

Q4 2020

INTERIM REPORT

OCTOBER – DECEMBER 2020

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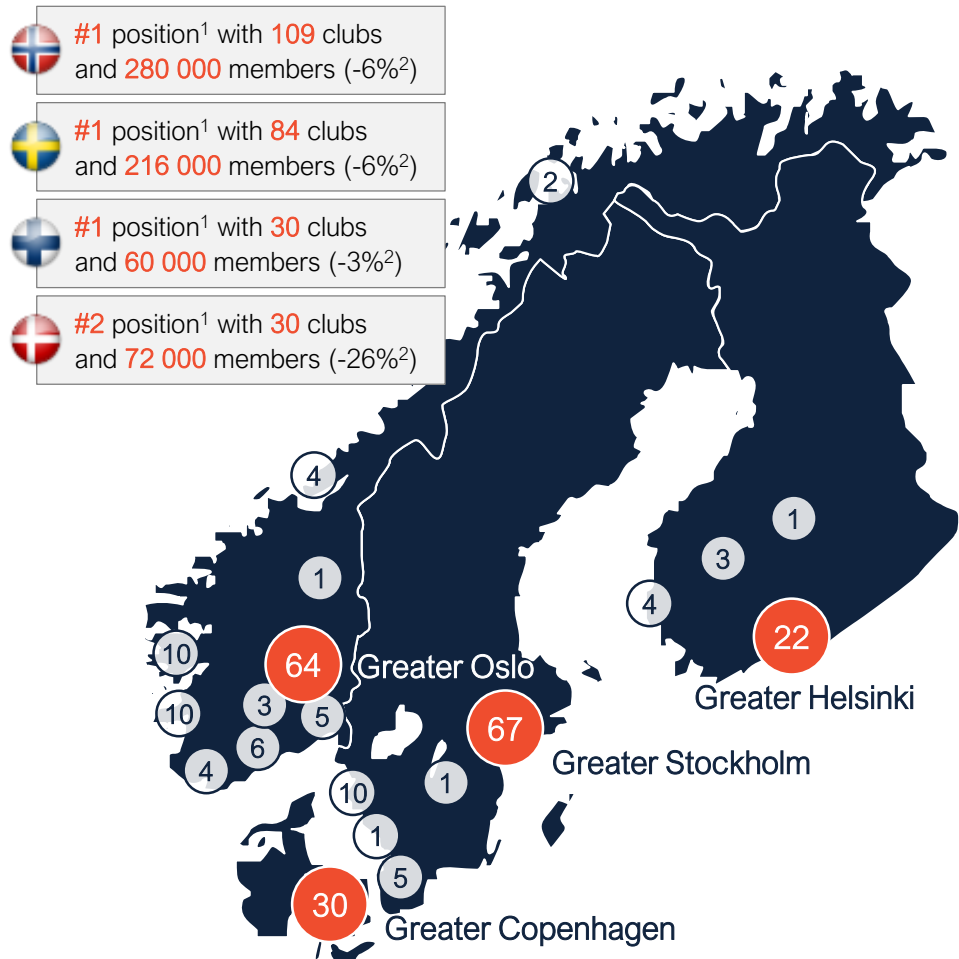


SATS

STATUS UPDATE



Q4 AND 2020 FINANCIALS SEVERELY IMPACTED BY DIRECT AND INDIRECT EFFECTS OF COVID-19 RELATED CLUB CLOSURES



253
CLUBS

628 000
MEMBERS

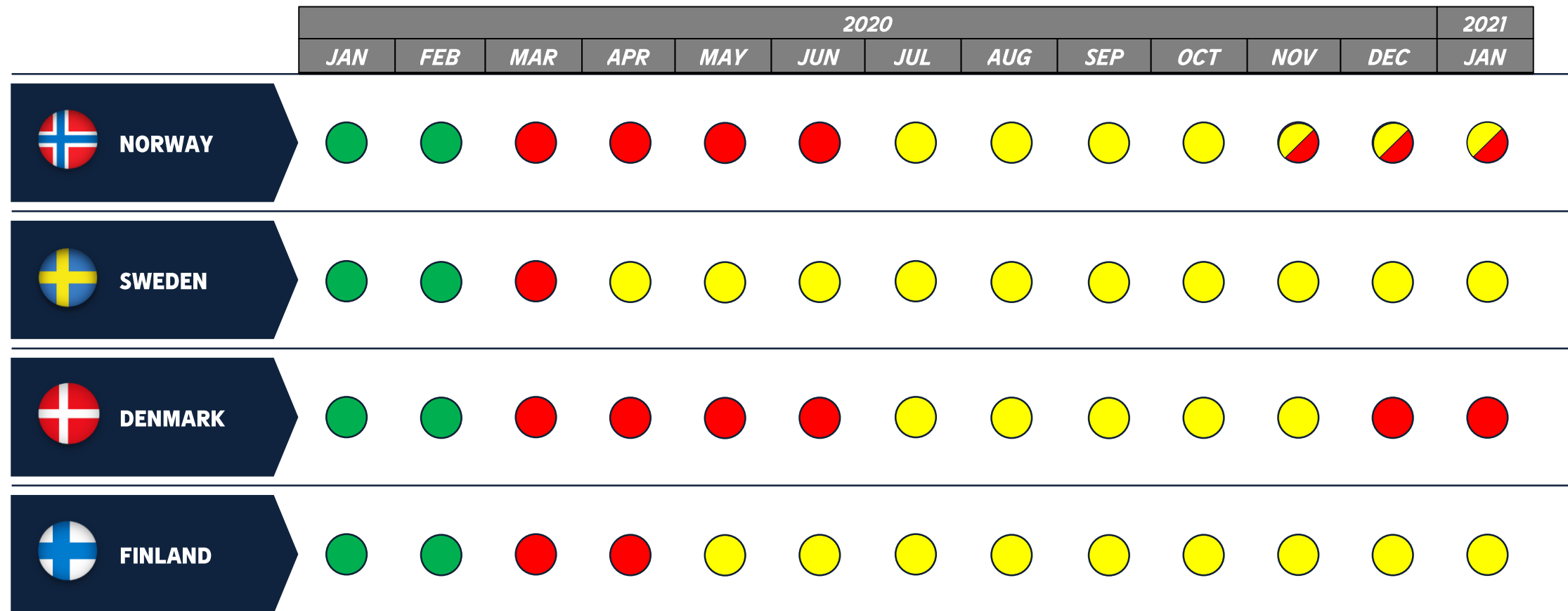
#1
IN THE NORDICS¹

#3
IN EUROPE¹

KEY FIGURES	Q4 2020	CHANGE VS Q4 2019
TOTAL REVENUES	846 MNOK	-18%
ADJ. EBITDA BEFORE IFRS 16	-32 MNOK	-120%
ADJ. EBITDA BEFORE IFRS 16 MARGIN	-4%	-17.7 P.P.

(1) Measured by 2019 revenues based on figures from Deloitte EuropeActive EHFMR 2020
 (2) Compared to Q4 2019

OPERATIONS IN ALL COUNTRIES HEAVILY AFFECTED BY GOVERNMENTAL RESTRICTIONS – LONG CLOSING PERIODS IN NORWAY AND DENMARK



- Open clubs
- Open clubs with restrictions
- Imposed club closure

SIGNIFICANT REGIONAL VARIANCES IN REGULATIONS DURING THE SECOND PANDEMIC WAVE

NORWAY

- Regional imposed lock-downs in certain municipalities, mainly in the greater Oslo area
- A total of 71 clubs closed for an average of 45 days during Q4
- 60 of 109 clubs closed as of 8 Feb
- Various regional operational restrictions, such as group training restrictions and access limited to residents of the municipality

DENMARK

- All clubs still closed
- Governmental imposed lock-down of all fitness clubs from 9 Dec
- Current restrictions prolonged throughout Feb

SWEDEN

- Recommendation for gyms to reduce visits and for people to avoid public spaces during Q4
- Operational restriction of 10 sqm per visiting member, regulated through the pandemic law, as implemented in Jan
- Only marginal operational adjustments after implementation of the pandemic law, as most were already implemented
- All previously unmanned clubs manned from 23 Dec to comply with capacity constraints
- Several inspections in SATS clubs, of which all approved

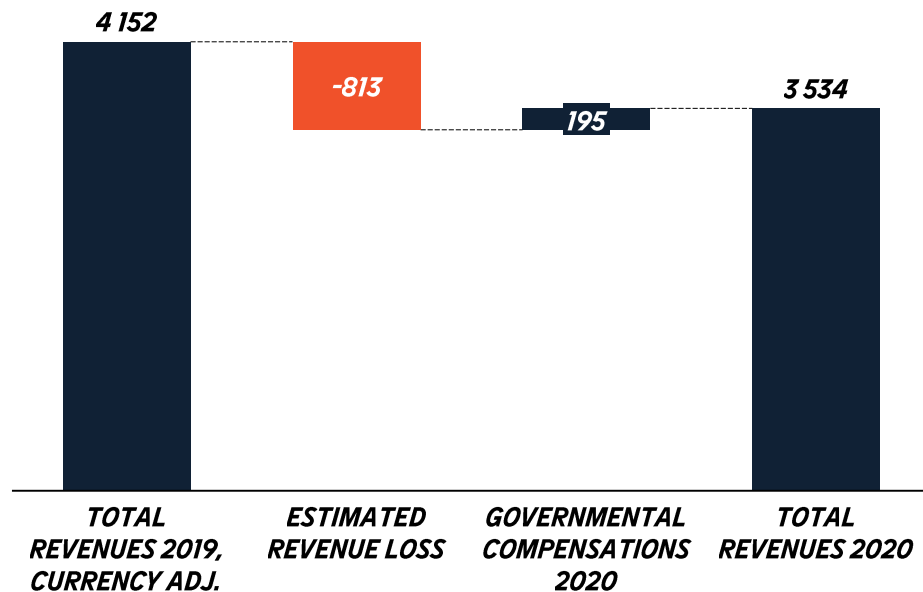
FINLAND

- No specific restrictions related to fitness clubs, but recommendation to use face masks in public spaces of fitness clubs
- Public gathering recommendation of max 10 people, reducing our GX capacity to 10 members
- Current restrictions prolonged throughout Feb

SUBSTANTIAL NEGATIVE FINANCIAL EFFECTS OF GOVERNMENTAL RESTRICTIONS ON OPERATIONS

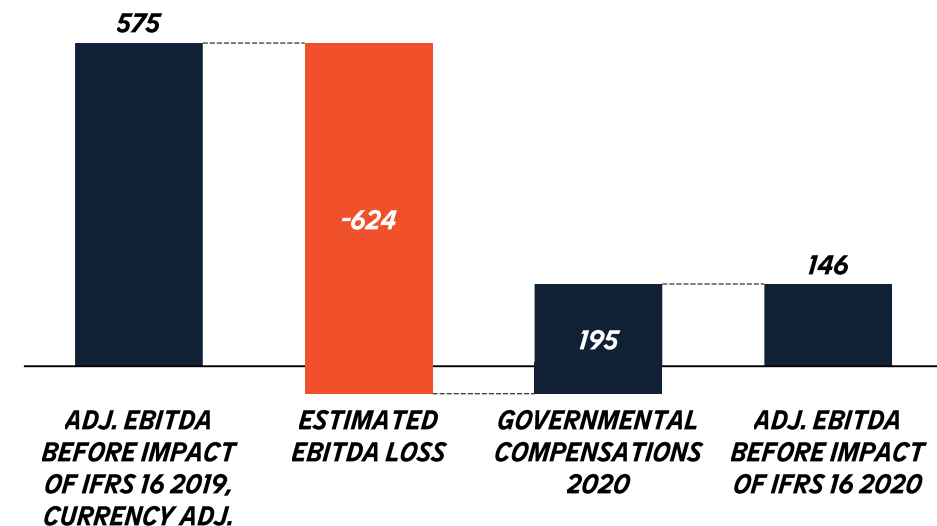
ESTIMATED NEGATIVE REVENUE EFFECT (MNOK)

- Comparing 2020 to 2019 indicates a negative revenue effect north of NOK 800 million
- However, the effect is larger when taking into account the high growth pace when entering 2020



ESTIMATED NEGATIVE EBITDA EFFECT (MNOK)




- Comparing 2020 to 2019 indicates a negative EBITDA effect of just above NOK 600 million
- As for revenues, the effect is larger when taking into account the high growth pace when entering 2020



IMPOSED CLOSURES OF FITNESS CLUBS CAUSE SIGNIFICANT NEGATIVE PUBLIC HEALTH EFFECTS

SATS HAS CONDUCTED A SURVEY AMONG ITS MEMBERS TO MAP HOW EXERCISE HABITS HAVE BEEN AFFECTED BY THE PANDEMIC

Key insights from the survey:

	The two most important reasons for exercising are staying in shape and mental wellbeing	>60% of the respondents state that exercising is important for the mental health
	More people train less and experience being in worse shape now than before the pandemic	>60% of the respondents are working out less than prior to the pandemic
	Outdoor and online training has increased, but this is far from compensating the activity level at the fitness clubs	>50% state that access to a fitness club is necessary to maintain their activity level

The results are worrying for both the physical and mental public health.

SATS will continue offering outdoor training where allowed and a comprehensive digital training universe, but the level of physical activity is dependent on the physical clubs.

SAFE TO VISIT SATS' CLUBS - NO MEMBERS INFECTED AT SATS



DETAILED VISITOR LOG

- Access control
- Deviation reporting of:
 - Infection cases
 - Employees in quarantine
 - Access restrictions at clubs
- SMS to affected members after infection cases
- Close dialogue with the local "Smittevernkontor"



IMPROVED CLEANING ROUTINES

- Improved hygiene protocols
- Extra cleaning (tasks and frequency)
- Shortened classes to allow for cleaning between
- Positive NPS trend during 2020 driven by improved perceived cleanliness



SOCIAL DISTANCING

- Capacity reduced and access restrictions implemented
- Great feedback from members on handling of infection rules
- App push message to members with reminders when entering club

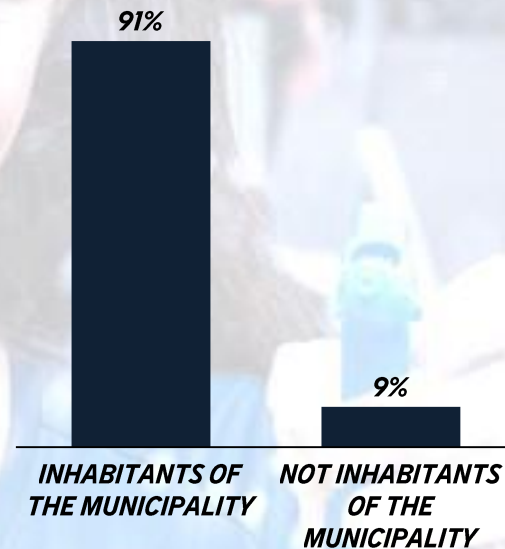


More than 5 million visits at the clubs in Norway since reopening after the first closure, with 227 COVID-19 cases, but no confirmed transmission in the clubs based on comprehensive infection tracking routines

WE CAN REOPEN OUR CLUBS IN A CONTROLLED AND SAFE WAY

- SATS is **gradually opening** clubs according to governmental restrictions
- **Close and pro-active dialogue** with both national and local government and politicians
- Introducing additional **actions** to increase infection control and limit mobility
- **Strong operational routines and technology platform** enables implementation of multiple measures
 - New pandemic law in Sweden
 - Local mobility restrictions in Norway – only members from local municipality in selected club (address control and app access routines implemented)
 - Increased social distancing in clubs
 - Infection control guard at club
- SATS' extensive **network of clubs facilitate for low social mobility**, as the majority of the members have a club nearby

**EXAMPLE FROM CLUB IN THE OSLO AREA
DURING A TYPICAL WEEK IN FALL 2020,
SHOWING VISIT SPLIT:**



EXPECT TO BE ALLOWED TO OPEN ALL CLUBS SOON...

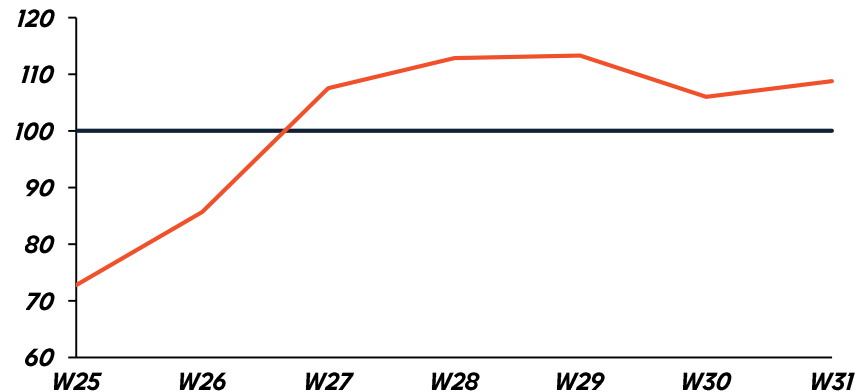
... as other businesses with no access control and registration and significant people gatherings are allowed to be open



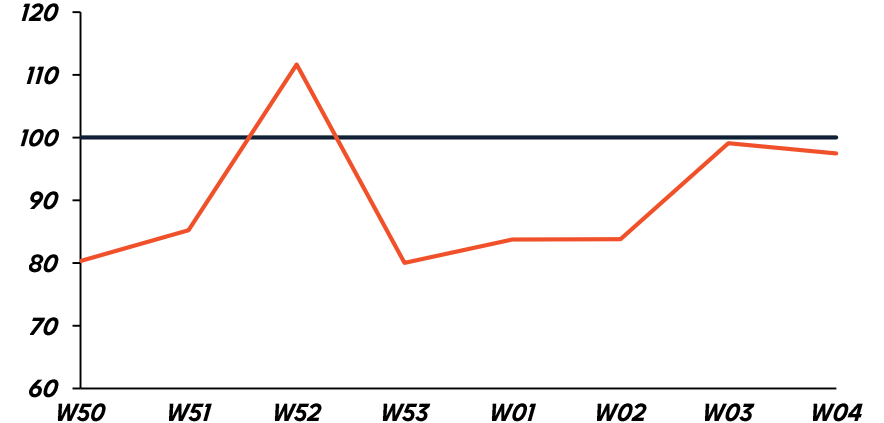
MEMBERS ARE RETURNING TO CLUBS AFTER REOPENING

- Members eager to get back, both after the first or the second closure
- Visits handled in a controlled manner with strict infection control measures

REOPENING IN NORWAY IN JUNE AFTER FIRST CLOSURE



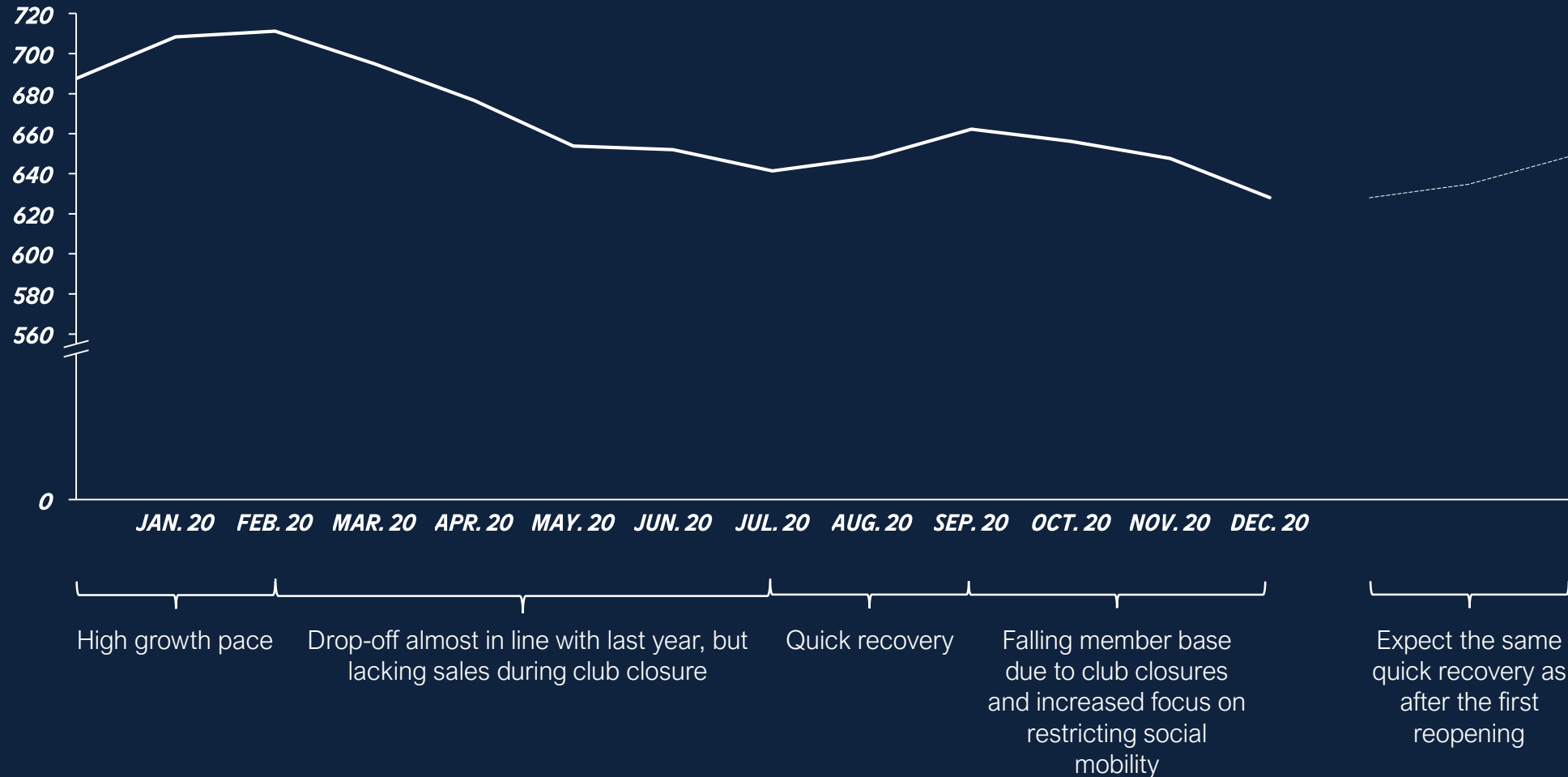
REOPENING IN BERGEN IN DECEMBER AFTER SECOND CLOSURE



— VISITS LAST YEAR
— VISITS THIS YEAR, INDEXED

EXPECT QUICK MEMBER BASE RECOVERY AFTER REOPENING ALL CLUBS

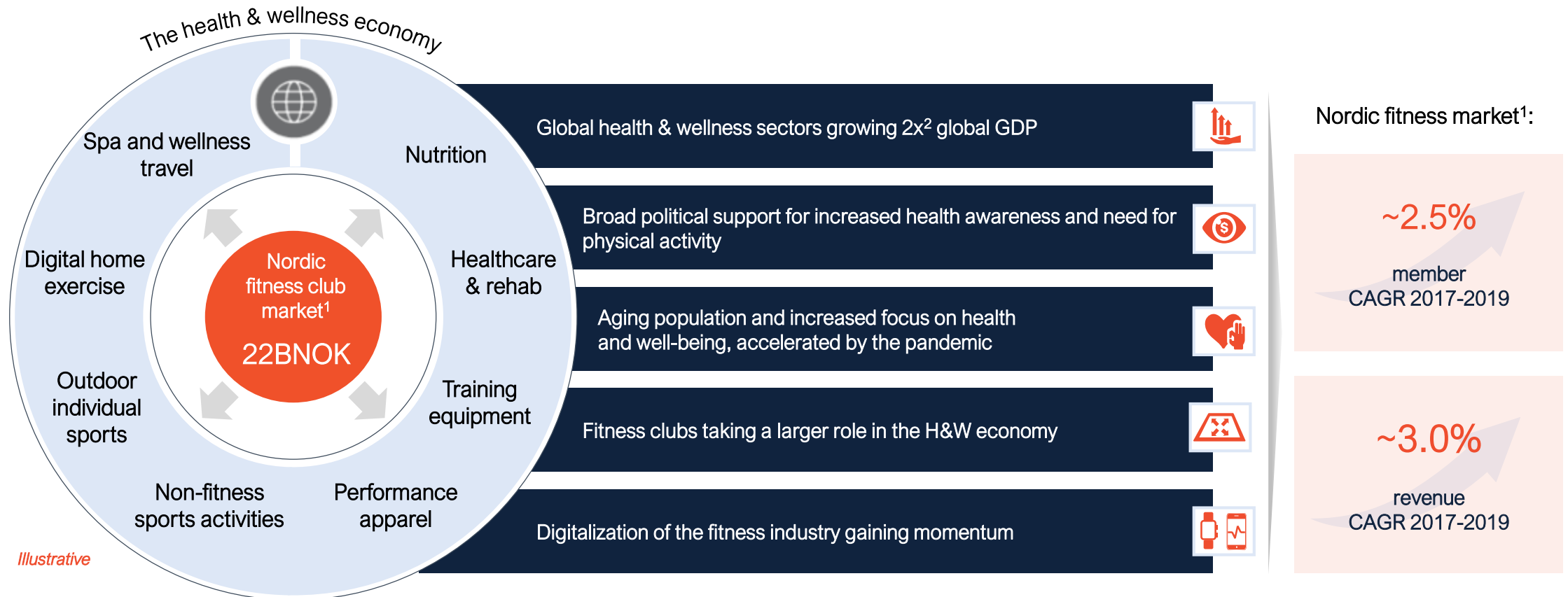
OUTGOING MEMBER BASE ('000):



***ACCELERATED UNDERLYING GROWTH TREND,
WITH SATS WELL POSITIONED***



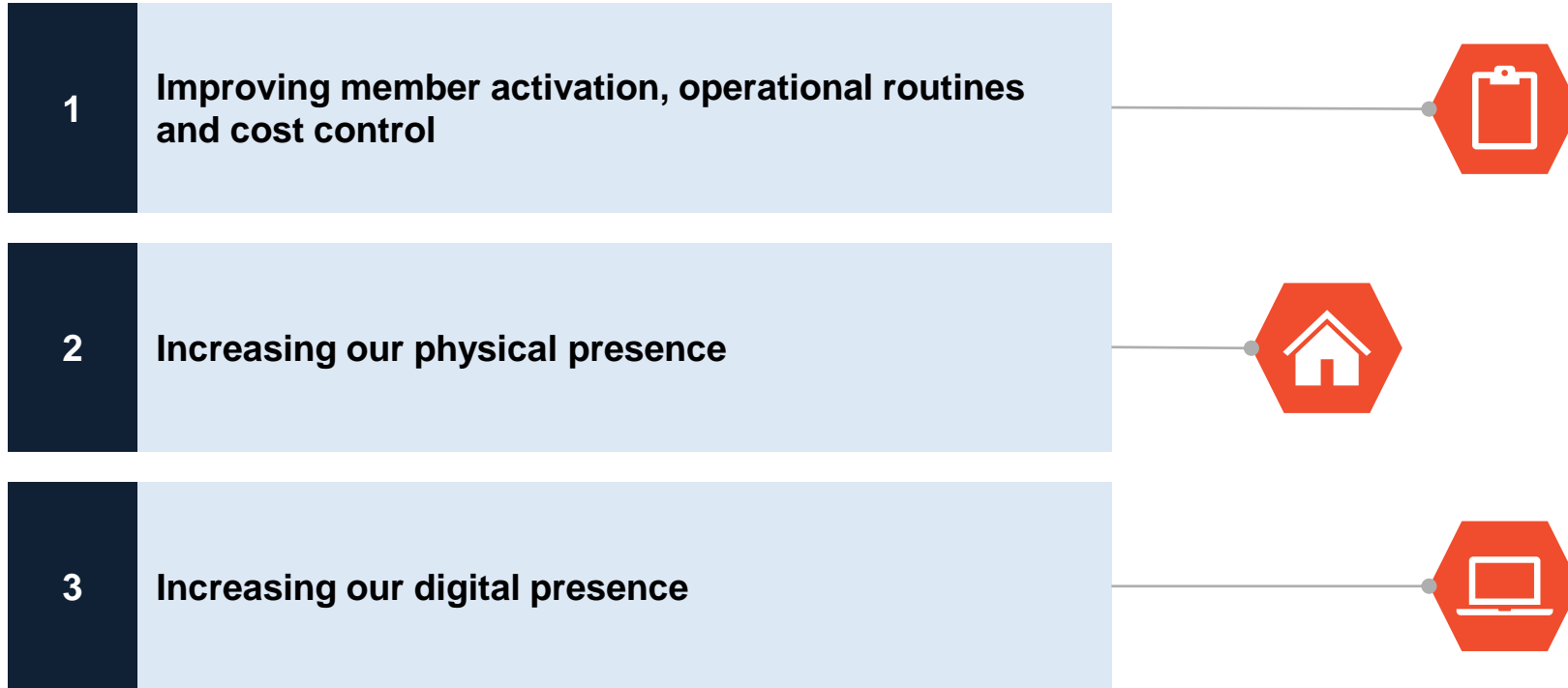
FITNESS CLUBS AT THE CENTRE OF THE GROWING HEALTH & WELLNESS ECOSYSTEM AND HEALTH FOCUS EXPECTED TO GROW DURING THE PANDEMIC



Illustrative

(1) Based on data for individual fitness markets in the Nordics, as defined by EuropeActive EHFMR 2019
 (2) The health & wellness (H&W) sectors as defined by Global Wellness Institute. The period referred to is 2015-2017

SIGNIFICANT ACTIONS TAKEN DURING THE PANDEMIC TO POSITION SATS FOR THE GROWTH AHEAD



IMPROVING MEMBER ACTIVATION, OPERATIONAL ROUTINES AND COST CONTROL

KEEPING THE MEMBERS ACTIVE IS OF STRATEGIC, FINANCIAL AND PUBLIC HEALTH IMPORTANCE - AND WE ARE WELL POSITIONED TO SUCCEED

An active member base is important ...

...and SATS is the player with scale and abilities to achieve it (selected examples)

1

Strategically

Passive members are overrepresented among churners; active members do not quit

2

Financially

Lower churn has significant financial impact, and reduces the need for significant marketing spend to secure net growth

3

Public health

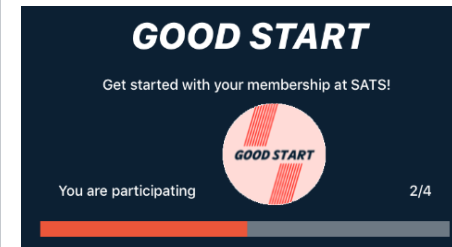
Active members is a significant instrument in our endeavour to improve public health in our markets

In-app challenges



Motivate frequent training, adapted to current situation (online training)

Onboarding



Detailed and individual follow-up through first 8 weeks – to create habits

«Kickstart»



Scaled 6-8 week training program journeys, timed after low seasons (opening rates 60-90%)

Trigger-based nudging



Early detection of members with deteriorating workout trend

To be launched: Loyalty program based on activity



Unlock levels and rewards based on activity level

Social connections in app



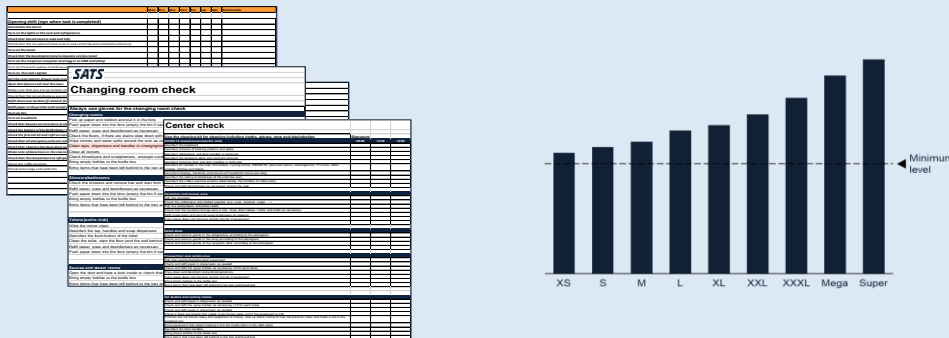
Connecting with other members in app to plan joint training and to cheer on completed training

IMPROVING MEMBER ACTIVATION, OPERATIONAL ROUTINES AND COST CONTROL

STANDARDIZING THE OPERATING MODEL AND KEEPING A GOOD COST CONTROL

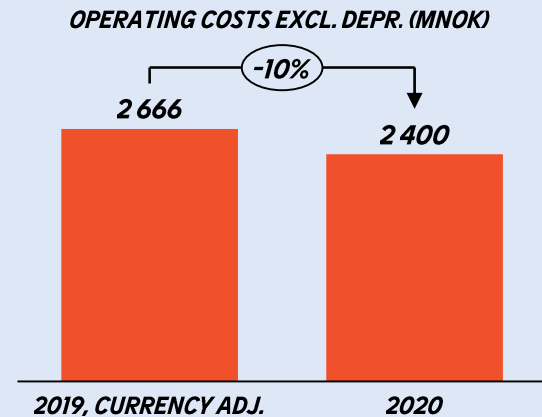
FURTHER STANDARDIZED THE OPERATING MODEL

- Responsibilities and expectations to management roles
- Overview of tasks executed in clubs
- Allocation of staff hours
- Way of working with tasks and hours for operations



GOOD COST CONTROL

- Cost reductions driven by temporary cost reducing measures during club closures
- Operating with infection in the society entails certain additional cost-driving measures, but this is compensated for through other cost reductions



INCREASING OUR PHYSICAL PRESENCE

SATS HAS ESTABLISHED A UNIQUE POSITION, WHICH WAS FURTHER STRENGTHENED DURING 2020



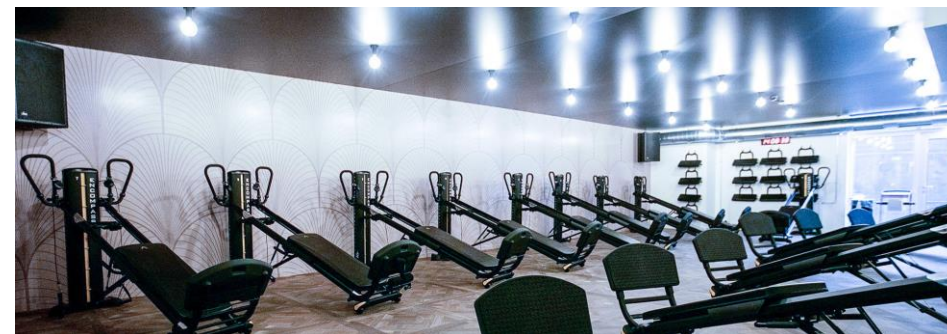
- 🇳🇴 Ursvik Entré (Q1)
- 🇳🇴 Tapiola (Q1)
- 🇳🇴 Lyngby – Kanalvej (Q3)
- 🇳🇴 Iso Omena (Q3)
- 🇳🇴 Häggvik (Q4)
- 🇳🇴 Arninge (Q4)



- 🇳🇴 Mölnvik (Q1)
- 🇳🇴 Hamnen (Q1)
- 🇳🇴 Ås (Q4)
- 🇳🇴 Kalbakken (Q4)
- 🇳🇴 Sinsen (Q4)
- 🇳🇴 Romsås (Q4)
- 🇳🇴 Haugerud (Q4)
- 🇳🇴 Lier (Q4)
- 🇳🇴 Skanssi (Q4)



- 🇳🇴 Skøyen to Hoff (Q3)
- 🇳🇴 St. Olav to Herbarium (Q3)



INCREASING OUR PHYSICAL PRESENCE

ALREADY SIGNED SIGNIFICANT CLUB EXPANSION FOR 2021



- 🇳🇴 Lindeberg (Q2)
- 🇳🇴 Aker Brygge (Q2)
- 🇳🇴 Kolbotn Torg (Q2)
- 🇳🇴 Slemmestad (Q3)
- 🇫🇮 Gamlestaden (Q3)
- 🇫🇮 Limhamn (Q3)
- 🇫🇮 Bromma Blocks (Q4)
- 🇫🇮 Circus (Q4)

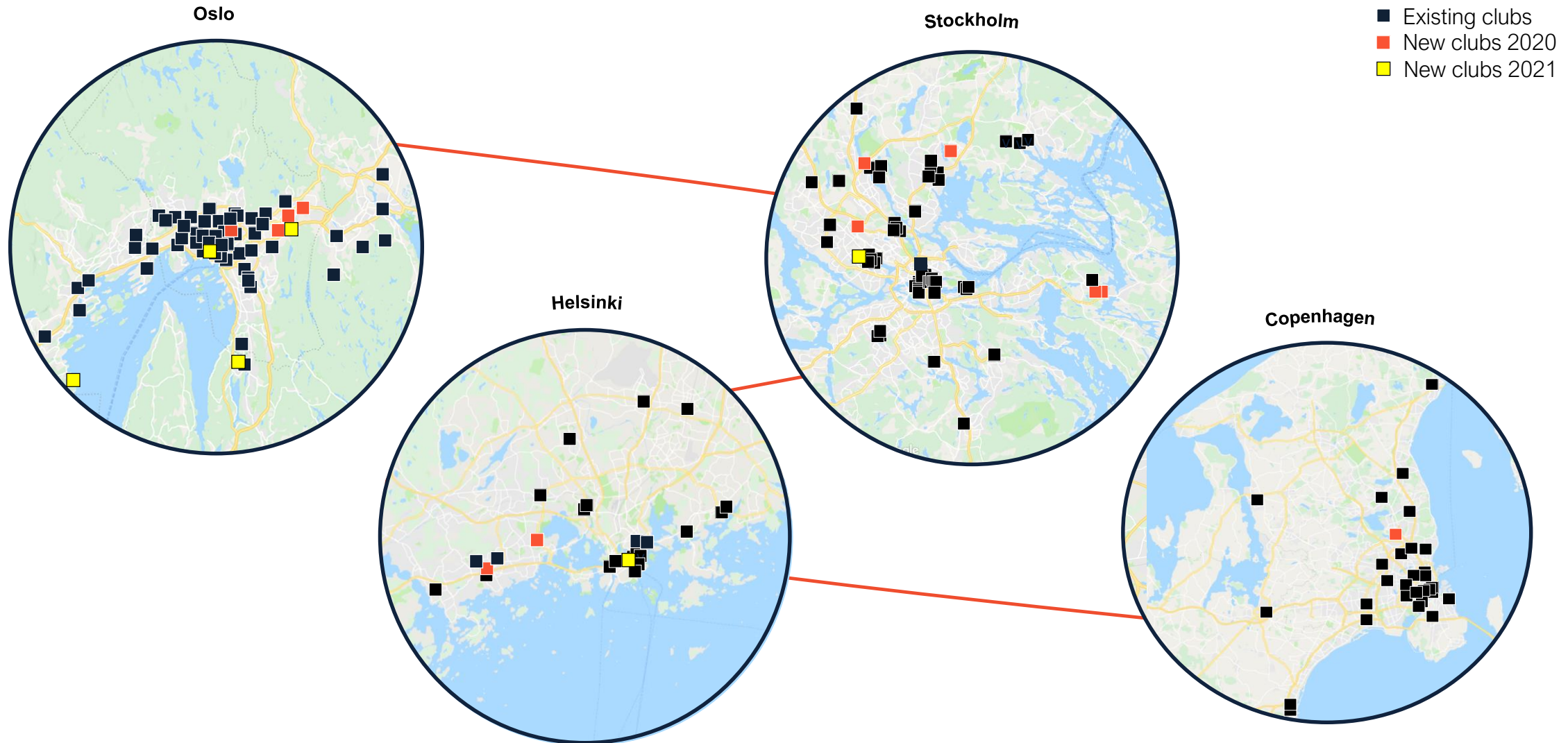


- 🇫🇮 Kaleva (Q3)
- 🇫🇮 Onkiniemi (Q4)



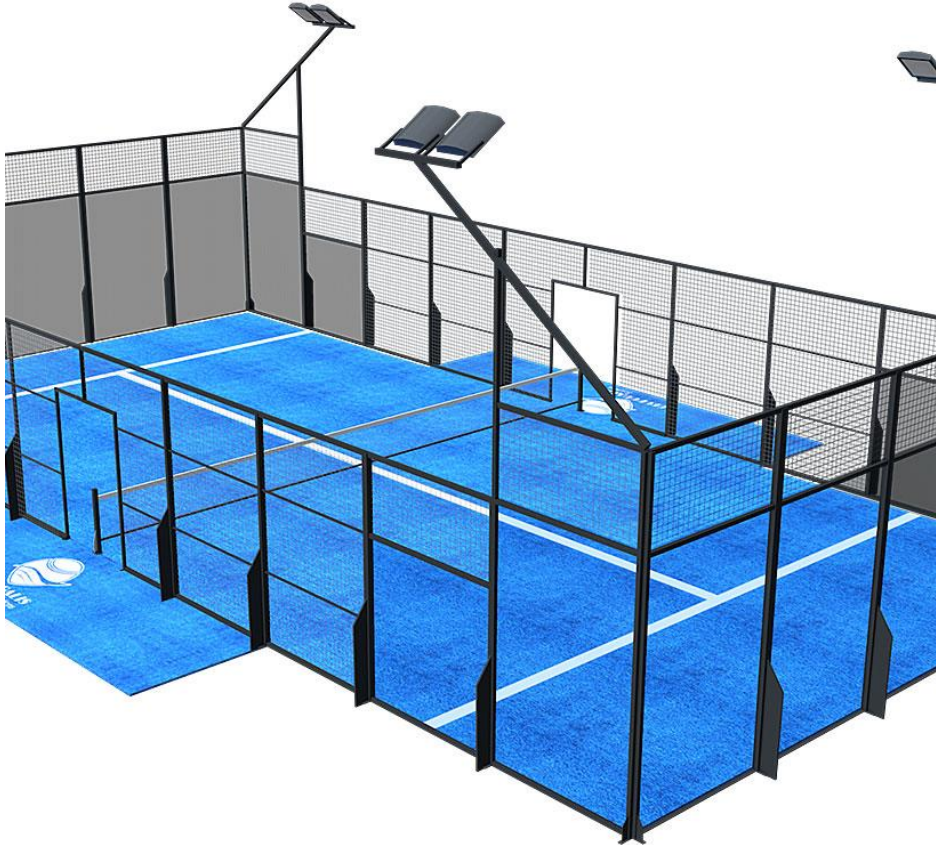
INCREASING OUR PHYSICAL PRESENCE

ESTABLISHED LEADERSHIP POSITION IN THE CAPITAL CLUSTERS



INCREASING OUR PHYSICAL PRESENCE

EXPLORING PADEL AS A SUPPLEMENTING OFFERING



- Example of an **adjacent service** with high potential
 - Sport with high growth in the Nordics
 - SATS well positioned both with regards to brand position and relationship with relevant landlords
- Broadening our offer to existing **members** and attracting **non-members** who otherwise do not train at the gym
- Already plans of **establishing 20-25 courts** in Oslo, Stockholm and Gothenburg in 2021, both indoor and outdoor, connected to our gyms, with potential additions throughout the year

INCREASING OUR DIGITAL PRESENCE

DEVELOPED DIGITAL UNIVERSE OVER TIME

Tren hjemme med Online Training

Viser 20 av 206

Kategori

- Balanse
- Dans
- Fleksibilitet
- Get started
- Kondisjon
- Løping
- Meditasjon
- Styrke
- Sykkel
- Yoga


Instruktør

- Emmy Örn

Utstyr


-

GRATIS




De fire elementer - Vann
14 min • 3 kvm
Johanna Hector

GRATIS




20 Minute HIIT #1 Online
19 min • 3 kvm
Tonje Kristenstuen

GRATIS



Bootylicious #6 Online
25 min • 3 kvm
Emmy Örn

GRATIS



Family Crosstraining #2 Online
28 min • 3 kvm
Anna Rüberg

Fre Lør Søn Man Tir Ons Tor Fre Lør Søn


29 30 31 1 2 3 4 5 6 7

9:30 **Crosstraining #2 Online**
31 min • 3 kvm
IN Scott Owen

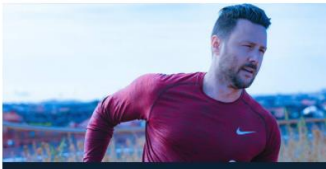
10:30 **Vinyasa Flow #3 Online**
33 min • 3 kvm
IN Johanna Andersson

11:15 **Zumba Mix Online**
54 min • 3 kvm


12:15 **Mini-Band Strength #1 Online**
31 min • 3 kvm
IN Ari Lipponen



GET STRONG
For deg som vil bli sterkere og bygge muskler



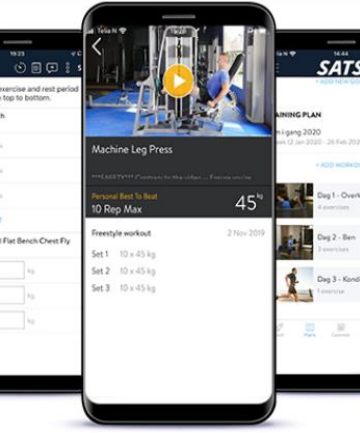
IMPROVE CARDIO
For deg som vil få bedre kondisjon



BACK FROM PREGNANCY
For deg som vil komme i form etter graviditeten

Jeg vil følges opp av en PT Online

BOOK DIN PT ONLINE



ONLINE TRAINING, LIVE TRAINING, DIGITAL TRAINING PROGRAMS, PT ONLINE +++

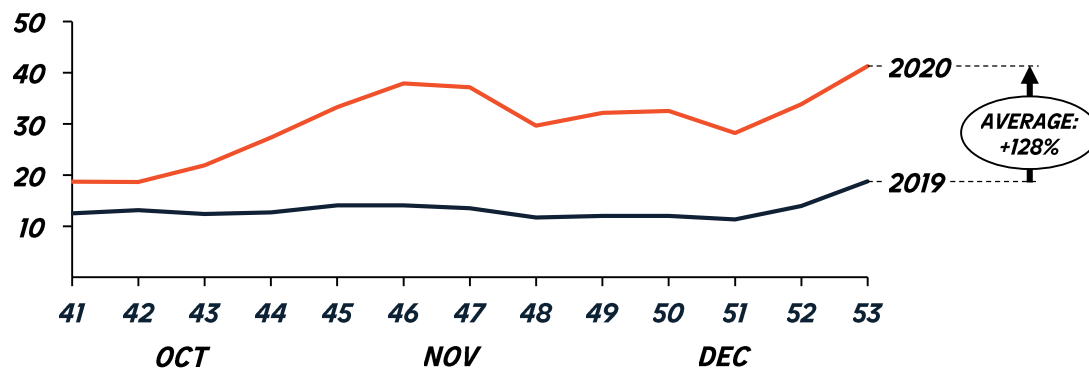
INCREASING OUR DIGITAL PRESENCE

SOLID FOUNDATION FOR FURTHER GROWTH

- Internal development team increased from 10 to 23 employees during 2020
- App usage increase of 35% in October, when all clubs were open
- ~500 000 unique app users and ~3 million unique web users during a normal quarter

ONLINE TRAINING USAGE HAS STABILIZED AT A HIGH LEVEL

'000 of sessions started per week



INCREASING OUR DIGITAL PRESENCE

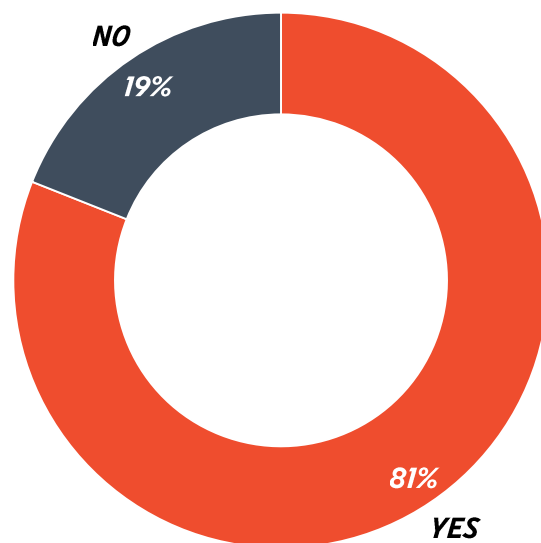
ONLY 20% OF THE NORDIC POPULATION ARE MEMBERS AT FITNESS CLUBS, BUT MOST WOULD LIKE TO EXERCISE MORE

MANY ARE NOT MEMBERS AT A FITNESS CLUB

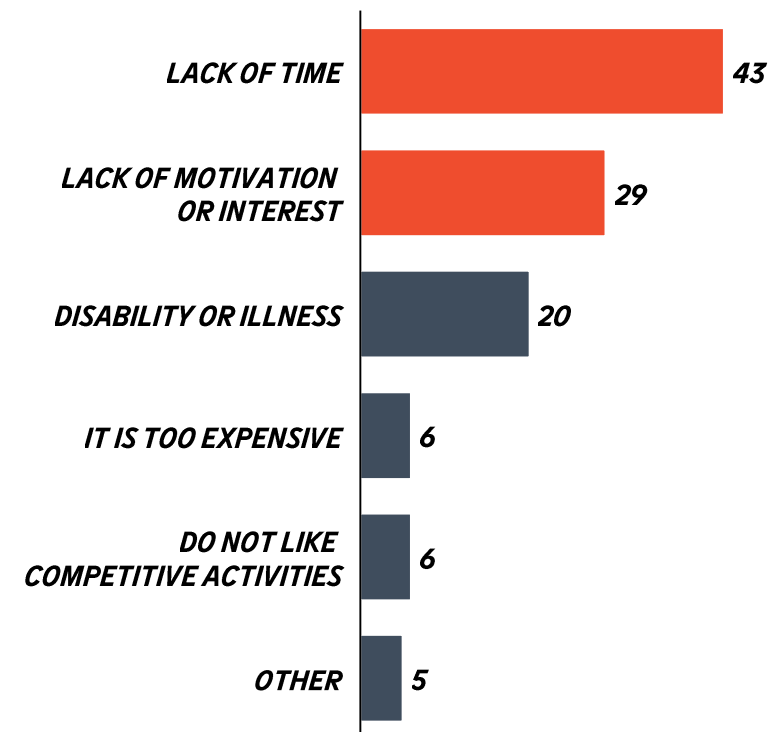
~80%

of the population in the Nordics are **not a member** of a fitness club but many are still active³

WOULD YOU LIKE TO WORKOUT MORE THAN YOU CURRENTLY DO?¹



REASONS FOR NOT ENGAGING IN EXERCISE AND SPORT²



(1) McKinsey survey 200 users in Sweden & Norway 2020

(2) European health barometer, 28 031 respondents, across 28 countries within the report some analysis have 19 982 respondents

(3) Statista, Health and fitness clubs in European countries

INCREASING OUR DIGITAL PRESENCE

AMBITION OF BECOMING THE LEADING PLATFORM FOR DIGITAL TRAINING IN THE NORDICS

WHY NOW?



The fitness market is growing into digital

The competition within digital fitness is growing but the Nordic market has yet to be won by one player



Digital will be the new standard

Customers are more accustomed to digital tools than ever and COVID-19 has pushed behaviors even further



Additional growth within the geographical footprint

Growing our digital presence opens a new growth opportunity in our current markets



The bar for customer experience is only increasing

Customer expectations for both physical and digital experience are increasing, also in the fitness industry

WHY SATS?



We have a strong membership base and brand

Our significant membership base and strong brand will allow us to build a solid position amongst fitness enthusiasts also within digital fitness



We can leverage the gym experience we provide today

Building on our gyms we can create a seamless and unified exercise experience at the gym or at home, further building the SATS universe



We believe we can take a leading position

The Nordic exercise at home market has not yet been captured, and we believe we can take a leading position

READY FOR (ANOTHER) STRONG COMEBACK!

- Significant negative operational and financial effects of governmental restrictions
- Worried about the negative public health effects of not being able to offer training at clubs, both mentally and physically
- Time spent well during club closures, strengthening the operational routines and laying the foundation for increasing both the physical and digital presence
- Expect strong comeback, in line with successful reopening after the first wave of closures, further accelerated by positive market momentum

FINANCIAL REVIEW

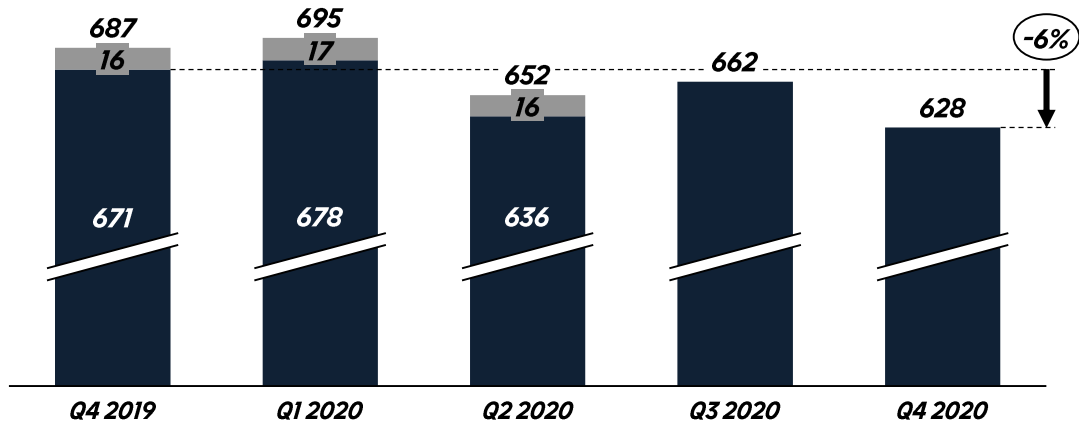


MEMBER BASE REDUCED DURING PERIODS OF CLUB CLOSURES AND RESTRICTIONS

OUTGOING MEMBER BASE ('000)

■ 9 SOLD DK CLUBS

■ REMAINING CLUB PORTFOLIO

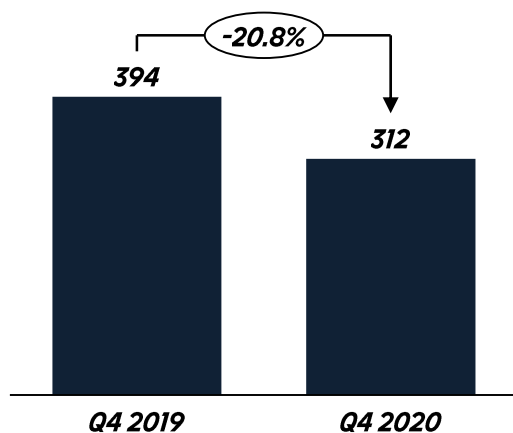


- Normally flat member development in the fourth quarter
- Proven ability to regain member base – expect quick recovery once reopening the full club portfolio

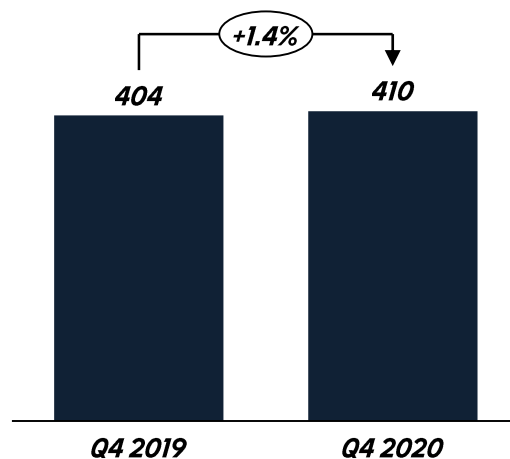


UNDERLYING MEMBERSHIP PRICES CONTINUING TO INCREASE

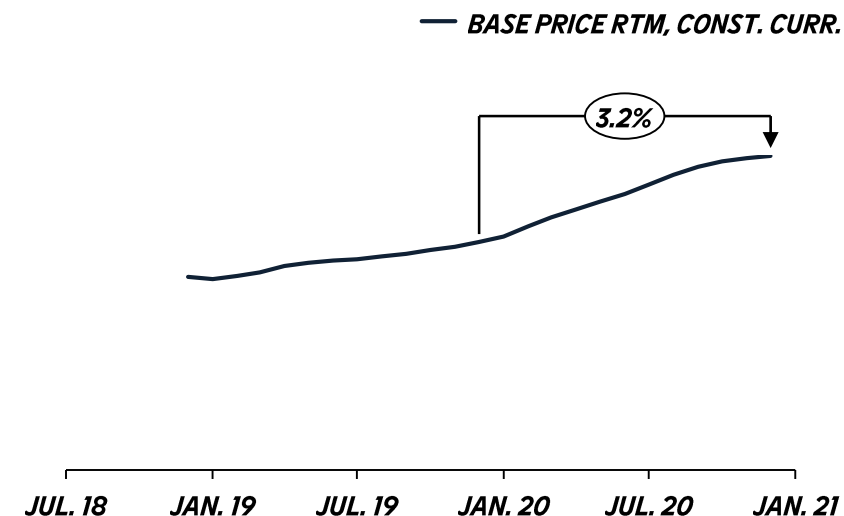
REPORTED MEMBERSHIP YIELD (NOK/MONTH)



ADJUSTED MEMBERSHIP YIELD¹ (NOK/MONTH)



CONTRACTUAL PRICE

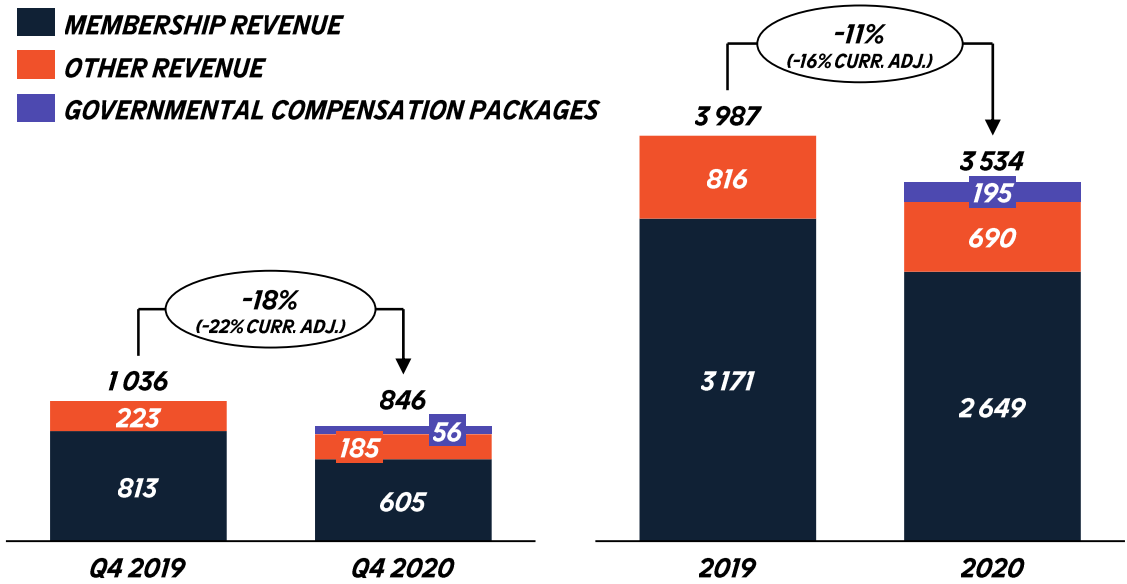


- Reported yield highly affected by inflated freeze during the quarter, but underlying yield continues to increase
- Tactical sales campaigns from June to September will affect reported ARPM the coming quarters, as the two free months are deferred over the binding period
 - Campaign effect in Q4: NOK 20 million
 - Expected campaign effect on reported ARPM of approx. NOK 15 million in Q1 2021
- Underlying price increasing, driven by price adjustments during the past year

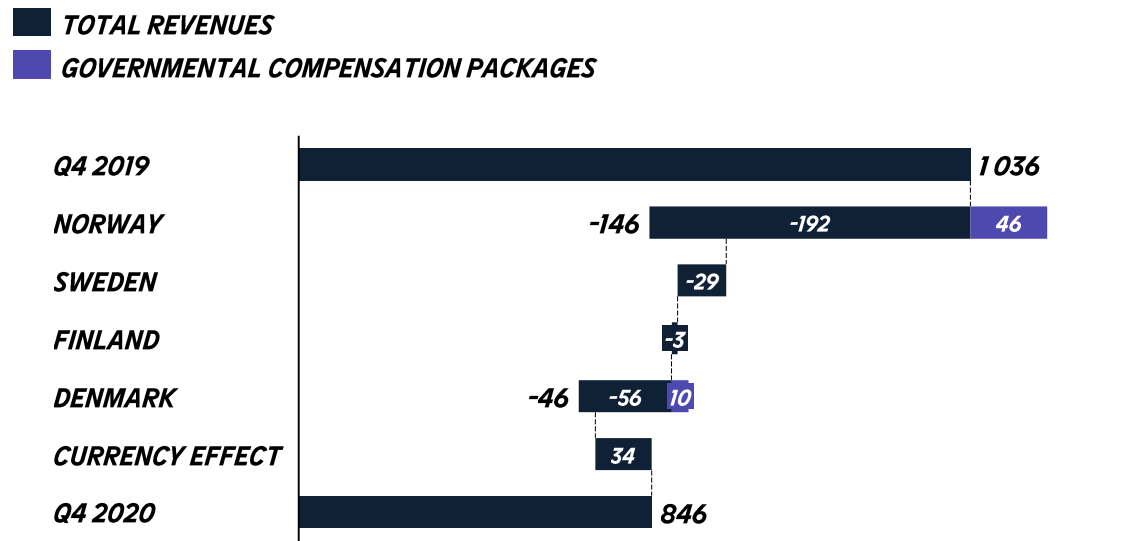
(1) Adjusted for currency, campaigns and freeze

REVENUES HIT BY CLUB CLOSURES AND FROZEN MEMBERSHIPS

TOTAL REVENUES (MNOK)

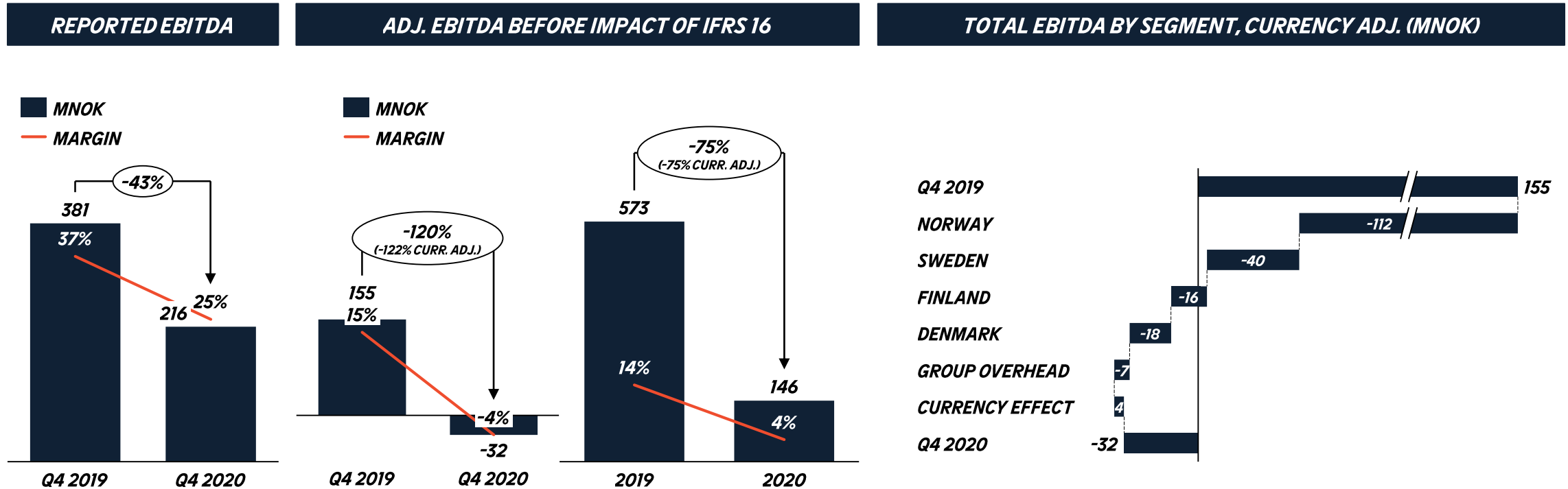


TOTAL REVENUES BY SEGMENT, CURRENCY ADJ. (MNOK)



- Revenues significantly hit by frozen memberships, driven by:
 - All memberships belonging to closed clubs frozen by default
 - Increase in infection rates and governmental recommendations to reduce social mobility have led to increased freeze rates also at open clubs
- The loss in revenues are partly mitigated by governmental compensation packages offered in Norway and Denmark, recognized as other revenues

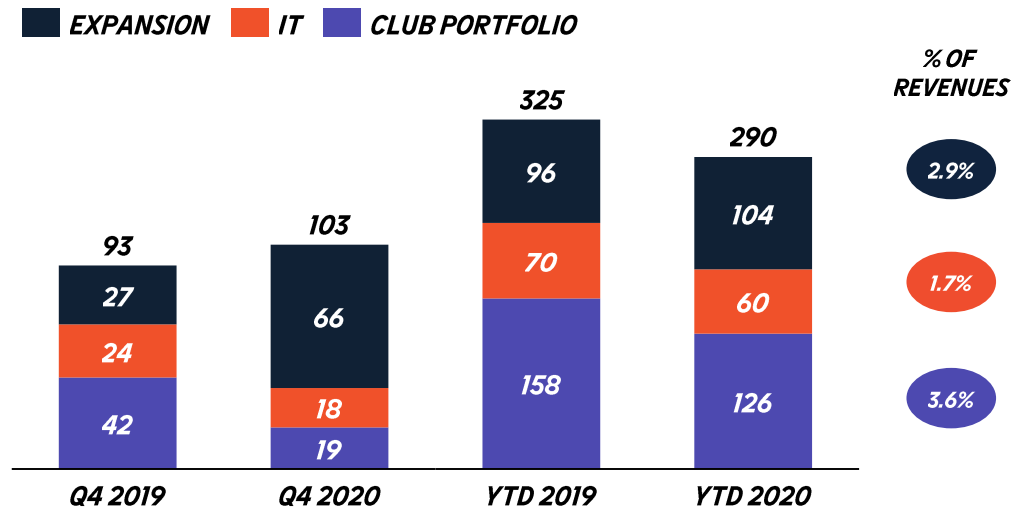
TEMPORARY REDUCED EBITDA DURING CLUB CLOSURES



- Revenue hit significantly affecting EBITDA, partly compensated by temporary lay-offs at closed clubs
- Operating under the new normal does result in some additional cost-driving measures, especially within cleaning and sanitation products, but we have compensated for this cost increase through cost reductions in other areas

EXPANSION CAPEX INCREASING WITH ELEVATED CLUB GROWTH

CAPITAL EXPENDITURE (MNOK)



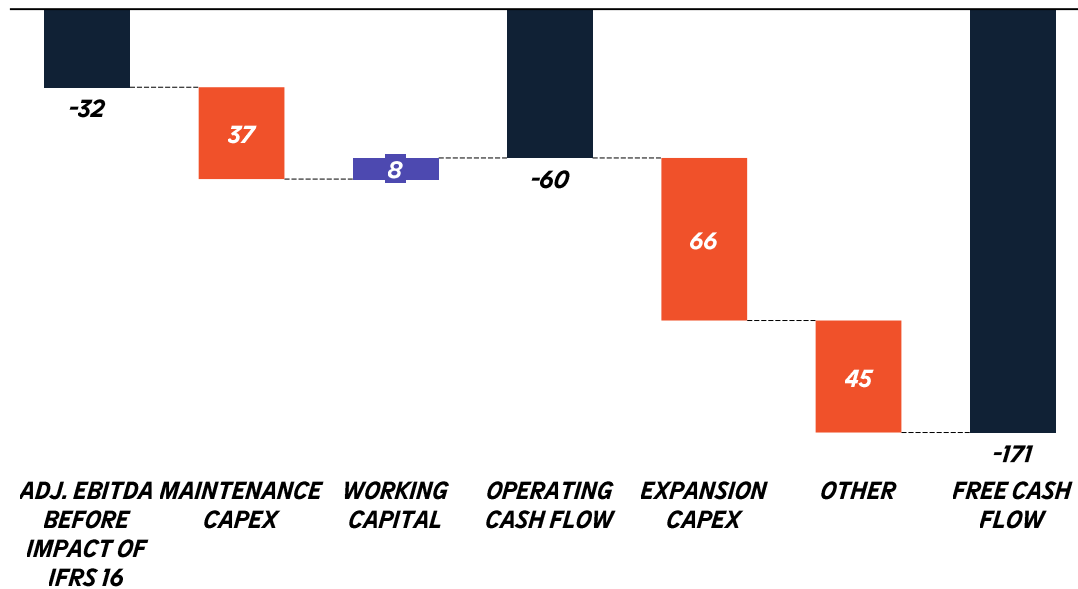
- Maintenance capex¹ of NOK 185 million (5.2% of revenues), following regular maintenance in the club portfolio
- Continued investments in club footprint and digital offering

(1) Maintenance capex consists of IT capex and club portfolio capex

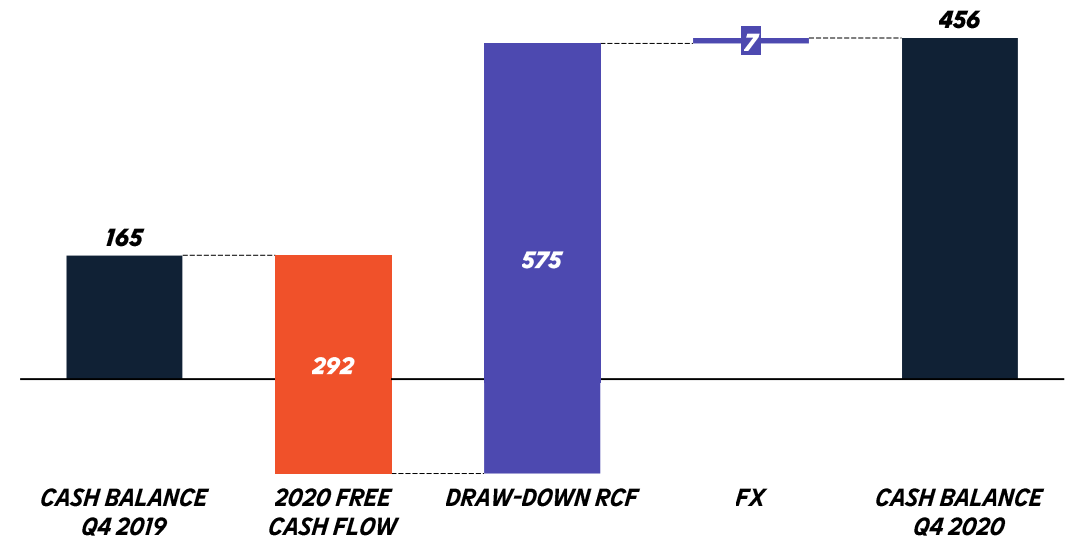


SUFFICIENT LIQUIDITY TO HANDLE A CONTINUED UNSECURE REGULATORY ENVIRONMENT GOING FORWARD

KEY CASH FLOW ITEMS Q4 2020 (MNOK)



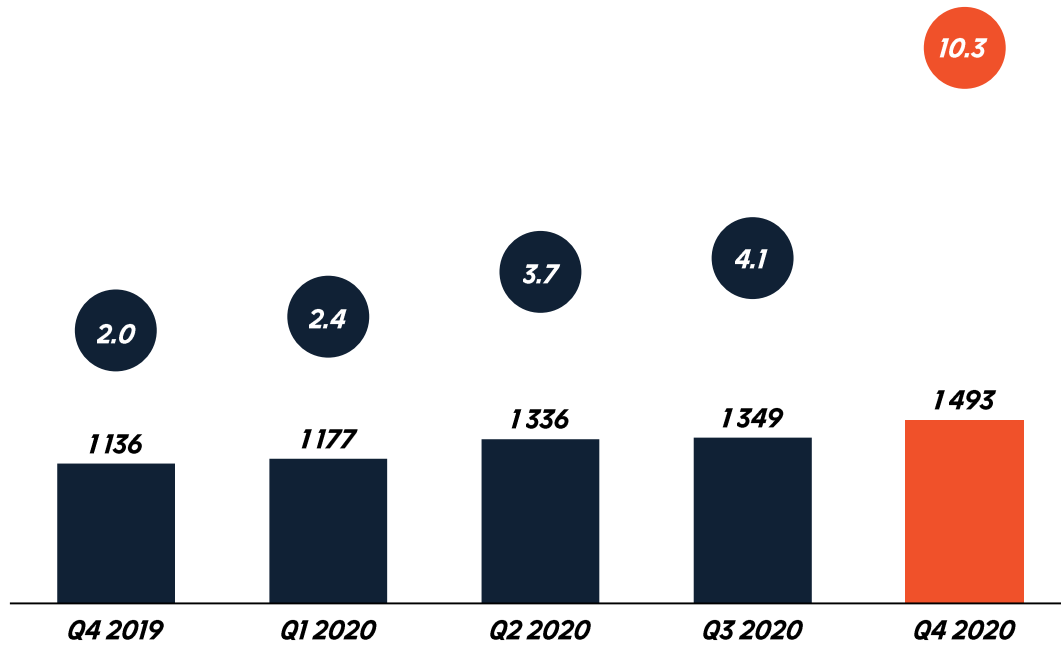
LIQUIDITY POSITION (MNOK)



- Positive deferral effects on working capital increases operating cash flow
 - Prepaid membership fees lifts working capital temporarily – effect will revert the quarter clubs open
- Sufficient liquidity at year-end, with cash balance of NOK 456 million and undrawn revolving credit facility (RCF) amount of approximately NOK 550 million
- Precautionary draw-down on RCF of NOK 200 million in Q1 2021 to secure available liquidity

SLIGHT TEMPORARY INCREASE IN NET DEBT

NET DEBT (MNOK) AND LEVERAGE RATIO¹



- Historically shown strong deleveraging profile both through cash generation and growth in EBITDA
- Expect net debt to increase slightly in the short term, but once we are through the COVID-19 closure impact, we will return to responsible deleveraging again

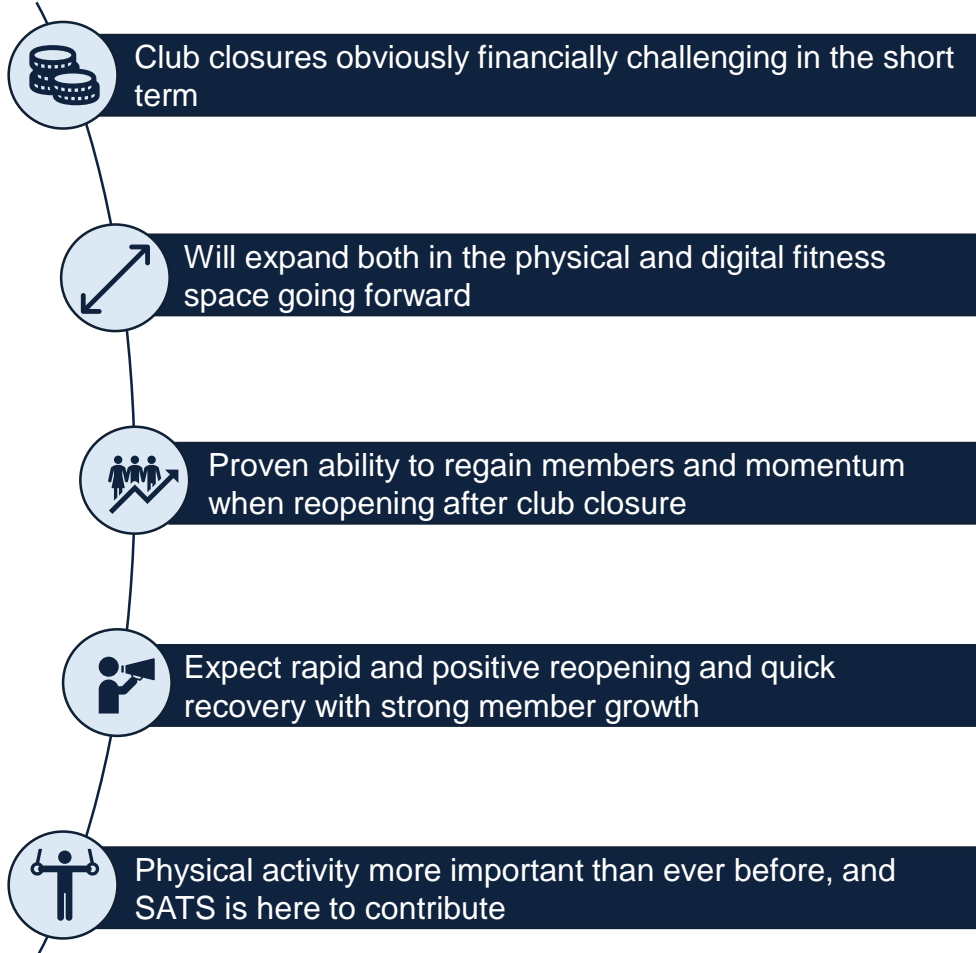
(1) Net debt divided by last twelve months adjusted EBITDA before impact of IFRS 16



OUTLOOK



PREPARED TO REPEAT SUCCESSFUL MEMBER BASE RECOVERY



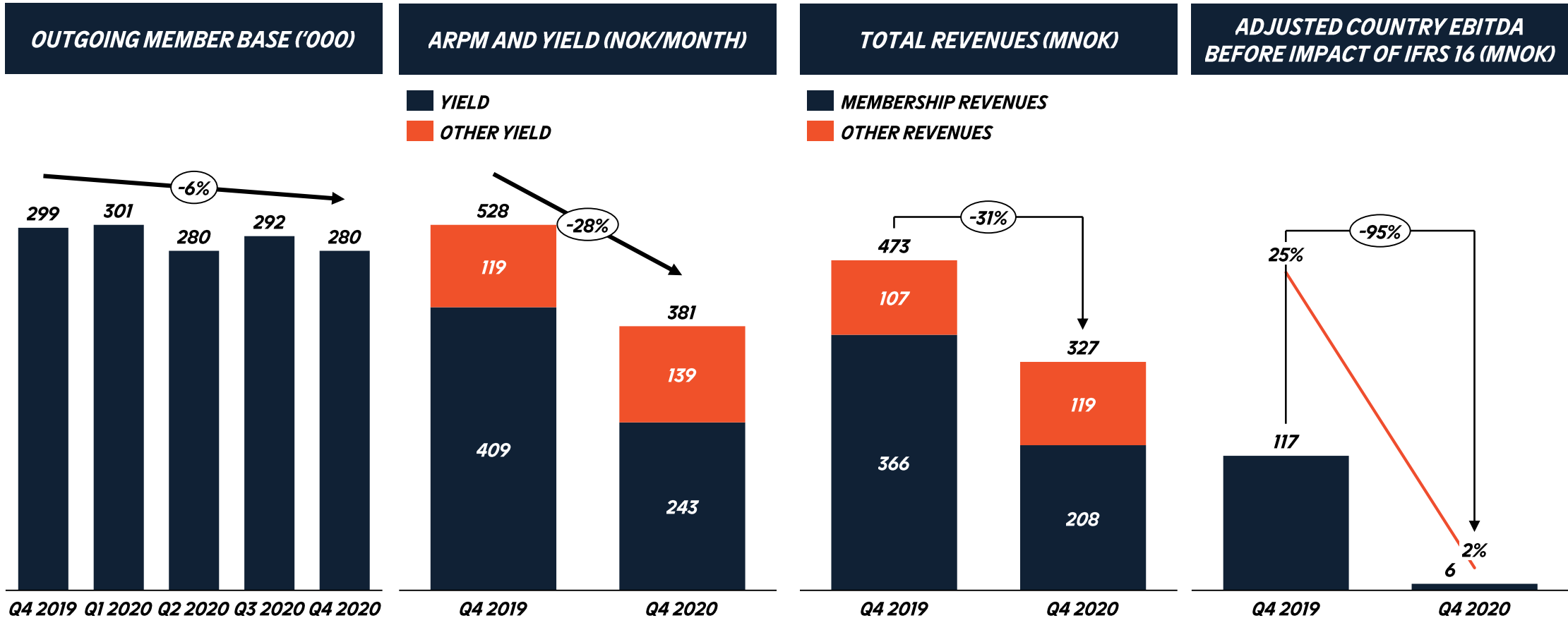
DISCLAIMER

- This report includes forward-looking statements which are based on our current expectations and projections about future events. Statements herein, other than statements of historical facts, regarding future events or prospects, are forward-looking statements. All such statements are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements. As a result, you should not place undue reliance on these forward-looking statements.
- 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 uses supplemental APMs to understand, manage and evaluate the business and its operations. These APMs are among the factors used in planning for and forecasting future periods, including assessment of financial covenants compliance.

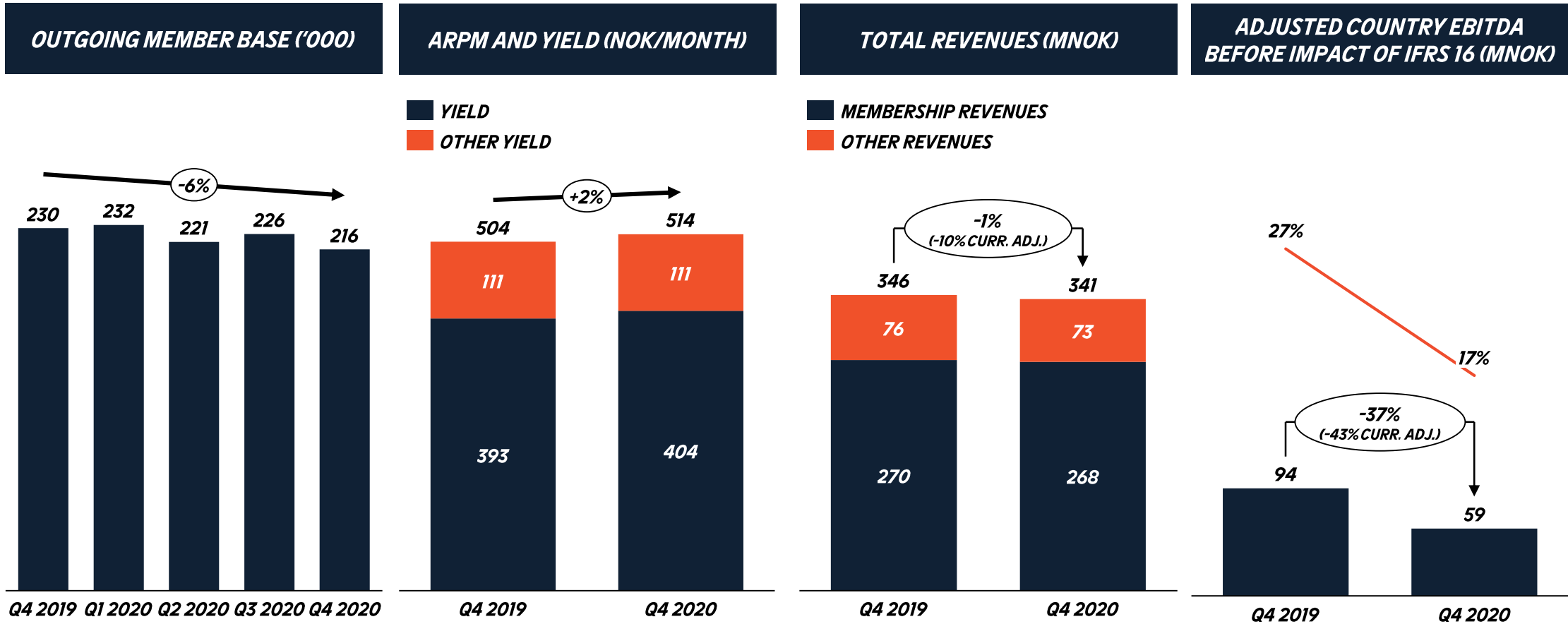
APPENDIX



NORWAY



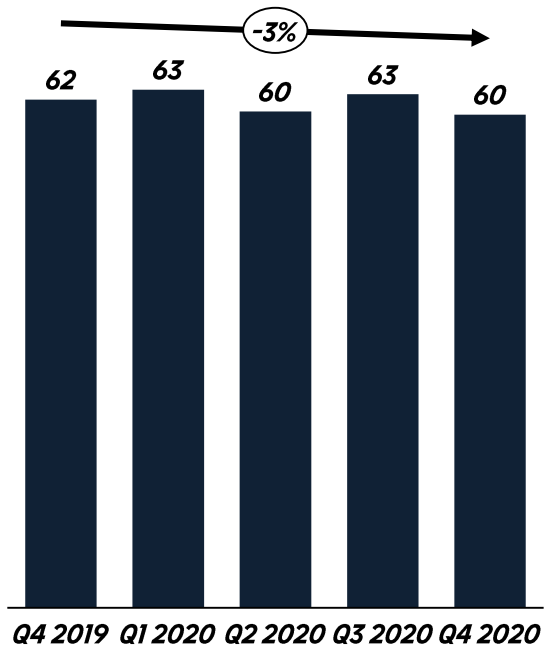
SWEDEN



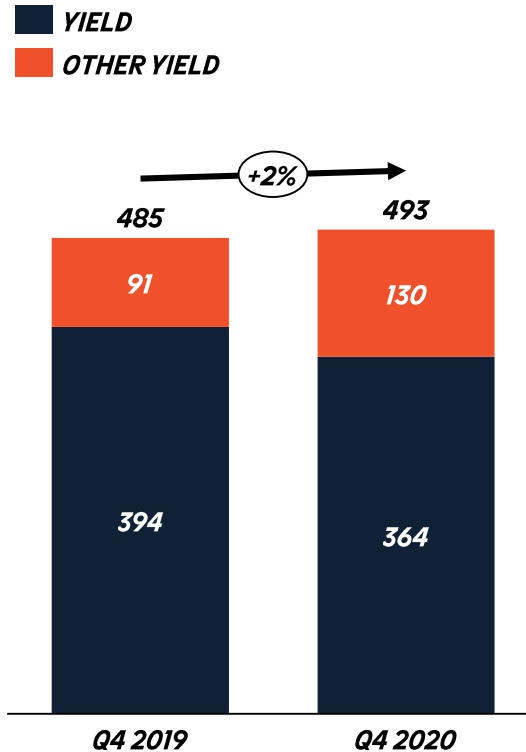
Please note: The main reason why the EBITDA fall is higher than the revenue fall is the weakening of NOK against SEK in Q4 compared to last year

FINLAND

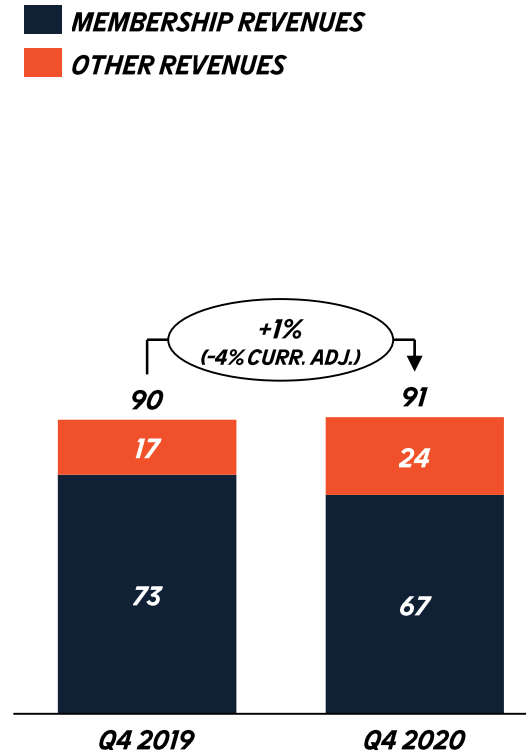
OUTGOING MEMBER BASE ('000)



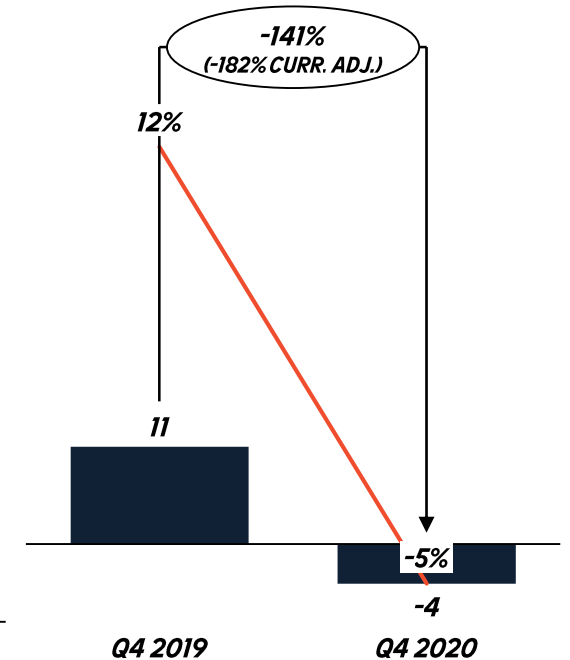
ARPM AND YIELD (NOK/MONTH)



TOTAL REVENUES (MNOK)



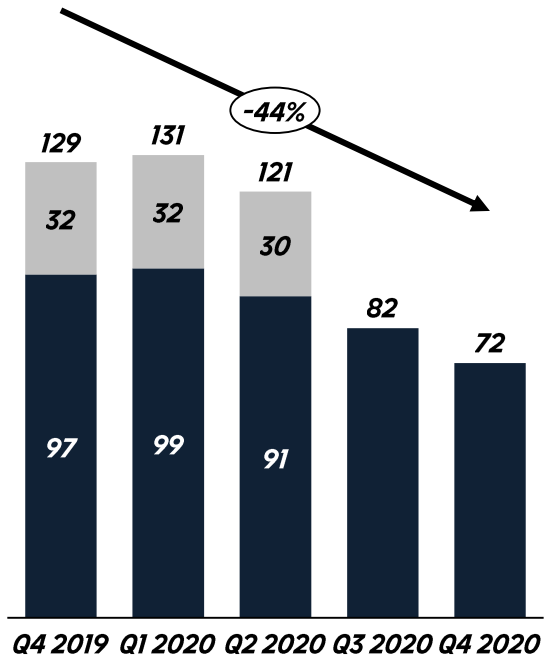
ADJUSTED COUNTRY EBITDA BEFORE IMPACT OF IFRS 16 (MNOK)



DENMARK

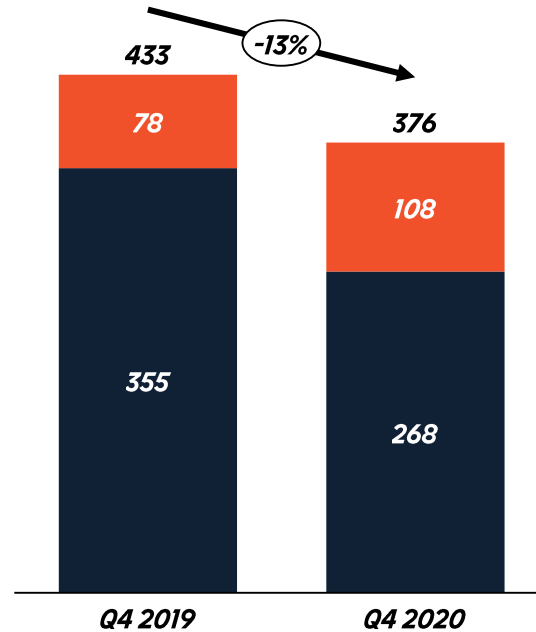
OUTGOING MEMBER BASE ('000)

■ 9 SOLD CLUBS



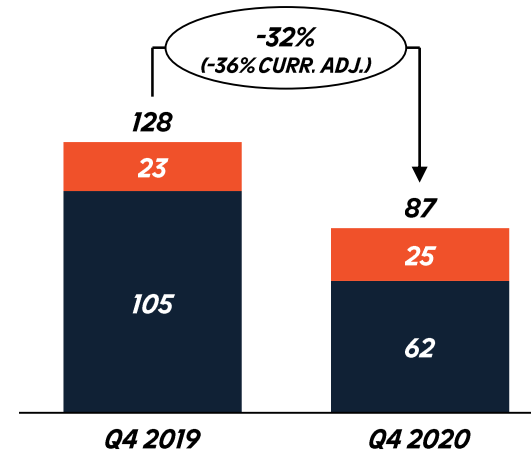
ARPM AND YIELD (NOK/MONTH)

■ YIELD
■ OTHER YIELD

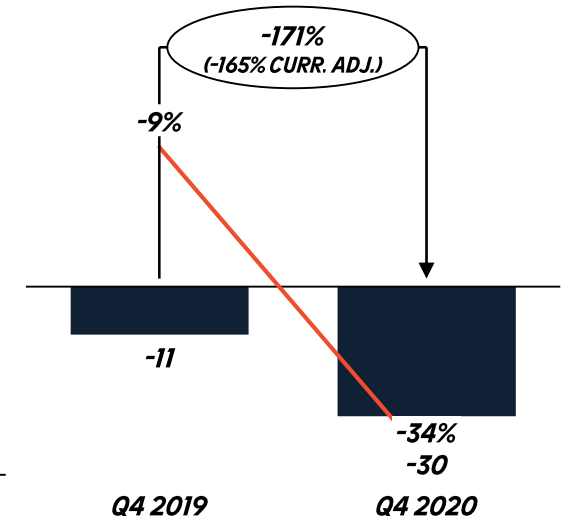


TOTAL REVENUES (MNOK)

■ MEMBERSHIP REVENUES
■ OTHER REVENUES



ADJUSTED COUNTRY EBITDA BEFORE IMPACT OF IFRS 16 (MNOK)



GLOSSARY

TERM	DEFINITION
Adjusted country EBITDA before impact of IFRS 16	Adjusted EBITDA before impact of IFRS 16 less allocation of Group overhead and cost allocations
Adjusted country EBITDA before impact of IFRS 16 margin	Adjusted country EBITDA before impact of IFRS 16 divided by total revenue
Adjusted EBITDA before impact of IFRS 16	EBITDA adjusted for (i) closed clubs; (ii) certain comparability items; and (iii) the impact of implementation of the IFRS 16 lease standard
Adjusted EBITDA before impact of IFRS 16 margin	Adjusted EBITDA before impact of IFRS 16 divided by total revenue
Average number of members per club	Number of clubs by the end of the period divided by the average member base
Average revenue per member (ARPM)	Average revenue per member per month, calculated as total revenue divided by the average member base
Capex: Club portfolio capital expenditures	Maintenance capital expenditures less IT capital expenditures
Capex: Expansion capital expenditures	The sum of investments related to acquisitions and greenfields, as well as CAPEX related to the perfect club initiative
Capex: IT capital expenditures	Capital expenditures associated with developing software programs
Capex: Maintenance capital expenditures	Total capital expenditures less expansion capital expenditures
Capex: Total capital expenditures	The sum of all capital expenditures
Cash conversion	Operating cash flow divided by adjusted EBITDA before impact of IFRS 16
Club	Number of clubs open and trading under the brands 'SATS', 'ELIXIA', 'Fresh Fitness' and 'HiYoga' as of the end of the period

TERM	DEFINITION
EBITDA	Profit/(loss) before net financial items, income tax expense, depreciation and amortization
EBITDA before impact of IFRS 16	EBITDA adjusted for lease expenses applying IAS 17 Leases
EBITDA before impact of IFRS 16 margin	EBITDA before impact of IFRS 16 divided by total revenue
Group overhead	Consists of group services such as e.g. commercial functions, IT, finance and administration
Leverage ratio	Net debt divided by last twelve months adjusted EBITDA before impact of IFRS 16
Member base, average	Average number of members at the beginning and in the end of the period, including frozen memberships, excluding free memberships
Member base, outgoing	Number of members as of the end of the period, including frozen memberships, excluding free memberships
Net debt	Current and non-current borrowings less cash and cash equivalents
Operating cash flow	Adjusted EBITDA before impact of IFRS 16 less maintenance capital expenditures and working capital
Other yield	Calculated as other revenue in the period, divided by the average member base
Underlying operating cash flow	Operating cash flow less expansion capital expenditures
Yield	Calculated as member revenue in the period, divided by the average member base

SUMMARY TABLE

<i>Amounts in NOK million</i>	Q4 2020	Q4 2019
Number of clubs, EOP	253	248
Outgoing member base ('000s)	628	687
Average number of members per club	2 482	2 772
ARPM (NOK)	437	502
Yield (NOK)	312	394
Reported EBITDA (MNOK)	216	381
Adjusted EBITDA before impact of IFRS 16 (MNOK)	(32)	155
Adjusted EBITDA before impact of IFRS 16 margin	-4%	15%
Adjusted country EBITDA before impact of IFRS 16 (MNOK)	30	210
Adjusted country EBITDA before impact of IFRS 16 margin	4%	20%
Net debt (MNOK)	1 493	1 136
Total capital expenditures (MNOK)	103	93
Expansion capital expenditures (MNOK)	66	27
Maintenance capital expenditures (MNOK)	37	66
IT capital expenditures (MNOK)	18	24
Club portfolio capital expenditures (MNOK)	19	42
Operating cash flow (MNOK)	(60)	129
Leverage ratio	10.3	2.0
Cash conversion	191%	83%

REPORTING UNDER IFRS 16

<i>Amounts in NOK million</i>	Reported Q4 2020	Change IFRS 16	Excl. IFRS 16 Q4 2020
Balance sheet items - IFRS 16			
Property, plant and equipment	758	0	758
Right-of use assets	4 568	4 568	0
Deferred tax assets	166	76	90
Prepaid expenses and accrued income	274	-66	340
Total assets	9 091	4 577	4 513
Equity			
Non-current lease liability	4 167	4 167	0
Current lease liability	795	795	0
Other current liabilities	424	-49	473
Total liabilities	8 206	4 913	3 293
Profit & loss items - IFRS 16			
Revenue	846	0	846
Cost of goods sold	-31	0	-31
Personnel expenses	-369	0	-369
Other operating expenses	-231	247	-478
Depreciation and amortisation	-260	-201	-59
Impairment of assets held for sale	0	0	0
Operating profit	-45	46	-91
Net financial items	-62	-49	-14
Profit/loss before tax	-107	-2	-104

SATS