other remuneration to Senior Executives 2024 available on SATS' website under General Meetings for information and details related to compensation for management and the Board of Directors.

Deviations from Section 12 of the Code: None.

13. INFORMATION AND COMMUNICATIONS

SATS believes that it has transparent and honest communication with its shareholders, the capital market and other stakeholders. The Board of Directors seeks to ensure that the company's accounting and financial reporting inspires investor confidence.

Information is published regularly through the company's annual reports, quarterly reports, press releases, investor presentations, and stock exchange announcements in accordance with what is deemed appropriate at any given time, as well as in accordance with statutory requirements for such publications. The company's annual reports and quarterly reports contain extensive information about various aspects of the Group's business, activities and initiatives. Quarterly presentations are webcast to the investor market, and investors are invited to participate in Q&A sessions and schedule investor meetings.

The shareholders of SATS, the capital market, and the public in general are treated equally when it comes to access to the company's financial information. The investor relations department at SATS maintains regular contact with the shareholders, potential investors, analysts and other financial market stakeholders. The Board of Directors has been informed about SATS' investor relations activities.

SATS publishes its financial calendar each year. The financial calendar is publicly available on the company's investor website.

Deviations from Section 13 of the Code: None.

14. TAKEOVERS

The Board of Directors will not seek to hinder or obstruct any takeover bids for SATS or its shares. In the event of such a bid, the Board of Directors will seek to comply with Section 14 of the Code and applicable laws and regulations for takeover processes.

There are no defense mechanisms against takeover bids in SATS' articles of association or any underlying steering document. In corporate takeover or restructuring situations, the Board of Directors must exercise due and proper care to preserve all shareholders' values and interests to the greatest extent possible. During the course of a takeover process, the Board of Directors and management must ensure that all shareholders are treated equally and that the business activities of the Group are not unnecessarily disrupted. The Board of Directors is responsible for ensuring that the shareholders of SATS are given sufficient information and time to form a view on any takeover offers presented to them.

Other than as described above, the Board of Directors has not found it necessary to draw up any explicit basic principles for SATS' behavior in the event of a takeover bid. The Board of Directors concurs with Section 14 of the Code and the recommendations set out there regarding takeover processes, and it will seek to follow the recommendations of the Code should a takeover process become relevant.

Deviations from Section 14 of the Code: None.

15. AUDITOR

The external auditor of SATS is Deloitte AS, which has been the company's auditor since 2015. The auditor is fully independent from the company.

The auditors are responsible for the audit of SATS' consolidated annual report and accounting records to remit whether these have been prepared in accordance with applicable laws and recommendations. Prior to the audit, the Audit Committee reviews Deloitte's plan for the audit and, after completion, reviews the plan and the work performed.

The auditor is present in meetings when the internal control over financial reporting (ICFR) is presented to the Audit Committee. The auditor is generally present at meetings held by the Audit Committee and is thus involved in the Audit Committee's work with the annual accounts and other related tasks.

The auditor is also involved in the review of the company's internal control procedures and reports regularly to the Audit Committee. Additionally, the auditor presents the audit and work related thereto to the Board of Directors.

Deloitte assists SATS with some non audit services. SATS has policies regulating the use of non-auditing services from Deloitte, which also has internal processes and procedures to ensure its independence. The Audit Committee is responsible for approving non-auditing services from Deloitte in advance of SATS' engagement of them.

The auditor's fees are specified in Note 6 Other operating expenses to the annual report.

Deviations from Section 15 of the Code: None.

SHAREHOLDER INFORMATION

SATS ASA was listed on the Oslo Stock Exchange in 2019 and had a market capitalization of NOK 5,424 million at year-end 2024. SATS aims to generate positive value and offer long-term financial returns to its shareholders. To accomplish this, the company intends to follow its business plan closely and communicate clearly, ensuring that the stock price accurately represents the company's value and potential for growth.

INVESTOR RELATIONS POLICY

SATS aims to have a transparent and open dialogue with the financial market and ensure timely disclosure of relevant information to the market and equal treatment of its shareholders. All disclosure, communication and reporting by SATS will comply with applicable laws and regulations as well as relevant recommendations for listed companies and market practice. Financial information and other information for investors, such as presentations on SATS' quarterly results and capital market days, will be provided in English. SATS will publish quarterly financial results in accordance with its financial calendar, which is published annually on its website and on the stock exchange. No investor and analyst meetings will be held during the three weeks prior to the presentation of the company's financial results. SATS ASA complies with the Oslo Børs Code of Practice for IR of March 1, 2021.

GOVERNANCE PRINCIPLES

SATS considers good corporate governance to be a prerequisite for value creation, trustworthiness and access to capital. In order to secure strong and sustainable corporate governance, it is important that SATS ensures good and healthy business practices, reliable financial reporting, and an environment of compliance with legislation and regulations across the Group. SATS has governance documents setting out principles for how its business should be conducted. These apply to all of SATS' subsidiaries as well as SATS itself. SATS' governance regime is approved by SATS' Board of Directors.

SHARE CAPITAL

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 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 calendar

SATS ASA will publish its quarterly interim financial statements on the following dates for 2025:

Date	Event
27 March 2025	Annual Report 2024
28 April 2025	Annual General Meeting 2025
7 May 2025	Q1 2025 Results and CMD
21 August 2025	Q2 2025 Results
28 October 2025	Q3 2025 Results

Analyst coverage

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Carnegie	Eirik Rafdal	+47 22 00 93 78
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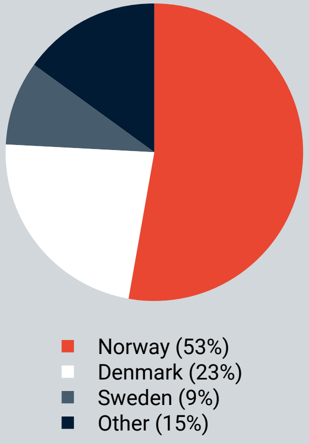
Kepler Cheuvreux	Håkon Nelson	+47 23 13 90 73
Pareto Securities	Joachim Huse	+47 24 13 21 07
Sparebank 1 Markets	Andreas Aas-Jakobsen	+47 24 13 36 83

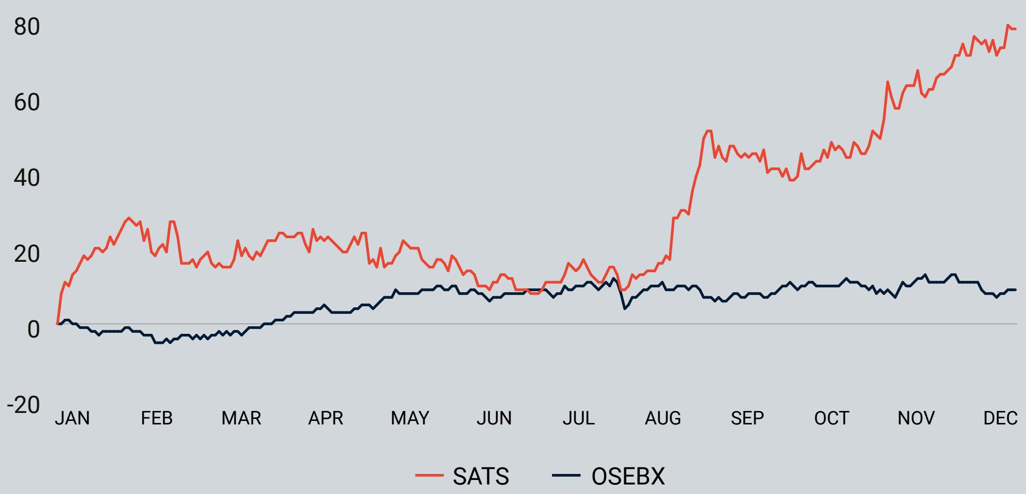
TOTAL SHAREHOLDERS
31.12.2024

MARKET CAP
31.12.2024

SHAREHOLDERS
by country of residence



SHAREPRICE DEVELOPMENT 2024 COMPARED TO OSEBX, INDEXED
01.01.2024–31.12.2024



Shareholders

		Number of ordinary shares	Ownership percentage
1	TG Nordic Invest	46,347,035	22.6%
2	Salt Value AS	8,726,865	4.3%
3	Maaseide Holdco AS	7,990,976	3.9%
4	Sats Management Invest AS	7,591,213	3.7%
5	J.P. Morgan SE, SE	5,596,154	2.7%
6	Verdipapirfondet KLP AksjeNorge	5,257,569	2.6%
7	VPF DNB AM Norske Aksjer	5,193,380	2.5%
8	J.P. Morgan SE, FIN	5,193,380	2.5%
9	Funkybiz AS	5,000,000	2.4%
10	The Bank of New York Mellon SA/NV, UK	4,096,066	2.0%
11	Vevlen Gård AS	3,900,000	1.9%
12	Morgan Stanley & Co. Int. Plc.	3,562,534	1.7%
13	The Bank of New York Mellon SA/NV, IE	3,088,000	1.5%
14	Skandinaviska Enskilda Banken AB	2,949,885	1.4%
15	UBS AG	2,890,702	1.4%
16	J.P. Morgan SE, LU	2,772,305	1.4%
17	N.A. Citibank	2,734,868	1.3%
18	VPF Sparebank 1 Norge Verdi	2,712,627	1.3%
19	Sole Active AS	2,246,057	1.1%
20	Verdipapirfondet DNB SMB	2,043,456	1.0%
Other		74,792,107	37%
Total		**204,694,588**	**100%**

Ownership structure

Percentage holding	Number of shareholders	Number of shares	Proportion of the share capital
<0.5%	2,676	102,847	0.1%
0.5-1%	1,131	196,933	0.1%
1-3%	994	363,546	0.2%
3-5%	864	678,306	0.3%
5-10%	1,667	11,255,742	5.5%
>10%	151	192,097,214	93.8%
Sum	**7,483**	**204,694,588**	**100%**

SUSTAINABILITY REPORT

SUSTAINABILITY HIGHLIGHTS

At SATS, we are committed to sustainability through a comprehensive Environmental, Social, and Governance (ESG) approach that strengthens our business, enhances member experiences, and delivers long-term value to our investors. Our sustainability efforts focus on reducing our environmental footprint, fostering a positive social impact, and ensuring strong corporate governance.

We continuously implement measures to minimize our environmental footprint and promote sustainable practices across our gym network. We have invested in energy-efficient lighting, HVAC systems, and smart energy management tools to reduce electricity consumption. Additionally, we have started several emission reduction initiatives. In terms of sustainable procurement, we prioritize eco-friendly materials and work with suppliers who uphold high environmental standards.

SATS is dedicated to fostering a healthier society by making fitness accessible and creating a positive workplace culture for our employees. We provide a wide range of group training alternatives, digital fitness solutions, and community-driven initiatives to encourage active lifestyles. We prioritize employee satisfaction and engagement, as reflected in our improving employee net promoter score (eNPS). Our regular performance reviews and feedback culture ensure continuous professional development. Furthermore, we offer a wide range of learning opportunities for our employees through SATS Academy. We also promote equal opportunities across our workforce and maintain an inclusive environment that supports all employees and members. Through partnerships and outreach programs, we encourage physical activity for all age groups and demographics, contributing to public health and wellbeing.

Strong governance ensures we maintain integrity, accountability, and sustainable growth. We continuously assess and strengthen relationships with suppliers to ensure ethical and responsible business conduct. We also proactively identify and mitigate ESG-related risks, ensuring compliance with regulatory requirements and investor expectations.

Looking ahead, we will continue to invest in sustainability initiatives that enhance our operational efficiency, reduce our environmental impact, and support employee and member well-being. Our commitment to ESG principles positions SATS as a responsible and forward-thinking company, creating long-term value for our investors and stakeholders. By integrating sustainability into our core business strategy, we not only enhance our competitive advantage but also contribute to a healthier and more sustainable future for all.

GENERAL INFORMATION

The sustainability report presents SATS' governance and results related to material sustainability topics, including detailed performance indicators.

This general information section presents identified material sustainability-related impacts, risks, and opportunities, as well as our principles for sustainability reporting, which form the basis for the preparation of the sustainability report.

PRINCIPLES FOR SUSTAINABILITY REPORTING

The purpose of SATS' reporting is to provide stake-holders with an accurate and balanced picture of relevant aspects, activities, practices, and results for 2024. The sustainability report is prepared on the same consolidated basis as the annual financial statements and includes the entire SATS Group, unless otherwise stated.

LEGALLY MANDATED REPORTING AND REPORTING STANDARDS

Our sustainability report has been prepared in accordance with the Accounting Act and other applicable reporting requirements. Reporting required by the Anti-Discrimination Act is included in the chapter on Equal treatment and opportunities for all. Reporting mandated by the Norwegian Transparency Act of 2021 is presented on our website.

We have updated and restructured our report for sustainability in 2024 in accordance with the updated Norwegian Accounting Act which incorporates the EU Corporate Sustainability Reporting Directive (CSRD) and the relevant European Sustainability Reporting Standards (ESRS). See the section Changes in reporting for an overview of what these changes entail.

REPORTING SCOPE AND SPECIFIC INFORMATION

The sustainability report covers the period from January 1 to December 31, 2024. Businesses that have been sold or spun off during the year are not included unless otherwise specified. The reporting encompasses all consolidated businesses owned by SATS as of December 31, 2024. Data from discontinued or closed businesses are included for the portion of the reporting period they were operational unless otherwise indicated. The sustainability report encompasses both our upstream and downstream value chains, focusing on areas where the nature of a topic makes it relevant and reporting is required under the Norwegian Accounting Act or other regulatory frameworks.

REPORTING SYSTEMS AND PROCESSES

Indicators for climate change, energy, water, resource usage, and waste are collected annually through manual processes and subsequently incorporated into SATS' environmental reporting overview. Indicators for health and safety of SATS' own workforce are gathered through the incident reporting systems Agrippa and IA-systemet. Diversity and other KPIs related to our own workforce are collected from SATS' ERP system and the annual employee survey, SATS' engagement survey. Indicators for employees in the value chain are based on SATS' due diligence processes and data collected from business areas, procurement functions, and the overview from SATS' corporate audit and internal control over alerts reported to line management, support functions, and SATS' legal and compliance department. Data for consumers and end users are based on customer satisfaction studies or calculated by corporate functions based on third-party data.

THE BASIS FOR THE REPORT AND REPORTING LIMITATIONS

The basis for the calculation and presentation of sustainability figures and metrics assessed to be material is described in the notes to the respective figures, including information on whether the figures are measured directly or estimated based on sources such as third-party data or statistical averages. Measurement values are collected from SATS' operational units based on local management systems and are typically based on data from HR, procurement, finance etc. Controls are performed to ensure that the information is complete

and accurate. There is no universal method for collecting data or ensuring the completeness of data points, which may lead to uncertainty in the report. The notes to the chapters on each material sustainability topic include information on sources of estimation and/or uncertainty.

CHANGES IN REPORTING

SATS' sustainability report in the integrated annual report for 2024 has been restructured based on the Norwegian Accounting Act and ESRS. The changes include the following:

- Updated double materiality assessment (DMA): SATS assessment of material sustainability topics has been updated based on the newest guidance from ERFAG and the ESRS. Unlike last year, the DMA has now been conducted at the impact, risk and opportunity (IRO) level. As a result, some sustainability topics previously considered material are no longer classified as such and have been excluded from the 2024 report.
- Restructuring of the reporting: The sustainability report is integrated into the Board of Directors annual report, with references to relevant sections located outside the sustainability report but within the broader annual report. The sustainability report follows the structure required by the ESRS.
- Preparation of the General Information chapter: This chapter follows the structure and reporting requirements in the ESRS 2 standard.
- General Information chapter: This chapter provides a summary of our assessment of material IROs related to each ESRS topical standard. It outlines the identified impacts, risks, and opportunities for each material sustainability issue along with details of due diligence assessments and stakeholder dialogue under the section "Our approach" or "Our approach and policies," a section on "Strategy" that describes how we address the impact, risk, or opportunity, and a section on "Actions" that highlights both completed actions in 2024 and planned actions for 2025–2026. Where applicable, the chapter also includes targets and metrics related to each material topic.

There have also been several minor changes in the sustainability report, primarily involving increased reporting and the addition of more sustainability indicators, including the following:

- The sustainability chapters corresponding to material sustainability topics identified in 2024 have been reorganized and integrated into the sections corresponding to ESRS topics.
- An assessment of taxonomy eligibility and alignment of SATS' activities associated with the taxonomy have been integrated into the sustainability report under the chapter on Environment.

No significant errors have been identified in previous periods, but some minor corrections have been made to certain measurements. Such corrections are described in the note to the respective figures.

INCORPORATION OF ESRS REQUIREMENTS BY REFERENCE TO OTHER PARTS OF THE ANNUAL REPORT

Information on how our business and business model are adapting to address sustainability-related risks and opportunities (SBM-3) is described alongside the reporting related to each material topic. Our description of how we have prioritized sustainability risks compared to other types of risks is described in the chapter on risk. Revenue per IFRS 8 segment is presented in Note 3 Segment information to the consolidated financial statements.

The description of SATS' governance bodies (GOV-1) and their work on sustainability issues (GOV-2) is included in the chapter on Corporate Governance. As of the date of publication, we have no integration of sustainability matters into performance-based incentive schemes (GOV-3).

An index of ESRS disclosure requirements compiled during the preparation of the sustainability report (IRO-2) is available in the Appendix.

RISK MANAGEMENT AND INTERNAL CONTROL OVER SUSTAINABILITY REPORTING

SATS established a Sustainability Committee in 2023, through a mandate by the Board of Directors, to oversee and manage sustainability-related impacts, risks and opportunities. The committee is responsible for regularly assessing risks and controls in the sustainability reporting process, ensuring compliance with regulatory requirements, and addressing ESG matters as they arise. It collaborates with relevant business units, and may escalate any significant matters to the Audit Committee, the Nordic Management Group, or the Board of Directors. Additionally, the committee reports quarterly to the Audit Committee on ESG matters and at least annually to the Nordic Management Group. This oversight ensures that ESG-related impacts, risks and opportunities are effectively integrated into SATS' operations and decision-making process.

In addition, the company's external auditor conducts an annual review of the sustainability report, providing a limited assurance review of the sustainability report. The external audit is risk-based, with the auditors sharing their findings and feedback with the Audit Committee and SATS' sustainability reporting team. The auditors also present their feedback to the Board in connection with the Board's review and approval of the annual report.

The main risks are related to the completeness and accuracy of the data and manual errors in the reporting process from gathering data from multiple systems and individuals to create the annual report. SATS has implemented controls based on its assessment of risks in the sustainability report, including access controls and automated data controls in the systems from which data is gathered and review controls for quantitative and qualitative data in the sustainability reports by business area and corporate functions.

If any allegations or incidents of corruption or bribery arise and there are no current procedures in place, the Supervisory Bodies may issue that the Company implement additional protocols to prevent, detect, and address such issues, ensuring continuous improvement and compliance. In other words, the role of the Supervisory Bodies is to ensure that SATS has effective controls in place to uphold proper business conduct. While they bring extensive hands-on experience, they do not have specific expertise in overseeing business conduct.

Therefore, they rely on the company's Legal department and various business units for guidance and recommendations to ensure proper conduct.

Our external auditor also conducts testing of our sustainability reporting as part of the limited assurance attestation it provides for the sustainability report. The control activities performed by the external auditor are described in the auditor's report.

DUE DILIGENCE FOR SUSTAINABILITY

All material sustainability topics have been assessed in the formulation of SATS' overarching strategy. The corporate strategy is supported by specific strategies on climate change, energy management, members' individual health and well-being, public health, working conditions, diversity, equality and discrimination, corporate culture, and supplier management. Requirements on sustainability due diligence and risk management, in line with our sustainability strategies, are embedded in business processes through SATS' Group policies, including our health and safety policy, privacy policy, whistleblower policy, anti-corruption and anti-bribery policy, sustainable procurement policy, and the company's code of conduct and guidelines for suppliers code of conduct. Our policies are reviewed and updated at least every second year, meaning that all policies have been reviewed in 2024 and are subject to revision in 2026.

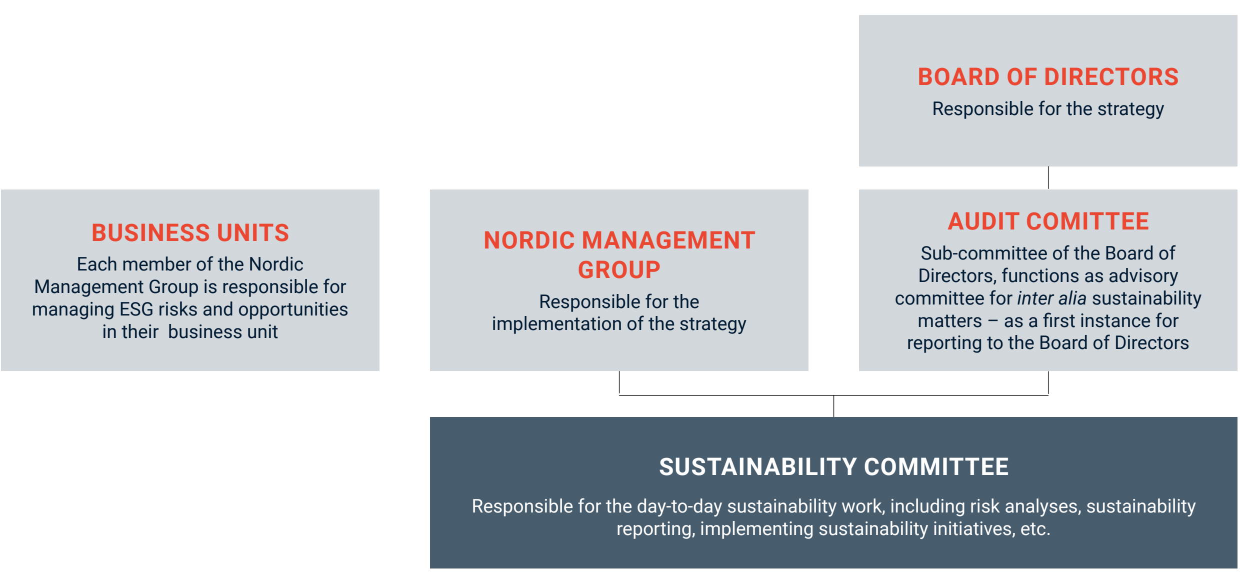
The sustainability report provides for each material sustainability topic an overview of the risk assessment and due diligence related to each sustainability issue as well as SATS' assessment of identified negative impacts, measures to address identified impacts, and the results of these measures.

SATS has conducted a thorough analysis of material sustainability-related impacts, risks, and opportunities in alignment with the ESRS framework and the double materiality requirements. This assessment is validated by SATS' Sustainability Committee and the Nordic Management Group and approved by the Board.

To ensure that administrative, management, and supervisory bodies are fully informed about material impacts, risks, opportunities, and the implementation of due diligence processes — as well as the effectiveness of related policies, actions, metrics and targets — the Sustainability Committee delivers an annual briefing. This includes presenting the findings of the annually reassessed DMA and submitting the sustainability report for Board approval.

Given the close alignment between SATS' sustainability and commercial strategies, the annual briefing ensures that administrative, management, and supervisory bodies are fully informed about material impacts, risks, and opportunities. This enables them to effectively integrate these considerations when overseeing strategy, making decisions on significant transactions, and managing risk. By aligning decision-making and risk management practices with both our commercial and sustainability objectives, we ensure a cohesive approach to achieving our long-term business and sustainability goals. The double materiality assessment is based on input from SATS' sustainability experts and employees responsible for people, environment, social responsibility, health and safety, compensation and benefits, diversity, inclusion and belonging, compliance, and risk management in the business, as well as input from risk management and sustainability functions in each business area. Involving risk management resources in the materiality assessment supports the identification and further evaluation of sustainability-related impacts and risks. Input from SATS' corporate functions and business areas includes their summary of feedback received through their engagement with affected stakeholders and their interaction with external sustainability experts and users of our sustainability statement. The findings from risk assessments and internal controls conducted as part of the double materiality report are communicated to the relevant internal functions, ensuring that identified risks are appropriately addressed and managed.

Structure and governance model for sustainability work in SATS



Stakeholder perspectives are integrated into the double materiality assessment, which is updated annually. SATS' group functions and business areas compile feedback received through dialogue with affected stakeholders, sustainability experts, and users of our corporate and sustainability reporting. This ensures that the Board of Directors and the Nordic Management Group remain well-informed about stakeholder views and interests related to sustainability impacts.

Impact materiality is assessed based on the risk that SATS' activities or business relationships may have an actual or potential impact — whether positive or negative — on various sustainability themes.

Financial materiality is assessed based on sustainability-related negative effects on SATS' reputation, financial or commercial prospects (downside risk), and potential sustainability-related upside risks or opportunities for SATS.

All sustainability-related impacts and risks deemed material to our affected stakeholders and users of the sustainability report are described in the sustainability report. However, not all sustainability-related risks in the sustainability report are specifically highlighted in SATS' overall risk profile, as described in the section on risk management.To ensure that administrative, management, and supervisory bodies are well-informed about material impacts, risks, and opportunities, the implementation of due diligence processes and the effectiveness of policies, actions, metrics, and targets, the Sustainability Committee briefs these bodies annually on the outcome of the annually reassessed DMA and submits the sustainability report for Board approval. This process also enables these bodies to consider impacts, risks, and opportunities effectively when overseeing strategy, making decisions on major transactions, and managing risk processes.

STRATEGY, BUSINESS MODEL AND VALUE CHAIN

SATS Group, through concepts such as SATS, ELIXIA, Fresh Fitness, SATS Yoga and SATS Online, is the leading provider of fitness and training services in the Nordics. Our key customers are our people of all ages who live in the vicinity of one or our clubs. At the core of our business lies the strategic ambition to operate gyms efficiently and provide adjacent services that help members reach their fitness goals. Specifically, we focus on four strategic areas: attracting new members, engaging existing members, creating extraordinary moments and providing high-quality clubs.

Our clubs and our 9 885 employees contribute positively to the health of our members and to public health as a whole, thereby creating a broader positive impact on society. Additionally, the establishment of new clubs generates local jobs and fosters social spaces within the communities we serve. While exercising is inherently sustainable, SATS' activities and operations also result in negative impacts on the environment and people, which we strive to mitigate through targeted and systematic efforts. Some of the key sustainability challenges we face include improving energy efficiency, sourcing sustainable equipment and materials, enhancing supply chain transparency, adapting to evolving regulatory requirements, and meeting shifting consumer expectations.

Our physical clubs and the energy required to sustain our operations contribute to environmental impacts, particularly in terms of emissions and energy use (E1). However, given our role as a service provider and our controlled rate of expansion, these emissions are relatively low in proportion to the size of our company and number of employees. Given that our strategy for attracting new members involves opening new gyms, this inevitably leads to increased emissions, and we are actively working to balance our strategic goals with initiatives to reduce these emissions.

Our employees (S1) are essential for enabling us to operate and deliver offerings such as memberships to our fitness clubs, personal training sessions, physiotherapy services, and retail activities like selling sportswear, water, protein bars, and other products. Finally, the governance of SATS plays a crucial role in shaping the effects we have on both our company and society (G1).

We believe the strong alignment between our material impacts, risks, opportunities and our financial outcomes underscores the resilience of our strategy and business model. By proactively addressing these factors and overcoming challenges, we can achieve meaningful improvements in both environmental and social performance, strengthening our ability to navigate future issues. This approach not only supports the well-being of our members —helping them live happier and healthier lives — but also fosters deeper loyalty and long-term engagement, ensuring sustained success for our business.

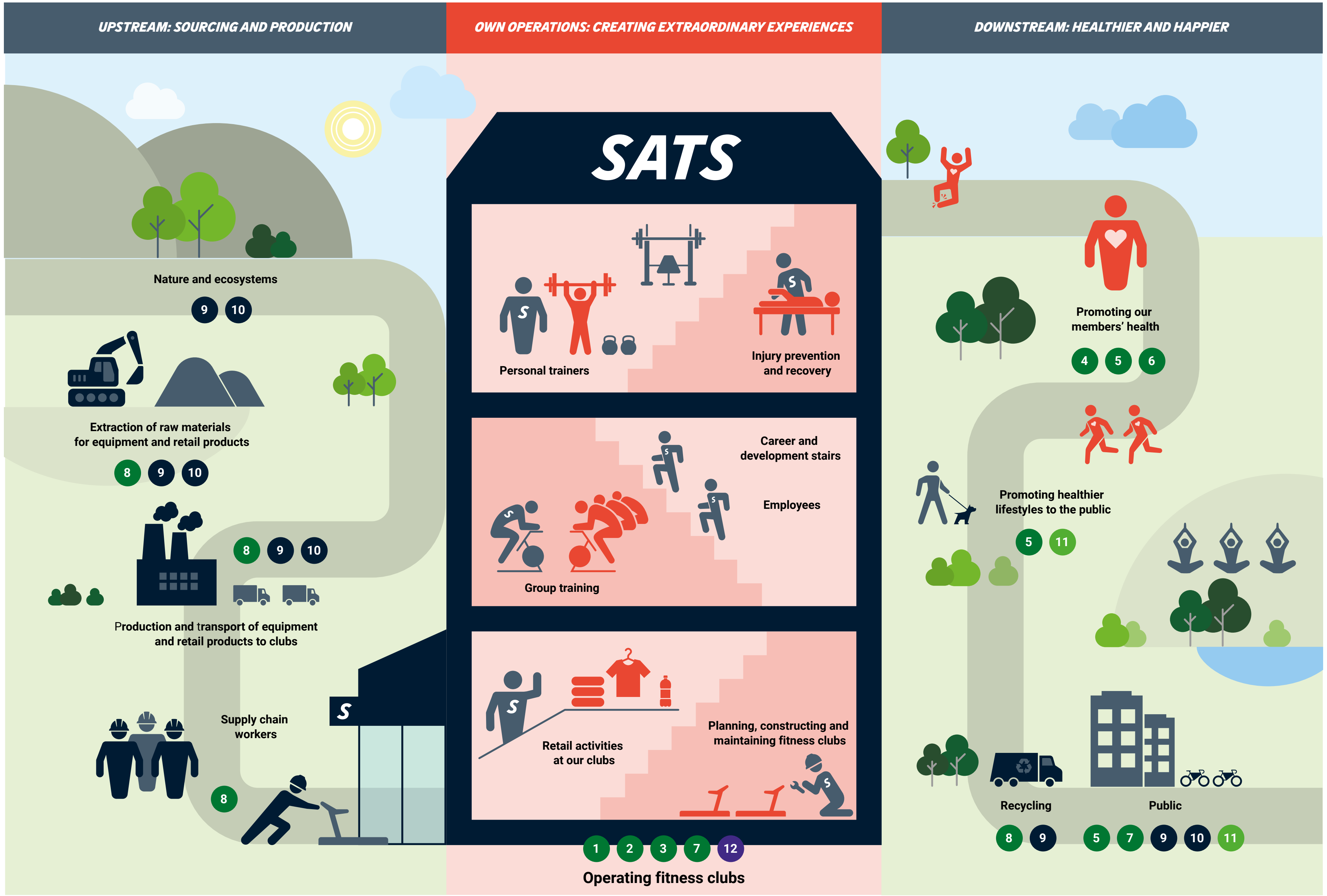
Furthermore, our commitment to sustainability is integrated across all levels of our operations, from reducing energy consumption in our facilities to sourcing sustainable materials and enhancing supply chain transparency. By continuously adapting to evolving regulatory requirements and meeting shifting consumer expectations, we position ourselves to leverage new opportunities and mitigate potential risks effectively.

This holistic approach to resilience ensures that SATS not only fulfills its role as a fitness and health leader but also contributes to a broader societal impact, aligning our commercial goals with the creation of long-term value for all stakeholders.

As part of the revision of our materiality assessment in 2024, we will strengthen our value chain perspective by conducting a comprehensive mapping of upstream and downstream impacts across our core processes and key sustainability themes.

Given that our commercial activities are relatively focused, with limited diversification across significant product and service groups, customer categories, geographical areas, and stakeholder relationships, our sustainability targets are not tied to these subcategories. Instead, they are aligned with our overall member base, the Nordic population at large, our employees, and our operations as a whole. We will come back to our sustainability targets in the section on the Double materiality assessment.

Our value chain



Our value chain begins with upstream activities, including the production of energy, equipment, and materials for our physical clubs. Our core operations focus on delivering group training, physiotherapy, personal training, and other services to support member health. Downstream, we impact public health by promoting fitness and contribute to sustainability through recycling initiatives.

Postive impact

1. Recruiting and advancing women and under-represented groups (S1)
2. Wide offering of training and development opportunities (S1)
3. Diverse workforce (S1)
4. Members individual health and wellbeing (S4)
5. Contributing and positively affecting public health (S4)
6. Products and services available for all (S4)
7. Strong corporate culture and great working environment (G1)
8. Strong supplier management (G1)

Negative impact

9. GHG emissions (E1)
10. Energy consumption (E1)

Sustainability-related opportunities

11. Inspiring the public and motivating more people to embrace fitness (S4)

Sustainability-related risks

12. Hiring mistakes (S1)

DOUBLE MATERIALITY ASSESSMENT

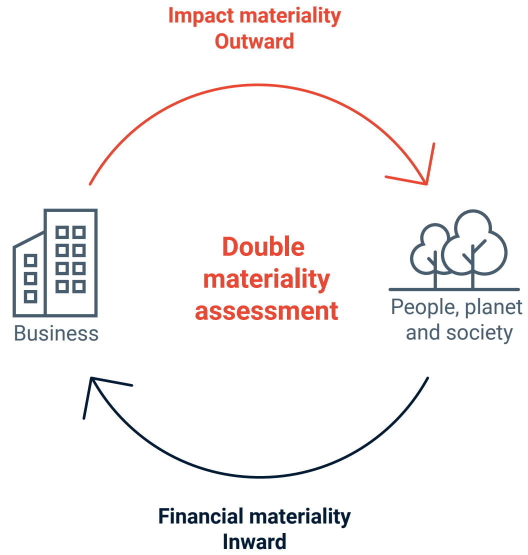
INTRODUCTION

In order to understand which topics within the ESG sphere are most material for SATS, we continuously need to assess our impacts and surroundings. In 2020 and 2021, SATS conducted simple materiality assessments for the purpose of identifying relevant initiatives and strengthening our overall work with respect to sustainability. In 2023, our work with sustainability matters became even more organized and formalized through the establishment of our new sustainability committee, which, together with support from the Board of Directors and our Nordic Management Group, is leading SATS' sustainability work forward.

In the fall of 2023, we carried out a double materiality assessment in accordance with, and as part of our preparations for the CSRD. In 2024, we performed a reassessment based on the finalized CSRD requirements and the latest guidance from ERFAG to ensure our alignment with the updated regulatory standards. The outcome of this reassessment was approved by the Board of Directors and our Nordic Management Group. The purpose of the double materiality assessment was to identify the sustainability topics that are material for SATS, when considering:

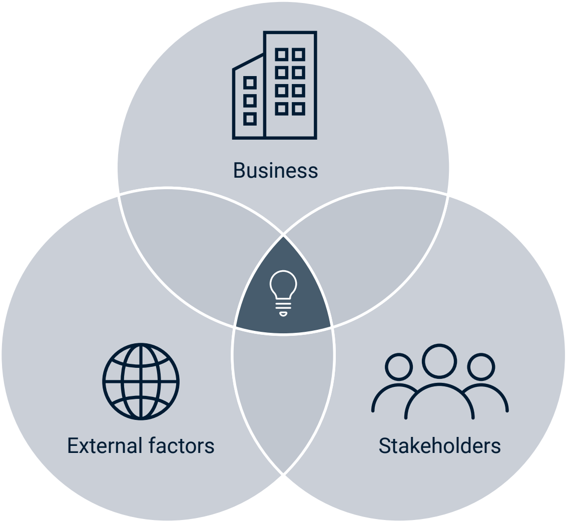
- **Impact materiality**, meaning SATS' underlying actual and potential and negative and positive impacts on the environment, people and society. This includes how grave the impact of our business is for those affected, how widespread our impact is, including the number of people affected, in addition to how hard it is to counteract or reverse any harm caused; and
- **Financial materiality**, meaning the actual and potential risks and opportunities the environment, people and society have on SATS, financially (e.g. that affect our cash flows or value). This includes looking at the size of an actual or anticipated financial effect as well as the likelihood of occurrence.

The figure below illustrates the double materiality assessment we conducted.



To gather essential information required in order to score and prioritize material topics for SATS, three data inputs served as the foundation for further analysis, categorization and prioritization. The illustration below shows the data points included in our assessment, comprising a combination of the company's stakeholders and business model as well as trends and other external factors.

- **Business:** SATS' current strategies, policies and structures were reviewed by external advisors for the purpose of understanding today's business model and operations. This process provided insight into what the future of SATS may look like as well as the potential risks and opportunities to the organization in a sustainability context.
- **External factors:** An analysis of the external business environment was carried out to identify key drivers, including current trends and developments that impact or may potentially impact SATS. Drivers were identified across various topics, including lifestyle and health, demographics and population, economics and inequalities, technology and innovation, politics, and regulation. Additionally, select competitors were examined to give a better understanding of the industry, how it is evolving, and to which extent sustainability is influencing the competitors' operations.
- **Stakeholder dialogue:** Internal and external stakeholders were involved for the purpose of understanding their perspectives regarding what SATS should focus on going forward and the sustainability related topics they identified as material for us. This group included both the users of sustainability information and affected people and communities, who were represented through stakeholder dialogues. These dialogues were conducted through interviews (internal and external), surveys (external, for members only), and management was involved through workshops.



DOUBLE MATERIALITY ASSESSMENT OUTCOME

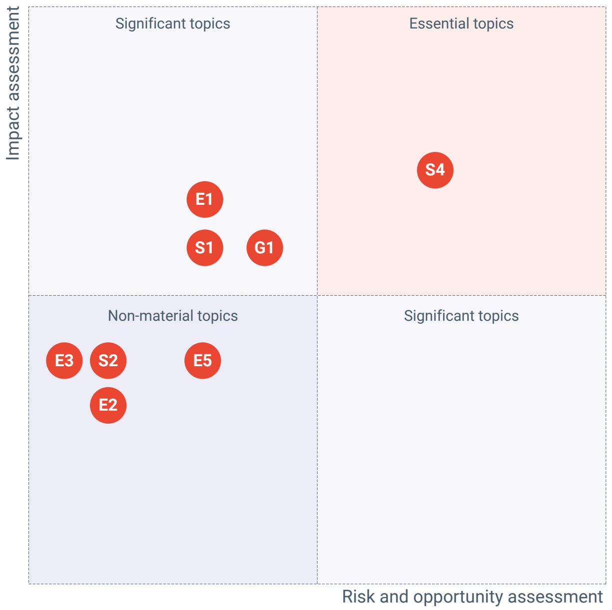
We have identified our impacts on the environment and society (impact materiality assessment) and the sustainability-related risks that we are exposed to (financial materiality assessment). The outcome is aggregated per ESRS topic, showing that E1, S1, S4 and G1 are our material sustainability matters.

The environmental impacts we have within E1 are linked to our physical locations and the energy used to maintain our operations. The deployment of new energy management solutions and improvement to our locations from an emission standpoint mitigate climate impacts but also require financial capital and human resources.

The social impacts and risks we have within S4, S1 and G1 are closely linked to our strategic efforts to improve the physical and mental health of our members and the public. Moreover, we need our employees in order to deliver a great product. As the largest operator of health and fitness services in the Nordics, we bear a substantial responsibility to ensure decent working conditions for our employees and to build a corporate culture that facilitates our values so that we can reach our vision of making people healthier and happier.

In December 2023, the Board of Directors approved five key performance indicators (KPIs) addressing SATS' material sustainability priorities. These targets were established through a collaborative effort led by the Nordic Management Group and the Sustainability Committee, with the help of internal stakeholders, following a thorough review of the DMA outcomes, commercial objectives, and their alignment. After a DMA reassessment in the fall of 2024, one of the targets related to GDPR was replaced with a more aligned topic regarding climate emissions. Each of the targets is presented under the relevant sustainability topic. Over time, we aim to establish clear targets for all material impacts, risks, and opportunities, ensuring we can effectively track progress toward our desired outcomes.

Materiality matrix



Topics

- E1 Climate change
- E2 Pollution
- E3 Water and marine resources
- E5 Resource use and circular economy
- S1 Own workforce
- S2 Workers in the value chain
- S4 Consumers and end-users
- G1 Business conduct

SUSTAINABILITY TARGETS

In December 2024, the Board of Directors resolved to approve four KPIs and targets, which are listed below within the material sustainability topics for SATS. In February 2025 the board approved of a fifth target, which we will begin reporting on from 2025:

1. **Target relating to members' individual health and well-being:** We will annually measure and report on the number of workouts our members have had at one of our fitness clubs. The target each year is to increase the number of workouts more than the member base.
2. **Target relating to public health:** We will annually measure and report on the number of quality-adjusted life years (QALYs) generated by our members through physical activity registered at our clubs, and thus the socioeconomic welfare gains from our members reaching the World Health Organization's (WHO) activity recommendations. The target each year is to increase QALY generated through training at SATS more than the member base.
3. **Target relating to working conditions:** We will annually measure the engagement index from our employee surveys. The target each year is to outperform the reference index.
4. **Target relating to corporate culture:** We will annually measure the eNPS from our employee surveys. The target each year is to have an eNPS that outperforms the reference index.
5. **Target relating to climate emissions:** We will annually measure the GHG emissions from our operations and value chain. The target is to reduce the intensity of our emissions by 30 percent by 2030 and attain net-zero emissions by 2050.

We will continuously monitor these targets, to ensure that we work in a manner that enables us to meet them. Progress toward these targets, with the exception of the climate emissions target, is described under each relevant material sustainability topic.

MATERIAL SUSTAINABILITY-RELATED IMPACTS, RISKS AND OPPORTUNTIES

The following tables list the sustainability-related impacts, risks and opportunities we have identified and assessed as material through our double materiality assessment process. As shown in the matrix on page 35 four out of the ten ESRS topics are material to SATS. Each material ESRS topic is presented in the following tables, where we specify the sub-topics that our material impacts and risks relate to, e.g., climate change, energy management, own workforce etc.

In addition, we indicate in the tables whether the impacts and risks are in our own operations (OO) or in upstream or downstream value chains (VC). We also show whether our impacts are positive or negative. Impacts are actual impacts unless otherwise specified as potential impacts.

Brief descriptions of the material impacts and risks are included in the tables. More information on how we respond to the effects of our impacts and risks is included in the topical sections under Environment, Social, and Governance.

This year, our scoring of impacts and risks has included mitigation actions that are already part of our daily operations to reduce or mitigate any negative impacts or risks. Therefore, the impacts and risks listed in the tables show residual impact or risk.

Our material impacts are actual impacts, and as such, we do not disclose reasonably expected time horizons for potential impacts. There are no actual or anticipated financial effects on our financial position, performance, or cash flows from material risks and opportunities, and no significant risk of adjustments to asset and liability values in the next annual reporting period.

In 2025, we will further refine our DMA process and methodology. We are mindful that material topics might change over time and that our assessment should be adapted to changes in external factors, internal developments, new stakeholder involvement, and so on. Following our review of impacts, risks, and opportunities, we have determined that they do will not have a significant effect on our business model, strategy or decision- making, and we are still implementing strategic changes where necessary. Our approach to the identified material impacts, risks and opportunities are discussed under each relevant sustainability topic.

Environment (E1)

	Material impact or risk	Description
Climate change		
Climate change mitigation		
Negative impact (OO) (VC)	GHG emissions from our operations in our clubs and production in our supply chain have a negative effect on the environment through the use of fossil fuels.	Emissions from our supply chain production, our operations, and members driving to our clubs. We respond to this impact through our strategy to reduce the emissions from our operations and value chain.
Energy		
Negative impact (OO)	Energy consumption, mainly at our clubs	Energy used in our daily operations, including energy derived from fossil-based fuels leading to GHG emissions. We respond to this impact through our strategy to decarbonize our operations and implement more energy efficient solutions.

Social (S1)

	Material impact or risk	Description
Own workforce		
Working conditions		
Risk (OO)	Hiring mistakes	Should we fail to attract, motivate and retain the right talents within our Group, our member experience could be adversely affected and thus result in increased churn.
Equal treatment and opportunities for all		
Positive impact (OO)	Recruiting and advancing women and under-represented groups, and working to ensure that they stay at SATS.	We aim to ensure that men and women get equal pay for work of equal value. This is important because it ensures that SATS promotes gender equality and mitigates the gender pay and management gap in society. We aim to recruit, keep and support representation of underrepresented or marginalized groups in leadership and management.
Positive impact (OO)	Career progression through training and development.	We provide numerous development opportunities through access to challenging assignments and experts across a wide range of professional fields. All employees participate in regular development discussions to foster continuous growth. This is particularly valuable for a significant portion of our workforce since SATS is their first professional employer.
Positive impact (OO)	Diversity resulting in innovative thinking and approaches.	We aim to cultivate a diverse workforce that reflects our customer base as closely as possible, enabling us to deliver a product that is both inclusive and representative.

Social (S4)

	Material impact or risk	Description
Consumers and end-users		
Health and safety		
Positive impact (VC) (OO)	Members' individual health and well-being.	Our business model and operations are closely aligned with this topic, and we focus on enhancing the physical well-being of our members, which has a direct impact on their health and safety.
Positive impact (VC) (OO)	Contributing and positively affecting public health	Encouraging physical activity among our customers and the wider community not only enhances the health of our members but also contributes positively to public well-being and overall public health.
Positive impact (VC) (OO)	Products and services available for all.	We do not discriminate when offering our products and services and given that we have products in a wide range of price categories, we are able to ensure the inclusion of as many consumers as possible, making the barrier to entry as low as possible.
Opportunity (OO)	Effectively inspiring the public and motivating more people to embrace fitness can lead to a significant increase in new club memberships.	By successfully inspiring the public and motivating more people to work out, we a're likely to see a boost in new memberships at our clubs.

Governance (G1)

	Material impact or risk	Description
Business conduct		
Corporate culture		
Positive impact (OO)	Strong corporate culture and great working environment	A healthy corporate culture is essential for employee well-being at SATS, especially considering our large workforce. A good culture will benefit not only our employees but also society and our stakeholders, including business partners and members.
Management of relationships with suppliers including payment practices		
Positive impact (VC)	Strong supplier management.	We are dedicated to continuously strengthening our relationships with suppliers and business partners, as well as improving our due diligence to ensure that we are managing our relationships correctly. Our efforts are driven by the integration of evolving standards into our evaluation tools, along with an enhanced focus on optimizing supply chain management. As we navigate the ever-changing landscape of due diligence, our goal is not just to meet but to surpass the highest standards of integrity, transparency, and ethical conduct.

VC (Value chain)
OO (Own operations)

DOUBLE MATERIALITY ASSESSMENT METHODOLOGY

Our methodology was initially developed with reference to the draft ESRS principles from November 2022 and existing guidelines. Since then, as the reporting standards became more defined in late 2023, we refined our approach. This refinement process has involved collaboration with industry peers and association meetings, and integration of insights from the finalized ESRS and the latest guidance. These efforts will ensure full compliance with DMA-related requirements by 2024. Moving forward, we are committed to continuously refining our methodology as new industry standards and regulatory frameworks evolve.

Scope

In our operations, we conducted a thorough assessment of the impacts on both people and the environment while also identifying potential risks to our business. Additionally, we evaluated the broader impacts and risks across our value chain, equally focusing on upstream and downstream activities. These assessments drew on internal expertise and stakeholder engagement. This approach was particularly relevant in assessing impacts related to Health and Safety (ESRS S4).

Our impact assessment addressed both the positive and negative consequences as well as the actual and possible impacts related to sustainability matters. In our assessment of financial materiality, we evaluated sustainability-related risks, like dependencies, that could potentially lead to negative financial effects on the business.

Stakeholder engagement

We initially began the process of identifying relevant stakeholder groups back in 2019, long before the CSRD and the double materiality assessment were carried out. The purpose was initially to identify which sustainability topics our stakeholders perceived to be material and relevant for SATS. During 2023, we reconnected with some of our stakeholders since stakeholder involvement was a fundamental part of the double materiality assessment. Stakeholders' different points of view were key in helping us identify the material sustainability topics for SATS and how we should score and prioritize them. Our group of stakeholders can be divided into (i) affected stakeholders and (ii) users of sustainability statements, with many also belonging to both groups.

The stakeholder dialogue was conducted through a series of interviews with internal and external people and organizations, in addition to a survey presented to approximately 20 percent of our members in Norway, Sweden, Denmark and Finland. Below is an overview of our identified stakeholders.

Although all stakeholders have meaningful input, special emphasis was nevertheless placed on the following key stakeholders: employees (operational, union representatives, and the Nordic Management Group), the Board of Directors, investors and analysts, suppliers and partners, non governmental organizations and voluntary organizations, unions, and members. We either prioritized a dialogue with these groups of stakeholders or otherwise engaged with them in connection with our double materiality assessment.

Our operational employees across the Nordics serve a vital role in the products and services offered to our members. We are dependent on talented club managers, personal trainers, group training instructors and receptionists who are able to motivate our members every day so that we can reach our vision of making people healthier and happier. It is our on-site employees who experience SATS' operations up close and from a more operative angle than our Nordic Management Group and other service office employees. They receive responses directly from members. Because they also spend a significant amount of time in our clubs, they can observe relevant improvement potentials and provide feedback and ideas that ultimately reach SATS' decision-making administrative bodies. Their perspectives have therefore been particularly relevant in our double materiality assessment. Other than in this context, employee feedback is generally channeled through club managers, employee surveys and the Whistleblowing system (as further explained in the Employee dialogue and Whistleblowing sections).

Furthermore, our employees who have a seat at the Nordic Management Group and our employees who work with sustainability matters also provide relevant input when assessing which topics are material for SATS when considering the business' impact on the environment, people and society and the impact the environment, people and society has on the business financially. SATS' management team takes a holistic view on matters relevant for SATS in a sustainability context and a more managerial approach to SATS' impact materiality and financial materiality.

Members of the Board of Directors are external from the company's organization while at the same time having valuable insight into SATS' financials and operational model. This is an interesting combination, making them equipped to evaluate both impact and financial materiality of SATS. Their input to a double materiality assessment is thus highly valuable.

Investors and analysts are key users of sustainability information and, as such, key stakeholders for SATS. Investors bring valuable insight from relevant peers, regulators and the financial markets at large — they communicate what is material from an investment point of view and what a company like SATS should focus on to be an attractive investment target in a constantly changing global economy. Input received from investors complements our other stakeholders since their input primarily concentrates on risks and opportunities from a financial and return-on-investment perspective rather than the more operative perspective brought by employees, including, to some extent, key management positions and members.

Certain NGOs and volunteer organizations provide valuable input from a broader health perspective, as do some of our select partners. Their impact goes beyond our members' individual health and well-being and the direct use of our products/services, instead focusing on people and communities that are not part of SATS and the role a business like SATS should take for the benefit of the Nordic population. Moreover, this relates to relevant topics such as mental health, inclusion and diversity in society at large.

Our vision is to make our **members** healthier and happier, always putting them first. We exist not only for our members, but also because of our member base. Their input and ideas are therefore highly valuable and relevant for all of our work, especially to understand their changing needs and demands so that we can continue providing products and services that support them in the best possible manner. In the context of double materiality, members provided feedback through a survey. In all other contexts, they provide feedback through customer services and directly to employees working at our clubs.

Key sustainability topics raised through stakeholder dialogue

A fundamental part of the double materiality assessment was stakeholder involvement and dialogue. The topics below were recognized as the key sustainability topics from their perspective when looking at the totality of our conversations with them and the input they provided.

1. SATS' core activity improves the physical and mental health of the Nordic population.
2. It is challenging to exclusively associate physical activity with health-related aspects. Therefore, SATS needs to prioritize any unhealthy focus on building muscles or weight loss.
3. The value of exercising at SATS goes beyond mere physical activity and has a social value through building relations.
4. The importance of making SATS more accessible, where it is necessary to address and understand various barriers in order to increase accessibility.
5. Being a major industry player comes with significant responsibility, especially concerning employees and members, but also when it comes to environmental considerations.
6. SATS is a major employer, having a business that delivers services through its people. Employees are a crucial success factor for SATS, and their well-being is therefore important.
7. Although environmental considerations often are given relatively less attention compared to other factors, SATS strives to lower its environmental footprint.

Source: UN Sustainable Delopment Goals

Great emphasis was generally placed on working conditions and equal treatment and opportunities for all, given the importance of our employees for our brand value and the ability to engage members to use our facilities, thereby contributing positively to their physical activity while simultaneously ensuring a robust and growing member base for SATS.

Scoring

Impacts

As per the ESRS guidance, we use the term "impacts" to refer to both positive and negative sustainability-related impacts. Impacts are actual impacts unless stated otherwise specified as that they are potential impacts. For positive impacts, materiality is based on:

1. the scale and scope of the impact for actual impacts; and
2. the scale, scope and likelihood of the impact for potential impacts.

For actual negative impacts, materiality is based on the severity of the impact, while for potential negative impacts it is based on the severity and likelihood of the impact.

In the scoring of the severity of our actual impacts, we use three parameters: scale, scope, and irremediable character.

1. When scoring scale, we assessed how grave the negative impact is on the environment or people after consideration of mitigation actions already in place.
2. When scoring scope, we assessed how widespread the impact is based on parameters such as environmental damage, percentage of employees, or financial spend to which the impact relates.
3. When scoring irremediable character, we assessed whether and to what extent the negative impacts could be reversed in terms of cost and time horizon. For potential impacts, an additional parameter of likelihood was scored.

For negative actual impacts, each of the three dimensions above were scored and weighted equally for severity. For negative potential impacts, severity and likelihood were weighted 50/50. For positive actual impacts, scale and scope were scored and weighted equally for severity. For positive potential impacts, likelihood was also considered as for negative potential impacts.

Risks

We use the term risks and opportunities when referring to SATS' sustainability-related financial risks and opportunities, including those derived from dependencies on natural, human and social resources as identified through our financial materiality assessment. We have assessed the connections between impacts, dependencies, and the associated risks and opportunities by evaluating how these factors interact. This evaluation considers the significance of dependencies and their influence on financial and operational risks and opportunities. If the dependencies are high and the influence is strong, this resulted in a higher impact or magnitude score, and vice versa. Additionally, we accounted for existing mitigation measures to ensure that the identified risks and opportunities reflect their residual impact after mitigation.

In our risk scoring process, we assessed the potential financial magnitude using key financial effects based on financial intervals, which made up half of the overall score, while the likelihood of occurrence constituted the other half. These assessments accounted for existing risk mitigation measures.

We analyzed the nature of potential impacts across various scenarios using assumptions informed by input from subject-matter experts. The financial effects (Magnitude) were categorized from 1–5, while likelihood was similarly rated. Given the lack of data for most of the risks identified, quantitative measures were largely supplemented by qualitative analysis, given the complexity of precisely defining potential sustainability risks in monetary terms.

Thresholds and time horizons

Our Sustainability Committee has set the materiality thresholds at significant. This means that impacts, risks and opportunities that scored as significant or above, and their associated ESRS topic, are deemed material. In our scoring of the different impacts, risks and opportunities, we have not deviated from the ESRS definition of short-, mid-, and long-term time horizons.

Process

Our DMA process began by actively engaging with stakeholders to gather their input, which helped us create a comprehensive longlist of sustainability topics, including all those covered in AR16. Following this, we initiated a thorough assessment of both impact materiality and financial materiality before setting a threshold to narrow down which topics are material. The five key steps we followed in this process are outlined below and explained in further detail on the next page.

1. Stakeholder engagement
2. Scoping of impacts, risks and opportunities
3. Assessment of individual impacts, risks and opportunities
4. Calibration of material impacts, risks and opportunities
5. Stakeholder and management review

Impact and financial materiality

1. Stakeholder engagement

We examined the ten topics outlined in the ESRS, identifying subject-matter experts across business and Group functions with deep knowledge of each area. Several onboarding sessions ensured a shared understanding of the new regulations and the goals of the double materiality assessment.These experts brought valuable insights and in-depth knowledge of our daily operations in each area, which allowed us to identify, assess, prioritize and monitor impacts, risks and opportunities that have or may have impact or financial effects.

2. Scoping of impacts, risks and opportunities

To prepare for the materiality assessment workshops, we reviewed internal resources such as impact reports, previous materiality assessments, stakeholder feedback, and risk reports.This process allowed us to identify specific activities, business relationships, and geographic areas that have heightened risk of adverse impacts. For example, we assessed the environmental and social risks associated with the production of retail goods and equipment in Asia, the energy consumption and emissions from our operations, and data privacy risks linked to third-party collaborations. These insights guided our scoping of ESRS sub-topics, ensuring that our assessment prioritizes the most material risks and impacts.

3. Assessment of individual impacts, risks and opportunities

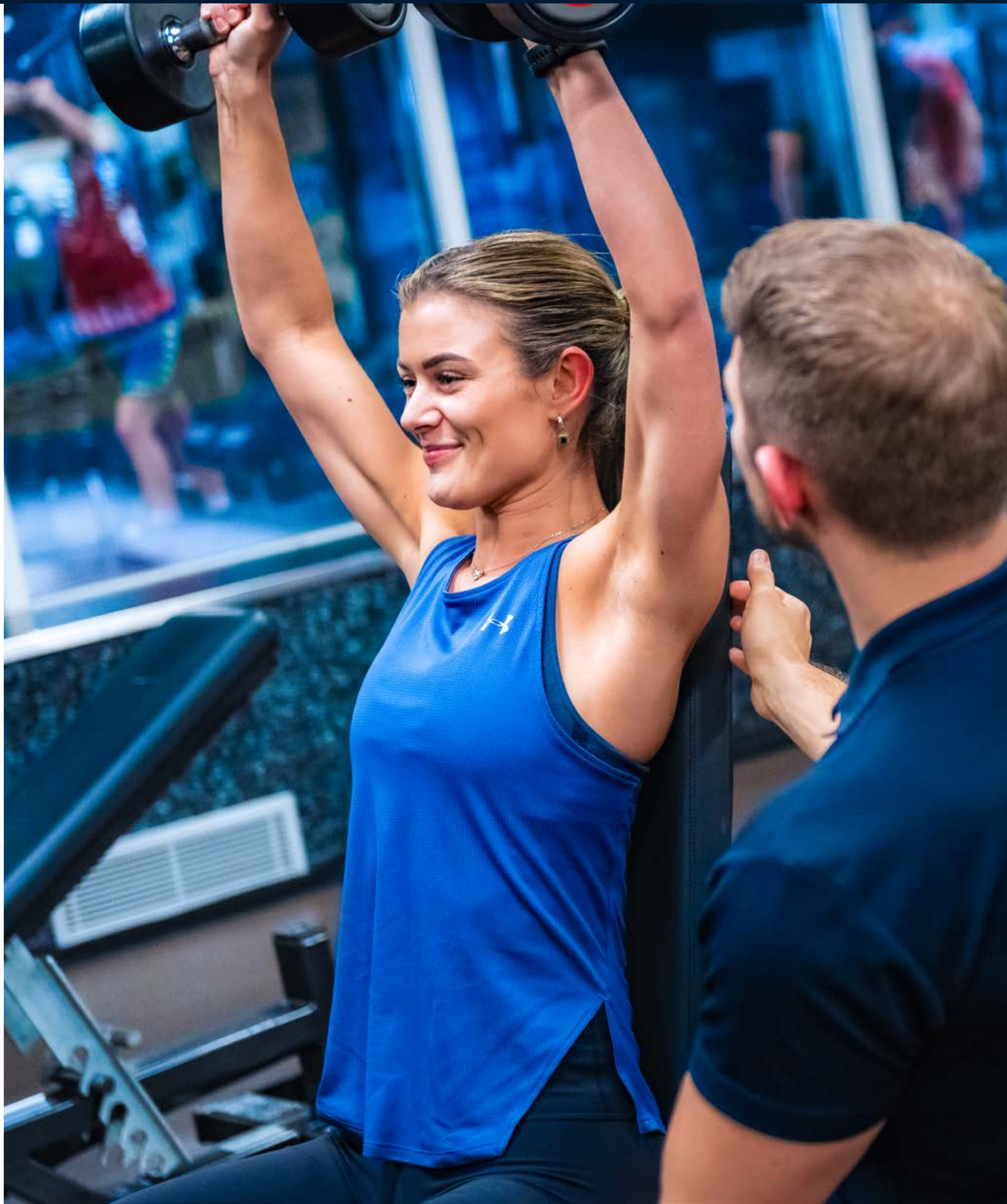
We conducted interactive workshops for all ESRS topics, where participants refined the pre-defined impacts, risks and opportunities, added new ones as necessary, and scored them across our operations and value chain using the ESRS E1 scoring methodology. We documented scoring rationales and relevant reference materials, evaluating a total of 49 impacts and 38 aggregated sustainability-related financial risk and opportunities scenarios.

4. Calibration of material impacts, risks and opportunities

We compiled the workshop data into a tool that aggregated scores and calculated the degree of materiality across five levels. We then validated the preliminary results and adjusted them as necessary. We conducted a final calibration across topics before finalizing the assessment. Based on the established materiality threshold, a final list of 25 material impacts and two sustainability-related financial risk and opportunities were classified as significant or higher based on our scoring criteria and materiality thresholds.

5. Stakeholder and management review

We presented the outcome of the DMA to internal stakeholders, the Nordic Management Group and the Audit Committee for review.



ENVIRONMENT

STATEMENT ON THE EU TAXONOMY FOR SUSTAINABLE ECONOMIC ACTIVITIES

SATS is a non-financial company subject to the EU Taxonomy Regulation based on Article 8 of the regulation. The main objective of the taxonomy is to further assist investors and other stakeholders in making informed investment decisions on environmentally sustainable economic activities.

During the 2024 financial year, the main activity of SATS Group — the offering of a variety of health and fitness services — was not included in the EU Taxonomy scope. SATS does, however, report on other applicable activities that are in scope of the EU Taxonomy reporting for the 2024 financial year.

The SATS Group performed in 2024 an inventory of its activities according to the regulation. The Group has not identified any activities that it considers to be eligible for turnover reporting according to the regulation. However, the Group has identified several crosscutting activities related to climate change mitigation that it considers to be eligible for CapEx and OpEx reporting. For 2024, the SATS Group performed an alignment assessment for these economic activities.

SCREENING AND ASSESSMENT PROCEDURES

There are certain predefined criteria for determining whether an economic activity can be classified as environmentally sustainable. When identifying taxonomy-eligible and -aligned economic activities within SATS Group, SATS has followed the procedure outlined in the regulation, which consists of the following phases:

- Identification of eligible activities
- Identification of aligned activities
- Calculation of turnover, CapEx and OpEx

We identified our taxonomy-eligible activities by screening the economic activities in the Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139), the Complementary Climate Delegated Act (Commission Delegated Regulation (EU) 2022/1214), the Environmental Delegated Act (Commission Delegated Regulation (EU) 2023/2486), and the amendments to the Climate Delegated Act (Commission Delegated Regulation (EU) 2023/2485).

Article 3 of Regulation (EU) 2020/852 sets out criteria which an economic activity must meet to qualify as environmentally sustainable (taxonomy-aligned):

- Substantially contribute to one or more of the six environmental objectives.
- Do no significant harm (DNSH) to the other five objectives.
- Comply with minimum safeguards covering social and governance standards.
- Comply with the technical screening criteria (TSC) for the environmental objectives.

Taxonomy-alignment of our eligible activities has subsequently been assessed against Annex I of the Climate Delegated Act. The TSC for the environmental objectives have been assessed per activity. Minimum safeguards have been assessed on Group level.

ACCOUNTING PRINCIPLES

Turnover

Total turnover refers to the amounts derived from the sale of products and services after the deduction of sales rebates, value-added tax, and other taxes directly linked to turnover (Accounting Directive, 2013/34/EU). For more information about turnover, please see the SATS consolidated statement of profit or loss on page 74.

Capital expenditure (CapEx)
Total CapEx corresponds to additions, to balance sheet items including property, plant and equipment and intangible assets, before depreciation, amortization or impairment and excluding any translation effects, as specified in Note 10 Intangible assets and Note 12 Property, plant and equipment to the consolidated balance sheet, complemented by additions/ changes in IFRS16 classified right-of-use assets as specified in Note 11 Leases to the consolidated balance sheet. For more information about CapEx, please see the consolidated statement of financial position on page 76.

Operating expenditures (OpEx)
In SATS Group's reporting, total OpEx includes repair and maintenance related to day-to-day servicing of property, plant and equipment assets necessary to ensure continued and effective use. For more information about OpEx, please see the consolidated statement of profit or loss on page 74.

IDENTIFYING ELIGIBLE ACTIVITIES

Turnover
In order to assess whether our activities related to turnover are eligible, our first step has been to define the activities. For SATS, these include the following:

- Revenue related to membership to our training facilities.
- Revenue related to the sale of personal training and physiotherapists to our members.
- Revenue related to retail activities, including sportswear, water, and protein bars.

These activities are not currently included in the Climate Delegated Act. As such, we have not found there to be any economic activities related to our turnover that are eligible. In summary, 0 percent of our turnover is eligible.

CapEx and OpEx
To evaluate the eligibility of our CapEx- and OpEx-related activities, we conducted a thorough screening of our economic activities against Annex I of the Climate Delegated Act. This process also involved utilizing the EU Taxonomy Compass. For SATS, the activities assessed as eligible are as follows:

7.3 Installation, maintenance and repair of energy efficient equipment
SATS Group is engaged in various energy efficiency initiatives, many of which are minor or relate primarily to financial support activities rather than direct investments. However, a notable project includes the ongoing LED retrofit program, which involves replacing all lighting in SATS Group clubs with energy-efficient LED solutions. This project was started in 2023 and is ongoing. This activity is assessed as eligible for both CapEx and OpEx.

SATS has also installed an energy management system in select clubs in Norway. This system automates ventilation management, optimizing airflows based on demand fluctuations throughout the day. Similar ventilation systems are installed in clubs in other countries, though these systems are often owned by landlords. This activity is assessed as eligible for CapEx.

7.7 Acquisition and ownership of buildings
SATS Group does not own any buildings as of 2024. The Group does, however, have an extensive amount of right-of-use assets since all SATS Group club locations are leased. All of SATS Group's new or renegotiated right-of-use assets fall under the EU Taxonomy economic activity 7.7 Acquisition and ownership of buildings included in our taxonomy reporting. This activity is assessed as eligible for CapEx.

ALIGNMENT ASSESSMENT

SATS Group has assessed the economic activities considered eligible and, with regard to alignment, concluded the following.

7.3 Installation, maintenance and repair of energy efficient equipment
Our LED retrofit program is in accordance with the criteria for individual measures that contribute to climate change mitigation (d) installation and replacement of energy efficient light sources. This activity therefore meets the TSC for substantial contribution to climate change mitigation.

Installation of energy management systems is in accordance with the criteria for individual measures that contribute to climate change mitigation (e) installation, replacement, maintenance and repair of heating, ventilation, and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies. This activity therefore meets the TSC for substantial contribution to climate change mitigation.

7.7 Acquisition and ownership of buildings
We have acquired four new leases in 2024, none of the new or renegotiated right-of-use assets meet all of the TSC for substantial contribution to climate change mitigation. As a result, 0 percent of our CapEx related to 7.7 is aligned.

COMPLIANCE WITH THE CRITERIA FOR NOT CAUSING SIGNIFICANT HARM (DNSH)

7.3 Installation, maintenance and repair of energy efficient equipment

Climate change adaption
SATS Group performed its first impact, risk and opportunity assessment as part of its DMA in 2023. This analysis will be updated annually. The results are reported in our section on Material sustainability-related impacts, risks and opportunties. No material physical risks where identified in the DMA; therefore none are linked to the LED retrofit project. As a result, the project falls outside the scope of the DNSH technical criteria and the DNSH requirements are met.

Pollution prevention and control
The materials used in the renovation projects are identified as aligned. They conform to the requirements in Appendix C of the EU Restriction of Hazardous Substances Directive, including in relation to the presence of restricted chemicals or other polluting materials. Furthermore, LED luminaires contain no mercury, which not only eliminates the risk of environmental damage during waste disposal but also minimizes the potential health risks for those who handle these products.

COMPLIANCE WITH THE MINIMUM SAFEGUARDS

The Taxonomy Regulation describes minimum safeguards in line with the principles defined by the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the ILO's eight fundamental conventions, and the International Bill of Human Rights.

Our economic activities are carried out in compliance with the minimum safeguards criteria set out by the EU Taxonomy Regulation and do not violate social norms, including human rights and labor rights. Our strategy for ensuring these minimum safeguards throughout our company and value chain consists of leveraging the following elements: our Code of Conduct, our Suppliers Code of Conduct and our due diligence process (including our screening suppliers' promotion and respect for human rights and decent working conditions throughout the value chain). More information regarding our safeguards can be found in our sections on human rights and bribery and corruption.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code [1] (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year N-1 8)	Category enabling activity (19)	Category transitional activity (20)
		MNOK	%	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/E[2]	Y; N;N/EL[2]	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which enabling			0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional			0%	0%						N	N	N	N	N	N	N	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0%	0%	0%	0%	0%	0%	0%								0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		0.0	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		5,064.3	100%																
Total		**5,064.3**	**100%**																

1) *The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:*
- *Climate Change Mitigation: CCM*
- *Climate Change Adaptation: CCA*
- *Water and Marine Resources: WTR*
- *Circular Economy: CE*
- *Pollution Prevention and Control: PPC*
- *Biodiversity and ecosystems: BIO.*

2) *Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective*
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

3) *EL – Taxonomy-eligible activity for the relevant objective*
N/EL – Taxonomy-non-eligible activity for the relevant objective.

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code [1] (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year N-1 8)	Category enabling activity (19)	Category transitional activity (20)
		MNOK	%	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficient equipment	CCM 7.3	5.6	1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	-	-	Y	0%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		5.6	1%	1%	0%	0%	0%	0%	0%	-	Y	-	Y	-	-	Y	0%		
Of which enabling		5.6	1%	1%	0%	0%	0%	0%	0%	-	Y	-	Y	-	-	Y	0%	E	
Of which transitional		0.0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]										
Acquisition and ownership of buildings	CCM 7.7	835.5	74%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								84%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		835.5	74%	74%	0%	0%	0%	0%	0%								84%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		841.1	75%	75%	0%	0%	0%	0%	0%								84%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		281.1	25%																
Total		**1,122.2**	**100%**																

1) *The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:*
- *Climate Change Mitigation: CCM*
- *Climate Change Adaptation: CCA*
- *Water and Marine Resources: WTR*
- *Circular Economy: CE*
- *Pollution Prevention and Control: PPC*
- *Biodiversity and ecosystems: BIO.*

2) *Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective*
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

3) *EL – Taxonomy-eligible activity for the relevant objective*
N/EL – Taxonomy-non-eligible activity for the relevant objective.

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code [1] (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year N-1 8)	Category enabling activity (19)	Category transitional activity (20)
		MNOK	%	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y; N; N/EL[2]	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficient equipment	CCM 7.3	0.2	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	-	-	Y	0%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.2	0%	0%	0%	0%	0%	0%	0%	-	Y	-	Y	-	-	Y	0%		
Of which enabling		0.2	0%	0%	0%	0%	0%	0%	0%	-	Y	-	Y	-	-	Y	0%	E	
Of which transitional		0.0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]	EL; N/EL[3]										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0%	0%	0%	0%	0%	0%	0%								0%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		0.2	0%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		457.8	100%																
Total		**457.8**	**100%**																

[1)] *The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:*
- *Climate Change Mitigation: CCM*
- *Climate Change Adaptation: CCA*
- *Water and Marine Resources: WTR*
- *Circular Economy: CE*
- *Pollution Prevention and Control: PPC*
- *Biodiversity and ecosystems: BIO.*

[2)] *Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective*
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

[3)] *EL – Taxonomy-eligible activity for the relevant objective*
N/EL – Taxonomy-non-eligible activity for the relevant objective.

Exposure to nuclear and fossil gas related activities

Nuclear energy related activities	
1. The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2. The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3. The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas related activities	
4. The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5. The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

CLIMATE CHANGE (E1)

OUR APPROACH

Reducing greenhouse gas (GHG) emissions globally is imperative. SATS recognizes the importance of playing its part in this effort despite its operations relying on energy and materials that contribute to GHG emissions and climate change. However, as a provider of health and fitness services, SATS' emissions are quite limited compared to more industrial corporations. Climate change is one of the four key material topics identified by SATS. Given its significance, we have set a target for reducing GHG emissions in 2025 and will begin reporting on it in our 2025 report. In the meantime, we will work on reducing emissions where we can, becoming more energy efficient and continuing to report our GHG emissions in a full climate account annually. We will also work toward fulfilling the increasing demand for sustainable products among consumers and services and take this into account as we develop our business.

From our perspective, SATS is well-positioned to respond to climate changes and stricter climate-related regulations and requirements. Climate risks include (i) physical risks and (ii) transition risks. Physical risks could result from climate-related acute and/or chronic shortages of water or other natural resources, temperatures, etc., while transition risks cover regulatory risks, market and technology risks, and reputational risks. An external assessment from 2021 concluded that SATS is well-positioned to respond to climate changes and stricter climate-related regulations and requirements. The strength of SATS' strategy within the different climate-related scenarios is robust.

To identify our material impacts related to climate change, we have analyzed our value chain, assessed all relevant impacts and risks, and evaluated them while accounting for mitigating measures. As a result, we have screened out certain risks, such as the financial impact of energy consumption — due to our hedging of energy prices — and water scarcity — given our Nordic location. Based on our DMA, we have identified two key negative impacts related to climate change—**emissions from our operations and clubs**, as well as **energy consumption** at our clubs—as climate-related transition risks.

As a long-standing market leader in sustainability in the fitness industry, we recognize that we have a key role in reducing negative impacts, such as emissions and energy usage from our clubs and operations, to ensure the successful transition to net-zero emissions by 2050. We therefore track and monitor company-wide emissions to track our progress and utilize our emissions data internally to anchor our strategic initiatives. These initiatives include, for example, strategic initiatives related to reducing Scope 3 emissions. To contribute to the global net-zero goal in the most impactful way, we are committed to going beyond the reduction of our own emissions and contributing to climate action outside our own operations.

We are committed to not only measuring and tracking greenhouse gas emissions but also actively working towards their reduction. To address possible negative impacts in our value chain, we actively engage and partner with suppliers to ensure that we can reduce emissions through our shared commitment to sustainable practices, streamlined logistics, and responsible sourcing initiatives. Our ambition is to have implemented a transition plan by the end of 2025.

POLICIES

To ensure we achieve our goals of reducing emissions, we have implemented a Sustainable Procurement Policy that effectively manages the environmental impacts, risks, and opportunities related to climate change mitigation. This policy outlines our commitment to evaluating the environmental effects of procurements, establishing clear and unambiguous expectations for our suppliers, and assessing whether our procurement practices contribute to achieving net-zero emissions by 2050. Additionally, it ensures that the products, services, and initiatives we procure support the elimination of waste and drive overall sustainability.

The policy applies to all employees involved in procurement and covers all goods and services without exclusions. Accountability lies with the CEO, with monitoring delegated to the CFO. It incorporates third-party standards via the SATS Group Supplier Code of Conduct, which embeds ESG criteria in supplier agreements. Stakeholders' interests are addressed by leveraging procurement to enhance environmental and social outcomes. The policy is communicated through education, training, and clear guidelines to ensure alignment and compliance across the organization. To support the implementation of our transition plan, we will introduce a new climate and energy policy in 2025. This policy will incorporate our Sustainable Procurement Policy, while also placing greater emphasis on addressing our identified impacts and outlining the actions we can take as a company to mitigate them.

Currently, our organization does not have established processes for tracking the effectiveness of policies and actions in relation to material sustainability-related impacts, risks, and opportunities. At this stage, we do not have a formalized system to monitor and evaluate how our sustainability initiatives are performing against these factors.

Furthermore, we have not yet defined a structured level of ambition for our sustainability goals, nor do we have a set of qualitative or quantitative indicators in place to measure progress. We recognize the importance of implementing such systems and are committed to exploring and developing processes in the near future to ensure that our sustainability efforts are effectively tracked and aligned with desired outcomes.

We are in the process of assessing the potential for integrating these mechanisms and will prioritize developing measurable objectives and indicators as part of our future sustainability framework.

STRATEGY

The Board of Directors has climate risk on its agenda and our Nordic Management Group has integrated climate risks into the company's risk management system and in its new three-year strategy. The climate strategy is currently not integrated into the executive management's compensation, but all significant investment decisions, where relevant, are evaluated for their impact on our climate strategy.

As a company, we want to contribute to making climate reductions where we can, mindful that the majority of our GHG emissions are related to Scope 3 (indirect emissions in our value chain). This implies that the direct control we exercise to reduce our emissions is rather limited. However, we have identified and deployed several strategic levers to reduce emissions from our value chain.

Most of the actions needed to achieve our emissions target will require resources in the form of human capital, time, and financial investment. However, some measures have minimal costs, such as switching suppliers or upgrading equipment.

Moving forward, we will implement a range of initiatives — some with an immediate impact on emissions, while others will require long-term investment. Given our strong financial position, we do not see resource availability as a constraint. Instead, our main challenge lies in identifying and effectively rolling out the most impactful actions across our large organization, which spans 272 clubs in four countries. The scale and complexity of our operations add an additional layer of coordination, making efficient implementation a key focus. Our GHG reduction efforts can be categorized into three key decarbonization levers: energy efficiency, electrification, and circular economy measures. As of now, we do not track achieved or expected GHG emissions reductions or the allocation of resources for these actions beyond what is reported in our taxonomy reporting.

Electrification

Emissions from our car park

Our Scope 1 emissions are minimal, mainly arising from our small car park, where we are actively working to further reduce our impact. Since 2022, we have increasingly transitioned to electric vehicles, only choosing fossil fuel-powered cars when necessary due to insufficient charging infrastructure.

Replacing fossil fuel cars with electric alternatives requires in part that the infrastructure in our operative countries is sufficient to service the cars we use in our operations, including service cars. It is also necessary for the available electric service cars to have adequate efficiency when it comes to driving longer distances and heavier loads.

With respect to Norway, the infrastructure for electric cars makes its more feasible for SATS to have a larger electric car fleet than in the other countries. The ambition is therefore to replace most service cars in Norway with electric cars as the leasing contracts expire. It is, however, necessary to keep some fossil service cars going forward for purposes of driving longer distances with heavier loads. SATS' long-term target is to have an all-electric car fleet across its operative countries, provided that the infrastructure and quality of electric service cars are adequate for SATS' needs.

Energy efficiency

As of December 31, 2024, a growing number of our clubs have adopted digital solutions that promote more efficient energy consumption. In the short term, SATS aims to expand the adoption of such solutions across more clubs. Ultimately, our objective is for all SATS-operated clubs to be equipped with these energy-efficient technologies.

SATS' strategies for reducing electricity consumption target the primary sources of usage — ventilation, lights, fridges, heated group training studios, and saunas — and reducing the energy consumption of these by introducing more energy-efficient solutions and digital management systems.

Ventilation

Ventilation represents a primary energy consumer in our clubs, drawing our sustained attention. All new SATS clubs are constructed with demand-controlled ventilation, optimizing their usage. Additionally, in select high-consumption clubs in Norway, we have deployed systems that automatically adjust ventilation levels based on demand fluctuations throughout the day. For instance, peak hours necessitate more air circulation compared to quieter periods like late evenings or nights when the clubs are closed. Similar ventilation systems, albeit often landlord-owned, are installed in our clubs across Sweden, Denmark, and Finland. ventilation systems.

In tandem with smart ventilation solutions, SATS employs manual processes to curtail energy consumption, such as activating ventilation only during opening hours. While manual operation requires routine management due to varying club schedules, it remains a viable alternative. Going forward, SATS aims to expand the adoption of identified ventilation-efficiency solutions and explore new methods as energy management technologies evolve. Continued dialogue with landlords remains essential as they typically own and control ventilation systems.

Transition to LED-lights

Lighting constitutes a significant portion of SATS' electricity usage. To address this, we employ two strategies: firstly, installing LED lights to enhance efficiency and decrease energy consumption per light, and secondly, reducing the duration that lights are illuminated in our clubs. The latter involves utilizing sensor systems and fostering communication with staff and members to ensure lights are switched off when rooms are unoccupied.

LED lighting is standard in all new club constructions and renovation projects involving lighting. For existing clubs, the installation of LED lights is evaluated through a cost-benefit analysis. SATS also implements various initiatives tailored to each club's size and visitation patterns to minimize lighting duration and consequent energy usage.

In 2023, SATS embarked on a systematic initiative to transition all clubs to LED lighting. Presently, approximately 40 percent of SATS clubs have LED lights installed in all areas, while the remaining 60 percent have LED lights in some parts or none at all. This transition will continue over the coming years, prioritizing clubs based on their importance, current lighting fixture conditions, and remaining bulb lifespans.

Heated group training studios

SATS provides specific group training classes that necessitate heated studios. These studios were first established over a decade ago and benefitted from advancements in technology that have since improved both heaters and room construction for enhanced energy efficiency. To optimize energy usage, SATS has installed timers on heaters, ensuring they activate before classes and deactivate afterward. Additionally, instructors are encouraged to minimize door opening times to prevent heat loss.

While hot studios are currently only present in a minority of clubs, their popularity is growing. Recognizing the increasing demand, SATS plans to continue offering this product, with the potential for further expansion.

In pursuit of energy efficiency, SATS has initiated a project to assess whether a heat pump system or infrared-based solution is a more energy-efficient alternative to electric heating for heated studios. This innovation aims to reduce energy consumption for heating by one-third.

Saunas

Most SATS clubs provide saunas, with a few offering steam baths as well. To streamline energy usage, SATS has fitted a large portion of its saunas with timers. These timers maintain a low temperature during club hours, with members able to temporarily increase heat by pressing a button. Going forward, all new saunas, except those located in Finland, will include timers to enhance energy efficiency.

Water

Water conservation is not currently a primary environmental focus for SATS. However, we recognize the importance of minimizing water usage and are committed to exploring ways to contribute to lower water consumption, particularly within our clubs.

The majority of water consumption at SATS' clubs occurs in the showers and when staff are during cleaning, handwashing, and refilling water bottles. To promote efficient water management, our showers are equipped with low-water consumption features. Additionally, we utilize shower heads that distribute water sparingly and are equipped with timers, with a standard setting that automatically shuts off the water after approximately 30 seconds. Furthermore, in select toilets and sinks, we employ motion sensor technology to regulate and reduce water usage.

Circular economy measures

One of our greatest successes — and an area we continue to improve — is our maintenance program, which has enabled us to repair and extend the lifespan of our equipment park. Additionally, we have adopted new suppliers and products to expand our portfolio of recyclable materials across our locations. Looking ahead, we plan to transition to more digital solutions to reduce our reliance on paper.

ACTIONS TAKEN IN 2024

Our own operations

- We extended the life expectancy of our equipment park by several years through our repairs and maintenance program.
- We signed contracts with new suppliers of paper, plastic and other consumables and continue to increase our portfolio of recyclable supplies for our locations.
- We transitioned from paper invoices and contracts to digital invoices and digital signups for select countries.

Value chain

- We started incorporating our climate expectations into key supplier contracts.
- We began working with our key suppliers, focusing on the emissions generated by their products in order to more accurately assess the carbon footprint across our supply chain.

PLANNED ACTIONS FOR 2025–2026

- We will transition to sustainably produced paper, which is produced without any fossil CO2 emissions.
- We will implement new energy management systems at more clubs and enhance the efficiency of existing systems where they are already implemented.
- We will identify and implement more energy-efficient alternatives to electric heating for heating studios, for example infrared-based solutions.
- We will continue to purchase renewable energy and drive down emissions across Scopes 1 and 2.
- In 2025, we will continue to phase out our fossil-fueled vehicles.
- We are committed to increasing the use of recyclable supplies in our operations and will actively seek alternatives that may further reduce our emissions.

Future actions

We will engage with suppliers on the emissions produced from their operations and value chain. We will actively engage key suppliers, which account for more than half of our total procurement spend and encompass some of the most carbon-intensive segments of our supply chains.

Note E1.1 Total greenhouse gas emissions in the company's operations (Scope 1–3)

Reporting principles

Total direct and indirect (Scope 1 and Scope 2) greenhouse gas emissions in SATS' consolidated operations. Emissions are reported by segment. GHG emissions are calculated based on the principles of the GHG Protocol.

Direct greenhouse gas emissions (Scope 1) are calculated based on the direct emissions from our company cars since SATS does not consume any fossil fuel other than through company cars. The reported direct emissions are comparable to Scope 1 emissions as defined in the GHG Protocol. All reported greenhouse gas emissions are converted to CO2 equivalents (CO2e). The calculation method is activity-based data with DEFRA's Government Greenhouse Gas Conversion Factors. Emissions related to non-electric company cars amounted to 140 tCO2e, up 1.8 percent from 2023. Of the non-electric company car emissions, diesel cars represented approximately 87 percent while the remainder stemmed from petrol cars. SATS does not consume any fossil fuel other than through company cars. The total Scope 1 emissions thus totaled 140 tCO2e, which is equivalent to 0.3 percent of the total emissions by the company. When preparing the information on gross Scope 1 we have not included any removals or any carbon credits or GHG allowances in the calclation of Scope 1 GHG emissions.

Indirect greenhouse gas emissions (Scope 2) are calculated based on SATS' electricity consumption. Reported indirect emissions cover greenhouse gas emissions from purchased electricity and emissions from SATS gyms and offices. The reported indirect emissions are comparable to Scope 2 emissions according to the GHG Protocol. We report indirect emissions according to activity-based data with AIB Guaranteeing the origin of European energy's emission factors. The location-based electricity emissions were 3,781 tCO2e in 2024, representing a 14 percent decrease compared to 2023.

Indirect (Scope 3) GHG emissions encompass emissions associated with various activities, including purchased goods and services, fuel- and energy-related activities, upstream and downstream transportation and distribution, and processing of sold products SATS introduced its Scope 1–3 emissions for the first time in 2021 and has since adopted 2022 as the base year. These emissions are calculated and reported based on activity-based and spend-based data, utilizing emission factors such as DEFRA's Government Greenhouse Gas Conversion Factors, AIB Guaranteeing the Origin of European Energy, DFØ Direktoratet for Forvaltning og Økonomistyring, and SSB Statistisk Sentralbyrå. In 2024, Scope 3 emissions increased by 8.9 percent to 45,571tCO2e, primarily due to increased investment in capital goods. We see an opportunity for SATS to leverage its influence on vendors and partners to further reduce their GHG emissions. When preparing the information on gross Scope 3, 0.8 percent of the GHG emissions are calculated using primary data obtained from suppliers or other value chain partners. When preparing the information on gross Scope 3 we have excluded category 7 due to lack of available data and category 8-10 and 15 due to the activtities falling outside the scope of our operations and value chain.

Climate accounts

	Retrospective			
	Base year 2022	2023	2024	Percent
Scope 1 GHG emissons				
Gross Scope 1 GHG emissons (tCO2eq)	155	138	140	1.8%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes %	0%	0%	0%	0.0%
Scope 2 GHG emissons				
Gross location-based Scope 2 GHG emissons (tCO2eq)	3,346	4,397	3,781	-14.0%
Gross market-based Scope 2 GHG emissons (tCO2eq)	18,545	23,832	31,471	32.1%
Significant scope 3 GHG emissions				
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	47,345	41,829	45,571	8.9%
1 Purchased goods and services	30,887	28,718	29,544	2.9%
2 Capital goods	7,232	4,692	8,308	77.0%
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2) [2]	1,144	1,103	1,204	9.1%
4 Upstream transportation and distribution	50	36	60	64.4%
5 Waste generated in operations	43	50	17	-66.5%
6 Business traveling [1]	453	265	540	103.5%
7 Employee commuting [2]	0	0	0	0.0%
8 Upstream leased assets	0	0	0	0.0%
9 Downstream transportation	0	0	0	0.0%
10 Processing of sold products	0	0	0	0.0%
11 Use of sold products	1,041	948	1,050	10.7%
12 End-of-life treatment of sold products	6,481	6,015	4,850	-19.4%
13 Downstream leased assets	13	0	0	0.0%
14 Franchises	1	0	0	0.0%
15 Investments	0	0	0	0.0%
Total GHG emission				
Total GHG emission (location-based) (tCO2eq)	50,846	46,364	49,492	6.7%
Total GHG emission (market-based) (tCO2eq)	66,045	65,799	77,182	17.3%

Total GHG emission by country for the year 2024

	Norway	Sweden	Denmark	Finland
Total GHG emission (location-based) (tCO2eq)	20,747	16,172	5,296	7,276
Total GHG emission (market-based) (tCO2eq)	41,236	17,272	8,371	10,304

1) For category 6, "Business Travel," we are unable to distinguish between bus and car transport. Therefore, we have opted to use a factor for car transport, as it is the most common form of transportation in SATS' value chain.
2) The base year and comparison year related to Scope 3 and Categories 3 and 7 have been recalculated to improve data completeness and ensure a more accurate year-on-year comparison.

Note E1.2 Energy consumption and mix

Reporting principles

Total energy consumption in SATS' consolidated activities, reported together for the group.

Energy consumption currently covers purchased energy, and includes heating, cooling, and electricity usage.

Energy consumption and mix

	2023	2024
Total fossil energy consumption (MWh)	**53,623**	**61,444**
Share of fossil sources in total energy consumption (%)	60.51%	60.62%
Consumption from nuclear sources (MWh)	**17,243**	**19,736**
Share of consumption from nuclear sources in total energy consumption (%)	19.46%	19.47%
Fuel consumption for renewable sources, including biomass (MWh)	0	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	17,752	20,176
The consumption of self-generated non-fuel renewable energy (MWh)	0	0
Total renewable energy consumption (MWh)	**17,752**	**20,176**
Share of renewable sources in total energy consumtion (%)	20.03%	19.91%
Total energy consumption (MWh)	**88,618**	**101,356**

Note E1.3 Energy intensity and GHG emissions intensity

Reporting principles

Energy intensity and GHG emission intensity based on total revenue is calculated based on total Scope 2 emissions, divided by total revenue as reported in the consolidated income statement.

Energy intensity and GHG emission intensity based on employee is calculated based on total Scope 2 emissions, divided by total employees.

Energy intensity

	2023	2024
Energy consumption MWh/total revenues (NOK million)	18.7	20.0
Energy consumption MWh/employees	9.3	10.3

GHG emissions intensity

	2023	2024
Tonnes CO2e/total revenues (NOK million)	0.9	0.7
Tonnes CO2e/employee	0.5	0.4

SOCIAL

OWN WORKFORCE (S1)

OUR APPROACH

In our DMA, we identified **recruiting and advancing women and under-represented groups, training and development** and **diversity** as positive impacts, and **hiring mistakes** as a significant risk to our operations.

At SATS, our strategic vision is deeply rooted in fostering a workplace culture that prioritizes employee well-being and professional growth. The Board of Directors has placed working conditions at the forefront of its agenda, while our Nordic Management Group has seamlessly integrated these considerations into the company's overarching risk management framework and newly devised three-year strategy. However, no resources are allocated specifically to the management of the identified positive impacts and risks identified.

We believe that fostering an open and constructive dialogue with our workforce is paramount, particularly during periods of organizational change or operational adjustments. SATS is committed to engaging with employee representatives in a transparent and collaborative manner, adhering to local regulations and collective bargaining agreements. Our focus on employee safety goes beyond mere legal compliance, encompassing proactive risk management measures and comprehensive training initiatives to ensure a safe and supportive environment for all employees.

POLICIES

Human rights

Embedded in SATS' vision of making people healthier and happier, is respect for human rights. To achieve this goal, we have outlined our commitment in our Code of Conduct.

This policy aligns with the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization's (ILO) core conventions, the OECD Guidelines for Multinational Enterprises, and the ten principles of the United Nations Global Impact. SATS is committed to respecting all international labor and human rights articles set out in the United Nations' Universal Declaration of Human Rights and the United Nations' Convention on the Rights of the Child, including the freedom of associations and collective bargaining principle. We have a zero-tolerance approach to infringement on the human rights of others and will appropriately address any violations.

Our Code of Conduct applies to all SATS Group Board members, employees and suppliers/ hired contractors and applies to all our business activities without exclusions. Accountability lies with the CEO, with monitoring delegated to the CFO. As mentioned above, it incorporates elements from several third-party standards via the SATS Group Supplier Code of Conduct, embedding ESG criteria in supplier agreements. Stakeholders' interests are addressed by leveraging procurement to enhance environmental and social outcomes. The policy is communicated through education, training, and clear guidelines to ensure alignment and compliance across the organization.

SATS opposes all forms of human trafficking, forced labor, and illicit forms of child labor in its operations and value chain. We recognize our responsibility to identify, prevent, mitigate and remedy potential and actual negative impacts on human rights throughout our supply chain. We want our members and non-members to trust that SATS is devoted to supporting human rights and fighting any injustices that may occur in relation to our operations.

We published our first account of the due diligence carried out in accordance with Section 5 of the Norwegian Act Relating to Enterprises' Transparency and Work on Human Rights and Decent Working Conditions (the Norwegian Transparency Act) in 2023. A revised version is published together with SATS' annual report for the financial year ended December 31, 2024 and is available on our website. This report provides additional information on our due diligence, in addition to the results thereof and how we actively work on reducing any negative impacts from our operations. Our general approach in relation to measures to provide and (or) enable remedy for human rights impacts can be summarized through the following figure:

Diversity and inclusion

SATS welcomes and promotes diversity and inclusion. Everyone is welcome at SATS, regardless of their skin color, age, gender or sexuality. The company's passion is to create a motivating and joyful experience for all employees across the Nordics. SATS' employees are valued for their attitude and results, regardless of their background. Many of the company's Club Managers have started their careers as group training instructors, personal trainers or receptionists at a SATS club.

No complaints have been filed to National Contact Points for OECD Multinational Enterprises. There have been no material fines, penalties, or compensation for damages as a result of violations regarding social and human rights factors. No information exists about the reconciliation of such fines, penalties, or compensation in financial statements since there are no such cases to report. Additionally, no severe human rights issues or incidents connected to our own workforce occurred. Given our proven strengths and consistent success in this area, we have not found it necessary to implement a specific policy targeting the elimination of discrimination.

STRATEGY

How we ensure high standards in recruitment

In our DMA, we identified **hiring mistakes** as a significant risk to our operations, including decreased productivity, increased turnover, and potential cultural misalignment. To tackle this, we have implemented a rigorous and multi-layered hiring process designed to identify the best-fit candidates from the outset. This includes leveraging advanced tools such as pre-employment assessments to evaluate candidates' skills, competencies, and cultural alignment, along with structured interviews to ensure consistency and objectivity in decision-making. We also prioritize thorough reference checks and background verifications to confirm the accuracy of candidates' qualifications and experience. Additionally, we invest in ongoing training for hiring managers to minimize unconscious biases and improve decision quality. Post-hiring, we utilize probationary periods and robust onboarding programs to ensure new hires adapt successfully to their roles. By continuously refining our recruitment strategies, we mitigate the risks associated with hiring mistakes and enhance our ability to build a strong, cohesive workforce.

Employee dialogue

Whenever there is a possibility that a workplace might change in a way that impacts the business or the employees, we seek to have a constructive dialogue with workforce representatives. This allows us to gain insight into the perspectives of employees who may be vulnerable to impacts and enables the perspectives of our own workforce to inform decisions or activities aimed at managing actual and potential impacts.

Examples might be reorganization, closure of a club for a few months to allow for major renovations, or a permanent club closure. In these circumstances, our HR teams in the relevant countries ensure that we comply with local laws and regulations on how to handle and communicate operational changes to union parties and our employees. How exactly to handle these situations depends on local variations, as further described below. In general, employee health and safety is well-covered in the relevant legislation in all Nordic countries where SATS operates. However, in areas where gaps exist, or to ensure meaningful engagement beyond legal requirements, our Head of People & Operations takes operational responsibility for fostering dialogue and ensuring that our employees input shapes our approach. Workforce engagement effectiveness is evaluated through NPS surveys that measure employee advocacy. A high NPS suggests employees feel valued, motivated, and aligned with company goals. We complement this data with open-ended feedback to understand the drivers behind the scores and implement initiatives to address concerns and enhance engagement.

Employee well-being

Occupational health and safety are of high importance to us and from a stakeholder perspective. With 9,885 employees, SATS bears considerable social responsibility as an employer. Our responsibility is even greater when considering that we have a substantial number of young employees, for many of whom SATS is their first employer, and employees who act as role models for the increasing number of children and teenagers working out at SATS. Employee satisfaction is also a key driver of member satisfaction, making it especially valuable for our organization that our employees are happy with their job. Our employees' well-being is linked to their ability to perform, which is crucial to delivering great experiences for our members.

SATS manages employee well-being with the basic belief that this work combines two main focus areas: (1) to reduce the risk of illness through occupational health and safety measures, and (2) to simultaneously inspire improved health through physical activity among employees. Employee-related topics are handled by Club Managers, Regional Managers and Country Managers, who in turn are supported by the HR department.

Employee notice regarding operational changes

Norway

All changes that affect the employee must be discussed with AMU (being the Working Environment Committee). The timeline of the notice period is part of this discussion. Each employee's notice period is stipulated in their employment contract.

Sweden

All significant operational changes should be communicated in line with what is agreed in the collective bargaining agreement with the union. The notice period is at least one month.

Denmark

Employees should be given individual notice of all significant operational changes. The notice period is from one month up to six months, depending on the seniority of the employee.

Finland

In the event of negotiations, employees must be given notice five days before the start of negotiations. The duration of the negotiations is 14 days if less than 10 employees are affected and six weeks if more than 10 employees are affected. The notice period is one month for most employees, but longer for key roles, such as those holding managerial positions.

Employees have multiple avenues to share their concerns or needs. We encourage them to first approach their Club Manager, and if they feel uncomfortable or prefer an alternative, they can escalate the matter to their Regional Manager. Additionally, employees may contact their local HR representative directly since HR is trained to address concerns and escalate them to the appropriate teams if necessary. For those who prefer to remain confidential, our anonymous online Whistleblowing system provides a secure way to submit concerns while ensuring privacy is fully protected. To foster continuous communication, we conduct anonymous feedback surveys, ensuring all voices are heard and addressed systematically. Furthermore, our leadership team maintains an open-door policy, offering employees the opportunity to discuss concerns directly with senior management. This approach ensures that all employees have a safe and accessible way to express their concerns.

Our employees are also covered by social protection, through public programs or through benefits offered, against loss of income due to sickness, unemployment, injury and acquired disability, parental leave or retirement. We also ensure that all employees are paid adequate wages.

Equal treatment and opportunities for all

As a market leader in the Nordic fitness industry, with a majority of young employees—many in their first job—SATS recognizes its responsibility to foster an inclusive and culturally diverse workplace. Diversity and inclusion are core to our identity, shaping both our employee experience and member interactions. Our employees share this commitment.

At SATS, we actively promote an inclusive environment by combating discrimination and advancing diversity, even without a formal policy. Instead, we implement structured initiatives, such as education programs for club managers, comprehensive information resources for employees, and leadership role modeling of inclusive behavior. Regular training raises awareness of unconscious bias, while anonymous feedback channels ensure employees feel safe reporting concerns. Additionally, we emphasize inclusive hiring practices to enhance diversity and cultivate a culture of equity and respect.

This commitment is **reflected in our focus on recruiting and advancing women and underrepresented groups** and **diversity** as key positive impacts in our DMA. Additionally, we are legal obligated according to Section 26 of the Norwegian Equality and Anti-Discrimination Act to investigate whether there is a risk of discrimination or other barriers to equality, including reviewing every second year pay conditions by gender and the use of involuntary part-time work.

Currently, there is a preponderance of women in the company, both in total and among leaders. This, in turn, results in more women applying for employment in the company; see Note S1.1. We always hire the most qualified applicants for the position, regardless of gender, ethnicity, and functional ability, in accordance with our employment policy.

For operational roles that are comparable, we use salary matrices to ensure equal pay for equal work. The main criterion is seniority. For club managers, salaries are mainly based on the size of the club in terms of number of employees and members. We still see that the average salary for men is marginally higher than the average salary for women. This pay gap is a result of a higher share of men in leadership roles at the largest clubs and with longer seniority.

For administrative employees, we see that there is a somewhat bigger salary gap between men and women, in favor of men; see Note S1.3. This can be explained partly by the fact that we have built up an internal IT development team where we previously outsourced this service. The senior positions of this team are primarily held by men. The challenge of more men being in senior positions also exists in other departments (excluding the Nordic Management Group). Nevertheless, we see that we need to take action to assure that the gap is reasonable and not in favor of the best negotiator. All SATS employees should receive a fair salary based on their role, experience and level of education.

During 2024, the company had two reports of incidents related to discrimination. We are nevertheless aware that discrimination exists in our society in many shapes and forms, and that it is not always recognized or reported. Despite our efforts, we understand that SATS, with 272 clubs and close to 47 million visits each year, is most likely not completely shielded from discrimination. We will therefore continue to work to build awareness about discrimination within the organization, always with a zero-tolerance approach.

Training and development

A significant segment of our workforce comprises young individuals, many of whom are embarking on their professional journeys with SATS. We recognize two prevalent trajectories among our employees: they either embark on a developmental journey within SATS, leveraging our diverse array of training initiatives and opportunities, or they enrich their skills here before pursuing endeavors elsewhere. Notably, nearly 60 percent of our workforce is under the age of 30. As a result, we have determined that our **training and development** efforts have a significant positive impact on the communities where our clubs operate.

At SATS, we are committed to supporting our colleagues' professional growth and long-term success. We offer a comprehensive range of training programs tailored to different roles and experience levels, from the Future SATS Leader Program to specialized education for physiotherapists. Our goal is to enhance skill sets, foster career progression, and ensure every employee has the tools needed to excel. To further strengthen this, we are investing additional time and resources into developing this area, ensuring that all new employees receive the necessary support to seamlessly transition into their roles.

SATS Academy plays a key role in our commitment to maintaining a safe, compliant, and well-prepared work environment. Through a mix of online and classroom-based courses, employees gain essential training in health, safety, and environment (HSE). Courses such as CPR, Fire & Safety, and Threats & Violence provide them with the critical skills needed to handle emergencies effectively, ensuring the highest standards of safety across our facilities.

To guarantee that all key HSE topics are covered annually, we follow a structured training plan designed to reinforce knowledge and preparedness. This ongoing learning approach strengthens employees' professional competence and promotes a strong safety culture. By continuously investing in training, we create a workplace where both employees and members feel secure, confident that our staff is equipped to manage risks in a professional and effective manner.

While we do not currently have data on the number of employees who have participated in regular performance and career development reviews or the average training hours by gender, based on our data the average training hours per employee is approximately 1.9.

ACTIONS TAKEN IN 2024
Our own operations

- We started streamlining our hiring process to ensure that we have one way of hiring across our company in all countries.
- We implemented aptitude tests to ensure that we hire individuals with the right aptitude for the role posted.
- We streamlined operational models across four countries to create a unified Nordic operating model, including a common set of roles, workflows, operational routines, club setup, quality follow-up, and reporting.
- We piloted a digital frontline employee task management system to improve operational execution, follow-up and internal communication and reduce the number of systems employees need to use.
- We developed a Nordic time registration setup in Quinyx, standardized shift structures, and refined the staffing model with updated principles and monthly performance reporting.
- We started piloting a new system that will allow for better follow-up with regard to the completion of learning and development modules.
- We developed a brand-new onboarding program for several of our key roles in customer care, to ensure they are well-prepared to deliver exceptional service from day one

PLANNED ACTIONS FOR 2025–2026
Our own operations

- Improved onboarding and training: Developed a comprehensive onboarding and foundational training program for Club Manager and Assistant Club Manager roles.
- Staffing model optimization: Reassessed the current staffing model to ensure optimal staffing levels and improved forecasting.
- Performance tracking and efficiency: Introduced a systematic approach to track performance and efficiency.
- System integration and process improvement: Reduced the number of systems and integrated people processes into one system for better and easier execution.
- Establish a way of tracking and assessing the effectiveness of actions and initiatives in delivering outcomes for our workforce.
- Establish a way of ensuring that our own practices do not cause or contribute to material negative impacts on our own workforce.
- Focus more on recruitment training for managers and leaders.
- Launch Yoobic, a digital system which will streamline communications, mobile learning, and digitized task management for employees in the organization.
- Conduct regular assessments of diversity and inclusion initiatives, with measurable KPIs, to evaluate progress and identify areas for improvement. Report findings transparently to employees and stakeholders.
- Start tracking the percentage of employees that participated in regular performance and career development reviews
- Start tracking average number of training hours by gender

TARGET

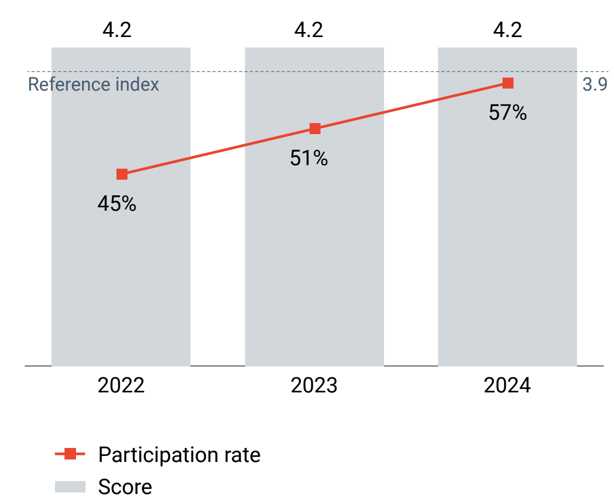
SATS annually measures the level of engagement and well-being among its employees through an employee survey. The survey uses a scale of 1 to 5, with 5 being the highest. The result of the index indicates how satisfied our employees are with SATS as their employer when considering matters such as working hours and workload, leadership communication, social factors, stress, etc. Our target is to have an engagement index that outperforms the reference index (3.9). Our employees typically receive the SATS Engagement Survey twice a year, with the exception of group exercise instructors who receive it once annually.

The SATS Group achieved a score of 4.2 in the 2024 survey, which was consistent with the score of 4.2 in 2023. This is a commendable performance compared to similar companies and industries, which suggests that the organization is effectively executing its tasks across various organizational levels. To further improve it, the company will continue to focus on the various drivers: the lowest ranked to improve the engagement score and the highest ranked to maintain the high engagement value.

The participation rate is the number of participants as a percentage of the total number of employees. The total participation rate was 57 percent in 2024, compared to 51 percent in 2023. This is not sufficient, and our goal is to have a participation rate of 70 percent. The company will continue to talk about and promote the SATS Engagement Survey so that it becomes better established within the organization and we can achieve a reasonable participation rate.

The numbers presented in the report above represent the average results of the engagement index, measured twice annually.

Engagement level



Note S1.1 Key employee statistics

Reporting principles

Our key employee statistics are organized by country and year and center around vital categories such as employment contract type (full-time, temporary, etc.), gender, age, and the ratio of average salaries between women and men. Collectively, these metrics provide a comprehensive snapshot of diversity, equality, and inclusion within SATS. The number of employees is counted based on the number of roles. We have defined leaders in the overview as persons having personnel responsibility.

SATS has many full-time employees, particularly in our service office and club management positions, but we have even more part-time employees. We operate with long opening hours every day, including weekends and public holidays. Our opening hours typically attract students and other people who do not have the opportunity to work full-time. The same goes for our group training instructors, who often only instruct a small number of classes while maintaining a full-time position outside of the SATS organization.

It is possible for our part-time employees to work at multiple clubs, thus bringing their employment percentage higher should such be preferable. However, we have not received any indications that there are involuntary part-time employees in our organization. Furthermore, we publish all new job openings on our intranet to ensure that employees already working in SATS and who want to work more can apply for the positions. We prioritize existing part-time employees when recruiting.

Key employee statistics for 2024

	Number of employees (head count)
Male	2,944
Female	6,941
Other	0
Not reported	0
Total employees	**9,885**

	Number of employees (head count)
Norway	4,498
Sweden	3,418
Denmark	1,035
Finland	934

Number of employees (head count)	Female	Male	Other	Not disclosed	Total
Number of employees	6,941	2,944			9,885
Number of temporary employees	1,021	433			1,454
Number of full-time employees	807	342			1,149
Number of part-time employees	6,134	2,602			8,736

	Norway	Sweden	Finland	Denmark	Total
Employment					
Number of employees	4,498	3,418	934	1,035	9,885
Number of full time equivalents	858	877	260	263	2,257
Of which are on permanent contracts	89%	73%	98%	98%	85%
Of which are on temporary contracts	11%	27%	2%	2%	15%
Of which are on fixed paid contracts	10%	14%	12%	9%	12%
Of which are on hourly paid contracts	90%	86%	88%	91%	88%
Number of GX instructors	2,189	1,355	448	411	4,403
Number of Personal Trainers	406	499	110	104	1,119
Number of employees at the Service office	213	153	43	25	434
Sick leave	4.0%	4.5%	8.4%	4.5%	5.3%
Diversity					
Percentage of women, total	73%	67%	83%	56%	70%
Percentage of women among leaders [1]	73%	67%	83%	56%	70%
Percentage of women, Nordic Group Management					50%
Total number of women, Nordic Management Group					5
Percentage of women, Board of Directors					44%
Percentage of employees below age 30	45%	41%	45%	53%	44%
Percentage of employees between age 30-50	42%	44%	49%	30%	42%
Percentage of employees above age 50	13%	15%	6%	17%	13%
Equal salary					
Ratio of salary for woman to men, fixed paid contracts	94%	103%	83%	93%	92%
Ratio of salary for woman to men, hourly paid contracts	102%	111%	107%	113%	107%

[1)] *Defined as persons having personnel responsibility*

	Norway	Sweden	Finland	Denmark	Total
Part time women	92%	89%	90%	91%	91%
Part time men	86%	88%	87%	91%	88%
Part time other					

Number of new employees during the year

	Norway	Sweden	Finland	Denmark	Total
Female	552	204	76	152	984
Male	241	109	23	129	502
Other					

Number of consultants

	Norway	Sweden	Finland	Denmark	Total
Female	52	8	4	2	66
Male	51	1	0	5	57
Other	0	2	1	0	3

Employee turnover and sick leave

# Employee turnover	1,952
% Employee turnover	13.20%
Long term sick leave: Employee ID and # months	1.30%
Short term sick leave: Employee ID and # days/months	2.50%

Incidents, complaints and severe human rights impacts

Number of complaints filed through channels for people in own workforce to raise concerns	186

Training and development

Percentage of employees that participated in regular performance and career development reviews. We have estimated the average training hours by gender based on the gender distribution of our employees, as our system does not track the number of meetings by gender

Average number of training hours by gender	1.9
Average number of training hours per person for employees	1.9

Note S1.2 Account of employees that took family-related leave by gender and part-time employees

Reporting principles

All our employees are entitled to family-related leaves by our health and safety management system in accordance with legal requirements.

Employment

	Norway	Sweden	Finland	Denmark	Total
Total weeks parental leave women	3,225	1,163	352	28	4,768
Total weeks parental leave men	643	172	1	12	828

Note S1.3 Account of the average salary ratio between women and men

Reporting principles

We put our equality and non-discrimination high on the agenda. We are also obligated under Norwegian law to work actively, in a targeted manner and systematically to promote and prevent discrimination in the workplace. Section 26 of the Norwegian Equality and Anti-Discrimination Act states, among other things, that all private companies with more than 50 employees must investigate whether there is a risk of discrimination or other barriers to equality, including by reviewing every second year pay conditions by gender and the use of involuntary part-time work.

The figures in the table below include all employees working within the SATS Group. The subcategories are based on input that is comparable, meaning that we measure equal work and equally valued work. The subcategories were presented to the Working Environment Committee (AMU, Arbeidsmiljøutvalg) for input. At SATS, certain employees can have several roles. For example, a Club Manager or a PT could also be a group training instructor. The figures presented in the table below count the number of positions rather than the number of employees.

Equality statistics

	Norway	Sweden	Finland	Denmark	Total
Average fixed pay: Managers at clubs (ratio women to men)	104%	98%	97%	104%	99%
Average fixed pay: Employees at clubs (ratio women to men)	98%	97%	74%	80%	92%
Average fixed pay: Administrative employees (ratio women to men)	100%	113%	73%	77%	94%
Average hourly pay: Employees at clubs (ratio women to men)	92%	96%	97%	107%	96%
Average hourly pay: Administrative employees (ratio women to men)	96%	95%	135%	93%	109%

CONSUMERS AND END-USERS (S4)

OUR APPROACH AND POLICIES

In our DMA, we identified **members' individual health and well-being, public health and product range** as positive impacts, and **effectively inspiring the public and motivating more people to embrace fitness** as a significant opportunity to increase the sale of new club memberships.

SATS includes all consumers and end-users who may be materially impacted by its operations within the scope of disclosure under ESRS 2. These groups primarily include fitness club members but also, individuals not yet enrolled but influenced by SATS' services and public health initiatives.

The types of consumers and end users subject to material impacts include

- Our members: Directly impacted by services promoting physical and mental health, including prevention, rehabilitation, safety, and wellness.
- Potential future members and the general public: Those influenced by SATS' broader efforts to address barriers to physical activity and promote public health.

Material impacts may result from SATS' direct operations, such as the provision of fitness services and facilities, or indirectly through its value chain, including the retail section within clubs and community health initiatives.These impacts encompass both positive contributions (e.g., enhanced well-being) and potential risks or negative impacts (e.g., safety concerns or accessibility barriers). Given the potential risks or negative impacts our services could have on our end users, we carefully evaluate these factors when planning new initiatives to ensure that we do not unintentionally affect our members in a harmful way.Fortunately, our material impacts and opportunities extend across a wide range of consumer groups, allowing us to adopt a more inclusive and comprehensive focus.

SATS recognizes the importance of social sustainability in creating a meaningful impact on our members, employees, and communities. As a fitness chain, our primary focus is our members, who also make up the majority of visitors to our retail sections within the clubs.

We prioritize the **health and safety** and well-being of our members, addressing both the positive and negative impacts of physical activity on physical and mental health. This includes prevention, rehabilitation, safety, and overall wellness. Additionally, we work to overcome barriers that may prevent individuals from engaging in physical activity.

Some of our efforts extend to individuals who are not yet fitness club members, and the impact we have on them is discussed further in the section on public health.

Our business model of providing access to a fitness club and a wide range of wellness products relates directly to enabling healthy lifestyles. SATS therefore has the highest positive impact within the topic of members' individual health and well-being, and where we really can make a difference for improved health among our members, while at the same time having a robust business model that can continue to bring an attractive offering to members in line with market developments and members' demand. This is also the topic where we experienced remarkable engagement from our stakeholders. The operational responsibility for ensuring engagement varies by type and rests with either the Chief Digital Officer or the Chief Marketing and Communication Officer. As of today, we have no policy targeting consumers and end users and are currently not planning on implementing such a policy. The reason for this is the character of the material impacts identified in the DMA and the lack of necessity.

SATS vision is to make people healthier and happier, which clearly illustrates our high ambition for improving people's health and well-being on an individual basis as well as for the community as a whole — from a larger public health perspective. Physical activity has positive consequences for physical, mental and social well-being, and through our operations we reach more than 733,000 individuals in the Nordics. In our strategy, we outlined the areas we are currently focusing on to increase the overall health and well-being of our members. It is essential to highlight the diverse demographics of our members, which includes varying ages, fitness levels, and medical conditions. For instance, older adults or individuals recovering from injuries may face heightened risks during workouts. To address these needs, we focus on carefully designing programs, such as group exercise classes tailored for seniors, to minimize potential risks while maximizing health and wellness benefits.

To effectively monitor our progress in improving our members' health and well-being, and the effectiveness of our actions, we annually track and report the number of workouts completed at our fitness clubs. Our goal each year is to achieve an increase in total workouts that exceeds the growth of our member base. While this target is internally set, our members have not been directly involved in establishing the goal, tracking progress, or identifying lessons and improvements based on our performance against it.

STRATEGY

At SATS, we are dedicated to inspiring members to embrace physical activity and creating an environment where every visit is a source of achievement. Whether members engage in an intense workout or opt for a lighter session, they always leave feeling fulfilled, reflecting our unwavering commitment to maximizing the value of each visit. Our emphasis on member satisfaction is evident in our welcoming atmosphere, meticulous cleanliness, and continuous encouragement throughout their fitness journey.

We firmly believe in the transformative impact of physical activity on health and happiness. Our entire organization is aligned with the mission of motivating both members and non-members to prioritize exercise. Every member of our team, from Club Managers to personal trainers, plays a crucial role in guiding and inspiring individuals toward healthier lifestyles. In other words, all employees play a role in managing impacts and taking action to address negative and advance positive impacts.

ENGAGING MEMBERS

To enhance our positive impact on our members' individual health and well-being, we actively engage directly with our members to gather their views and perspectives.This engagement typically occurs through verbal feedback at our clubs or via digital user surveys. While some engagement activities are conducted on an ad-hoc basis, we also schedule them strategically following product launches or emerging needs. As a result, the frequency of these activities may vary.We assess the effectiveness of our engagement activities by analyzing survey response rates, using the level of participation to guide and refine our approach as needed.To ensure that engagement happens and the results inform our future approach, the responsibility for digital engagement lies with the Chief Digital Officer. Responsibility for addressing verbal feedback received at our clubs depends on the nature of the feedback and rests with the appropriate leader: Club Manager, Region Manager, Country Manager, or Head of People and Operations.

One of our strategic goals is to actively engage our existing member base. To achieve this, we prioritize understanding the perspectives of members who may be inactive or facing challenges in reaching their fitness goals. This approach not only provides valuable feedback but also helps us develop strategies to better support and re-engage these groups.This approach also allows us to identify what action is needed and appropriate in response to the actual or potential negative impact on members and end users.

We also leverage data and user insights to analyze how effectively our members respond to changes in our product. This approach ensures that we continuously develop our product in alignment with our members' desires and needs while maintaining a strong positive impact.

PUBLIC HEALTH

Public health stands as a critical pillar of sustainability, where SATS recognizes its potential for high positive impact. This domain consistently emerges as a key concern among our stakeholders, who unanimously underscore SATS' central role in enhancing the physical and mental well-being of the Nordic populace. The gravity of this issue becomes evident when considering its far-reaching benefits, not only in terms of extending lives and improving their quality, but also in generating substantial societal cost savings associated with good health. As the foremost player in the Nordic health and fitness sector, we are committed to and capable of fostering enhanced public health outcomes. Beyond the societal benefits, we view the impact on public health as a significant financial opportunity for SATS, directly tied to our ability to attract new members.

In 2024, individuals meeting the World Health Organization's (WHO) recommended levels of physical activity contributed to 17,300 Quality-Adjusted Life Years (QALYs), translating to a socio-economic benefit of NOK 24.4 billion. This underscores a significant untapped potential, given that over one in four adults fail to meet global activity guidelines. Furthermore, the Nordic region faces the challenge of an aging population, with the proportion of individuals aged 65 and above expected to climb from 20 percent in 2023 to 25 percent by 2040. While expanding our membership base holds promise for financial gains, it also necessitates investment from SATS to ensure broader accessibility to our products and services. We have identified the headlines below that illustrate how our activities promote public health. Physical activity helps people stay healthy and happy, and most people could get improved health from increasing their physical activity. Based on information provided by the World Health Organization (WHO), physical activity:

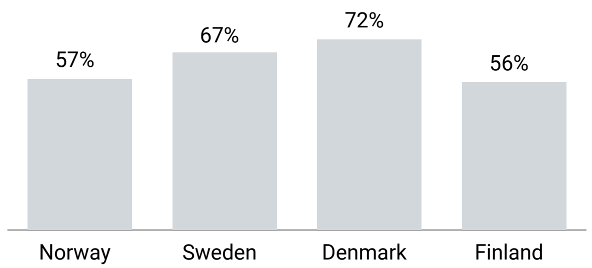
Motivating not only members, but also non-members, to exercise is at the heart of SATS' business. This is what our entire organization is set up to achieve — to help people increase their weekly health-enhancing activity. We have therefore introduced a new target: we will measure annually the number of quality-adjusted life years (QALY) generated by our members through physical activity registered at our clubs and thus the socioeconomic welfare gains from our members reaching WHO's activity recommendation of 75 to 100 minutes of vigorous-intensity aerobic activity by using our clubs.

At SATS, we firmly believe in our significant contribution to enhancing public health across the Nordic population. Our commitment lies in fostering healthier and happier communities by inspiring, motivating, and supporting individuals in their fitness journeys to reap the physical and mental benefits of regular physical activity.

To achieve this, we dedicated substantial efforts to assisting our members in maintaining an active lifestyle that aligns with the World Health Organization's recommendations. These guidelines suggest engaging in at least 75 to 150 minutes of vigorous intensity aerobic physical activity or at least 150 to 300 minutes of moderate-intensity aerobic activity per week.

Activity level

Share of population spending more than 150 minutes on health-enhancing activity per week



Source: Eurostat 2014/2018

WHO's recommendations for physical activity

Physical activity is defined as any bodily movement produced by skeletal muscles that requires energy expenditure. WHO has provided guidance on recommended physical activity, with different guidelines and recommendations based on age groups and specific population groups. The recommendations set out below were last updated on October 5, 2022.

Recommended levels of physical activity for children and adolescents aged 5–17, where they

- should do at least an average of 60 minutes per day of moderate-to-vigorous intensity, mostly aerobic, physical activity throughout the week;
- should incorporate vigorous-intensity aerobic activities, as well as activities that strengthen muscle and bone, at least three days a week; and
- should limit the amount of time spent being sedentary, particularly the amount of recreational screen time.

Recommended levels of physical activity for adults aged 18–64, where they

- should do at least 150–300 minutes of moderate-intensity aerobic physical activity or at least 75–150 minutes of vigorous-intensity aerobic physical activity or an equivalent combination of moderate- and vigorous-intensity activity throughout the week;
- should also do muscle-strengthening activities at moderate or greater intensity that involve all major muscle groups on two or more days a week, as these activities provide additional health benefits;
- may increase moderate-intensity aerobic physical to more than 300 minutes or do more than 150 minutes of vigorous-intensity aerobic physical activity or an equivalent combination of moderate- and vigorous-intensity activity throughout the week for additional health benefits;
- should limit the amount of time spent sedentary. Replacing sedentary time with physical activity of any intensity (including light intensity) provides health benefits; and
- to help reduce the detrimental effects of high levels of sedentary behavior on health, aim to do more than the recommended levels of moderate-to vigorous-intensity physical activity.

Health benefits of physical activity

Physical activity helps people stay healthy and happy, and most people could improve their health by increasing their physical activity. Based on information provided by the World Health Organization (WHO), physical activity:

Has significant health benefits for hearts, bodies and minds

Contributes to preventing and managingnoncommunicable diseases such ascardiovascular diseases, cancer anddiabetes

Reduces symptoms of depression andanxiety

Enhances thinking, learning, and judgement skills

Ensures healthy growth and development in young people

Improves overall well-being

Recommended levels of physical activity for adults aged 65 and older, where they

- should follow the same recommendations as for adults; and
- as part of their weekly physical activity, do varied multicomponent physical activity that emphasizes functional balance and strength training at moderate or greater intensity three or more days a week to enhance functional capacity and prevent falls.

In summary, the WHO recommends that adults perform at least 150 minutes of moderate-intensity activity every week. Some researchers argue that an increased level of physical inactivity is the most significant public health problem facing society today (Professor Steven N. Blair, BMJ 2009). WHO's more detailed physical activity recommendations are described above.

A selection of research studies indicating the benefits of physical activities

Inactivity is a public health problem:

- Physical inactivity is among the leading risk factors for death and disability in the WHO European Region and is estimated to cause one million deaths every year (Source: Global, regional, and national comparative risk assessment of 84 behavioural, environmental and occupational, and metabolic risks or clusters of risks, 1990–2016: a systematic analysis for the Global Burden of Disease Study 2016).
- In an article published 2012 in the medical journal The Lancet, Dr I-Min Lee, ScD, et al. concluded that tens of thousands of deaths could be avoided every year (with modest assumptions) if inactivity could be reduced by as little as 10 percent (Source: "Effect of physical inactivity on non-communicable diseases worldwide: analysis of burden of diseases and life expectancy").
- Physical inactivity is a leading risk factor for premature mortality, accounting for six percent of deaths globally (Source: Global health risks: mortality and burden of disease attributable to selected major risks (WHO)).

Positive health effects of physical activity are significant:

- There is evidence that regular physical activity contributes to the prevention of several chronic diseases and reduces the risk of premature death. (Source: Darren E.R. Warburton et al, 2006, "Health benefits of physical activity: The evidence").
- Regular physical activity leads to a better quality of life due to increased mental well-being and better general physical health (Source: "Hva fysisk aktivitet gjør med kroppen" by helsenorge.no).
- A physically active 30-year-old can gain five years of increased life quality with increased well-being and three additional years of life compared to an inactive peer (Source: "Hva fysisk aktivitet gjør med kroppen" by helsenorge.no).
- Physical activity improves both stress management, learning, memory, creativity, concentration and intelligence (Source: Ole Petter Hjelle, Doctor and brain researcher).

Youth activation program and community building

Recognizing the importance of youth fitness, we have initiated a youth activation program dedicated to expanding exercise opportunities for young individuals. Through targeted campaigns, discounted rates, and member engagement initiatives, our objective is to cultivate healthy habits from an early age.

Furthermore, beyond encouraging physical activity, we prioritize fostering a sense of community within our clubs. Through meaningful interactions between members and staff, we cultivate a supportive environment where everyone feels included and inspired to pursue their fitness goals.

Sustainable nutrition and mindfulness

Recognizing the vital role nutrition plays in overall health and well-being, we ensure, digital platforms, and recipes are in harmony with the Nordic Nutrition Recommendations. This alignment guarantees that our members have access to nutritious and sustainable food options. Through our efforts to promote healthy eating habits, we empower individuals to achieve their health goals while also contributing to a healthier planet.

Acknowledging the significance of stillness and mindfulness, we have broadened our offerings of yoga and mindfulness practices across all our clubs. Through rebranding and integration into our membership models, our aim is to enhance accessibility for our members. Our ongoing endeavors involve the development of new classes, the training of additional instructors, and investments in facilities to ensure a premium experience for all members.

In alignment with our commitment to member well-being, we collaborate with expert organizations to address eating disorders within our clubs. Through educational initiatives, training programs, and proactive interventions, we endeavor to cultivate a supportive environment where members feel nurtured and understood. While addressing eating disorders presents complexities, our foremost priority remains the safety and well-being of all our members.

Anti-doping efforts

We maintain a zero-tolerance policy toward doping, actively collaborating with organizations such as Antidoping Norge and STAD to uphold clean and safe training environments. Through employee training, pop-up stands, and doping controls, we promote awareness and deterrence while safeguarding the integrity and privacy of our members.

By upholding the highest standards of safety and efficacy in our products and services, SATS remains committed to helping our members lead healthier, happier lives.

Diverse product range and accessibility

Our commitment to **diversity** and accessibility is reflected in our extensive **range of products and services** tailored to individual preferences across our clubs throughout the Nordics along with online training options. Whether members prefer a fully equipped fitness floor, group training sessions, personal training, or physiotherapy services, our offerings are designed to cater to diverse interests and fitness levels. Our strategically located clubs ensure convenience, allowing members to seamlessly integrate workouts into their daily routines.

At the core of our holistic approach to health is our physiotherapy service, available at select clubs in Sweden and Norway. Our highly trained physiotherapists provide pre-habilitation and rehabilitation services in a supportive environment. With a minimum of three years of university education and formal authorization, our physiotherapists uphold the highest standards of care. We continually invest in their professional development through supplementary training and adhere to all local safety requirements, including offering video consultations for enhanced accessibility.

Our dedicated personal trainers are committed to helping members achieve their fitness goals. Partnering with leading educator programs across the Nordic region, we recruit individuals who embody our values of health and happiness. Through ongoing training and development opportunities, our trainers refine their expertise and skills, ensuring personalized support for each member's journey.

Group training serves as a cornerstone of our product offering, inspiring members to stay active and engaged. We prioritize offering a diverse and exciting schedule while maintaining sufficient capacity to meet member demand. Our certified instructors undergo comprehensive training in anatomy, physiology, and training theory, enabling them to deliver safe and engaging classes. Additionally, our SATS Online platform provides members with access to a library of over 700 classes, promoting flexibility and convenience.

Whistleblowing

In order to maintain high ethical standards and ensure the fulfillment of our legal obligations, we provide the public, our members and our employees with the opportunity to report issues that are, or which they suspect to be, illegal and of public interest. There are three ways to make a report, depending on what the whistleblower is comfortable with. There is no need to provide evidence when reporting an incident, but we encourage everyone to make reports in good faith.

- **Alternative 1**: Contact a supervisor or manager within our organization.
- **Alternative 2**: Contact the organization's whistleblower team (i.e., our appointed individuals with the authority to handle whistleblowing cases). The identity of such individuals is available on our internal sites.
- **Alternative 3**: Anonymous reporting through our whistleblower system. This is a system that is publicly available on our websites (sats.no/dk/se and elixia.fi). The system can be used to report serious misconduct that could affect individuals, SATS as an organization, society or the environment.

It is only our designated whistleblower team that has access to whistleblowing reports made through the whistleblower system. All members of our whistleblower team are bound by a confidentiality agreement. The whistleblower team decides whether to accept or decline a report. Accepted reports of alleged misconduct are subject to investigation in accordance with SATS' whistleblowing guidelines. During this investigation, the whistleblower team may include other people or request information and expertise. All activities carried out in this respect are covered by the confidentiality agreement.[163] From 2025 we will start assessing how our members are aware of our whistleblowing system to raise their concerns or needs and have them addressed.

We actively track the number of reports raised through our whistleblowing service to monitor the effectiveness of the channel and whether our employees are aware of this channel. In 2024, our whistleblowing service received a total of 186 reports. The majority of these were related to incidents such as equipment issues and service at our clubs — matters that are typically better suited for our customer service channels. A smaller portion of the reports focused on HR-related issues, including concerns about leadership, employee well-being, and instances where employees failed to adhere to SATS' values. Additionally, there were a few reports regarding suspected drug use.

Protection of whistleblowers (when non-anonymous)

A fundamental aspect of having an effective whistle-blower system is that all persons expressing genuine suspicions or misgivings do not risk losing their job or suffering any form of sanctions or personal disadvantages as a result of their whistleblowing. It does not matter whether the whistleblower was mistaken, provided that they acted in good faith.

Another part of the whistleblowing process to be mindful of is the privacy of those against whom allegations have been made and other issues of confidentiality. A non-anonymous whistleblower will be kept informed about the outcome of the investigations made on the basis of their reporting to the extent such is allowed under applicable privacy laws and regulations. In cases of alleged criminal offenses, the whistleblower will be informed that their identity may need to be disclosed during judicial proceedings.

Protection of information provided in a whistleblower report

The individuals specified in a whistleblower message have certain rights under the GDPR legislation. As an example, they have the right to access data relating to themselves and, should the information be incorrect, incomplete or out of date, the right to require amendments or deletion of data. This right needs to be considered in light of the non-anonymous whistleblower's rights. Furthermore, the rights are also subject to any overriding safeguarding measures required to prevent the destruction of evidence or other obstructions to the processing and investigation of the whistleblower case.

Personal data included in a whistleblower case is deleted following completion of the investigation. Investigative documents and whistleblower messages that SATS needs to keep are anonymized.

ACTIONS TAKEN IN 2024

Our own operations

- We increased the variety and frequency of group classes to cater to different fitness levels.
- We added new functionality to the SATS app to better engage and service our members.
- We upgraded some of our clubs and replaced old or not-in-use equipment with new equipment.
- We introduced new types of notifications to keep members informed and motivated.
- We changed our membership offerings to better match our members' needs and preferences.
- We adjusted staffing based on peak hours to ensure that all members receive the attention and support they need during their workouts.
- We introduced a wellness bundle to ensure a holistic focus on physical and mental health.

Value chain

- We worked closely with equipment suppliers to ensure timely delivery of high-quality, state-of-the-art fitness equipment, improving our members' workout experience.
- We streamlined the membership sign-up process, offering smoother and quicker onboarding both online and in-club, ensuring a seamless start for new members.

PLANNED ACTIONS IN 2025–2026

Our own operations

- We will improve our rewards program to better motivate and engage our members.
- We will continue to upgrade our clubs.
- We will continue to improve the functionality of our SATS app to better engage and service our members.
- We will invest in advanced data analytics tools to track member preferences, usage patterns, and satisfaction to further improve our offerings and customer experience.

Value chain

- We will seek new partnerships with health and wellness brands, nutrition providers, and healthcare professionals to expand our value proposition and offer more comprehensive services to our members.

TARGET

Target related to members' individual health and wellbeing

An important aspect of our operations is to help our members become more active, particularly those who tend to be more passive. Each year, we therefore assess and report the total number of workouts completed by our members at our fitness clubs. Our target is to exceed the previous year's total while outpacing the growth rate of our membership base. Meeting this goal reflects our success in encouraging members to be more physically active each year — an achievement that not only enhances their personal well-being but also contributes positively to overall public health.

In 2024, the total number of workouts completed by our members at our fitness clubs was 46.5 million, while our member base grew from 731,000 to 733,000 (0.3 percent). This constitutes a year-over-year increase in member workout frequency of 5 percent, surpassing the growth of the member base. In comparison, in 2023, the total number of workouts was 43.2 million, with the member base increasing from 721,000 to 731,000 (1.4 percent). This resulted in a 7.6 percent increase in workout frequency, again surpassing the growth of the member base.

This upward trend highlights our success in encouraging members to be more active and engaged in their fitness journeys. By consistently increasing workout frequency beyond membership growth, we demonstrate our ability to inspire long-term commitment to an active lifestyle. Tracking this metric provides valuable insights into member activity levels and helps us assess how well our offerings align with their needs. Our continued focus on engagement ensures that SATS remains a supportive and motivating environment for all members, particularly those who may need extra encouragement to adopt and maintain healthier habits.

Target related to members' individual health and wellbeing

	2022	2023	2024
Number of workouts	37.7 million	43.2 million	46.5 million
Workout growth	45%	7.6%	5%
Members	721,000	731,000	733,000
Member growth	8%	1.4%	0.3%

Target related to public health

In line with our commitment, we measure and report annually on the quality-adjusted life years (QALYs) generated by our members through physical activity recorded at our clubs. QALY serves as a comprehensive measure of individuals' health states, considering both the length and quality of life. Our aim each year is to increase the QALYs generated through training at SATS more than our member base, signifying progress toward meeting the WHO's activity recommendations.

Our QALY calculation method accounts for each member who meets the recommended threshold of 75 to 100 minutes of vigorous-intensity aerobic physical activity through our club facilities. This approach ensures that our success is not solely dependent on already active members increasing their activity levels but also focuses on helping additional members become more active. By continuously enhancing our products and services, we strive to empower more members to achieve and maintain a healthier lifestyle in alignment with global health standards.

In 2024, our members collectively generated approximately 17,300 QALYs, while our member base grew from 731,000 to 733,000 (0.3 percent). This constitutes a year-over-year increase in QALY of 5 percent, surpassing the growth of the member base. In comparison, in 2023, our members collectively generated approximately 16,000 QALYs through their active participation, with the member base increasing from 721,000 to 731,000 (1.4 percent). This resulted in a 23.1 percent increase in QALY, again surpassing the growth of the member base.

Target related to public health

	2022	2023	2024
QALY	13,000	16,000	17,300
QALY growth		23,1%	5%
Members	721,000	731,000	0.3%
Member growth	8%	1.4%	46.5 million

GOVERNANCE

BUSINESS CONDUCT (G1)

OUR APPROACH

At SATS, it is imperative that employees experience a strong alignment with our core beliefs, values, traditions, and behaviors. We prioritize the development of a corporate culture that fosters inspiration, productivity, and long-term employee satisfaction. Our approach emphasizes the importance of building a workplace where employees feel fulfilled and motivated to contribute positively over time. We believe this is why our **strong corporate culture** has been recognized as a significant positive impact in our DMA.

SATS' ensure that operations are conducted in accordance with laws and regulations and with high integrity. Business conduct is therefore very important, even though Nordic and European countries generally are among the highest-rated countries on Transparency International's corruption perceptions index. In addition to Nordic and European suppliers, we also have some suppliers operating outside of Europe, primarily with production facilities in Asia. We are therefore dedicated to continuously strengthening our relationships with suppliers and business partners, as well as improving our due diligence to ensure that we are managing our relationships correctly. As a result, **effective supplier management** has been recognized as a key positive impact in our DMA.

POLICIES

SATS Group's Anti-Corruption and Anti-Bribery Policy outlines clear mechanisms for identifying, reporting, and investigating concerns related to unlawful behavior or violations of its code of conduct. Concerns are identified through regular risk assessments, audits, and monitoring of financial transactions. Employees, contractors, and stakeholders can report concerns through multiple channels, including a whistleblowing hotline, direct communication with managers, HR, or the Legal & Compliance team. All reports are handled with strict confidentiality, and whistleblowers are protected under anti-retaliation safeguards. The operational responsibility for ensuring the implementation of the Policy rests with the CEO.

SATS is committed to investigating any business conduct incidents promptly, independently, and objectively. A dedicated investigation committee, comprising representatives from Compliance and Operations, ensures thorough investigations. If allegations of corruption or bribery are substantiated, they are escalated to management, and law enforcement may be involved as necessary.

We have established robust procedures to prevent, detect, and address allegations or incidents of corruption or bribery. These procedures include regular risk assessments, audits, due diligence processes for third parties, financial transaction monitoring, and double attestation protocols for approving invoices and contracts. Investigations are conducted by a dedicated committee, separate from the chain of management involved in the prevention and detection of corruption or bribery, ensuring an independent and unbiased approach.

The outcomes of investigations are reported to administrative, management, and supervisory bodies based on the severity and relevance of the issue.

Policies regarding the prevention and detection of corruption or bribery are communicated to all relevant stakeholders through training programs, internal communications, and clear guidelines. These policies are designed to ensure that employees and stakeholders understand their responsibilities and the available reporting mechanisms.

Anti-corruption and anti-bribery training is mandatory for all employees, with a particular focus on high-risk functions such as procurement, club management, IT, and marketing. The training covers the identification of bribery risks, ethical decision-making, and compliance with relevant regulations. A significant portion of high-risk roles, including at least 100 percent of those in procurement, finance, and key managerial positions, receive comprehensive training annually. Additionally, members of administrative, supervisory,

and management bodies receive specialized training biannually to lead by example and reinforce a culture of integrity throughout the organization.

As part of our work against corruption, a priority of ours is to make sure that all employees feel confident about how to behave responsibly. All employees are offered an online course on SATS' Code of Conduct. Our Code of Conduct provides guidelines for the Nordic Management Group and employees on how to act and behave as a SATS employee in accordance with our norms, rules and responsibilities. The Code of Conduct is available on our website.

In order to maintain high ethical standards, we provide the public, our members and our employees with the opportunity to report issues that are, or they suspect to be, illegal and of public interest. There are three ways to make a report, depending on what the whistleblower is comfortable with. There is no need to provide evidence when reporting an incident, but we encourage everyone to make reports in good faith.

- **Alternative 1:** Contact a supervisor or manager within our organization.
- **Alternative 2:** Contact the organization's whistleblower team (i.e. our appointed individuals with the authority to handle whistleblowing cases). The identity of such individuals is available on our internal sites.
- **Alternative 3:** Anonymous reporting through our whistleblower system. This is a system that is publicly available on our websites (sats.no/dk/se and elixia.fi). The system can be used to report serious misconduct that could affect individuals, SATS as an organization, society or the environment.

It is only our designated whistleblower team that has access to whistleblowing reports made through the whistleblower system. All members of our whistleblower team are bound by a confidentiality agreement. The whistleblower team decides whether to accept or decline a report. Accepted reports of alleged misconduct are subject to investigation in accordance with SATS' whistleblowing guidelines. During this investigation, the whistleblower team may include other people or request information and expertise. All activities carried out in this respect are covered by the confidentiality agreement.

As mentioned in the chapter on climate change, we have a Sustainable Procurement Policy in place to ensure that we source from suppliers in a sustainable manner. Delegating authority and responsibilities related to purchasing decisions, our policy ensures accountability and adherence to our values. We prioritize sourcing products from reputable, preferably Scandinavian suppliers to mitigate sustainability risks and incentivize responsible behavior. This is also how we integrate social and environmental criteria into our selection of suppliers. We believe it fosters long-term relationships and amplifies our influence in shaping a sustainable future. We will in the future set a target related to supplier management to ensure that we are working towards enhancing sustainability, promoting ethical practices, and reducing environmental and social impacts across our supply chain.

STRATEGY

Performance reviews are a cornerstone of our cultural development efforts at SATS. We believe in fostering open dialogue and feedback between managers and employees as a means to enhance performance and nurture professional growth. SATS encourages regular communication and constructive feedback, empowering employees to continuously improve and support one another in their respective roles. Additionally, our performance review process, tailored to the specific needs of each operative country, ensures consistency and fairness in evaluating employee performance and development opportunities.

Moreover, SATS remains committed to upholding high ethical standards and combating corruption in all forms. Through our zero-tolerance policy toward corruption, transparent business practices, and comprehensive training initiatives, we strive to maintain integrity and accountability across our operations. Our whistleblower system provides a confidential platform for reporting potential misconduct, further reinforcing our commitment to transparency and ethical conduct. We are dedicated to fostering a culture of integrity and accountability at SATS, both internally and externally, to ensure the trust and confidence of our employees, members, and stakeholders.

Our "future actions" will reduce the inherent risk of unethical business conduct in our systems and ensure that we are more easily able to identify, report and investigate corruption and bribery instances as outlined in our Anti-Corruption and Anti-Bribery Policy.

ACTIONS TAKEN IN 2024

Our own operations

- We prepared a new Anti-Corruption and Anti-Bribery Policy to ensure a clear and comprehensive framework for preventing, detecting, and addressing corruption and bribery.
- We began to prepare a new interactive training program specifically targeting corruption and bribery.
- We implemented a new invoice system to enhance and streamline invoice management processes.

PLANNED ACTIONS IN 2025–2026

Our own operations

- We will explore purchase-to-pay solutions to create a more seamless and efficient payment process.
- We will evaluate screening systems to improve our ability to identify high-risk suppliers and better understand our suppliers.

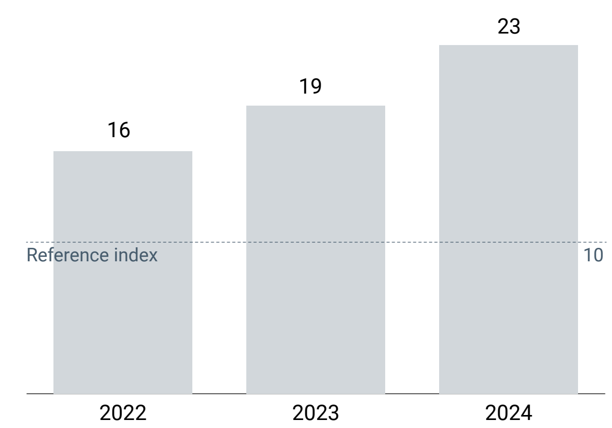
TARGETS

SATS measures employee loyalty and advocacy annually through the eNPS (Employee Net Promoter Score) survey. This single-question survey asks employees, "How likely are you to recommend SATS as a workplace to a friend or acquaintance?" Responses range from 0 to 10, with 10 being "Highly likely" and 0 being "Not at all likely." Respondents are categorized into Promoters (9–10), Passives (7–8), and Detractors (0–6). The eNPS is calculated by subtracting the percentage of Detractors from the percentage of Promoters, resulting in a score between - 100 and 100. Scores above 0 er good, above 20 is favorable.

In 2024, the SATS group achieved an eNPS score of 23, compared to 19 in 2023 and 16 in 2022. This demonstrates a positive trend and reflects our ongoing efforts to enhance the employee experience. The eNPS provides valuable insights into our corporate culture and how employees perceive SATS as an employer.

To further improve our eNPS, we will continue to focus on the key drivers influencing employee satisfaction, strengthening areas of lower performance while maintaining the factors that contribute to high scores. We have also introduced a new target: achieving an eNPS score that surpasses the reference index. By annually reporting our eNPS results externally, we reinforce our commitment to transparency, continuous improvement, and fostering a workplace culture that is both engaging and supportive.

eNPS Score



Creators of NPS, Bain & Company, suggest a score:
• Above 0 is good
• Above 20 is favorable
• Above 50 is excellent
• Above 80 is world class

APPENDIX

ESRS 2
Disclosure requirements and incorporation by reference

The tables below present all ESRS disclosure requirements from ESRS 2 and the seven topical standards that are material to SATS that have informed the preparation of our sustainability statements. We have excluded disclosure requirements from the topical standards E2, E3, E5, S2 and S3 as they fall below our materiality thresholds. These tables provide a guide for navigating specific disclosure requirements within our sustainability statements.

Additionally, the tables indicate where relevant information has been placed outside the sustainability statements. These are "incorporated by reference" and can be found in the management's review, financial statements within this annual report, or the separate remuneration report. If no information related to a disclosure requirement is currently available, no reference is provided.

Disclosure requirement	Cross-cutting standards	Page
ESRS 2	**General disclosures**	
BP-1	Basis for preparation	29, 30
BP-2	Specific circumstances	30
GOV-1	Governance roles	31
GOV-2	Governance	22, 31
GOV-3	Incentive schemes	30
GOV-4	Due diligence	31, 32
GOV-5	Risk management	16, 31
SBM-1	Value chain	33
SBM-2	Stakeholders	34, 38, 39
SBM-3	Strategy	32
IRO-1	Processes	38, 49, 40
IRO-2	ESRS DR's covered	68, 69, 70
ESRS E1	**Climate Change**	
ESRS 2, GOV 3	Governance	49
E1-1	Transition plan	49
ESRS 2, SBM 3	Strategy	49
ESRS 2, IRO-1	Processes	49, 50, 51
E1-2	Policies	48, 49
E1-3	Actions	49, 50
E1-4	Targets	NS
E1-5	Energy consumption	52
E1-6	Gross Scopes 1, 2 and 3	51
E1-7	GHG removals	NR
E1-8	Internal carbon pricing	NR
E1-9	Financial effects	NR
ESRS S1	**Own workforce**	
ESRS 2, SBM-2	Stakeholders	54
ESRS 2, SBM-3	Strategy	54, 55, 56
S1-1	Policies	54
S1-2	Processes	55
S1-3	Remediate impacts	54, 55

Disclosure requirement	Cross-cutting standards	Page
S1-4	Actions	56
S1-5	Targets	56
S1-6	Own employees	57
S1-7	Non-employees	58
S1-8	Bargaining coverage	NR
S1-9	Diversity	57
S1-10	Adequate wages	NR
S1-11	Social protection	55
S1-12	Disabilities	NR
S1-13	Training	58
S1-14	Health and safety	NR
S1-15	Work-life balance	58
S1-16	Compensation	58
S1-17	Complaints	55
ESRS S4	**Consumers and end-users**	
ESRS 2, SBM-2	Stakeholders	59
ESRS 2, SBM-3 and SBM-4	Strategy	59, 60
S4-1	Policies	59
S4-2	Processes	59
S4-3	Remediate impacts	59, 60, 61, 62
S4-4	Actions	63
S4-5	Targets	63
ESRS G1	**Business conduct**	
ESRS 2, GOV-1	Governance roles	31
ESRS 2, IRO-1	Proceses	18, 22
G1-1	Corporate culture	66, 67
G1-2	Suppliers	66, 67
G1-3	Prevention	66, 67
G1-4	Incidents	NR
G1-5	Political influence	NR
G1-6	Payment practices	NR

Short forms
NR: Not relevant
NS: Not stated
NM: Not material

ESRS 2, IRO-2
ESRS data points from other EU legislation

The tables below present all data points originating from other EU legislation, as outlined in ESRS 2, Appendix B. They indicate where each data point appears in the sustainability statements and specify those assessed as 'Not Material' (NM), 'Not Stated' (NS), or 'Not Relevant' (NR).

Disclosure requirement	Data point	Description	Legislation	Page
ESRS 2, GOV-1	21 (d)	Board's gender diversity	SFDR/BRR	22
	21 (e)	Percentage of board members who are independent	BRR	22
ESRS 2, GOV-4	30	Statement on due diligence	SFDR	31
ESRS 2, SBM-1	40 (d) (i)	Involvement in activities related to fossil fuel activities	SFDR/P3/BRR	NM
	40 (d) (ii)	Involvement in activities related to chemical production	SFDR/BRR	NM
	40 (d) (iii)	Involvement in activities related to controversial weapons	SFDR/BRR	NM
	40 (d) (iv)	Involvement in activities related to cultivation and production of tobacco	BRR	NM
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050	EUCL	NS
	16 (g)	Undertakings excluded from Paris-aligned benchmarks	P3/BRR	NM
ESRS E1-4	34	GHG emission reduction targets	SFDR/P3/BRR	NS
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	SFDR	52
	37	Energy consumption and mix	SFDR	52
	40-43	Energy intensity associated with activities in high climate impact sectors	SFDR	52
ESRS E1-6	44	Gross scope 1, 2, 3, and total GHG emissions	SFDR/P3/BRR	51
	53-55	Gross GHG emissions intensity	SFDR/P3/BRR	52
ESRS E1-7	56	GHG removals and carbon credits	EUCL	NM
ESRS E1-9	66	Exposure of the benchmark portfolio to climate- related physical risks	BRR	NM
	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; location of significant assets at material physical risk	P3	NM
	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	P3	NM
	69	Degree of exposure of the portfolio to climate- related opportunities	BRR	NM
ESRS E2-4	28	Amount of each pollutant listed in annex II of the E-PRTR regulation emitted to air, water, and soil	SFDR	NM

Disclosure requirement	Data point	Description	Legislation	Page
ESRS E3-1	9	Water and marine resources	SFDR	NM
	13	Dedicated policy	SFDR	NM
	14	Sustainable oceans and seas	SFDR	NM
ESRS E3-4	28 (c)	Total water recycled and reused	SFDR	NM
	29	Total water consumption in m3 per net revenue on own operations	SFDR	NM
ESRS E4, SBM-3 (ESRS 2)	16 (a) (i)	Activities negatively affecting biodiversity-sensitive areas	SFDR	NM
	16 (b)	Land degradation, desertification, or soil sealing	SFDR	NM
	16 (c)	Threatened species	SFDR	NM
ESRS E4-2	24 (b)	Sustainable land/agriculture practices or policies	SFDR	NM
	24 (c)	Sustainable oceans/seas practices or policies	SFDR	NM
	24 (d)	Policies to address deforestation	SFDR	NM
ESRS E5-5	37 (d)	Non-recycled waste	SFDR	NM
	39	Hazardous waste and radioactive waste	SFDR	NM
ESRS S1, SBM-3 (ESRS 2)	14 (f)	Risk of incidents of forced labor	SFDR	NM
	14 (g)	Risk of incidents of child labor	SFDR	NM
ESRS S1-1	20	Human rights policy commitments	SFDR	54
	21	Due diligence policies on issues addressed by the fundamental International Labor organization Conventions 1 to 8	BRR	54
	22	Processes and measures for preventing trafficking in human beings	SFDR	NM
	23	Workplace accident prevention policy or management system	SFDR	NM
ESRS S1-3	32 (c)	Grievance/complaints-handling mechanisms	SFDR	62
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	SFDR/BRR	NM
	88 (e)	Number of days lost to injuries, accidents, fatalities, or illness	SFDR	NM
ESRS S1-16	97 (a)	Unadjusted gender pay gap	SFDR/BRR	NM
	97 (b)	Excessive CEO pay ratio	SFDR	NM

Legislation
SFDR: Sustainable Finance Disclosure Regulation
P3: EBA Pillar 3 disclosure requirements
BRR: Climate Benchmark Standards Regulation
EUCL: EU Climate Law

Other short forms
NR: Not relevant
NS: Not stated
NM: Not material

Disclosure requirement	Data point	Description	Legislation	Page
ESRS S1-17	103 (a)	Incidents of discrimination	SFDR	NM
	104 (a)	Non-respect of UNGPs on Business & Human Rights, ILO principles, or OECD guidelines	SFDR/BRR	NM
ESRS S2, SBM-3 (ESRS 2)	11 (b)	Significant risk of child labor or forced labor in the value chain	SFDR	NM
ESRS S2-1	17	Human rights policy commitments	SFDR	54
	18	Policies related to value chain workers	SFDR	NM
	19	Non-respect of UNGPs on Business & Human Rights, ILO principles, or OECD guidelines	SFDR/BRR	NM
	19	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	BRR	54
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	SFDR	NM
ESRS S3-1	16	Human rights policy commitments	SFDR	54
	17	Non-respect of UNGPs on Business & Human Rights, ILO principles, or OECD guidelines	SFDR/BRR	54
ESRS S3-4	36	Human rights issues and incidents	SFDR	NM
ESRS S4-1	16	Policies related to consumers and end-users	SFDR	59
	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR/BRR	NM
ESRS S4-4	35	Human rights issues and incidents	SFDR	NM
ESRS G1-1	10 (b)	United Nations Convention against Corruption	SFDR	NS
	10 (d)	Protection of whistleblowers	SFDR	67
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	SFDR/BRR	NM
	24 (b)	Standards of anti-corruption and anti-bribery	SFDR	NM

Legislation
SFDR: Sustainable Finance Disclosure Regulation
P3: EBA Pillar 3 disclosure requirements
BRR: Climate Benchmark Standards Regulation
EUCL: EU Climate Law

Other short forms
NR: Not relevant
NS: Not stated
NM: Not material

Oslo, March 27, 2025
(Signed electronically)

Hugo Lund Maurstad
Chair of the Board

Martin Folke Tivéus
Board Member

Maria Tallaksen
Board Member

Andreas Holm
Board Member

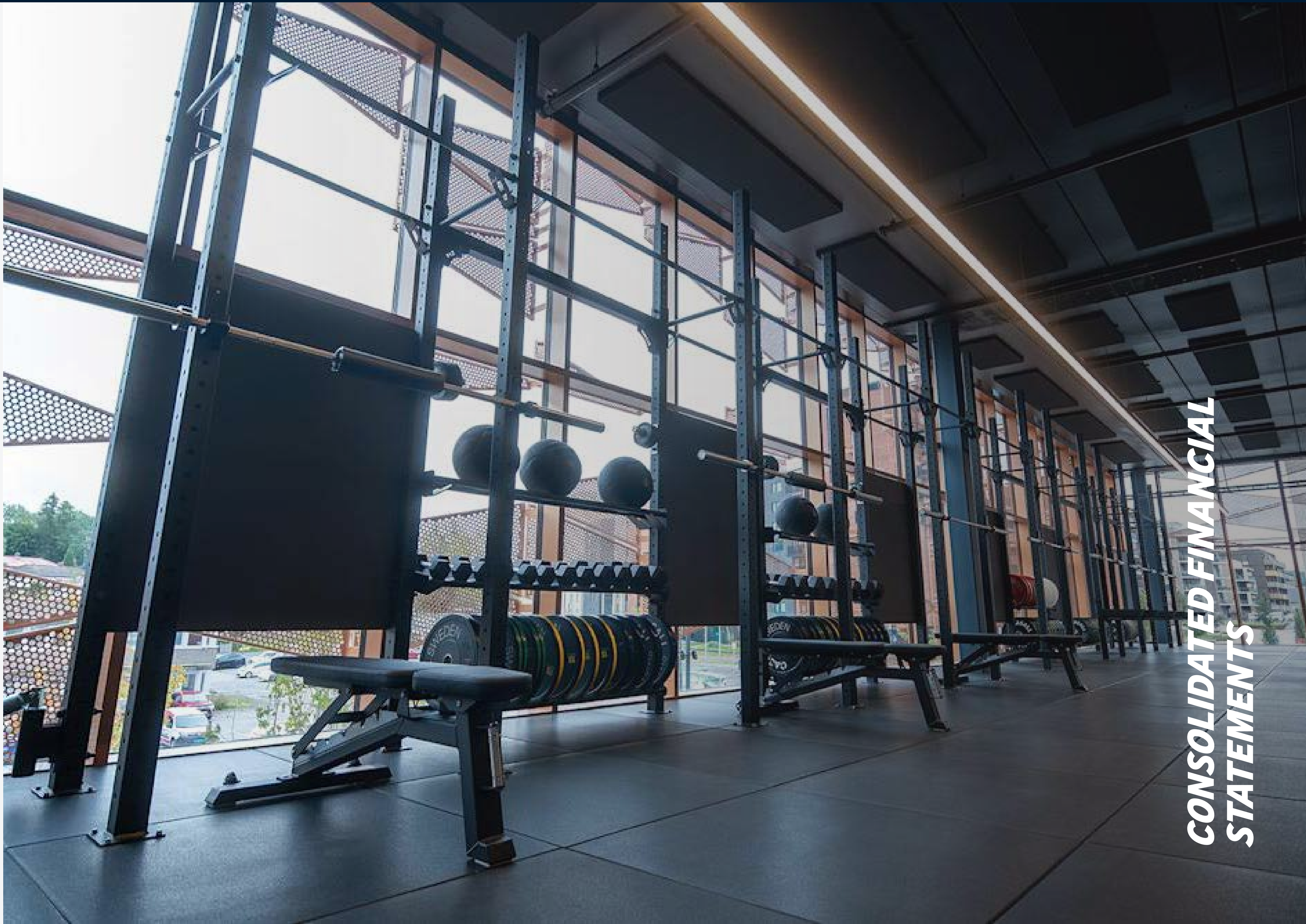
Lisa Åberg
Board Member

Anita Gullstedt
Board Member,
Employee Representative

Carl Thorsson
Board Member,
Employee Representative

Sondre Gravir
CEO

FINANCIAL STATEMENTS



CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	2024	2023
(Amounts in NOK million for the period ended December 31)			
Revenue	3, 4, 7	**5,064**	**4,734**
Operating expenses			
Cost of goods sold		-143	-137
Personnel expenses	5	-1,861	-1,677
Other operating expenses	6, 7, 11	-1,119	-1,136
Depreciation and amortization	10, 11, 12	-1,198	-1,178
Total operating expenses		**-4,320**	**-4,127**
Operating profit		**744**	**607**
Interest income		39	50
Financial income	7	115	106
Interest expense	7, 20	-334	-395
Financial expense		-131	-55
Net financial items	8	**-310**	**-293**
Profit before tax		**434**	**313**
Income tax expense	9	-108	-89
Profit		**326**	**224**
Profit for the year is attributable to:			
Equity holders of the parent company	19	326	224
Total allocation		**326**	**224**
Earnings per share in NOK			
Basic earnings per share attributable to ordinary equity	19	1.59	1.10
Diluted earnings per share attributable to ordinary equity	19	1.59	1.10

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2024	2023
(Amounts in NOK million for the period ended December 31)		
Profit for the year	**326**	**224**
Other comprehensive income		
Foreign exchange rate changes – may be reclassified to profit or loss	-10	-62
Other comprehensive income, net of tax	**-10**	**-62**
Total comprehensive income	**315**	**162**
Total comprehensive income is attributable to:		
Equity holders of the parent company	315	162
Total comprehensive income	**315**	**162**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in NOK million at December 31)	Notes	2024	2023
NON-CURRENT ASSETS			
Intangible assets			
Goodwill	10	2,570	2,535
Customer relations	10	7	15
Trademark	10	1	1
Internally developed software	10	83	77
Total non-current intangible assets		**2,661**	**2,628**
Property, plant and equipment			
Right-of-use assets	11	4,657	4,570
Leasehold improvements	12	447	411
Fitness equipment	12	289	240
Other equipment, fixtures and fittings	12	56	54
Total non-current property, plant and equipment		**5,449**	**5,275**
Financial assets			
Derivative financial instruments	22, 23	33	36
Other non-current receivables	13, 25	56	63
Total non-current financial assets		**89**	**100**
Deferred tax asset	9	185	178
Total non-current assets		**8,384**	**8,181**
CURRENT ASSETS			
Inventories	15	54	55
Other current receivables	16	131	86
Accounts receivables	16	159	136
Prepaid expenses and accrued income	16	237	237
Derivative financial instruments	22, 23	0	6
Cash and cash equivalents	17, 21	371	282
Total current assets		**952**	**802**
Total assets		**9,336**	**8,983**

(Amounts in NOK million at December 31)	Notes	2024	2023
EQUITY			
Share capital	18	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	9	103	78
Borrowings	20, 21	1,440	1,721
Lease liability	11, 20, 21	4,090	4,009
Derivative financial instruments	22, 23	4	0
Total non-current liabilities		**5,638**	**5,808**
Current liabilities			
Borrowings	20, 21	12	17
Lease liability	11, 20, 21	959	929
Derivative financial instruments	22, 23	6	0
Contract liability	24	653	548
Trade and other payables		178	130
Current tax liabilities		74	2
Public fees and charges payable		112	115
Other current liabilities	24	360	415
Total current liabilities		**2,353**	**2,155**
Total liabilities		**7,991**	**7,963**
Total equity and liabilities		**9,336**	**8,983**

Oslo, March 27, 2025
(Signed electronically)

Hugo Lund Maurstad	**Martin Folke Tivéus**	**Maria Tallaksen**	**Andreas Holm**	**Lisa Åberg**	**Anita Gullstedt**	**Carl Thorsson**	**Sondre Gravir**
Chair of the Board	*Board Member*	*Board Member*	*Board Member*	*Board Member*	*Board Member, Employee Representative*	*Board Member, Employee Representative*	*CEO*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amounts in NOK million)	*Notes*	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**
Equity January 1, 2023		**431**	**3,045**	**-14**	**58**	**6**	**-2,668**	**860**	**860**
Profit for the year							224	224	224
OCI for the year					-62			-62	-62
Total comprehensive income for the year		**0**	**0**	**0**	**-62**	**0**	**224**	**162**	**162**
Investment program				4		-4	4	4	4
Share issues and capital increase expenses	19	4	5					8	8
Proceeds from sale of own shares				6				6	6
Repurchase of shares				-21				-21	-21
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 year							326	326	326
OCI for the year					-10			-10	-10
Total comprehensive income for the year		**0**	**0**	**0**	**-10**	**0**	**326**	**315**	**315**
Investment program						5		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	2024	2023
(Amounts in NOK million for the period ended December 31)			
Cash flow from operating activities			
Profit before tax		434	313
Adjustment for:			
Taxes paid in the period	9	-24	-4
Loss from sale of gym equipment	12	-1	-1
Depreciation, amortization and impairment	10, 11, 12	1,198	1,178
Net financial items	8	310	293
Change in inventory	15	1	2
Change in accounts receivables	16	-23	-11
Change in trade payables		49	13
Change in other receivables and accruals	16, 24	9	-26
Net cash flow from operations		**1,953**	**1,758**
Cash flow from investing			
Purchase of property, plant and equipment and intangible assets	10, 12	-287	-167
Loan to related parties	25	0	-6
Proceeds from property, plant and equipment		2	1
Proceeds from loan to related parties	25	3	0
Net cash flow from investing		**-282**	**-172**
Cash flow from financing			
Repayments of borrowings	20	-435	-288
Proceeds from borrowings	20	113	0
Installments on lease liabilities	11	-962	-947
Paid interest on borrowings	20	-58	-123
Interest on lease liabilities	11	-246	-224
Proceeds from issues of shares	19	0	8
Purchase of own shares	18	0	-21
Proceeds from sale of own shares	18, 19	5	6
Other financial items	8	2	1
Net cash flow from financing		**-1,580**	**-1,587**
Net increase/decrease in cash and cash equivalents		**91**	**-1**
Effect of foreign exchange rate changes on cash and cash equivalents		-2	-63
Cash and cash equivalents at the beginning of the period		282	345
Cash and cash equivalents at the end of the period	17	**371**	**282**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 General information

SATS ("the Group") consists of SATS ASA ("the company") and its subsidiaries. As an ASA entity, the Group's parent company is subject to the Norwegian Public Limited Company Act. The accompanying consolidated 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, 2024, are available on our website.

The parent, SATS ASA, is registered and domiciled in Norway and has its head office at Nydalsveien 28, Oslo. The parent was established on March 11, 2011.

The consolidated financial statements were approved by the Board of Directors on March 27, 2025.

NOTE 2 Basis of preparing the consolidated financial statements

SATS ASA's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations by the IFRS Interpretations Committee (IFRIC) as endorsed by the European Union (EU). There are no material differences between IFRS as issued by the IASB and as endorsed by the EU for the consolidated financial statements of the Group.

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) – measured at fair value
- Right-of-use assets – initially measured based on the corresponding lease liability
- Lease liabilities – initially measured at net present value of future lease payments

The functional currency of the parent company is Norwegian Kroner (NOK), and this is also the presentation currency of both the parent company and the Group. All amounts are rounded to the nearest NOK million, unless stated otherwise.

Consolidation principles
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 has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which 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.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in NOK, which is SATS ASA's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss within financial expenses. All other foreign exchange gains and losses are presented within operating profit.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognized in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Significant accounting policies
The following description of accounting principles relevant for presentation and consolidation applies to SATS ASA's 2024 financial reporting, including comparative figures. The accounting policies for items covered by specific note disclosures are incorporated in the individual notes.

Business combinations
The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the
- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the
- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

Statement of cash flows
The cash flow statement is prepared using the indirect method.

Interest paid on trade payables and interest received on accounts receivables are presented as operating cash flows. Interest paid on borrowings is classified as financial cash flows.

Cash flows are only classified as investing activities if they result in the recognition of an asset in the balance sheet.

Cash payments for the principal portion of the lease liabilities are presented as cash flows from financing activities, whereas cash payments for short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented as cash flows from operating activities.

Cost of goods
Cost of goods is the cost of acquiring the products that a company sells during the period and includes impairment of inventory, scrapping and obsolescence write-down.

Provisions
Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses. The provision is calculated on the basis of the best estimate of anticipated expenses. If the effect is material, anticipated future cash flows will be discounted using a current pre-tax interest rate that reflects the risks specific to the provision.

Critical estimates and significant accounting judgements
Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates, by definition, will seldom equal the related actual results. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below and disclosed in the relevant notes.

- Deferred tax assets (Note 9 Tax)
- Impairment of intangible assets (Note 10 Intangible assets)
- Depreciation of property, plant and equipment (Note 12 Property, plant and equipment)

Accounting estimates made by the Group's management are based on information available to management at the time each estimate is made. Accordingly, actual outcomes may differ materially from current expectations under different assumptions and conditions. The significant judgements that management has made in applying its accounting policies, and the estimates and assumptions for which there is a significant risk of a material adjustment to the Financial Statements within the next financial year, are set out below and disclosed in the relevant notes.

- Critical judgements in recognizing revenue, joining fees (Note 4 Revenue, contract assets and advance payments from customers)
- Critical judgements in recognizing revenue, financing components (Note 4 Revenue, contract assets and advance payments from customers)
- Critical judgements in determining the lease term (Note 11 Leases)

New and amended standards adopted by the Group
The Group has not changed its presentation or accounting principles or adopted new standards that significantly affect the financial reporting in 2024 or the comparison with previous periods.

At the time of preparing the financial statements for 2024, there were no changes in standards, interpretations of standards, or issued but not yet effective standards that are expected to significantly affect the Group's financial statements.

NOTE 3 Segment information

General
The Group's business is primarily the sale of fitness club memberships, personal trainer sessions and retail sales through the fitness clubs 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, Group functions (CFO, Chief Digital Officer, Chief Marketing & Communication Officer, Chief Product Officer and Chief People & Operations Officer), and the Country Managers. 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 head office functions, and other unallocated items.

The Nordic Management Group primarily uses EBITDA[1], EBITDA before impact of IFRS 16[1] and Country EBITDA before impact of IFRS 16[1] 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 percent or more of total revenue.

1) *For additional information about definitions, please see* *Alternative performance measures*.

Revenue recognition
The revenue recognition criteria in the segment information note are based on the Group`s accounting principles and are in accordance with IFRS 15. Please see Note 4 Revenue, contract assets and advance payments from customers for additional information.

Operating segment information

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

EBITDA[1] and EBITDA before impact of IFRS 16[1] reconcile to profit/loss as follows:

EBITDA before impact of IFRS 16[1]	**489**	**152**	**29**	**24**	**44**	**738**
Impact of IFRS 16	466	460	137	141	0	1,204
EBITDA[1]	**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/income	-79	-18	0	1	-12	-108
Profit/loss for the year	**376**	**58**	**3**	**-51**	**-60**	**326**

FINANCIAL YEAR 2023						
Revenue						
Membership revenue	1,763	1,281	390	436	0	3,870
Other revenue	389	315	76	80	3	864
Total revenue	**2,153**	**1,597**	**466**	**516**	**3**	**4,734**

EBITDA[1] and EBITDA before impact of IFRS 16[1] reconcile to profit/loss as follows:

EBITDA before impact of IFRS 16[1]	**387**	**185**	**25**	**-13**	**29**	**614**
Impact of IFRS 16	472	420	133	145	0	1,170
EBITDA[1]	**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/income	-44	-22	0	1	-24	-89
Profit/loss for the year	**301**	**95**	**3**	**-98**	**-77**	**224**

1) For additional information about definitions, please see 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.

Financial statement per segment
Segments' assets and liabilities are measured in the same way as in the financial statements. The assets are allocated based on the operations of the segment and the physical location of the asset. The Group's borrowings and derivative financial instruments are not considered to be segment liabilities but are managed by the treasury function.

SATS Group	Norway	Sweden	Finland	Denmark	Group functions and other	**Total**
(Amounts in NOK million)						
FINANCIAL YEAR 2024						
Total non-current intangible assets	1,674	232	674	5	75	2,661
Non-current tangible assets[1]	2,034	2,184	615	616	0	5,449
Total non-current financial assets	0	0	0	41	48	89
Deferred tax asset	57	64	25	1	39	185
Current assets	1,009	278	174	-65	-444	952
Total assets	**4,773**	**2,759**	**1,487**	**598**	**-282**	**9,336**
Total liabilities	**2,146**	**2,609**	**809**	**1,354**	**1,073**	**7,991**
Investments	86	88	16	44	52	287
FINANCIAL YEAR 2023						
Total non-current intangible assets	1,673	225	642	10	78	2,628
Non-current tangible assets[1]	2,015	2,015	618	627	0	5,275
Total non-current financial assets	0	1	0	46	53	100
Deferred tax asset	58	64	23	1	31	178
Current assets	723	309	150	-8	-371	802
Total assets	**4,468**	**2,613**	**1,434**	**676**	**-208**	**8,983**
Total liabilities	**2,221**	**2,477**	**794**	**1,347**	**1,124**	**7,963**
Investments	53	44	15	15	39	167

1) Non-current tangible assets consist mainly of right-of-use assets, capitalized improvements on the leased fitness club facilities, and fitness equipment and exclude financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts.

NOTE 4 Revenue, contract assets and advance payments from customers

Disaggregation of revenue
In accordance with IFRS 15, management analyzes the revenue contracts with customers and disaggregates the revenue into the following product categories, which depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors:

- Membership fees, consisting of subscription and joining fees
- Other revenue, mainly consisting of personal training (PT) and product sales

Revenue from customers is disaggregated in the table below by geographical location, type of product, the timing of the reception of revenue, and segment.

Revenue recognition
SATS recognizes as revenue the agreed transaction price in the contract with the customer at the time when the Group transfers the control of a distinct product or service to a customer. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is recognized net of VAT, discounts and foreign exchange effects if the transaction is in a foreign currency. Intra-group sales are eliminated on consolidation.

Critical judgements in recognizing revenue, financing components
The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Membership fees
Membership subscription fees
The main product from SATS is fitness club memberships, where customers receive access to one or more of the Group's fitness club facilities. Most SATS memberships entail access during all opening hours, giving the customer access to utilize the facilities at their own discretion, and should be defined as a service arrangement. The subscription members simultaneously receive and consume the fitness club services provided by SATS, and SATS therefore satisfies its performance obligation to its customers over time. Consequently, membership subscription revenue is also recognized over time.

The customers enter into a contract with SATS when signing up for a subscription, through the website registration page, at a fitness club, or through customer service or sales representatives. The customer chooses the preferred subscription arrangement, where the terms, adjusted for any given discounts, are the same for all customers. The normal binding subscription period is twelve months, during which neither SATS nor the customer can terminate the subscription.

Revenue related to sales of fitness club membership is recognized over the subscription period.

Discounts with binding agreements
For some sales campaigns, customers can receive free months if they agree to a corresponding addition to the binding subscription period. The transaction price will be calculated based on the monthly subscription fee multiplied by the commitment period, i.e., twelve months of monthly fee payments over a thirteen-month subscription period.

Joining fees
When a customer signs up for a fitness club membership, a joining fee will be charged to the overall subscription amount. For this fee, the new members receive a membership registration, an automatic payment arrangement, and one free PT introduction session. The introduction session has commercial value to the customer, and normally the customer utilizes the PT introduction session the first month after the contract inception date.

Critical judgements in recognizing revenue, joining fees
Management has made the assessment that the PT introduction session is the key performance obligation related to the joining arrangement, and the joining fee is consequently recognized as revenue at the subscription contract inception date. All other revenue related to membership subscriptions is recognized over the membership period.

Revenue recognition – Other revenue
PT sessions
PT sessions, where customers receive advice, inspiration and guidance from a certified fitness instructor, are offered as an additional service to SATS membership subscribers. PT sessions can be purchased individually or as prepaid access cards containing a given number of sessions. The price of a PT session is determined by the experience level of the instructor, the number of participants at each session and the number of prepaid sessions included in the access cards. Since the customer simultaneously receives and consumes the benefits provided by the PTs as the sessions unfold, the performance obligation is satisfied when the session is delivered. Revenue related to PT sessions is thus recognized at the point in time when the session is carried out.

Product sales
Various fitness and training products, like sportswear, fitness gear, bars and energy drinks, are sold at the SATS fitness club retail areas.

Sales are recognized when control of the products has been transferred, which is the point in time when the products are delivered to the customer. Payment of the transaction price is due immediately when the customer purchases the product and takes delivery in-store. The Group has a limited return policy for the customers, which does not materially affect the revenue recognition from the sale of goods.

Disaggregation of revenue from contracts with customers

	Membership revenue	Other revenue	**2024**
(Amounts in NOK million)			
Norway	1,887	378	2,265
Sweden	1,397	311	1,708
Finland	422	79	501
Denmark	487	102	589
Group functions and other	0	1	1
Revenue from contracts with customers	**4,193**	**871**	**5,064**
Point-of-time revenue recognition			
Other revenue			871
Membership revenue[1]			41
Total point-of-time revenue recognition			**913**
Period-of-time revenue recognition			
Membership revenue			4,151
Total period-of-time revenue recognition			**4,151**

	Membership revenue	Other revenue	**2023**
(Amounts in NOK million)			
Norway	1,763	389	2,153
Sweden	1,281	315	1,597
Finland	390	76	466
Denmark	436	80	516
Group functions and other	0	3	3
Revenue from contracts with customers	**3,870**	**864**	**4,734**
Point-of-time revenue recognition			
Other revenue			864
Membership revenue[1]			41
Total point-of-time revenue recognition			**905**
Period-of-time revenue recognition			
Membership revenue			3,829
Total period-of-time revenue recognition			**3,829**

[1)] *Consists of joining fee and invoicing fee.*

Contract assets and contract liabilities
Contract assets and contract liabilities (advance payments from customers) are disclosed in the Statement of financial position.

Practical expedient
Management expects that a minimum of 90 percent of the transaction price allocated to the unsatisfied contracts as at December 31 will be recognized as revenue during the next financial year. The remaining 10 percent is expected to be recognized in the financial year thereafter. The amount disclosed above does not include variable consideration.

Contract assets
Contract assets are recognized whenever a performance obligation is satisfied before consideration is received and relates mainly to PT subscription arrangements where the customer can pay the consideration over an extended credit period. Access to 25 PT sessions is normally paid over six months, whereas access to 50 PT sessions is normally paid over twelve months. Contract assets are assessed for impairment in accordance with IFRS 9. As at December 31, 2024, contract assets have been reviewed for impairment, with no material impaired charge recognized.

Contract liabilities (Advance payments from customers)
Advance payments from customers are recognized if SATS receives consideration or if it has the unconditional right to receive consideration in advance of performance. A large portion of the Group's customers pay the monthly membership subscription fee in advance, and these prepayments are recognized as non-financial debt and will be settled in the Group's revenue. Non-redeemed gift cards relate to prepayments from customers related to the use of PT training sessions. Non-redeemed gift cards are recognized as revenue at the card's expiry date, normally after one year.

The following table shows the revenue recognized in 2024 that relates to advance payments from customers.

Contract liabilities	**2024**
(Amounts in NOK million at December 31)	
Contract liabilities as at the balance sheet date	
Membership subscriptions	430
Gift cards	1
PT sessions	244

Revenue recognized from contract liabilities	**2024**
(Amounts in NOK million)	
Revenue recognized in this period that was included in the contract liability balance at the beginning of the period	
Membership subscriptions	379
Gift cards	1
PT sessions	182

Compensation packages related to COVID-19
Compensation packages related to COVID-19 and club closure across the club network are recorded as other revenue. In 2024, there was compensation received amounting to NOK 18 million. No COVID compensation was received in 2023.

NOTE 5 Personnel expenses

Employee benefits
Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits and accumulated sick leave, that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period. The liabilities are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Personnel expenses	**2024**	2023
(Amounts in NOK million)		
Salary expenses including bonuses, holiday pay and other costs	-1,568	-1,422
Social security contributions	-200	-179
Pension costs	-93	-77
Total personnel expenses	**-1,861**	**-1,677**

Full-time equivalents	**2024**	2023
Norway	858	894
Sweden	877	841
Finland	260	289
Denmark	263	237
Total	**2,258**	**2,261**

Personnel expenses increased while the number of full-time equivalents remained at the same level as in 2023. The increase in personnel expenses is primarily attributed to higher salaries and a weaker NOK, leading to higher personnel expenses when translating foreign currency financials.

Pensions
Short-term obligations
Norway
Norwegian companies are required to have occupational pension schemes according to the law on compulsory occupational pension. The Norwegian companies' pension schemes meet the requirements of this act. The pension plans cover all employees and are reported as defined contribution under IFRS.

Sweden
Swedish companies are not required to provide occupational pension plans by Swedish law. However, employers covered by a Swedish collective bargaining agreement (CBA) are required to provide an occupational pension plan in accordance with the CBA. The Swedish legal entities' pension plans satisfy the requirements stipulated in the Swedish CBA. The pension plans cover all employees and are reported as defined contribution under IFRS.

Finland
Finnish companies are required to have occupational pension arrangements according to the laws and rules that apply to Finland. The Finnish companies' pension plans meet the requirements according to Finnish laws and regulations. The pension plans cover all employees and are reported as defined contribution under IFRS.

Denmark
Danish companies are not required to provide occupational pension plans by Danish law. Employees are thus not entitled to occupational pension schemes unless (a) the employment is covered by a collective agreement containing stipulations regarding pension or (b) it is explicitly agreed in the employment contract. The Danish companies' pension plans meet the requirements according to these regulations. The pension plans are reported as defined contribution under IFRS.

As at December 31, 2024, the Group had obligations of NOK 18 million (NOK 10 million as at December 31, 2023). As at December 31, 2024, and December 31, 2023, the scheme covered 7 393 (6 932) employees.

The Group recognized an expense of NOK 93 million in 2024 (NOK 77 million in 2023) related to defined contribution plans.

Employee share purchase program (ESPP)
A share-based investment program was approved at the Company's annual general meeting held on May 26, 2020. All the employees of the Group were offered to purchase shares in the Company for a maximum amount, which depended on their position, with a 15–25 percent discount on the share price. The size of the discount depended on the duration of the lock-up obligation. Since the first initiation, the program has been offered on an annual basis and in total 368 employees have applied for shares in the company.

In 2023, a total of 393,660 shares were aquired by Sondre Gravir and 2,524,339 by other key employees. The price paid per share was NOK 5.08, which included a discount of 25 percent. The pre-discounted price is the volume-weighted average share price during the ten trading days prior to the expiry of the application period. The transfer of shares under the program reduced treasury shares within equity by NOK 14.8 million. In 2024, a total of 372,223 shares were aquired by key employees. The price paid per share was NOK 12.39, which included a discount of 25 percent. The pre-discounted price is the volume-weighted average share price during the ten trading days prior to the expiry of the application period. The transfer of shares under the program reduced treasury shares within equity by NOK 4.6 million.

As part of the share investment program, certain senior executives and other key employees, may be rewarded additional shares in the company without consideration (matching shares) at a ratio of 0.33:1 based on the number of shares acquired under the program, subject to certain conditions being fulfilled. The conditions for awarding matching shares acquired in 2021 have been fulfilled, and the Board of Directors has therefore during 2024 resolved to award a total of 67 819 shares to 9 Participants in the 2021 Share Investment Program.

Management and Board remuneration
Compensation to senior executives is detailed below.

	2024	2023
(Amounts in NOK million)		
Salary	18	16
Other benefits	2	1
Pension benefits	3	2
Performance based bonus	9	8
Share Based Remuneration	1	3
Total remunination for Senior executives	**33**	**31**

Remuneration to the members of the Board is summarized below.

	2024	2023
(Amounts in NOK million)		
Total fees for Board of Directors	**2**	**2**

More detailed information on the compensation to the Group's Senior executives and members of the Board of Directors is provided in a separate remuneration report prepared in accordance with the Norwegian Public Limited Liability Companies Act § 6-16b. The report for the financial year 2024 is published on SATS' website www.satsgroup.com under "General meetings".

NOTE 6 Other operating expenses

Other operating expenses	**2024**	2023
(Amounts in NOK million)		
Property expenses[1]	-660	-657
Marketing expenses	-119	-110
IT expenses	-138	-133
Other operating expenses	-202	-236
Total other operating expenses	**-1,119**	**-1,136**

1) Property expenses consist of electricity, water, janitorial expenses, maintenance and short-term lease expenses for which the underlying asset is of low value and hence IFRS 16 is not applied.

Please see Note 19 Accounts receivables and other current receivables.

Auditor's remuneration	**2024**	2023
(Amounts in NOK million)		
Expensed auditor fees:		
Statutory audit		
Deloitte Norway	-4	-4
Deloitte abroad	-2	-2
Other attestation and assurance services		
Deloitte Norway[1]	-1	0
Total auditor's remuneration	**-7**	**-5**

1) In other attestation and assurance services for the year 2024, the attestation and assurance of the sustainability report is included with NOK 0.6 million.

NOTE 7 Realized net gain/loss

Realized net gain/loss	**2024**	2023
(Amounts in NOK million)		
Realized net foreign exchange gains/losses	-81	17
Total realized net gain/loss	**-81**	**17**

NOTE 8 Net financial items

Interest income and other financial income	**2024**	2023
(Amounts in NOK million)		
Interest income financial institutions	39	50
Foreign exchange gains unrealized	87	35
Foreign exchange gains realized	1	20
Net gain derivatives unrealized	17	43
Other financial income	11	8
Total interest income and other financial income	**154**	**156**

Interest expense and other financial expenses	**2024**	2023
(Amounts in NOK million)		
Interest expense financial institutions	-88	-171
Interest on lease liabilities	-246	-224
Foreign exchange losses realized	-79	0
Net loss derivatives unrealized	-37	-47
Net loss derivatives realized	-4	0
Other financial expenses	-11	-8
Total interest expense and other financial expenses	**-465**	**-450**
Net financial items	**-310**	**-293**

NOTE 9 Tax

Income tax
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The Group has assessed the applicability of the OECD Pillar 2 rules and concluded that it is not in scope. Therefore, no impact on the Group's tax position is expected.

Tax expense	**2024**	2023
(Amounts in NOK million)		
Tax payable	-86	-18
Change in deferred tax	-22	-72
Total tax income	**-108**	**-89**

Below is a specification of the tax effects of temporary differences and losses carried forward:

Deferred tax liabilities	**2024**	2023
(Amounts in NOK million at December 31)		
Intangible assets	28	27
Gain and loss account	5	7
Financial instruments	30	9
Untaxed reserves	32	29
Revenues	3	2
Other items	6	3
Total deferred tax liabilities relating to temporary differences	**103**	**78**
Carrying amount deferred tax liabilities	**103**	**78**

Deferred tax assets	**2024**	2023
(Amounts in NOK million at December 31)		
Fixed assets	48	50
Leasing	76	73
Receivables	10	11
Losses carried forward	19	19
Interest	33	26
Total deferred tax assets relating to temporary differences and losses carried forward	**185**	**178**
Carrying amount deferred tax assets	**185**	**178**

Explanation of the change in the deferred tax assets and liabilities:	**2024**	2023
(Amounts in NOK million)		
Net carrying amount deferred tax at January 1	100	168
Charge to profit or loss	-22	-72
Charge direct to equity	-1	-1
Exchange differences	5	5
Net carrying amount deferred tax at December 31	**82**	**100**

Losses carried forward as at December 31	**2024**	2023
(Amounts in NOK million)		
Tax jurisdiction:		
Norway (unlimited expiration)	0	0
Finland	205	222
Denmark (unlimited expiration)	1,037	947
Sweden (unlimited expiration)	94	93
Total losses carried forward	**1,336**	**1,262**

Losses carried forward as at December 31, 2024 – Finland

Unused tax losses incurred	Expiration year	Unused tax losses
(Amounts in NOK million)		
2016	2026	15
2017	2027	23
2020	2030	38
2021	2031	93
2022	2032	36
Total losses carried forward as at December 31, 2024		**205**

Significant estimates on deferred tax assets
Deferred tax assets recognized as at December 31, 2024, have been estimated based on future profitability assumptions over a five-year horizon, and the deferred tax assets are recognized only to the extent that it is probable that they will be realized.

The unused tax losses in SATS Finland are not recognized in the Group's balance sheet as at the balance sheet date due to uncertainty surrounding whether future taxable profits will be available to offset the unused tax losses within a reasonable time frame. The Finnish entity showed good prospects with underlying growth in all clusters in 2019 before the pandemic and is expected to utilize unused tax losses when the revenue are back to pre-COVID-19 levels. In 2024, the Finnish entity utilized losses carried forward from previous years and indicated that it will be able to continue using them in the next few years. The tax losses must be utilized according to the table above.

The recognized deferred tax asset of NOK 25 million in Finland as at the balance sheet date of December 31, 2024, is related to depreciation differences on fixed assets.

At the balance sheet date of December 31, 2024, no deferred tax assets were recognized in Denmark due to uncertainty surrounding whether future taxable profits will be available to offset the unused tax losses within a reasonable time frame.

SATS Sports Club Sweden AB and SATS Holding AB have losses carried forward of NOK 94 million that are recognized in the balance sheet as at December 31, 2024. As a consequence of acquisitions of subsidiaries within the Swedish segment followed by mergers with SATS Sports Club Sweden AB, the losses are frozen and cannot be utilized until 2027. Additional acquisitions followed by mergers will result in a prolonged frozen period.

The Group has in total a net deferred tax asset of NOK 270 million not recognized in the balance sheet as at December 31, 2024, consisting of losses carried forward and deferred tax assets on leasehold improvement, equipment, re-establishment obligation, provision for bad debts and deferred tax on goodwill and customer relations.

Reconciliation of tax expense	**2024**	2023
(Amounts in NOK million)		
Profit/loss before tax		
Norway	454	341
Sweden	28	68
Finland	3	3
Denmark	-52	-98
Corporate tax rates		
Norway, 22%	-100	-75
Sweden, 20.6%	-6	-14
Finland, 20%	-1	-1
Denmark, 22%	11	22
Reconciling items:		
Non-deductible expenses	-2	-4
Unused tax losses not recognized as deferred tax assets	-10	-20
Foreign currency effects	0	2
Other	-1	1
Calculated tax expense	**-108**	**-89**
Weighted average tax rate	24.9%	28.5%

NOTE 10 Intangible assets

Goodwill
Goodwill on acquisitions of subsidiaries is included in intangible assets. 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 carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The Group tests goodwill annually at year-end for impairment. The method used to estimate the recoverable amount is value in use, based on discounted cash flow analysis (DCF). Based on the value-in-use calculation, the estimated recoverable amount exceeds the carrying amount with significant headroom for most CGUs.

Software
Costs associated with maintaining software programs are recognized as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when the following criteria are met:
- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use. Capitalized costs for internally developed software are amortized over the estimated period of usage: three years. Amortization is presented in the line Depreciation and amortization.

Goodwill	Norway	Sweden	Finland	Denmark	**Total goodwill**
(Amounts in NOK million)					
At January 1, 2023					
Cost	1,868	209	611	0	2,687
Accumulated impairment	-199	0	-10	0	-209
Net book value	**1,669**	**209**	**601**	**0**	**2,478**
Year ended December 31, 2023					
Opening net book value	1,669	209	601	0	2,478
Effect of changes in foreign exchange cost	0	15	42	0	56
Closing Net book value	**1,669**	**223**	**642**	**0**	**2,535**
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**
Year ended December 31, 2024					
Opening net book value	1,669	223	642	0	2,535
Effect of changes in foreign exchange cost	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	Customer relations	Trademark	Internally developed software[1]	Other	**Total other intangible assets**
(Amounts in NOK million)					
At January 1, 2023					
Cost	68	267	447	4	785
Accumulated amortization and impairment	-44	-266	-363	-4	-676
Net book value	**25**	**1**	**84**	**0**	**109**
Year ended December 31, 2023					
Opening net book value	25	1	84	0	109
Effect of changes in foreign exchange cost	3	0	32	0	36
Effect of changes in foreign exchange accumulated depreciation	-2	0	-27	0	-29
Additions	0	0	39	0	39
Amortization charge	-11	0	-52	0	-62
Closing Net book value	**15**	**1**	**77**	**0**	**93**
At December 31, 2023					
Cost	72	267	519	0	857
Accumulated amortization and impairment	-56	-266	-442	0	-764
Net book value	**15**	**1**	**77**	**0**	**93**
Year ended December 31, 2024					
Opening net book value	15	1	77	0	93
Effect of changes in foreign exchange cost	2	0	9	0	11
Effect of changes in foreign exchange accumulated depreciation	-2	0	-8	0	-9
Additions	0	0	63	0	63
Amortization charge	-9	0	-58	0	-67
Closing Net book value	**7**	**1**	**83**	**0**	**91**
At December 31, 2024					
Cost	74	267	590	0	931
Accumulated amortization and impairment	-67	-266	-507	0	-840
Net book value	**7**	**1**	**83**	**0**	**91**
Useful life	3–7 years	10 years	3 years	1–10 years	
Amortization method	Straight-line	Straight-line	Straight-line	Straight-line	

[1] *Software consists of capitalized development expenditure and is an internally generated intangible asset.*

Impairment of assets
Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Significant estimates on impairment of intangible assets
Recognized goodwill and internally developed software are material to the 2024 financial statements as a whole, and users of the Group's financial statements should note the inherent uncertainty pertaining to the valuation of intangible assets. The acquisition method was used to account for the historic business combinations' results in the goodwill amount. Internally developed software has been recognized at historic cost, has a finite useful life, and is subsequently carried at cost less accumulated amortization and impairment losses.

Goodwill
Goodwill is recognized at NOK 2,570 million as at the balance sheet date. The Group tests on an annual basis whether goodwill has suffered any impairment. For the 2024 and 2023 reporting periods, the recoverable amount of the cash-generating units (CGUs) was determined based on value-in-use calculations, which require the use of several assumptions. The calculations use cash flow projections for Norway, Sweden, Finland and Denmark based on financial budgets and prognoses approved by management covering a five-year period. Cash flows beyond these periods are extrapolated using the estimated growth rates. These growth rates are consistent with forecasts included in economic outlook reports specific to the area in which each CGU operates.

Internally developed software
Internally developed software is recognized at NOK 83 million per the balance sheet date. The Group estimates the useful life of internally developed software to be three years based on the expected useful economic life of the assets. However, the actual useful life may be shorter or longer than three years, depending on software innovations, technical obsolescence of existing solutions and competitor actions.

Impairment test: Key assumptions used for value-in-use calculation
The fitness clubs in Norway, Sweden, Finland and Denmark (the segments) are considered to be the four cash-generating units (CGU) against which goodwill and trademark are tested. The members can move freely between the fitness clubs within each country. Allowing members to exercise where they live, work, etc., is an important part of the Group's customer offering. The Nordic Management Group also monitors the Group's performance at segment level. Norway, Sweden, Finland and Denmark are therefore deemed the smallest groups of assets that independently generate cash flow and whose cash flow is largely independent of the cash flows generated by other assets. The recoverable amount from the CGU is calculated by taking the historical cash flows for CGUs, taking into account expectations for moderate growth in the Norwegian, Swedish, Finnish and Danish markets.

In connection with the impairment testing of goodwill, a sensitivity analysis has been carried out. The sensitivity analysis tested changes in WACC and growth rates. All relevant CGUs have satisfactory headroom. The estimates used to determine future cash flows and WACC when calculating value in use are subject to uncertainty. The assumptions are described below.

Market outlook
As society increasingly emphasizes health and wellness, alongside significant global trends like political health initiatives and digital transformation, awareness around fitness is on the rise. This shift is driving growth within the health and wellness sector. Fitness clubs, particularly full-service operators, are pivotal to the health and wellness landscape and have the potential to expand into related areas. The Nordic region stands out as the most advanced market in Europe regarding membership penetration. Although the markets exhibit fragmentation in terms of value, clubs, and membership numbers, there remains substantial potential for consolidation. Nordic markets demonstrate a "penetration premium" compared to the rest of Europe and are expected to maintain this advantage. Membership fees in Nordic fitness clubs are the most affordable in Europe, particularly when considered against overall leisure spending and similar offerings.

SATS sees several avenues for growth going forward, and we continue to follow the strategy we set several years ago. We will keep growing the club portfolio, filling out our existing clusters and potentially also entering new attractive clusters. We also see the opportunity of improving the average revenue per member by offering adjacent products and services, continued development of our personal training and retail offering, and pricing optimization. We continue to improve the scale and platform advantages as the operating leverage drives a high drop-through of incremental revenue. In addition, we will focus on club and overhead cost discipline.

Budget assumptions
When impairment testing tangible/intangible fixed assets, management has used a five-year discounted cash flow to assess the value in use. Estimated future EBITDA (operating profit before depreciation, amortization, and impairment) is based on budgets for 2025 and business plans (2025–2026) approved by the Board, excluding new clubs not yet opened. Estimated future cash flow is based on budgets and business plans approved by the Board, based on management's best estimate and reflecting the Group's business planning process, and includes an assessment of the long-term market trends and the respective CGU's projected market share for each year within the planning horizon. The calculation takes into account expected future changes in market prices, purchase prices and salary increases. Impairment tests assume continuing operation of the CGUs and are calculated based on a value-in-use method. The calculations use cash flow projections covering a five-year period.

Growth rates
Growth rates for revenue after the business plan period (2025–2026) vary somewhat per country and reflect considerations related to the following affecting volume:
- current trend in underlying KPIs affecting trend (e.g., visits per member, GX-share)
- share of maturing clubs with ample room to grow
- overall free capacity in club portfolio

For 2025 inflation is expected to come down compared to the higher levels we have seen the past few years, and the business plan reflects local CPI levels (as observed per October 2024), both for revenue and cost. For 2027–2029 the impairment model assumes that inflation returns to historical levels and growth in prices and cost have been set at the same level (2.5–3 percent). Risk and uncertainty related to the expected level of inflation are balanced out as prices are expected to increase in line with cost. Given the scalability of the business, this assumption should be considered conservative. Cash flows beyond the five year period are based on an expected growth rate of 2 percent for an indefinite period.

WACC
Future cash flows are discounted to present value using a discount rate based on a calculation of a weighted average cost of capital (WACC). The after-tax discount rates are assumed to reflect specific risks relating to the relevant segments in which they operate. The rates have been adjusted for different interest levels relevant for the segments, but no other country specific risk adjustment has been done as the Nordic region is assumed to be subject to a similar macroeconomic risk profile. This is based on a risk-free rate, plus a risk premium. The market risk premium is assumed to be 4.6 percent in Norway, Sweden and Denmark and 5.2 percent in Finland. The risk-free interest rate is based on the 10-year government bond interest, 3.5 percent in Norway, 2.0 percent in Sweden, 2.5 percent in Finland, and 1.8 percent in Denmark. However, a premium is applied to arrive at a normalized risk-free rate of 2 percent for all countries as a best estimate for the normalized long-term interest rate. Management has not included any premium for project risk, currency risk or country risk for the Group's operations.The beta is based on observations of similar listed companies. The allocation between debt and equity corresponds to SATS' normalized capital structure as of December 2024.

Sensitivity
At December 31, 2024, the Group's value in use for each CGU was higher than the carrying amount of tested goodwill. Sensitivity analyses show that no reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying amount.

WACC	2024	2023
Norway	6.5%	7.4%
Sweden	6.5%	7.4%
Finland	6.9%	7.8%
Denmark	6.5%	7.4%

NOTE 11 Leases

The Group's leasing activities
The Group leases fitness club premises, office buildings, equipment and vehicles. Rental contracts are typically signed for fixed periods of six months to fifteen years but may have extension options as described below. The Group's lease contracts may contain both lease and non-lease components, and SATS allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. However, for leases of certain premises, the Group grants the lessors guarantee contracts on behalf of its subsidiaries. These financial guarantee contracts amounted to NOK 272 million as at December 31, 2024 (NOK 251 million as at December 31, 2023). The guarantees are provided by SATS ASA and SATS Holding AB. In addition, there is one club as at December 31, 2024, where the lease contract does not specify the guarantee amount.

Several of the lease agreements for the fitness clubs include leasehold improvement provided by the lessor as a lease incentive. The assets obtained by the Group are recognized as furniture and fittings at fair value and depreciated over the shorter of their useful life or the lease term.

Rent is annually adjusted for all premises' lease contracts in accordance with the relevant CPI index.

Key accounting principles
Leases are recognized as a lease liability with a corresponding right-of-use asset at the date at which the leased asset is available for use by the Group. Lease contracts with a lease term of less than twelve months and lease contracts for which the underlying asset has a low value are not capitalized since the payments are recognized in the income statement on a straight-line basis over the lease contract period.

SATS presents the right-of-use assets and lease liabilities as separate line-items on the statement of financial position. Lease liabilities are split into current, due within one year, and non-current, due after more than one year. In the statemet of profit or loss, the depreciation and impairment expenses related to the right-of-use asset are presented as part of the total depreciation and impairment expenses. The interest expenses related to the lease liabilities are presented as part of the interest expense.

Lease liabilities
Lease liabilities are recognized at the present value of future lease payments, according to the lease agreement, at the commencement date.

The Group has elected to separate lease and non-lease components included in lease payments for property leases. Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- (if any) amounts expected to be payable under a residual value guarantee; and
- (if any) lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a matching adjustment is made to the carrying amount of the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Upon modification of a lease, the remeasurement of the lease liability is performed using the applicable discount rate at the date of the remeasurement.

Extension and termination options
Most Norwegian and Finnish lease contracts contain renewal options. In Sweden, the fitness club leasing contracts are automatically renewed if not explicitly agreed otherwise. Danish legislation will under normal circumstances grant the lessor a unilateral right to extend the lease term.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of club premises, the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations, club profitability and the costs and business disruption required to replace the leased asset.

Most extension options in premises leases have not been included in the lease liability because the Group could replace the assets without significant cost or business disruption.

Incremental borrowing rate
The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the lessee's incremental borrowing rate is used, which is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group's long-term borrowing interest rate is the applicable IBOR plus a margin dependent on the leverage ratio of the Group. If SATS Group were to acquire the right-of-use assets on similar terms and in a similar economic environment, management expects that the borrowing terms would be comparable to the terms from the current financing agreement with the Group's lenders, adjusted for certain items specific to the lease, such as term, country, currency, security, etc.

Critical judgements in determining the lease term
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options, or periods after termination options, are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not to exercise). The assessment of reasonable certainty is only revised if a significant event or a significant change in the circumstances occurs that affects this assessment and is within the control of the lessee.

Extension options are at the latest reassessed the quarter before the date of the termination option, which in practical terms means that the lease option is added to the lease liability when a quarter of the agreement remains if the agreement is not to be terminated. The Danish lease agreements do not have extension options; instead, the agreements are continuously prolonged until terminated. Six or twelve months (according to the agreement) are continuously added to the lease liability if the agreement is not to be terminated.

For leases of club premises, the following factors are normally the most relevant:
- If there are significant penalties to terminate or not extend, the Group is typically reasonably certain to extend.
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend.
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased premises.

Most extension options have not been included in the lease liability because the Group could replace the assets without significant cost or business disruption.

Commitments in relation to leases are payable as follows:	**2024**	2023
(Amounts in NOK million at December 31)		
Less than 1 year	1,182	1,145
1–2 years	1,074	1,014
2–3 years	956	871
3–4 years	785	763
4–5 years	639	608
More than 5 years	1,229	1,374
Minimum lease payments	**5,866**	**5,775**
Future finance charges	-816	-837
Recognized as a liability	**5,050**	**4,938**

The present value of lease liabilities are as follows:	**2024**	2023
(Amounts in NOK million at December 31)		
Less than 1 year	959	929
1–2 years	894	849
2–3 years	822	747
3–4 years	688	674
4–5 years	572	549
More than 5 years	1,115	1,190
Present value of lease payments	**5,050**	**4,938**

Cash flows from lease agreements	**2024**	2023
Property lease agreements	1,220	1,178
Short-term lease agreements and leases of assets of low value	16	20
Total cash flows from lease agreements	**1,236**	**1,198**

Lease liability	
(Amounts in NOK million)	
At December 31, 2022	**4,535**
Year ended December 31, 2023	
Effect of changes in foreign exchange	181
Additions new lease	219
Effects from exercise of extension options	699
Modification of contractual lease terms	-11
Amortizations	-1,177
Interest expense on lease liabilites	224
Disposals sold clubs	-44
CPI index adjustments	312
Closing Net book value December 31, 2023	**4,938**
At December 31, 2023	**4,938**
Year ended December 31, 2024	
Effect of changes in foreign exchange	84
Additions new lease	113
Effects from exercise of extension options	746
Modification of contractual lease terms	-2
Amortizations	-1,213
Interest expense on lease liabilites	246
Disposals sold clubs	-2
CPI index adjustments	140
Closing Net book value December 31, 2024	**5,050**

Options to extend but not yet started amounts to NOK 314 million as at the balance sheet date (NOK 277 million as at December 31, 2023) and are included in the total lease liability of NOK 5,341 million (NOK 4,938 million as at December 31, 2023).

Lease terms – sensitivity analysis	**2024**	2023
(Amounts in NOK million at December 31)		
Options to extend, not yet committed to	1,838	1,484
Leases not yet commenced, to which the lessee is committed	41	94

Options to extend, not yet committed to is the present value of extension options that are not included in Lease liabilites as at the balance sheet date. Leases not yet commenced, to which the lessee is commited is the present value of lease liabilities for clubs not yet opened as at the balance sheet date. NOK 41 million relates to two clubs in Sweden.

Right-of-use assets
The Group recognizes a right-of-use asset at the lease commencement date. Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, adjusted for lease payments made at or before the commencement date, any lease incentives received, initial direct costs, and restoration costs. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by any impairment charges and adjusted for certain remeasurements of the lease liability. In 2024, there were no indications of impairment; hence, no impairment test has been undertaken for right-of-use assets, and no impairment charge to right-of-use assets was recognized as at the reporting date.

RoU assets	Premise rental	Other leases	**Total RoU assets**
(Amounts in NOK million)			
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**
Year ended December 31, 2023			
At January 1, 2023	4,152	9	4,161
Additions/disposals	1,175	5	1,180
Effect of changes in foreign exchange cost	298	4	302
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**
Year ended December 31, 2024			
At January 1, 2024	4,563	7	4,570
Additions/disposals	989	4	993
Effect of changes in foreign exchange cost	164	3	167
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	

Amounts recognized in profit and loss	**2024**	2023
(Amounts in NOK million)		
Depreciation expense on right-of-use assets	-985	-940
Interest expense on lease liabilities	-246	-224
Expense relating to short-term leases and leases of low value	-19	-17

NOTE 12 Property, plant and equipment

Property, plant and equipment
All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Significant estimates on depreciation of property, plant and equipment
The Group's assessment of the useful life of property, plant and equipment is determined by the expected useful economic life of the assets, and is based on management's judgement and previous experience. Due to the significant historic investments in leasehold improvements and other fitness equipment, any deviation between actual and estimated useful lives could have a material effect on the consolidated financial statement.

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 exercise equipment has been prolonged by two years compared to the previous year, from 5–9 years to 7–12 years. As a result of this adjustment, depreciation expenses for the current period have decreased by NOK 21 million.

Physical climate risk such as changes to weather patterns and severity of rain, wind, flooding, and other events impacts our assessment. SATS has not identified material assets expected to have a significantly shorter life due to climate-related risks. For more information about climate risks in SATS, please see the section on Climate change in this report.

Property, plant and equipment	Leasehold improvements[2]	Fitness equipment	Other equipment, fixtures and fittings	**Total fixed assets**
(Amounts in NOK million)				
At January 1, 2023				
Cost	1,431	935	503	2,868
Accumulated depreciation and impairment	-1,001	-702	-443	-2,146
Net book value	**431**	**233**	**59**	**723**
Year ended December 31, 2023				
Opening net book value	431	233	59	723
Effect of changes in foreign exchange cost	63	34	16	114
Effect of changes in foreign exchange accumulated depreciation	-44	-24	-14	-82
Additions	49	57	21	127
Disposals cost	-42	-13	-31	-86
Disposals accumulated depreciation	41	12	31	84
Depreciation charge	-88	-59	-28	-175
Closing Net book value	**411**	**240**	**54**	**705**
At December 31, 2023				
Cost	1,502	1,013	509	3,024
Accumulated depreciation and impairment	-1,091	-773	-455	-2,319
Net book value	**411**	**240**	**54**	**705**
Year ended December 31, 2024				
Opening net book value	411	240	54	705
Effect of changes in foreign exchange cost	29	17	8	54
Effect of changes in foreign exchange accumulated depreciation	-22	-13	-7	-41
Additions	116	81	27	224
Disposals cost	-316	-27	-73	-416
Disposals accumulated depreciation	314	27	73	413
Depreciation charge[1]	-85	-36	-26	-146
Closing Net book value	**447**	**289**	**56**	**792**
At December 31, 2024				
Cost	1,331	1,085	470	2,886
Accumulated depreciation and impairment	-885	-796	-414	-2,094
Net book value	**447**	**289**	**56**	**792**
Useful life	10 years[2]	7 – 12 years	3 – 7 years	
Depreciation method	Straight-line	Straight-line	Straight-line	

1) With effect from January 1, 2024, the Group has changed the estimated useful life of fitness equipment from 5–9 years to 7–12 years. As a result of this adjustment, depreciation expenses for the current period have decreased by NOK 21 million.

2) Leasehold improvements relate to refurbishments of leased premises. These lease contracts have a contract period of ten years or beyond. The depreciation period is estimated to correspond with the expected economic useful life of the improvement. Expected useful life is adjusted if the contract period is altered before initial expiration date.

NOTE 13 Other non-current receivables

Other non-current receivables
Other non-current receivables are measured at amortized cost using the effective interest method. Please see Note 22 Financial risk factors for a description of the Group's credit risk assessment and Note 25 Related parties for more information about loan to related parties.

(Amounts in NOK million at December 31)	**2024**	2023
Deposits	41	46
Loan to related parties	15	17
Total other non-current receivables	**56**	**63**

NOTE 14 Group structure

The consolidated financial statements include the following companies:

Subsidiaries	Corporate ID number	Business office	Country	Voting percentage	Ownership percentage
SATS Holding AB	556628-6562	Stockholm	Sweden	100%	100%
SATS Sports Club Sweden AB	556563-2527	Stockholm	Sweden	100%	100%
SATS Finland Oy	0459885-5	Helsinki	Finland	100%	100%
Fresh Fitness AS	995-415-569	Oslo	Norway	100%	100%
SATS Norway AS	892-625-522	Oslo	Norway	100%	100%
SATS Vest AS	948-942-003	Oslo	Norway	100%	100%
SATS Danmark A/S	20-37-05-99	Copenhagen	Denmark	100%	100%

Please see Note 10 Intangible assets for further information on impairment testing.

NOTE 15 Inventories

Inventories
Inventories consist mainly of clothing, sports equipment, energy bars and soft drinks. Inventories are measured at the lower of cost and net realizable value using the first-in first-out (FIFO) method. The Group's inventories only consist of finished goods for sale to customers. The cost of inventories consist of direct costs related to the acquisition of the goods. Net realizable value is the estimated sales price less relevant variable costs to sell. Costs of purchased inventory are determined after deducting rebates and discounts.

(Amounts in NOK million at December 31)	**2024**	2023
Inventories at cost	56	55
Impairment	-3	0
Total inventories	**54**	**55**

NOTE 16 Accounts receivable and other current receivables

Accounts receivable
Accounts receivables are measured at amortized cost using the effective interest method, less provision for impairment. Please see Note 22 Financial risk factors for a description of the Group's credit risk assessment.

Impairment of accounts receivable and contract assets (financial asset at amortized cost)
Accounts receivables, contract assets and other current receivables are measured at amortized cost. Impairment losses are measured at lifetime expected credit losses in accordance with IFRS 9.

SATS' impairment model regarding accounts receivable, contract assets and other current assets is a simplified approach based on lifetime expected credit losses (ECL). Impairment is based on an estimate of the probability of default for the financial assets reflecting an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes: the time value of money and reasonable available information related to past events, current conditions and forecasts of future economic conditions.

SATS uses an impairment model with the following characteristics:

- The receivables are aggregated into portfolios based on the credit risk of the customers and type of receivable. One portfolio is the receivables where invoicing occurs automatically. This portfolio has a comparatively low risk of default, and therefore an impairment loss is recognized based on the expectation of a few of the accounts not being paid. Another portfolio is the receivables for customers in the first year of membership that have a non-cancellable agreement. The credit risk for these receivables is higher than the automatic payment portfolio, and an impairment loss is recognized on these receivables.
- For the receivables with a high/higher probability of default, a provision matrix is developed based on known sales and the historic default rates for these sales. The provision matrix is based on the probability of expected losses, so even receivables not yet in default have an impairment loss recognized.
- On top of the provision matrix, an individual assessment is performed on specific customer receivables, typically if a customer has declared bankruptcy. Receivables are also assessed for credit risk on a country-by-country basis.

Loss allowance and ageing of accounts receivables	**2024**	2023
(Amounts in NOK million at December 31)		
Accounts receivables	345	318
Loss allowance	-186	-181
Total	**159**	**136**

Age of accounts receivables	**2024**
Not due	87
30–60 days	39
60–90 days	11
90–120 days	6
120–365 days	40
>365 days	163
Total accounts receivables, gross	**345**
Total accounts receivables, net	**159**
Loss allowance at December 31, 2023	-181
Reversals during the year	1
Provisions during the year	-6
Loss allowance at December 31, 2024	**-186**

Other current receivables	**2024**	2023
(Amounts in NOK million at December 31)		
Credit cards	6	7
VAT receivables	28	20
Prepaid taxes	30	22
Other current receivables	67	37
Total other current receivables	**131**	**86**

Prepaid expenses and accrued income	**2024**	2023
(Amounts in NOK million at December 31)		
Prepaid rent	27	26
Prepaid property expenses	27	31
Prepaid marketing expenses	8	30
Contract assets	104	71
Other prepaid expenses	72	80
Total prepaid expenses and accrued income	**237**	**237**

NOTE 17 Cash and cash equivalents

Cash and cash equivalents
For the purpose of presentation in the Statement of cash flows, cash and cash equivalents include cash on hand, deposits and restricted deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

	2024	2023
(Amounts in NOK million at December 31)		
Cash and cash equivalents	371	282
Of which are restricted cash:		
Restricted bank deposits for employee tax withholdings	23	23

Please see Note 22 Financial risk factors for further information about the Group's credit risk management.

NOTE 18 Share capital

As at December 31, 2024, share capital amounted to NOK 435 million consisting of 204,694,588 ordinary shares at a face value of NOK 2.1250 per share.

Overview of the shareholders as at December 31, 2024

Shareholder	Number of ordinary shares	Ownership percentage	Voting percentage
TG Nordic Invest	46,347,035	22.6%	22.6%
Salt Value AS	8,726,865	4.3%	4.3%
Maaseide Holdco AS	7,990,976	3.9%	3.9%
Sats Management Invest AS	7,591,213	3.7%	3.7%
J.P. Morgan SE, SE	5,596,154	2.7%	2.7%
Verdipapirfondet KLP AksjeNorge	5,257,569	2.6%	2.6%
VPF DNB AM Norske Aksjer	5,193,380	2.5%	2.5%
J.P. Morgan SE, FIN	5,193,380	2.5%	2.5%
Funkybiz AS	5,000,000	2.4%	2.4%
The Bank of New York Mellon SA/NV, UK	4,096,066	2.0%	2.0%
Vevlen Gård AS	3,900,000	1.9%	1.9%
Morgan Stanley & Co. Int. Plc.	3,562,534	1.7%	1.7%
The Bank of New York Mellon SA/NV, IE	3,088,000	1.5%	1.5%
Skandinaviska Enskilda Banken AB	2,949,885	1.4%	1.4%
UBS AG	2,890,702	1.4%	1.4%
J.P. Morgan SE, LU	2,772,305	1.4%	1.4%
N.A. Citibank	2,734,868	1.3%	1.3%
VPF Sparebank 1 Norge Verdi	2,712,627	1.3%	1.3%
Sole Active AS	2,246,057	1.1%	1.1%
Verdipapirfondet DNB SMB	2,043,456	1.0%	1.0%
Other	74,801,516	36.5%	36.5%
Total	**204,694,588**	**100.0%**	**100.0%**

All shares have been fully paid and have the same rights.

Repurchase program
On March 30, 2023, SATS announced a share repurchase program under which the company repurchased 2,000,000 own shares, representing 0.98 percent of the total number of shares in the company. The repurchased shares were and will be used for the following two purposes under the share investment program:

1. Delivery of matching shares to the relevant employees in accordance with the terms and conditions of the Share Investment Program.
2. Delivery of shares to new employees who were offered participation in the Share Investment Program.

As at the balance sheet date of December 31, 2024, the company held 234.114 treasury shares.

Shares in SATS Management Invest held by the Board of Directors and Executive Management:

	Ownership percentage
Executive management including CEO	8.4%

NOTE 19 Earnings per share

General
Basic earnings per share are calculated by dividing
- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares,
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account
- the post-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Dilutive shares are disregarded in the calculation of diluted EPS when a loss is reported.

The company's share capital is NOK 434,975,999.50, comprising in total 204,694,588 shares, each with a nominal value of NOK 2.125. The denominator for 2024 is calculated as a weighted average.

The Share Investment Program implies 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. The denominator for diluted earnings per share has therefore been adjusted as a weighted average for 2024. Allocation of matching shares is further contingent upon the company's performance over time.

Basic earnings per share	**2024**	2023
(Amounts in NOK)		
From continuing operations attributable to the ordinary equity	1.59	1.10
Total basic earnings per share attributable to the ordinary equity	**1.59**	**1.10**
Weighted number of outstanding shares	204,426,382	203,103,000

Diluted earnings per share	**2024**	2023
(Amounts in NOK per share)		
From continuing operations attributable to the ordinary equity	1.59	1.10
Total diluted earnings per share attributable to the ordinary equity	**1.59**	**1.10**
Weighted number of outstanding shares	205,458,913	204,069,165

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

NOTE 20 Borrowings

Borrowings
Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or financial expense.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Overview of interest-bearing liabilities	**2024**	2023
(Amounts in NOK million at December 31)		
Current		
Accrued interest cost	12	17
Leases	959	929
Total current interest-bearing liabilities	**971**	**946**
Non-current		
Bank borrowings	1,440	1,721
Leases	4,090	4,009
Total non-current interest-bearing liabilities	**5,530**	**5,730**
Total interest-bearing liabilities	**6,501**	**6,676**

The fair value of the interest-bearing liabilities is considered to be equal to the book value according to the amortized cost as shown above. The Group has bank facilities in NOK, SEK, EUR and DKK. As at the balance sheet date of December 31, 2024, the bank facility in SEK amounts to 550 million, in EUR to 7 million, and in DKK to 450 million, which corresponds to NOK 566 million, NOK 86 million and NOK 712 million, respectively. All the bank facilities have floating interest rates.

Long-term loan facility agreement
In July 2024, the company signed a new unsecured revolving credit facility (RCF) agreement, consisting of a multicurrency RCF with a maximum principal amount of NOK 2,500 million. As at the balance sheet date of December 31, 2024, the remaining undrawn amount amounted up to approximately NOK 931 million.

Interests on borrowings under the new 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 mature in full 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 NOK 61 million before any gains or losses from the swap.

Payment profile for the Group's borrowings
The following table shows the undiscounted payment profile of the Group's borrowings, based on the remaining loan period at the balance sheet date:

Borrowing facilities	**Total**
(Amounts in NOK million)	
Less than 1 year	61
1–2 years	61
2–3 years	1,485
3–5 years	0
More than 5 years	0
Payment profile for borrowings	**1,607**

Financial borrowing facility 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.

NOTE 21 Reconciliation of cash and cash equivalents and borrowings

Liabilities arising from financing activities	Cash and cash equivalents	Borrowings	Leases	**Total**
(Amounts in NOK million)				
Net debt January 1, 2023	**-345**	**1,989**	**4,535**	**6,178**
Cash flows				
Net cash flow from operations	-1,758	0	0	-1,758
Net cash flow from investing	172	0	0	172
Net cash flow from financing	1,587	0	0	1,587
Repayments of borrowings	0	-288	0	-288
Installments on lease liabilities	0	0	-947	-947
Interest on lease liabilities	0	0	-224	-224
Non-cash changes				
Net additions – leases	0	0	1,393	1,393
Depreciation bank costs	0	3	0	3
Foreign exchange rate changes	63	36	180	279
Other changes	0	-2	0	-2
Net debt December 31, 2023	**-282**	**1,738**	**4,938**	**6,394**
Cash flows				
Net cash flow from operations	-1,953	0	0	-1,953
Net cash flow from investing	282	0	0	282
Net cash flow from financing	1,580	0	0	1,580
Repayments of borrowings	0	-435	0	-435
Proceeds from borrowings	0	113	0	113
Paid borrowing expenses	0	-11	0	-11
Installments on lease liabilities	0	0	-962	-962
Interest on lease liabilities	0	0	-246	-246
Non-cash changes				
Net additions – leases	0	0	1,234	1,234
Depreciation bank costs	0	4	0	4
Foreign exchange rate changes	2	47	86	135
Other changes	0	-5	0	-5
Net debt December 31, 2024	**-371**	**1,451**	**5,050**	**6,130**

NOTE 22 Financial risk factors

Overview
Through its activities, the Group is exposed to different types of 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. Additional quantitative information is included in this note. The Group does not apply hedge accounting.

Risk management
The Group's overall risk management plan is to ensure the ongoing liquidity in the Group, defined as being able to meet its obligations at any time. This also includes being able to meet the financial covenants related to the Group's borrowings.

Risk management of the Group is maintained by a central finance function in accordance with the guidelines approved by the Board. The Group's finance function identifies, measures, mitigates and reports on financial risks in close cooperation with the various operating units.

Risk management policies and procedures are reviewed regularly to take into account changes in the market and the Group's activities.

Market risk
Market risk can be defined as the risk that the Group's income and expenses, future cash flows or fair value of financial instruments will vary as a result of changes in market prices. The market price includes three types of risks: exchange risks, interest risks and price risks.

Market risk is monitored and managed continuously by the Group through a combination of natural hedging techniques and financial derivatives.

Foreign exchange risk
The Group operates internationally and is exposed to changes in foreign exchange rates. For risk management purposes, the Group has identified three types of exchange exposures:

- Net investment;
- Profit after tax in foreign currency; and
- Borrowings in foreign currency.

As an international group, SATS is exposed to the risk associated with converting the currency related to legal entities with a functional currency different from the Group's presentation currency. Such translation exposure does not yield an immediate result on the cash flow. It can still affect the Group's financial covenants and is therefore closely monitored. Exposure of foreign subsidiaries' equity is partly naturally hedged through borrowings in corresponding currency.

The Group's business model is such that the subsidiaries' sales and operating expenses are incurred in local currency, reducing the exposure to foreign exchange rate fluctuations in the profit or loss. The net of those cash flows is meant to be able to cover the borrowings in local currency, reducing the exposure related to borrowings in local currency due to changes in the foreign exchange rates. Please see Note 20 Borrowings for a payment profile of the Group's borrowings.

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
Exposure to currency	**2024**	2023	**2024**	2023
(Amounts in million at December 31)				
SEK	-84	177	550	650
EUR	3	5	7	6
DKK	531	511	450	450

The following significant exchange rates have been applied.

	Year-end spot rate	
	2024	2023
SEK	1.029	1.013
EUR	11.795	11.241
DKK	1.582	1.508

The Group applies monthly average exchange rates. Exchange rates are quoted from the Norwegian central bank (norges-bank.no).

Sensitivity analysis
As shown below, 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 other currencies than where the legal entity is located. EUR, SEK and DKK strengthened by 10 percent against NOK in the sensitivity analysis below.

Exchange rate – sensitivity analysis	**2024**	2023
(Amounts in NOK million)		
SEK/NOK exchange rate – increase 10%[1]	45	51
EUR/NOK exchange rate – increase 10%[1]	-4	-1
DKK/NOK exchange rate – increase 10%[1]	6	-1
Impact on Profit/loss after tax	**46**	**49**

[1)] *Holding all other variables constant.*

Profit/loss after tax is less sensitive to changes in SEK/NOK in 2024 than in 2023 and more sensitive to changes in EUR/NOK and DKK/NOK. The lower result in Sweden in 2024 compared to 2023 results in a smaller positive effect when reconsolidating. Net income has improved in Denmark leading to a less negative effect when reconsolidating.

The Group's exposure to other changes in foreign exchange movements is not material.

Interest rate risk
The Group's interest rate risk is mainly related to loans where an element of the interest rate is not fixed. See Note 20 Borrowings for an overview of such loans. An increase in floating rates would lead to an increase in interest costs and reduce net income and cash flow. Swap contracts are used to manage interest rate risk. Effects from derivatives used for hedging of interest rate risk are not included in the following analysis.

	Impact on profit/loss after tax[2]	
Interest rate – sensitivity analysis	**2024**	2023
(Amounts in NOK million)		
Interest rates – increase 100 basis points[1]	-12	-15
Interest rates – decrease 100 basis points[1]	12	15

[1)] *Holding all other variables constant.*
[2)] *Estimated impact given a tax rate of 22.0%.*

Profit/loss after tax is less sensitive to changes in the interest rate in 2024 compared to 2023 due to lower bank borrowings in 2024.

Overview of non-overdue interest rate swaps and commodity contracts per December 31, 2024

Interest rate swaps	Notional in currency million	Maturity	Fixed rate	Unrealized gain December 31
(Amounts in NOK million)				
IRS NOK	694	28.10.2026	1.751	33
Fair value of the Group's interest rate swaps as at December 31, 2024, in NOK million				**33**

Commodity contracts	Underlying quantity in Thousand MWH	Maturity	Fixed price	Unrealized loss December 31
(Amounts in NOK million)				
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 as at December 31, 2024, in NOK million				**-10**

Overview of non-overdue interest rate swaps per December 31, 2023

Interest rate swaps	Notional in currency million	Maturity	Fixed rate	Unrealized gain December 31
(Amounts in NOK million)				
IRS NOK	694	28.10.2026	1.751	36
IRS SEK	200	28.10.2024	0.430	6
Fair value of the Group's interest rate swaps as at December 31, 2023 in NOK million				**43**

Changes in fair value are presented within financial income and financial expense in the income statement. Please see Note 8 Financial income and financial expenses.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. SATS ASA's credit risk refers to the risk of the Group's accounts receivables and investment in liquid assets. As the daily business is to a large part based on customer prepayments and direct debit arrangements, the Group's credit risk is considered low.

The Group has a credit management policy to only cooperate with financial institutions with a high credit rating.

At the end of the reporting period, the Group's maximum credit risk exposure was NOK 305 million. The Group does usually not demand collateral for receivables. The bad debt provision for accounts receivables was NOK 186 million as at the balance sheet date.

Liquidity risk
The Group's liquidity risk is characterized by a potential risk of not being able to meet obligations to vendors and loan creditors. The ability to service the debt, and ultimately continue as a going concern, depends on the Group's cash flow from operating activities. The Group regularly monitors the cash flow situation by setting up cash flow forecasts based on the forecasts of the liquidity reserves, including cash equivalents and borrowing facilities. The forecasts are set by the individual subsidiaries and are regularly monitored by the Group. Please see Note 20 Borrowings for information on funding sources and a payment profile.

To be able to maintain sufficient flexibility in the source of funding, the Group has total available borrowing facilities of NOK 2,500 million as at December 31, 2024 (NOK 2,500 million as at December 31, 2023), of which NOK 931 million has not been drawn down as at the balance sheet date. In addition, the Group has cash and cash equivalents of NOK 371 million as at December 31, 2024 (NOK 282 million as at December 31, 2023), whereof NOK 23 million (NOK 23 million) is restricted cash.

Presentation of financial assets and liabilities as at December 31, 2024

Maturity profile	1–3 months	3–12 months	1–5 years	More than 5 years	**Total**
(Amounts in NOK million)					
Accounts receivables	136	46	163	0	345
Other current receivables	131	0	0	0	131
Cash and cash equivalents	371	0	0	0	371
Financial assets	**639**	**46**	**163**	**0**	**848**
Borrowings	0	0	1,449	0	1,449
Lease liabilities	306	876	3,454	1,229	5,866
Trade payables	178	0	0	0	178
Other current liabilities	360	0	0	0	360
Payment of interest	15	46	97	0	158
Financial liabilities	**860**	**922**	**5,000**	**1,229**	**8,012**
Net financial liabilities	**-221**	**-877**	**-4,837**	**-1,229**	**-7,164**

Financial liabilities are measured at nominal amounts if this is a reasonably approximate fair value.

Presentation of financial assets and liabilities as at December 31, 2023

Maturity profile	1–3 months	3–12 months	1–5 years	More than 5 years	**Total**
(Amounts in NOK million)					
Accounts receivables	121	51	145	0	318
Other current receivables	86	0	0	0	86
Cash and cash equivalents	282	0	0	0	282
Financial assets	**489**	**51**	**145**	**0**	**686**
Borrowings	0	0	1,724	0	1,724
Lease liabilities	297	847	3,256	1,374	5,775
Trade payables	130	0	0	0	130
Other current liabilities	415	0	0	0	415
Payment of interest	30	87	86	0	202
Financial liabilities	**871**	**934**	**5,066**	**1,374**	**8,245**
Net financial liabilities	**-382**	**-883**	**-4,920**	**-1,374**	**-7,560**

Financial liabilities are measured at nominal amounts if this is a reasonably approximate fair value.

Capital management
The Company's leverage and shareholder distribution policy is to ensure prudent leverage, with excess cash returned to shareholders. The long-term target leverage is the lower end of 1.5–2.0x net debt (current and non-current bank borrowings less cash and cash equivalents) to EBITDA before impact of IFRS 16. The Group intends to maintain a stable leverage ratio within the stated range by returning excess capital to shareholders via a combination of dividends and share buybacks. When proposing a payout, the Board of Directors reserves the right to deviate from its current leverage targets, taking into consideration internal and external factors such as material acquisitions, macroeconomic conditions and the capital markets environment.

NOTE 23 Financial instruments

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

Derivatives are classified as FVPL and initially recognized at fair value on the date a derivative contract is entered into and 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.

Changes in the fair value of any derivative instrument are recognized immediately in profit or loss and are included in financial income or financial expense. The fair values of the outstanding derivatives as at the balance sheet date are disclosed below.

The Group has the following derivative financial instruments:	**2024**	2023
(Amounts in NOK million at December 31)		
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**

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

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading of available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques that maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required for fair value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities.

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 calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of forward foreign exchange contracts determined using forward exchange rates at the balance sheet date; and
- the fair value of the remaining financial instruments 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.

Other financial instruments
Financial assets (excluding derivative financial instruments)
All financial assets, excluding derivatives, meet the SPPI (solely payments of principal and interest) criteria and are managed in a business model of Hold to Collect. Therefore all financial assets, excluding derivatives, are allocated to the category amortized cost.

The Group measures its accounts receivables and other receivables and cash and cash equivalents at amortized cost. Subsequent to initial recognition, these assets are measured at amortized cost using the effective interest method. Income from these financial assets is calculated on an effective yield basis and recognized in the income statement.

Investments in unquoted equity securities are designated as fair value through other comprehensive income if they are held as long-term strategic investments that are not expected to be sold in the short to medium term. All fair value movements in respect of those assets are recognized in other comprehensive income and are not recycled to profit or loss. The financial assets are classified as current assets, except for those where management has the intention to hold the investment for over twelve months or with maturities later than twelve months after the balance sheet date. These assets are classified as non-current assets.

Impairment of financial assets
The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

While cash and cash equivalents also are subject to the impairment requirements, the expected credit losses are immaterial. For accounts receivables and contract assets, the Group applies the simplified approach to measuring expected credit losses, which uses a lifetime expected impairment provision for all accounts receivables and contract assets.

Financial liabilities (excluding derivative financial instruments)
The Group's financial liabilities consist of trade and other payables, other financial liabilities (including contingent considerations and lease liabilities) and borrowings. The Group initially recognizes its financial liabilities at fair value net of transaction costs, and they are subsequently measured at amortized cost using the effective interest method. Transaction costs are amortized using the effective interest method over the maturity of the loan. Contingent consideration is subsequently measured at its fair value.

Financial instruments as at December 31, 2024

Assets	Assets measured at amortized cost	Fair value through profit and loss	**Total**
(Amounts in NOK million)			
Other non-current receivables	56	0	56
Accounts receivable	159	0	159
Other current receivables	131	0	131
Derivatives	0	33	33
Cash and cash equivalents	371	0	371
Total financial assets	**718**	**33**	**750**

Liabilities	Liabilities measured at amortized cost	Fair value through profit and loss	**Total**
(Amounts in NOK million)			
Borrowings	1,451	0	1,451
Leases	5,050	0	5,050
Trade and other payables	178	0	178
Derivatives	0	10	10
Other current liabilities	360	0	360
Total financial liabilities	**7,039**	**10**	**7,050**

Financial instruments as at December 31, 2023

Assets	Assets measured at amortized cost	Fair value through profit and loss	**Total**
(Amounts in NOK million)			
Other non-current receivables	63	0	63
Accounts receivable	136	0	136
Other current receivables	86	0	86
Derivatives	0	43	43
Cash and cash equivalents	282	0	282
Total financial assets	**567**	**43**	**610**

Liabilities	Liabilities measured at amortized cost	Fair value through profit and loss	**Total**
(Amounts in NOK million)			
Borrowings	1,738	0	1,738
Leases	4,938	0	4,938
Trade and other payables	130	0	130
Other current liabilities	415	0	415
Total financial liabilities	**7,220**	**0**	**7,220**

NOTE 24 Other current liabilities

Contract liabilities
A large portion of the Group's customers pay the monthly membership subscription fee in advance. These prepayments are recognized as non-financial debt and will be settled in the Group's revenue.

	2024	2023
(Amounts in NOK million at December 31)		
Contract liabilities	653	548
Total deferred revenue	**653**	**548**

Trade payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Other current liabilities by nature	**2024**	2023
(Amounts in NOK million at December 31)		
Accrued employee benefit expenses	93	85
Accrued vacation pay	98	91
Accrued rent	1	18
Accrued rent discounts	40	40
Customer liabilities	27	51
Other current liabilities	101	129
Total other current liabilities	**360**	**415**

NOTE 25 Related parties

The following table presents an overview of transactions with related parties. Remuneration to executive staff and the Board of Directors and share capital information are presented in Note 5 Personnel expenses and Note 18 Share capital, respectively, and are not included in the following overview:

Balance sheet items

Related party	Relationship	Type of services	**2024**	2023
(Amounts in NOK million)				
Key employees	Employees	Loan	15	17
Total related party profit or loss items			**15**	**17**

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.

In 2024, a total of NOK 0.3 million in loans (NOK 6.5 million in 2023) was issued to key employees participating in a partly debt-financed share investment program. During 2024, NOK 3 million of loans were repaid. The terms are regulated according to the arm's length principle. Please see Note 5 Personnel expenses for additional information.

NOTE 26 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 was commenced on February 17, 2025, and will not end later than April 25, 2025.

Additionally, the Board of Directors has approved a new investment program aimed aligning the interests of the participants with those of the Company's shareholders. A total of 223 participants in the Share Investment Program have applied for and been allocated 2,094,198 shares in the Company.

The Board of Directors is not aware of any events that occurred after the balance sheet date, or any new information regarding existing matters, that could have a material effect on the 2024 consolidated financial statements.


FINANCIAL STATEMENTS
PARENT COMPANY

FINANCIAL STATEMENTS PARENT COMPANY

STATEMENT OF PROFIT OR LOSS

	Notes	2024	2023
(Amounts in NOK million for the period ended December 31)			
Other operating expenses	3	-13	-27
Total operating expenses		**-13**	**-27**
Operating loss		**-13**	**-27**
Group contributions	6	98	148
Interest income from Group companies	5, 6	145	182
Other interest income		39	51
Other financial income		262	544
Net loss derivatives unrealized	13	-20	-4
Interest expense to Group companies	6	-59	-62
Other interest expense	9	-88	-171
Other financial expenses		-266	-518
Net financial items	4	**112**	**171**
Profit before tax		**98**	**145**
Income tax expense	10	-22	-34
Profit for the year		**77**	**111**
Allocation of profit for the year			
Retained earnings	8	77	111
Total allocation		**77**	**111**

STATEMENT OF FINANCIAL POSITION

(Amounts in NOK million at December 31)	*Notes*	**2024**	2023
NON-CURRENT ASSETS			
Financial assets			
Investments in subsidiaries	5	2,956	2,956
Loans to Group companies	6	1,478	1,491
Derivative financial instruments	13	33	36
Other non-current receivables	6	15	17
Total non-current financial assets		**4,482**	**4,500**
Total non-current assets		**4,482**	**4,500**
CURRENT ASSETS			
Receivables from Group companies	6	99	149
Other receivables		4	9
Derivative financial instruments	13	0	6
Cash and cash equivalents	7	153	136
Total current assets		**257**	**299**
Total assets		**4,739**	**4,799**

(Amounts in NOK million at December 31)	*Notes*	**2024**	2023
EQUITY			
Share capital	8	435	435
Share premium	8	3,050	3,050
Treasury shares	8	-19	-24
Retained earnings/accumulated losses	8	-631	-708
Total equity		**2,836**	**2,754**
LIABILITIES			
Non-current liabilities			
Deferred tax liability	10	32	10
Derivative financial instruments	13	4	0
Borrowings	9	1,440	1,721
Total non-current liabilities		**1,476**	**1,731**
Current liabilities			
Borrowings	9	12	17
Borrowings from Group companies	6	408	295
Derivative financial instruments	13	6	0
Trade and other payables		0	1
Other current liabilities		2	2
Total current liabilities		**427**	**315**
Total liabilities		**1,903**	**2,045**
Total equity and liabilities		**4,739**	**4,799**

Oslo, March 27, 2025
(Signed electronically)

Hugo Lund Maurstad	**Martin Folke Tivéus**	**Maria Tallaksen**	**Andreas Holm**	**Lisa Åberg**	**Anita Gullstedt**	**Carl Thorsson**	**Sondre Gravir**
Chair of the Board	*Board Member*	*Board Member*	*Board Member*	*Board Member*	*Board Member, Employee Representative*	*Board Member, Employee Representative*	*CEO*

STATEMENT OF CASH FLOWS

	Notes	2024	2023
(Amounts in NOK million for the period ended December 31)			
Cash flow from operating activities			
Profit before tax		98	145
Adjustment for:			
Net gain from fair value on derivatives		20	4
Proceeds from interest income		-39	-50
Proceeds from other financial income		-4	-35
Payments of interest income		88	171
Payments of other financial expense		8	8
Change in intercompany receivables and payables		-72	-614
Change in trade payables and other accruals		2	-6
Net cash flow from operations		**101**	**-379**
Cash flow from investing			
Loan to related parties		0	-6
Proceeds from Group contribution		148	0
Proceeds from loan repayments		45	0
Interest on Group loans		93	98
Proceeds from loan to related parties		3	0
Net cash flow from investing		**290**	**92**
Cash flow from financing			
Repayments of borrowings	9	-435	-288
Proceeds from borrowings	9	113	0
Interest on borrowings		-48	-119
Proceeds from issues of shares		0	8
Purchase of own shares		0	-21
Proceeds from sale of own shares		5	6
Other financial items		-10	0
Net cash flow from financing		**-375**	**-413**
Net increase/decrease in cash and cash equivalents	7	**16**	**-700**
Effect of foreign exchange rate changes on cash and cash equivalents		2	-53
Cash and cash equivalents at the beginning of the period		136	888
Cash and cash equivalents at the end of period	7	**153**	**136**

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 General information

General information
SATS ASA is registered and domiciled in Norway with its head office at Nydalsveien 28, Oslo, Norway. The Group's ownership structure is as follows: 22.6 percent TG Nordic Invest, 4.3 percent Salt Value AS, 3.9 percent Maaseide Holdco AS, 3.7 percent SATS Management Invest AS and 65.5 percent other shareholders. The company was incorporated on March 11, 2011.

The Board of Directors approved the financial statements on March 27, 2025.

Financial reporting framework
The financial statements are prepared in accordance with the simplified application of International Financial Reporting Standards (Norwegian Forenklet IFRS) in accordance with § 3-9 of the Norwegian Accounting Act and the related directive. The directive refers to the general recognition and measurement requirements in IFRS as endorsed by the European Union, but with certain exemptions.

The relevant exemption applicable to SATS ASA relates to the recognition of group contributions (Norwegian konsernbidrag). Group contributions and dividends under simplified IFRS may be recognized in accordance with Norwegian generally accepted accounting principles for the distributing and receiving entity. This means that the distributing entity may recognize a liability when the contribution or dividend is proposed, but before it has been approved. The receiving entity may also recognize the dividend or contribution receivable before it has been approved.

Disclosure requirements are in accordance with the directive, which refers to disclosure requirements in accordance with Chapter 7 of the Norwegian Accounting Act and Norwegian generally accepted accounting principles, with certain differences.

The financial statements are prepared in accordance with the historical cost principle, with the exception of derivatives, which are measured at fair value.

Preparation of financial statements in accordance with simplified IFRS requires the use of estimates. The application of the company's accounting principles also requires management to apply judgement.

Certain new or revised standards, amendments or interpretations of existing standards have been published. Management has assessed these changes and concluded that they are not relevant for the business of the company or for the 2024 financial statements. For new standards, please see Note 2 Basis of preparing the consolidated financial statements in the consolidated financial statements.

The company's significant accounting policies are disclosed in Note 2 Basis of preparing the consolidated financial statements and in relevant individual notes in the consolidated financial statements. These principles have been applied consistently in all periods presented in the financial statements, unless stated otherwise.

NOTE 2 Accounting principles

The following description of accounting principles relevant for presentation applies to SATS ASA's 2024 financial reporting, including comparative figures. The accounting policies for items covered by specific note disclosures are incorporated in the individual notes.

Functional currency and presentation currency
The financial statements of the company are prepared in NOK, which is the currency of the primary economic environment in which the company operates.

Transactions, monetary and non-monetary items
In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rate of exchange prevailing at the dates of the transactions. Gains or losses on transactions in foreign currencies and exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

Subsidiaries
Subsidiaries are entities controlled by the company. The company controls an investee when the company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Investment in subsidiaries is measured at historic cost less any impairment. Acquisition-related costs are generally recognized in profit or loss as incurred.

Statement of cash flows
The Statement of cash flows is presented according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term cash convertible investments.

NOTE 3 Other operating expenses

	2024	2023
(Amounts in NOK million)		
Consultant services	-10	-24
Other operating expenses	-3	-3
Total operating expenses	**-13**	**-27**

The company has no employees.

The Board of Directors received NOK 2,349 thousand in remuneration in 2024 (NOK 2,077 thousand in 2023). The remuneration to the Board members is included in Other operating expenses.

Auditor's remuneration	**2024**	2023
(Amounts in NOK thousand)		
Expensed auditor incl. VAT:		
Statutory audit	-3	-2
Other attestation and assurance services[1]	-1	-0
Total auditor's remuneration	**-4**	**-2**

[1)] *In other attestation and assurance services for the year 2024, the attestation and assurance of the sustainability report is included with NOK 0.6 million.*

NOTE 4 Net financial items

Interest and other financial income	**2024**	2023
(Amounts in NOK million)		
Dividends from subsidiaries and Group contributions	98	148
Interest income from Group companies	145	182
Interest income financial institutions	38	51
Foreign exchange gain	262	544
Other financial income	1	0
Total interest and other financial income	**544**	**925**

Interest and other financial expenses	**2024**	2023
(Amounts in NOK million)		
Interest expense to Group companies	-59	-62
Interest expense financial institutions	-88	-171
Foreign exchange loss	-258	-510
Net loss derivatives unrealized	-20	-4
Other financial expenses	-8	-8
Total interest and other financial expenses	**-433**	**-754**
Net financial items	**112**	**171**

NOTE 5 Shares in subsidiaries

The table below sets forth SATS ASA's ownership interest in subsidiaries. The subsidiary is a holding company and owns shares in other subsidiaries as described in its annual financial statement.

Ownership interests correspond to voting interest if not otherwise stated.

Subsidiaries	Business office	Ownership percentage	Equity	Gain after tax	**Carrying amount 2024**
(Amounts in NOK million)					
SATS Holding AB	Stockholm	100%	1,989	1	2,956

Investment in a subsidiary is carried at cost.

NOTE 6 Related parties

General
The following table presents an overview of transactions with related parties. Remuneration to executive staff and the Board of Directors and share capital information are presented in Note 5 Personnel expenses and are not included in the following overview:

Balance sheet items

Related party/type	Relationship	Financial statement line item	**2024**	2023
(Amounts in NOK thousand at December 31)				
Financing through SATS ASA	Subsidiaries	Loans to Group companies	1,478,357	1,490,999
Group contribution	Subsidiaries	Receivables from Group companies	98,192	148,296
Cash pool	Subsidiaries	Borrowings from Group companies	-407,631	-291,616
SATS Sports Club Sweden AB	Subsidiaries	Investment program	720	135
SATS Finland OY	Subsidiaries	Investment program	334	131
Key employees	Employees	Loan	14,948	16,936
SATS Norway AS	Subsidiaries	Other current receivables	86	0
SATS Vest AS	Subsidiaries	Other current receivables	22	0
Fresh Fitness AS	Subsidiaries	Other current receivables	36	0
SATS Sports Club Sweden AB	Subsidiaries	Other current liabilities	-149	-1,523
SATS Norway AS	Subsidiaries	Other current liabilities	0	-926
SATS Vest AS	Subsidiaries	Other current liabilities	0	-267
Fresh Fitness AS	Subsidiaries	Other current liabilities	0	-396
Total related party balance sheet items			**1,184,915**	**1,361,769**

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.

The terms for intercompany loans to subsidiaries are formally regulated by contractual lending agreements. Intercompany loans are accounted for as financial assets within the scope of IFRS 9 in the parent company's financial statements.

Intercompany loans are classified as financial assets at amortized cost since they are held within a business model with the objective of collecting the contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

At initial recognition, loans are measured at their fair value, adjusted for directly attributable transaction costs. Loans are subsequently measured at amortized cost using the effective interest rate method and are subject to impairment under the general expected credit loss model.

Loans denominated in foreign currencies are translated at the functional currency spot rates at the reporting date. Currency differences arising on settlement or translation are recognized in profit or loss.

Impairment of intercompany loans
Under the general impairment model, the parent company recognizes an allowance for expected credit losses for all intercompany loans.

Credit losses are measured based on the difference between all contractual cash flows that are due in accordance with the contract and all the cash flows expected to be received, discounted at the original effective interest rate.

At initial recognition intercompany loans are assessed to be performing (stage 1), i.e., the subsidiary has low risk of default and a strong capacity to meet contractual cash flows. The loss allowance recognized is based on expected credit losses that result from default events that are possible within the next twelve months (twelve-month expected credit loss).

The parent company monitors the credit risk associated with intercompany loans to consider if there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk (underperforming loan), the loss allowance recognized is based on expected credit losses resulting from all possible default events over the remaining life of the loan (lifetime expected credit loss). The definition of default used in the model is when the counterparty fails to make contractual payments within 60 days of when they fall due.

To assess whether there is a significant increase in credit risk, management compares the risk of default occurring on the asset at the reporting date with the risk of default as at the date of initial recognition. The parent company uses the following indicators in the assessment:

- An actual or expected significant change in the operating results of the subsidiaries since the loan was first recognized. This includes assessments of whether there are any actual or expected declining revenue or margins, increasing operating risks, working capital deficiencies, decreasing asset quality or increased balance sheet leverage that would result in a significant change in the subsidiaries ability to meet its debt obligations.
- An actual or expected significant adverse change in the regulatory, economic or technological environment of the subsidiaries.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the assessment. Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment. Loans are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan.

No loss allowance on intercompany loans was recognized as per December 31, 2024.

In 2024, a total of NOK 0.3 million in loans (NOK 6.5 million in 2023) was issued to key employees participating in a partly debt-financed share investment program. During 2024, NOK 3 million of loans were repaid. The terms are regulated according to the arm's length principle. Please see Note 5 Personnel expenses for further information.

NOTE 7 Cash and cash equivalents

Cash and cash equivalents consist of cash, bank deposits, other short-term cash-convertible investments with a maturity not exceeding three months, and drawn overdraft facilities. Drawn overdraft facilities are included in current borrowings in the Statement of financial position.

(Amounts in NOK million at December 31)	**2024**	2023
Cash and cash equivalents	**153**	**136**

The maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalent as disclosed above.

Please see Note 22 Financial risk factors for further information about the Group's credit risk management. The company owns the Group's cash pool and the bank accounts of the Group entities that are part of the cash pool arrangement.

NOTE 8 Share capital

Ordinary shares are classified as equity. Costs that are directly related the issue of new shares or warrants are recognized after tax as a reduction of the consideration received directly in equity.

As at December 31, 2024, share capital amounts to NOK 435 million, consisting of 204,694,588 ordinary shares at a face value of NOK 2.1250 per share. Please see Note 19 Earnings per share in the consolidated financial statements for additional disclosures.

Overview of the shareholders as at December 31, 2024

Shareholder	Number of ordinary shares	Ownership percentage	Voting percentage
TG Nordic Invest	46,347,035	22.6%	22.6%
Salt Value AS	8,726,865	4.3%	4.3%
Maaseide Holdco AS	7,990,976	3.9%	3.9%
Sats Management Invest AS	7,591,213	3.7%	3.7%
J.P. Morgan SE, SE	5,596,154	2.7%	2.7%
Verdipapirfondet KLP AksjeNorge	5,257,569	2.6%	2.6%
VPF DNB AM Norske Aksjer	5,193,380	2.5%	2.5%
J.P. Morgan SE, FIN	5,193,380	2.5%	2.5%
Funkybiz AS	5,000,000	2.4%	2.4%
The Bank of New York Mellon SA/NV, UK	4,096,066	2.0%	2.0%
Vevlen Gård AS	3,900,000	1.9%	1.9%
Morgan Stanley & Co. Int. Plc.	3,562,534	1.7%	1.7%
The Bank of New York Mellon SA/NV, IE	3,088,000	1.5%	1.5%
Skandinaviska Enskilda Banken AB	2,949,885	1.4%	1.4%
UBS AG	2,890,702	1.4%	1.4%
J.P. Morgan SE, LU	2,772,305	1.4%	1.4%
N.A. Citibank	2,734,868	1.3%	1.3%
VPF Sparebank 1 Norge Verdi	2,712,627	1.3%	1.3%
Sole Active AS	2,246,057	1.1%	1.1%
Verdipapirfondet DNB SMB	2,043,456	1.0%	1.0%
Other	74,801,516	36.5%	36.5%
Total	**204,694,588**	**100.0%**	**100.0%**

All shares have been fully paid and have the same rights.

Shares in SATS Management Invest held by the Board of Directors and Executive Management:

	Ownership
Executive management including CEO	8.4%

Equity	Share capital	Share premium	Other paid in capital	Treasury shares	Retained earnings (acc. losses)	**Total equity**
(Amounts in NOK thousand)						
Equity January 1, 2024	434,976	3,050,270	6	-23,728	-707,729	2,753,795
Proceeds from sale of treasury shares				4,610		4,610
Investment program			564	198	-147	615
Profit for the year					76,759	76,759
Equity December 31, 2024	**434,976**	**3,050,270**	**570**	**-18,920**	**-631,117**	**2,835,779**

NOTE 9 Borrowings

Borrowings are initially recognized at fair value when cash is received. Transaction costs are deducted from the carrying amount. Borrowings are classified as current unless the company has the unconditional right to defer repayment for twelve months or more after the reporting date.

	2024		2023	
Overview of interest-bearing liabilities	Current	Non-current	Current	Non-current
(Amounts in NOK million at December 31)				
Bank borrowings	0	1,440	0	1,721
Accrued interest cost	12	0	17	0
Total interest-bearing liabilities	**12**	**1,440**	**17**	**1,721**

Please see Note 20 Borrowings in the consolidated financial statement for further disclosures.

Covenants, payment profile and effective interest rates
As at December 31, 2024, and December 31, 2023, covenant requirements were met. Information about existing financial covenants is disclosed in Note 20 Borrowings in the consolidated financial statements.

The payment profile of the parent company is equal to the Group's payment profile disclosed in Note 20 Borrowings to the consolidated financial statements.

Effective interest rates are disclosed in Note 20 Borrowings in the consolidated financial statements

NOTE 10 Tax

Income tax presented in the income statement comprises both income tax payable and movements in deferred taxes. Deferred taxes are calculated using the enacted tax rate applied to the temporary differences that exist between the carrying amount and the tax base of an asset or liability and unused tax losses, if any, at the reporting date. Deferred tax assets from unused tax losses are recognized to the extent that it is probable that the Group can utilize the tax losses against taxable profit in the future. Deferred tax assets and liabilities are presented net in the statement of financial position.

Tax deductions through contributed group contributions (Norwegian konsernbidrag) and taxes on received group contributions are recognized as a reduction of the cost of the investment in the subsidiary or recognized directly in equity and against income tax payable or deferred taxes in the contributing and receiving entity, as applicable.

Deferred tax assets and liabilities are not discounted but recognized at nominal value.

Tax income expense	**2024**	2023
(Amounts in NOK million)		
Change in deferred tax assets	-22	-34
Total tax income expense	**-22**	**-34**

Reconciliation of the nominal statutory tax rate to the effective tax rate:	**2024**	2023
Profit/loss before tax	98	145
Expected taxes at nominal tax rate of 22%	-22	-32
Reconciling items:		
Non-deductible expenses	0	-2
Income tax income expense	**-22**	**-34**
Effective tax rate	**22%**	**24%**

Movement in deferred tax assets and deferred tax liabilities	**2024**	2023
(Amounts in NOK million at December 31)		
Financial instruments	-135	-43
Amortized borrowing cost	-9	-3
Basis deferred tax liabilities	**-145**	**-45**
Carrying amount deferred tax asset/tax liabilities	**-32**	**-10**

Significant estimates
Deferred tax assets from unused tax losses are recognized to the extent that it is probable that Group can utilize the tax losses against taxable profit in the future. Refer also to Note 9 Tax of the consolidated financial statements and the Board of Directors' Report for additional information.

NOTE 11 New IFRS standards

For information on effects from coming IFRS standards and interpretations, please see Note 2 Basis of preparing the consolidated financial statements in the consolidated financial statements.

NOTE 12 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 50 million. The buyback program was commenced on February 12, 2025, and will not end later than April 27, 2025.

Additionally, the Board of Directors has approved a new investment program aimed aligning the interests of the participants with those of the Company's shareholders. A total of 223 participants in the Share Investment Program have applied for and been allocated 2,094,198 shares in the Company.

The Board of Directors is not aware of any events that occurred after the balance sheet date, or any new information regarding existing matters, that can have a material effect on the 2024 consolidated financial statements.

NOTE 13 Financial risk factors

Overview
Through its activities, the Group is exposed to different types of financial risks: market risk, credit risk and liquidity risk.

The company's overall risk management plan is to ensure the ongoing liquidity in the Group, defined as to be able to meet its obligations at any time. The risk management strategy focuses on the uncertainty inherent in capital markets and intends to minimize potential negative effects on the financial results of the company by use of both natural hedges and derivatives to economically hedge certain risks. The overall focus also includes being able to meet the financial covenants related to the Group's borrowings.

Risk management of the company is maintained by a central finance function in accordance with the guidelines approved by the Board. The Group's finance function identifies, measures, mitigates and reports on financial risks in close cooperation with the various operating units exposed to different types of financial risks:

Liquidity risk
The company focuses on maintaining a prudent and sufficient liquidity position through an appropriate financing structure. Management considers the company's liquidity position to be strong.

Credit Risk
The exposure to credit risk is represented by the carrying amount of each class of financial assets, primarily intercompany loans to subsidiaries. SATS ASA manages the credit risk by continuously monitoring forecasted cash balances and actual cash flows in all of its subsidiaries. Non-current intercompany receivables are related to funding of subsidiaries and have a maturity profile matching the external debt maturities; see Note 20 Borrowings in the consolidated financial statements for details.

Cash flows and market interest rates
Interest rates on bank deposits and loan assets have a maturity of less than twelve months. The company does not have significant interest-bearing financial assets, and the company's cash inflows and outflows are therefore independent of changes in market interest rates.

Interest rate risk arises when issuing long-term debt. The company has entered into interest rate swaps related to its borrowings in order to minimize interest rate risk.

Fair value measurement
Fair value of financial instruments that are traded in active markets (such as securities that are available for sale or held for trading) are based on the observable market price at the reporting date. For financial assets, the bid price is used. For financial liabilities, the ask price is used. Fair value of interest rate swaps is calculated as the present value of estimated future cash flows. Fair value of foreign exchange forward contracts is calculated based on observable market forward rates at the reporting date.

The company's risk management policies and procedures are reviewed regularly to take into account changes in the market and both the company's and the Group's activities. For a detailed description of management's financial risk management policies, please see Note 23 Financial instruments of the consolidated financial statements.

Derivatives
Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria, they are classified as "held for trading" for accounting purposes below.

The Group has the following derivative financial instruments:

(Amounts in NOK million at December 31)	**2024**	2023
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**

Derivatives are recognized at fair value when the company becomes party to the contract and are subsequently measured at fair value through profit or loss. Fair value gains or losses are presented as fair value changes of derivatives in the income statements. They are presented as current assets or liabilities if they are expected to be settled within twelve months after the end of the reporting period. The company does not apply hedge accounting.

Foreign exchange risk
For risk management purposes, management has identified three types of exchange exposures:
- Effect on covenants from profit after tax in foreign currency;
- Internal loans in foreign currency; and
- Borrowings in foreign currency.

As an international group, SATS is exposed to the risk associated with converting the currency related to legal entities with a functional currency different from the Group's presentation currency. Such translation exposure does not yield an immediate result on the cash flow. It can still affect the Group's financial covenants and is therefore closely monitored. Exposure of foreign subsidiaries' equity is partly hedged naturally through borrowings in corresponding currency.

The Group's business model is such that the subsidiaries' sales and operating expenses are incurred in local currency, reducing the exposure to foreign exchange rate fluctuations in the profit or loss. The net of those cash flows is meant to be able to cover the borrowings in local currency, reducing the exposure related to borrowings in local currency due to changes in the foreign exchange rates.

Please see Note 23 Financial instruments in the consolidated financial statements for additional disclosures.

STATEMENT FROM THE BOARD AND THE CEO

We confirm that, to the best of our knowledge, the consolidated financial statements for the year ended December 31, 2024, have been prepared in accordance with IFRS as adopted by the EU, that the financial statements for the parent company for the year ended December 31, 2024, have been prepared in accordance with the Norwegian Accounting Act and simplified IFRS in Norway, that they give a true and fair view of the company's and Group's assets, liabilities, financial position and results of operations, and that the Board of Directors' Report gives a true and fair view of the development, performance and financial position of the company and the Group and includes a description of the principal risks and uncertainties that they face.

Furthermore, we confirm that, where required, the Board of Directors' Report has been prepared in accordance with the sustainability reporting established under Section 2-6 of the Norwegian Accounting Act, and in compliance with the requirements established under the Article 8 No. 4 of the Taxonomy Regulation.

Oslo, March 27, 2025
(Signed electronically)

Hugo Lund Maurstad
Chair of the Board

Martin Folke Tivéus
Board Member

Maria Tallaksen
Board Member

Andreas Holm
Board Member

Lisa Åberg
Board Member

Anita Gullstedt
Board Member,
Employee Representative

Carl Thorsson
Board Member,
Employee Representative

Sondre Gravir
CEO

AUDITOR'S REPORT

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To the General Meeting of SATS ASA

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SATS ASA, which comprise:

- The financial statements of the parent company SATS ASA (the Company), which comprise the statement of financial position as at 31 December 2024, statement of profit or loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
- The consolidated financial statements of SATS ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

The company was listed in 2019. We have been the company's elected auditor since before the company became listed. We have been the company's elected auditor continuously for 5 years since the company became listed, including the year of listing.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying amount of goodwill

Description of the Key Audit Matter	How the matter was addressed in the audit
Refer to note 10 in the group financial statements for descriptions of management's impairment testing process and key assumptions. Refer also to note 4 for a description of related estimates and assumptions. As disclosed in note 10 the Group has recognized goodwill of NOK 2.570 million per 31 December 2024. Management performed impairment testing of goodwill allocated to the Cash Generating Units ('CGU's) to determine recoverable amount in accordance with the requirements of IAS 36 'Impairment of Assets' ('IAS 36'). Management assessed the recoverable amount of goodwill by determining the value in use. No impairment was identified per 31 December 2024. Estimating value in use requires management to make significant judgements and estimations. Management judgements are based on the Group's strategic five-year plan, including estimation of future outcomes and assumptions of cash flows (for example customer growth and retention, changes in subscription rates, operating costs etc.), along with the discount rate to be applied to those cash flows. Management's impairment evaluation is a key audit matter due to the significance of the carrying amount of goodwill, and level of management judgement involved in determining assumptions used in the evaluation of impairment.	We challenged management's assumptions used in its impairment model for assessing the recoverability of the carrying amount of goodwill. We focused on the appropriateness of CGU identification, methodology applied to estimate recoverable amount, discount rates and forecasted cash flows. Specifically: • We obtained a detailed understanding of management's process for performing the CGU impairment assessment. As part of this we assessed the design and implementation of the key controls. • We tested the methodology applied to estimate recoverable amount as compared to the requirements of IAS 36; • We tested the mathematical accuracy of management's impairment models; • We obtained an understanding of and assessed the basis for the key assumptions for the Group's five-year strategic plan; • We evaluated and challenged management's cash flow forecasting included in the five-year plan and the growth rate beyond this period with reference to the recent and historical performance of the CGU's; • We evaluated management's sensitivity analysis; • We assessed the discount rates applied by benchmarking against independent data. We used Deloitte valuations specialists in our audit of the carrying value of goodwill. We considered the appropriateness of the related disclosures provided in note 10.

Other Information
The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Our statement that the Board of Directors' report contains the information required by applicable law does not cover the sustainability report, for which a separate assurance report is issued.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting

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Independent auditor's report
SATS ASA

  a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements
Report on Compliance with Requirement on European Single Electronic Format (ESEF)
Opinion
As part of the audit of the financial statements of SATS ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name satsasa-2024-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities
Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities
Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 27 March 2025
Deloitte AS

Mats Nordal
State Authorised Public Accountant
(electronically signed)

SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

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To the General Meeting of Sats ASA

INDEPENDENT SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

Limited assurance conclusion
We have conducted a limited assurance engagement on the consolidated sustainability statement of Sats ASA (the "Group"), included in Sustainability Report of the Board of Directors' report (the "Sustainability Statement"), as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in "General Information", and
- compliance of the disclosures in "Statement on the EU taxonomy for sustainable economic activities in 2024" of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion
We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Sustainability auditor's responsibilities section of our report.

Our independence and quality management
We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other matter
The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Responsibilities for the Sustainability Statement
The Board of Directors and the Managing Director (management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance

with the ESRS and for disclosing this Process in "General Information" of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS, and
- preparing the disclosures in "Statement on the EU taxonomy for sustainable economic activities in 2024" of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement
In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability auditor's responsibilities
Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process set out in "General Information".

Our other responsibilities in respect of the Sustainability Statement include:

- identifying where material misstatements are likely to arise, whether due to fraud or error; and

- designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the selected parts of the Group's internal documentation of its Process; and
- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in "General Information".

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by
  - obtaining an understanding of the Group's control environment and selected processes, control activities and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control
- evaluated whether the information identified by the Process is included in the Sustainability Statement;
- evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- where applicable, compared selected disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- evaluated the selected methods, assumptions and data for developing estimates and forward-looking information;
- obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement, and
- performed inquiries of relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Oslo, 27 March 2025
Deloitte AS

Mats Nordal
State Authorised Public Accountant - Sustainability Auditor
(This document is signed electronically)

ALTERNATIVE PERFORMANCE MEASURES

The Group reports its financial results in accordance with accounting principles IFRS as issued by the IASB and as endorsed by the EU. However, management believes that certain 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 viewed as 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 compliance with financial covenants.

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 to be an important supplemental measure to understand the overall picture of profit generation in the Group's operating activities.

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.

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, depreciation 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.

EBIT before impact of IFRS 16 margin
EBIT before impact of IFRS 16 divided by total revenue.

Net debt
Current and non-current borrowings for the period (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 since it is a useful indicator of the Group's indebtedness, financial flexibility and capital structure. It indicates the level of borrowings after taking account of 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 of compliance with financial covenants. Please see Note 20 Borrowings for reconciliation to Total interest-bearing liabilities.

Leverage ratio
Net debt divided by EBITDA before impact of IFRS 16 for the past twelve months.

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 is a measure of business combinations (acquisitions) and investments in greenfields and digital expansion. The measure is defined as the sum of Acquisition of subsidiary from the Statement of cash flows and investments in greenfields and digital expansion.

Operating cash flow
Operating cash flow is a measure of how much cash is generated by the operations and used to evaluate SATS's liquidity. The definition is EBITDA excluding IFRS 16 less Upgrades and 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: Maintenance capital expenditures	Club 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
EBIT before impact of IFRS 16	EBIT 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 EBITDA before impact of IFRS 16 fot the past twelve months
Member base	Number of members, including frozen memberships, excluding free memberships
Operating cash flow	EBITDA before impact of IFRS 16 less 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

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