

# **Q4 2021**

## **INTERIM REPORT**

### **OCTOBER-DECEMBER 2021**

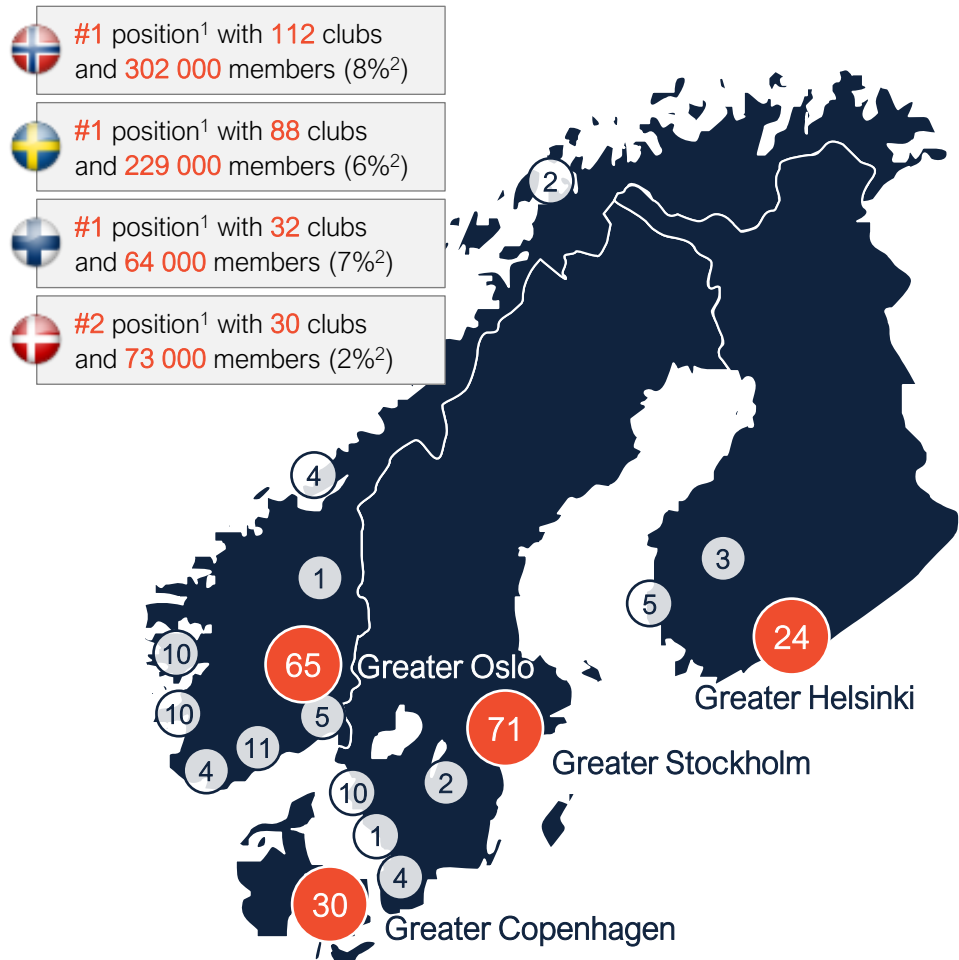
**CEO SONDRÉ GRAVIR**  
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**SATS**

# CONTINUED MEMBER GROWTH IN Q4 2021 AND MEMBER BASE IN LINE WITH PRE-PANDEMIC LEVEL



KEY FIGURES	Q4 2021	CHANGE VS Q4 2020
TOTAL REVENUES	1 002 MNOK	18%
ADJ. EBITDA BEFORE IFRS 16	26 MNOK	180%
ADJ. EBITDA BEFORE IFRS 16 MARGIN	3%	6 P.P.

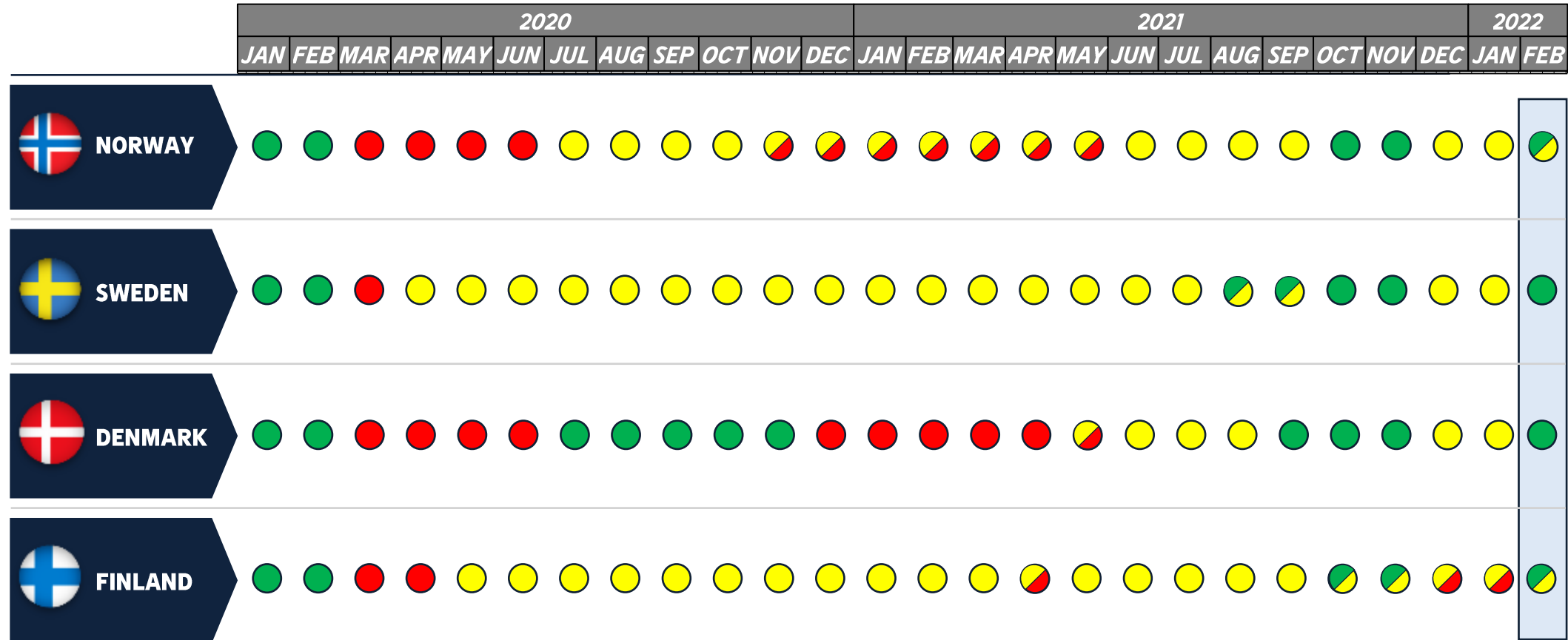
(1) Measured by 2020 revenues based on figures from Deloitte EuropeActive EHFMR 2021  
 (2) Compared to Q4 2020

## ***KEY MESSAGES***

- 1** Strong member growth in Q4 slowed by new covid restrictions, but promising prospects moving into 2022
- 2** The activity level among our members is high despite restrictions, proving the importance of health, activity and fitness in people's lives – and the continued importance of physical gyms
- 3** We are ramping up growth ambitions - both through an accelerated club expansion, a strengthening of our current club and product portfolio, and our digital offering in Mentra by SATS

# HEAVY NEW RESTRICTIONS IN DECEMBER AND JANUARY, BUT NOW RESTRICTIONS ARE BEING LIFTED IN ALL COUNTRIES

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

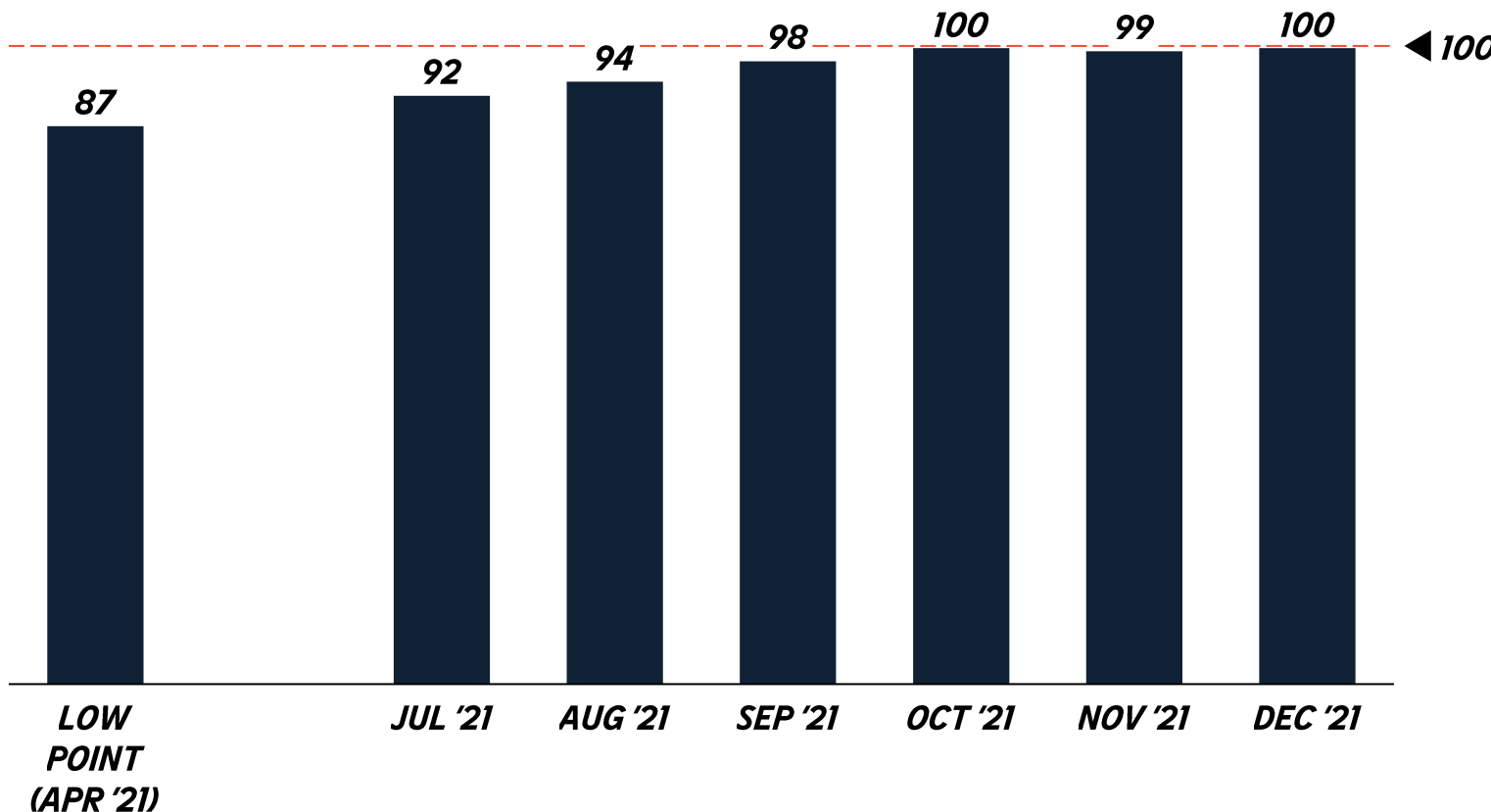


Note: (1) Status as of 10 February 2022. Situation could change due to national or local restrictions

# NET GROWTH OF 16 000 MEMBERS IN Q4 AND OUTGOING BASE 2021 ON SAME LEVEL AS 2019

RECORD-GROWTH IN Q3 SLOWED BY NEW RESTRICTIONS

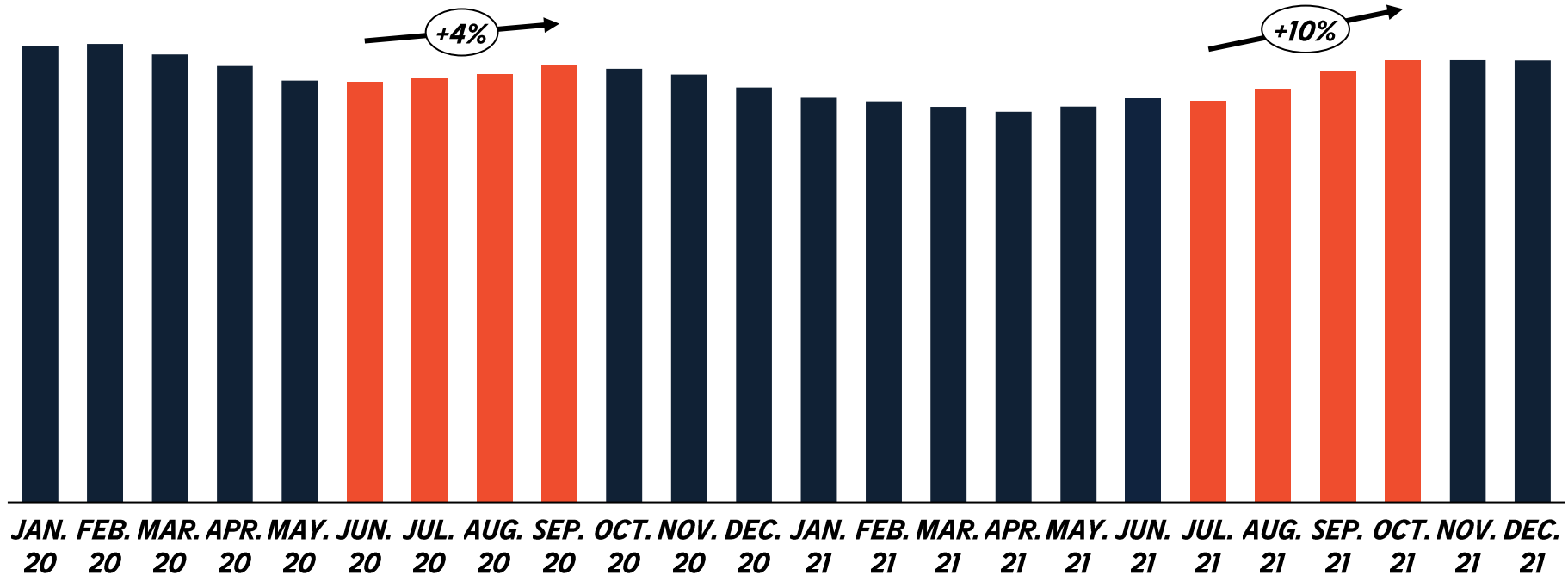
MEMBER BASE (EOP) 2021 VS 2019, %



- Net member growth in Q4 2021 at ~16.000 vs declining ~34 000 in Q4 2020 and ~0 in Q4 2019
- Outgoing member base 2021 at same level as OB 2019
- Positive net growth driven by strong sales performance and lower member churn than pre-pandemic levels due to positive activation and visits levels
- New membership sales slowed heavily down in second half of the quarter due to new restrictions and club closures
- This lasted also into January, but sales strongly improving as restrictions are being lifted – giving a positive outlook for Q1 member growth

# MEMBERSHIP SALES STRONGLY AFFECTED BY RESTRICTIONS – STRONG PICK UP NOW SUPPORTED BY SALES AND MARKETING PUSH

OUTGOING MEMBER BASE



EXPECT CONTINUED MEMBER GROWTH AS RESTRICTIONS HAVE BEEN LIFTED

High pace growth

Drop-off almost in-line with 2019, lacking sales due to club closures

Quick recovery when restrictions lifted

Falling member base due to club closures and societal restrictions

Quick recovery when restrictions lifted

Slowed growth due to new restrictions

# GOVERNMENTAL RESTRICTIONS HIGHLY IMPACT OUR BUSINESS DUE TO THE IMPORTANCE OF GROUP TRAINING

## STRICT RESTRICTIONS IN ALL COUNTRIES...

### IMPACT OF RESTRICTIONS



NORWAY

- Closed group training followed by reduced capacity of 30-50%
- Stable fitness floor capacity due to strong clusters and distribution of visits



SWEDEN

- ~60% reduced capacity on GX
- Stable fitness floor capacity due to strong clusters and distribution of visits



DENMARK

- Valid corona passport needed to enter clubs

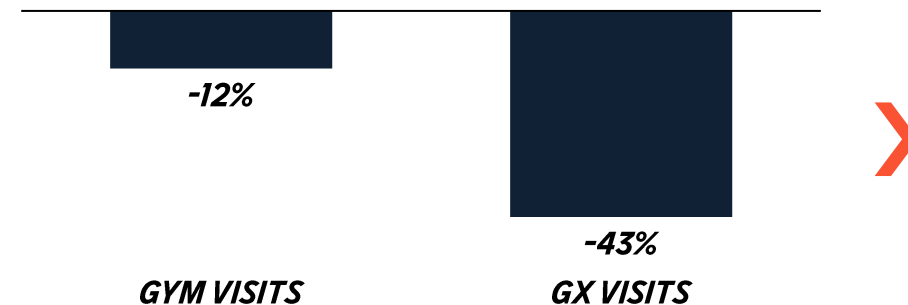


FINLAND

- All clubs in Helsinki closed until Feb 7<sup>th</sup>
- Clubs closed in Turku and Tampere, and then GX closed when clubs opened

## ... HEAVILY IMPACTING OUR BUSINESS

### CHANGE IN VISITS FROM OCT '21 TO DEC '21 (%)



Lower visits, primarily driven by fewer GX visits due to restrictions

# WE HAVE A PROVEN TRACK RECORD OF STRONG OPERATIONAL ROUTINES TO ENSURE SAFE TRAINING

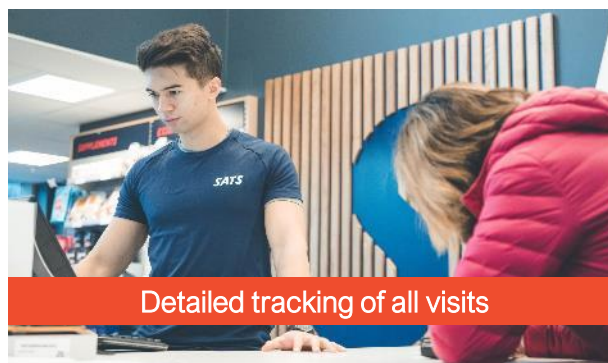
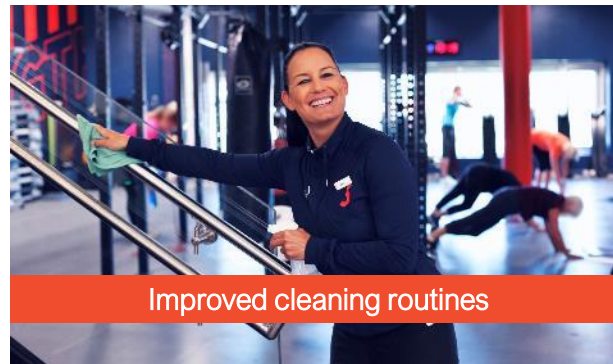
## MULTIPLE MEASURES IN PLACE TO ENSURE SAFE TRAINING



**SATS Lagunen**  
Begynner å bli fullt • Stenger 22:00

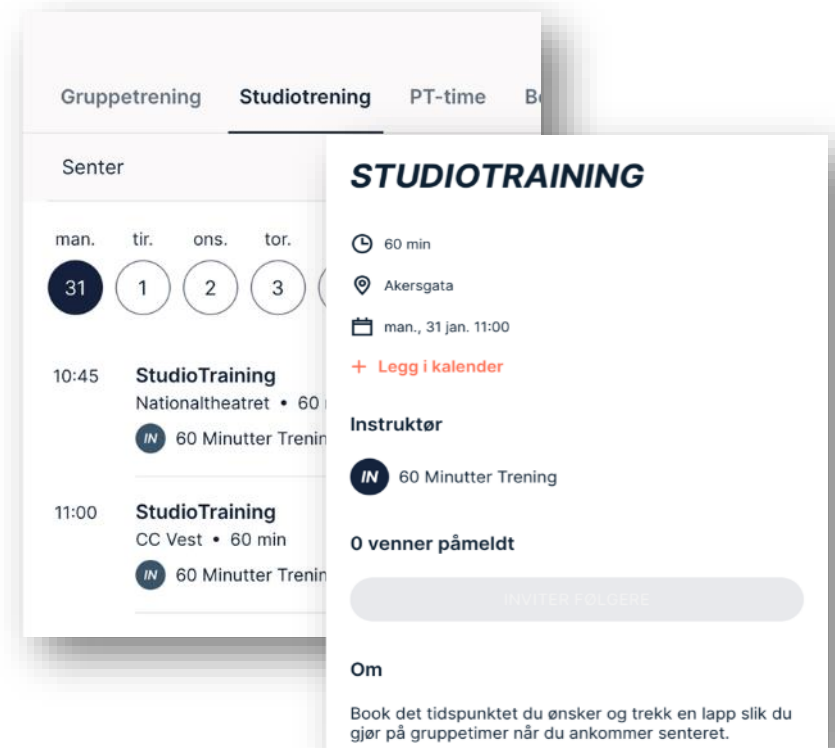
**SATS Laksevåg**  
God kapasitet • Stenger 21:00

Digital tools for members



## EXAMPLE: STUDIO BOOKING

- Introduced pre-booking of studio training to make it easy for members to plan their training and avoid queues outside the club



Gruppetrening **Studiotrening** PT-time B...

Senter

**STUDIOTRAINING**

60 min  
Akersgata  
man., 31 jan. 11:00  
[+ Legg i kalender](#)

**Instruktør**  
IN 60 Minutter Trening

**0 venner påmeldt**  
[INVITER FOLDERE](#)

Om  
Book det tidspunktet du ønsker og trekk en lapp slik du gjør på gruppetimer når du ankommer senteret.



# ***WE CONTINUE TO SUCCESSFULLY ADAPT OUR PRODUCT OFFERING WHEN NEEDED***

## ***SHIFT FROM INDOOR TO OUTDOOR GROUP TRAINING***



+2 500 outdoor classes in December

## ***DIGITAL OFFERING THROUGH SATS AND MENTRA BY SATS***



Free access to Mentra by SATS app for all SATS group training members during December and January

## ***KEY MESSAGES***

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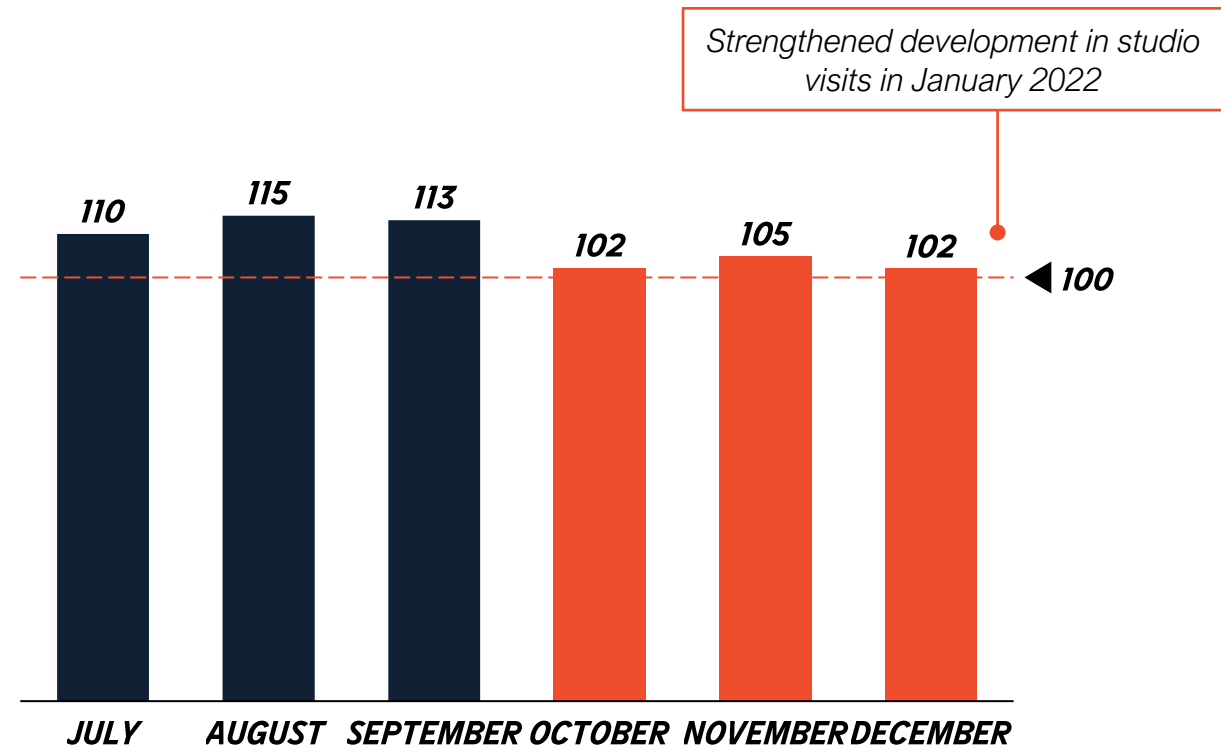
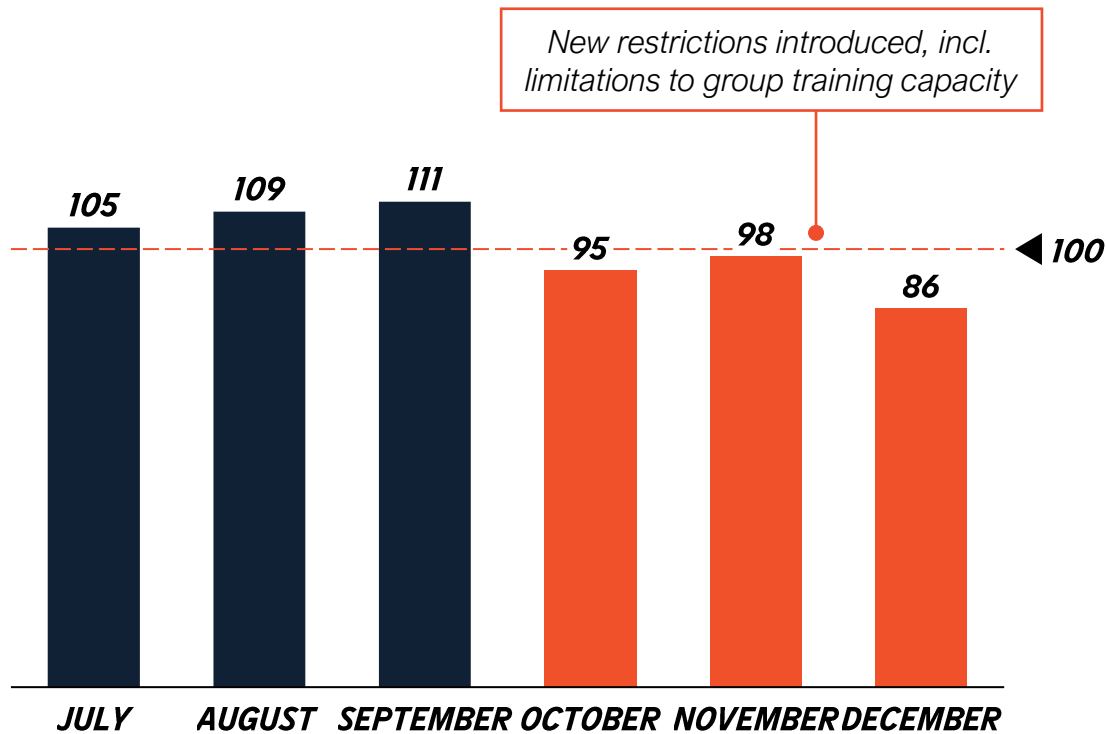
# ACTIVITY LEVEL AMONG OUR MEMBERS REMAINS HIGH DESPITE RESTRICTIONS

TOTAL VISITS LIMITED BY GX CAPACITY RESTRICTIONS...

...HOWEVER, STUDIO VISITS<sup>1</sup> PER MEMBER STILL ABOVE 2019-LEVELS

■ VISITS/MEMBER 2021 VS 2019, %

■ STUDIO VISITS/MEMBER 2021 VS 2019, %

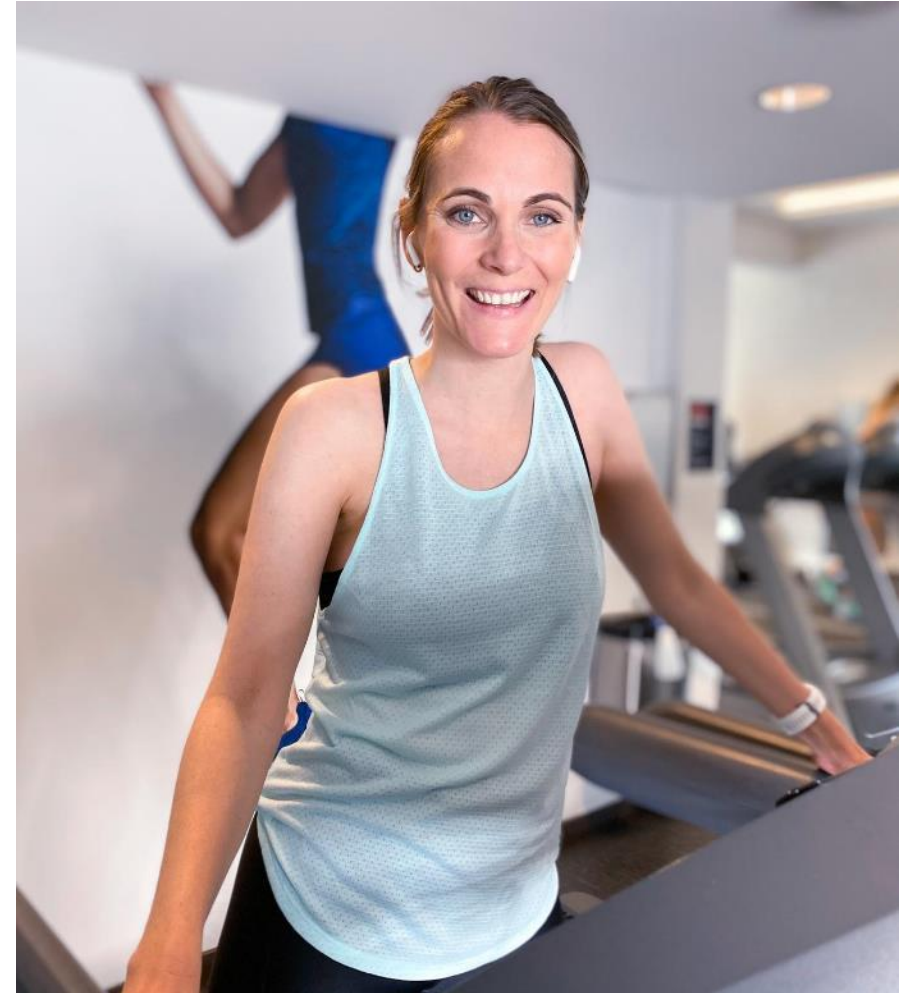
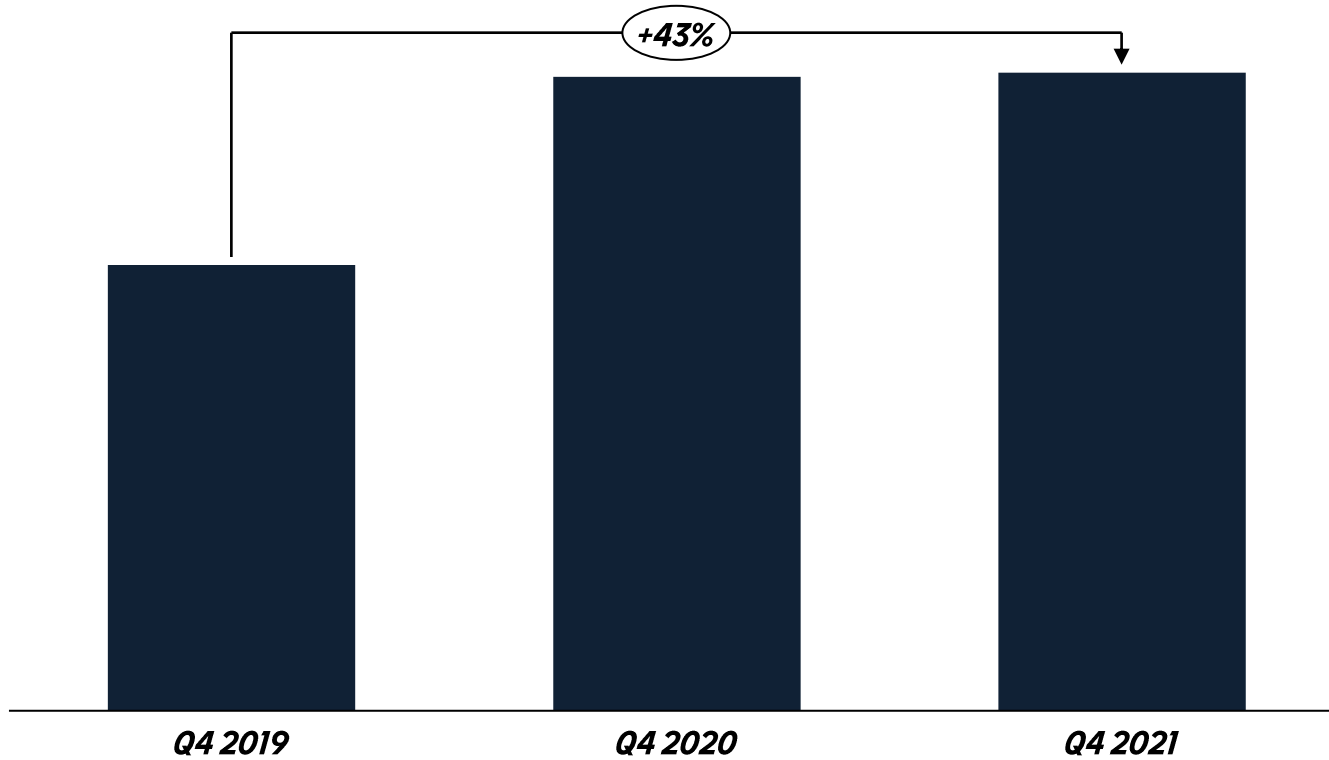


(1) Defined as total visits less GX showups

# ALL-TIME HIGH MEMBER SATISFACTION

MEMBER SATISFACTION<sup>(1)</sup> STABILIZED AT ABOVE-NORMAL LEVELS

■ GYM NPS

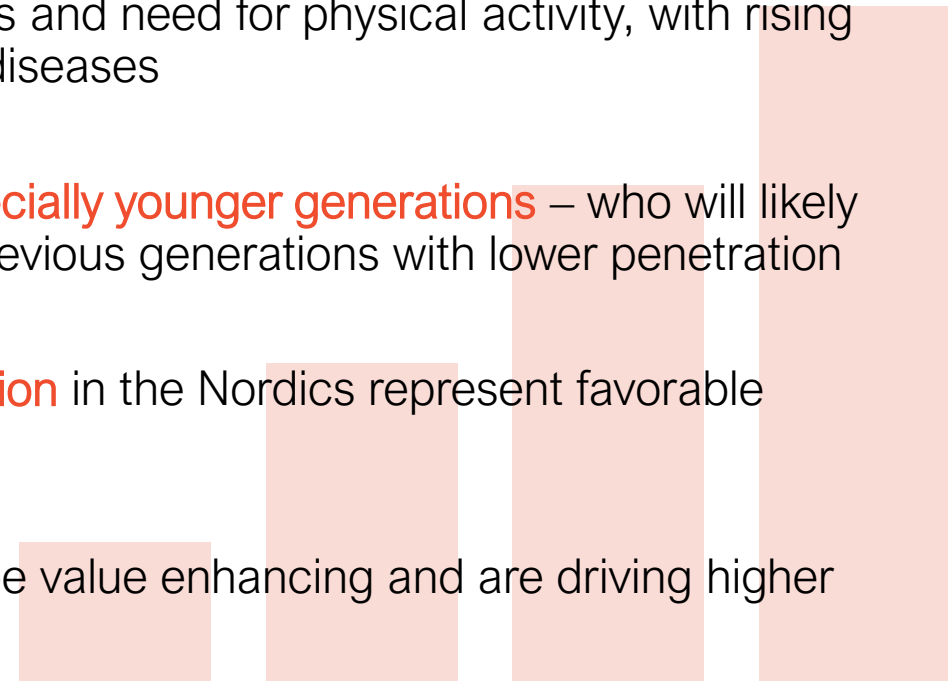


(1) Measured through Gym Floor Net Promoter Score (NPS). Group Training NPS not included due to comparability issues

# ***WE BELIEVE THE FITNESS MARKET WILL CONTINUE TO GROW, FUELED BY STRONG UNDERLYING DRIVERS***

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- ① **Growing consumer awareness** of the importance of activity and exercise for a healthy lifestyle – boosted past 2 years due to covid-19 pandemic
- ② **Increasing political support** around health awareness and need for physical activity, with rising rates of obesity, diabetes and other cardiovascular diseases
- ③ **Health and fitness growing as a trend amongst especially younger generations** – who will likely maintain their habits as they grow older replacing previous generations with lower penetration
- ④ **General population growth and increasing urbanization** in the Nordics represent favorable conditions for fitness market growth
- ⑤ **Fitness tech and digital fitness** solutions proving to be value enhancing and are driving higher customer penetration



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# WE HAVE ACCELERATED OUR CLUB ROLL OUT IN THE PAST TWO YEARS...



## OPENED IN 2020 AND 2021

### Greenfields:

- 🇩🇰 SATS Lyngby – Kanalvej
- 🇸🇪 SATS Ursvik Entré
- 🇸🇪 SATS Häggvik
- 🇸🇪 SATS Arninge
- 🇸🇪 SATS Bromma Blocks
- 🇸🇪 SATS Saltsjöbaden
- 🇸🇪 SATS Gamlestaden
- 🇳🇴 HiYoga Aker Brygge
- 🇳🇴 Fresh Fitness Lindeberg
- 🇳🇴 SATS Slemmestad
- 🇫🇮 ELIXIA Circus
- 🇫🇮 ELIXIA Valila
- 🇫🇮 ELIXIA Tapiola
- 🇫🇮 ELIXIA Iso Omena

### Acquisitions:

- 🇸🇪 SATS Mölnvik
- 🇸🇪 SATS Hamnen
- 🇸🇪 SATS Gåshaga
- 🇳🇴 Fresh Fitness Ås
- 🇳🇴 Fresh Fitness Kalbakken
- 🇳🇴 Fresh Fitness Sinsen
- 🇳🇴 Fresh Fitness Romsås
- 🇳🇴 Fresh Fitness Haugerud
- 🇳🇴 Fresh Fitness Lier
- 🇫🇮 ELIXIA Skanssi

### Relocations:

- 🇳🇴 SATS Skøyen to Hoff
- 🇳🇴 SATS St. Olav to Herbarium
- 🇳🇴 SATS Fredrikstad
- 🇫🇮 ELIXIA Kaleva
- 🇫🇮 ELIXIA Onkiniemi to ELIXIA Lielähti

+

**29 NEW CLUBS**




# ... AND HAVE A STRONG PIPELINE FOR NEW CLUBS BOTH GREENFIELD OPPORTUNITIES AND POTENTIAL ACQUISITIONS

## SIGNED NEW CLUBS


### Greenfields:

-  SATS Hinna (opened Jan 2022)
-  SATS Kolbotn Torg
-  SATS Oasen
-  SATS Triaden
-  SATS Näsby Slott (opened Jan 2022)
-  SATS Limhanm
-  SATS Lidingö centrum
-  SATS Hovås
-  SATS Nacka forum
-  SATS Karlaplan
-  SATS Mölndal
-  ELIXIA Fabianinkatu

### Acquisitions

-  SATS Ila
-  SATS Bekkestua stasjon
-  Fresh Fitness Manglerud

### Relocations:

-  ELIXIA Espoonlahti to ELIXIA Lippulaiva



**15 NEW CLUBS**





# ***CONTINUED INVESTMENT IN EXISTING CLUBS RESULTING IN POSITIVE VISIT AND MEMBER DEVELOPMENT***

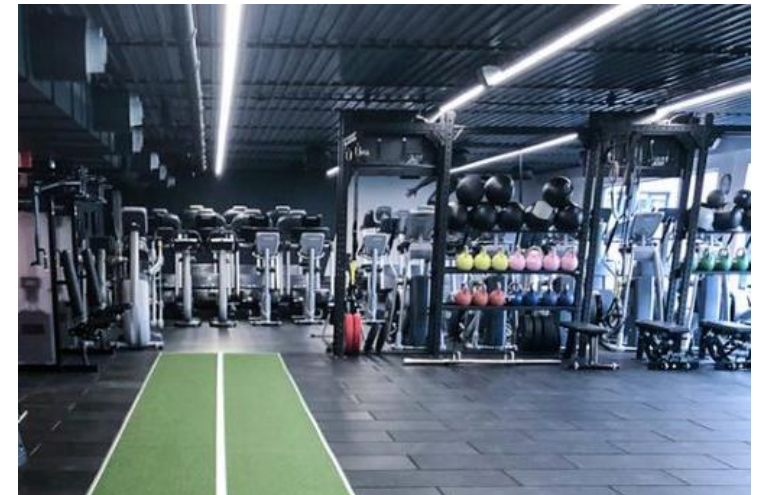
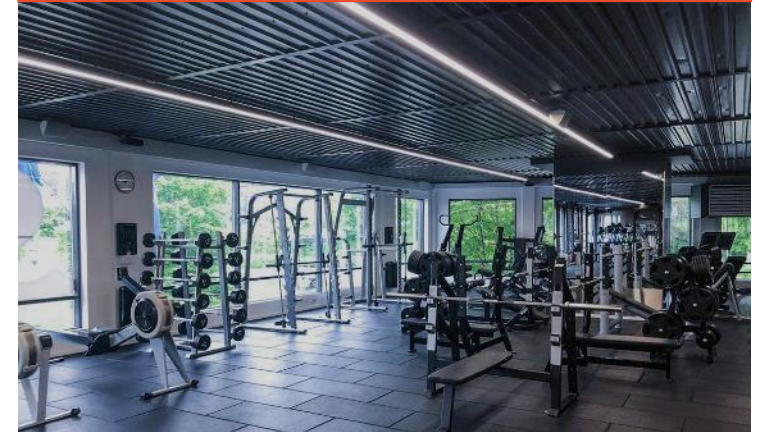
Example: SATS Stureplan



Example: SATS Fredrikstad



Example: SATS Hellerud



# ***STRENGTHENING THE PRODUCT PORTFOLIO ACROSS OUR CLUSTERS BY INTRODUCING A NEW DESIGN FOR GROUP TRAINING ROOMS...***

***FROM A TRADITIONAL DESIGN ...***



**Current GX room example**

- Classic wooden floors
- Open rooms with limited privacy

***... TO A MORE EDGY AND UP-TO-DATE DESIGN***



**Night club ambience**



**Softer ambience (for e.g. yoga)**

- Darker and more “closed” rooms with nightclub ambience
- Use of LED lightening with the possibility to change colors
- Dark multi-purpose floors
- Caters to younger audience

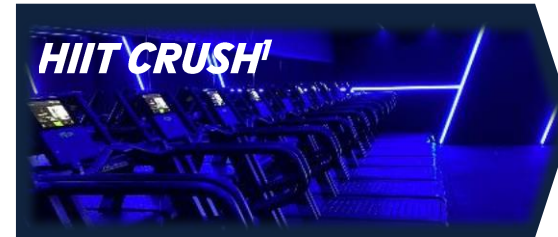
# ... AND INTRODUCING NEW HIIT ZONES IN SELECTED CLUBS

## WE WILL PILOT OUR FIRST HIIT ZONE IN FEBRUARY

- Night club ambience designed to optimize the HIIT experience
- Three core elements: Treadmills, punching bags and strength equipment
- First HIIT zone to be launched in February 2022 at SATS Colosseum



## 3 NEW HIIT CLASSES TO BE LAUNCHED



- Treadmills & strength training
- High intensity interval training that will challenge your stamina on the treadmills and strength on the strength stations



- Strength training and boxing
- Push it to the limit on the strength station and unleash your inner beast on the punching bags



- Welcome to our HIIT Playground. Run, push, lift, pull, jump – be prepared, in this station-based workout everything can happen!

# ***MOVING INTO A HYBRID FUTURE - COMBINING PHYSICAL AND DIGITAL TRAINING PRODUCTS***

- Visit stats after re-opening contradict permanent changes in people's exercise habits out of gyms
- Growing the club network at a high pace



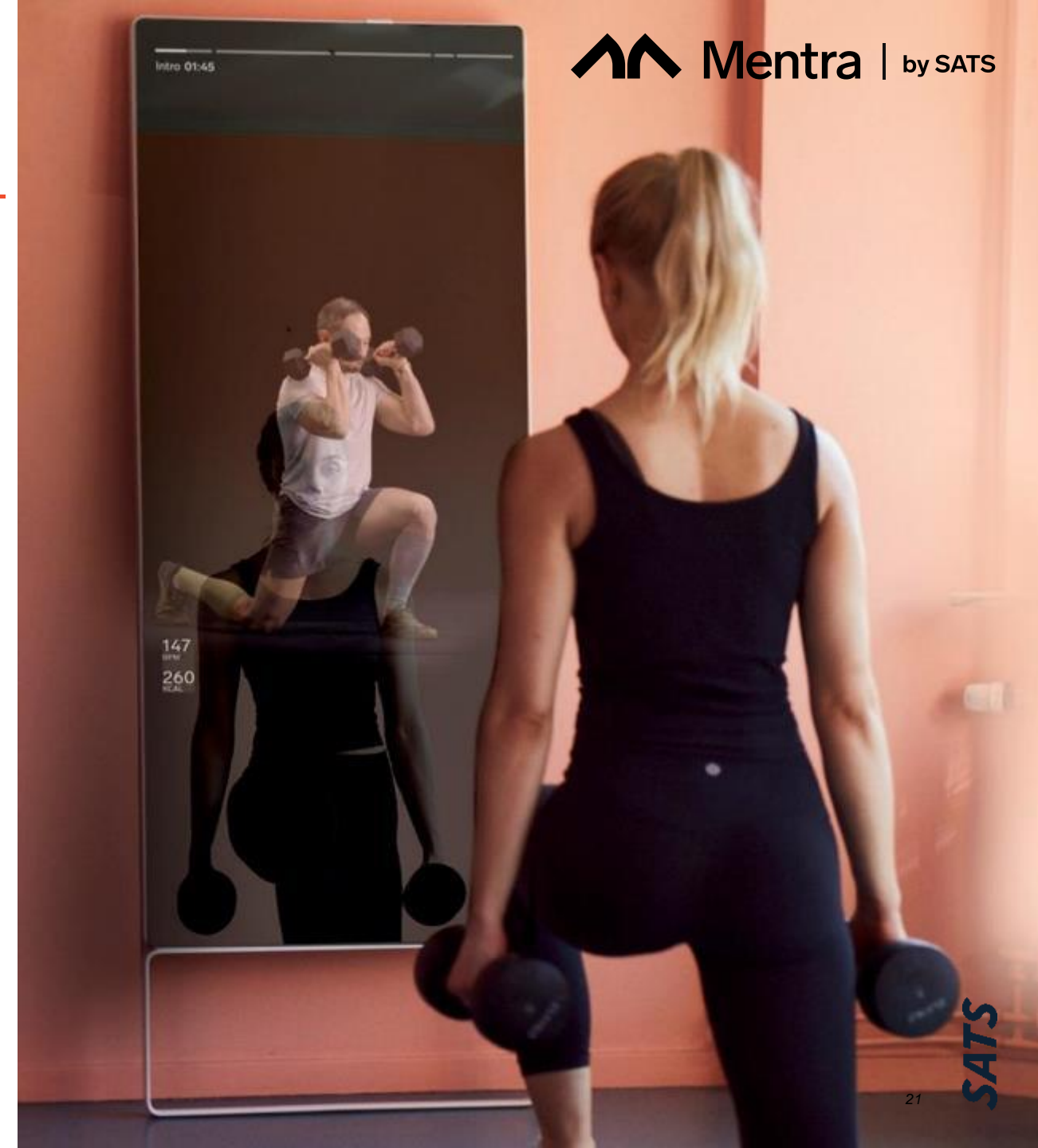
- Improving the offering to existing members through a winning combination of club training and home training
- Our significant member base and strong brand allowing us to build a solid position amongst fitness enthusiasts also within digital fitness

**Mentra** | by SATS

- The market for digital training is maturing and growing
- Covid-19 has accelerated digitalization
- Successful and inspiring track record from international players within digital home training
- Launching a new digital home training offering, unlike anything seen in the Nordics before – Mentra by SATS
- Enables SATS to expand a scalable model to new markets

## ***WHY MENTRA BY SATS***

- Extending our vision of «Making people healthier and happier» beyond our physical clubs
- Maturing and growing market for digital training, accelerated by covid-19
- Successful and inspiring track record from international players within digital home training
- Potential to target people less likely to become SATS members, e.g.: those saying they don't have time to workout or people that are not comfortable going to the gym
- Easily scalable for expansion into new markets outside SATS' current operation



# ***MEET RFLEX, OUR FIRST MENTRA BY SATS PRODUCT***

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## ***RFLEX – AN INTERACTIVE FITNESS MIRROR***

- Rflex; A beautiful, interactive fitness mirror that will fit perfectly into any home
- 43” touch screen, two-way camera, microphone, Bluetooth and Wifi
- Targets a wide audience in terms of training types, age and gender
- Design tailored for it to be placed in a prominent spot in the home, for the whole family to enjoy

## ***CONNECTED BIKE ON THE HORIZON***

- We aim to widen the product portfolio and audience; first step will be a connected fitness bike



# PROVIDING WORLD CLASS COACHES AND CONTENT

## COACHES AND CONTENT IS THE CORE OF THE OFFERING

- We offer both live and on-demand classes, across several verticals and at all fitness levels
- Our in-house studio allows us to be very flexible and agile to try new content
- We currently have 20 coaches, more than 350 on-demand classes, and a weekly schedule of 10 live classes
- Current verticals are **Cardio**, **Strength**, **Yoga** and **Dance**. We are expanding within special segments as well e.g., Pre-/Post-Natal, Pilates, Kettlebells, Flexibility, Recovery etc.

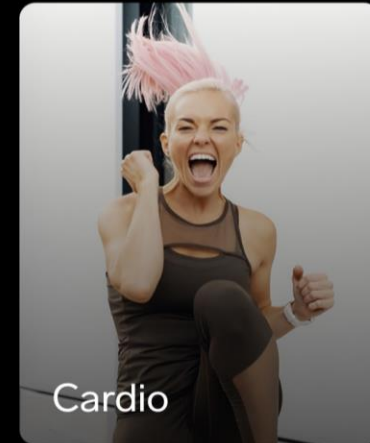
Workouts Programs



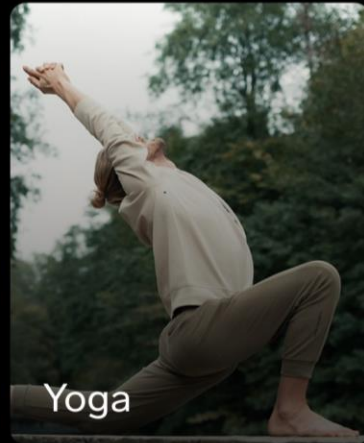
All Workouts



Strength



Cardio



Yoga



# ***WE HAVE RECEIVED GREAT REVIEWS AND OUR MEMBERS LOVE IT***

**M3**

Petter Ahrnstedt –

"The number of classes available is impressive. If you want to improve your cardio, get stronger or more flexible, there is a workout for you."

**ELLE**

ELLE editorial –

"At-home training on a new level!"

 **hanspetter.info**

Hans-Petter Nygård-Hansen –

"It has been a dream to use!"

 **TEK.NO**

Hilde Rørvik Nordstrand –

"This is a unique product for people in a time crunch, parents of young children and those who find it uncomfortable to go to the gym. Or possibly as a supplement to traditional training."

**kk**

Malini Gaare Bjørnstad –

"Rflex fitness mirror gives a completely different training experience than if you were to play a YouTube video on a TV screen and work out on the floor in front of the TV (...) it is seriously like you have your own PT visiting you at home."

*"My best training purchase ever!"*

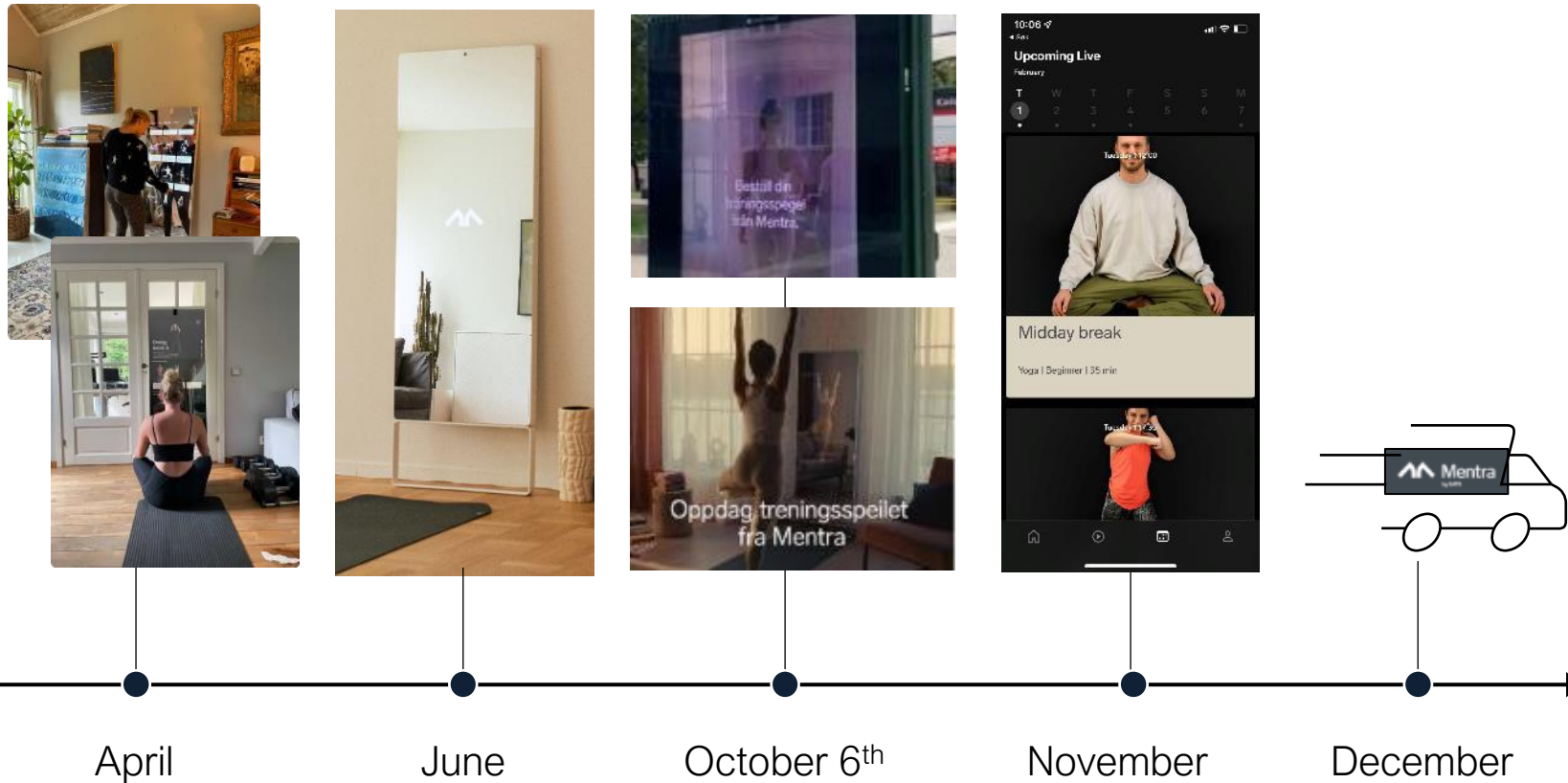
*"Great product – great community – great company!"*

*"I love it and use it every day!"*

*Great music and great coaches!*



# FROM THE LAUNCH IN NOVEMBER, WE NOW HAVE +6.000 USERS AND +20.000 COMPLETED WORKOUTS



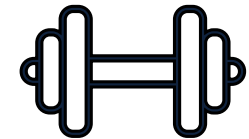
MVP (minimal viable product) testing in 80 families in Norway and Sweden

Open for pre-orders

Launch – Mentra sees the light of the world

Live classes every day

First deliveries in Sweden and Norway



More than 20.000 workouts completed since Oct. 1<sup>st</sup>



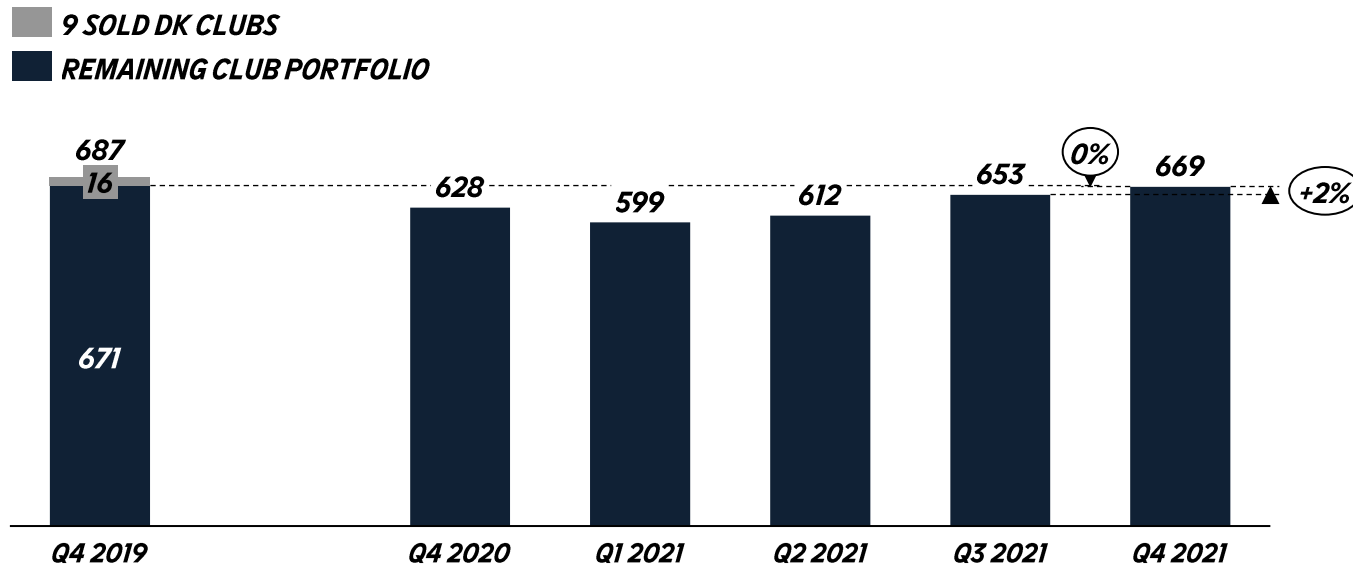
6.000 registered users

# ***FINANCIAL REVIEW***

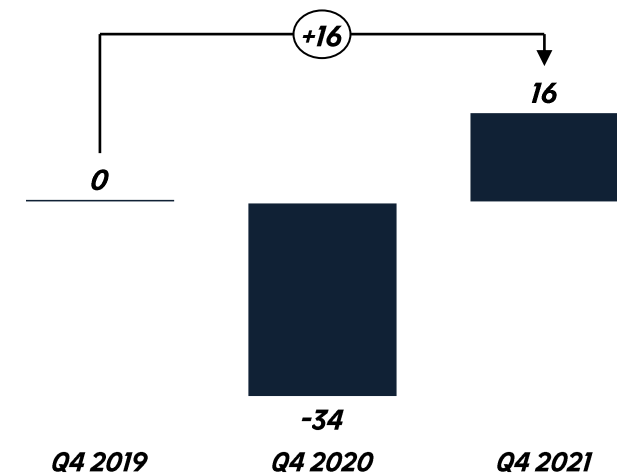


# ***STRONG NET GROWTH OF 2% IN THE QUARTER (+16 000), TOTAL MEMBER BASE IN LINE WITH 2019 LEVEL AFTER DECEMBER***

**OUTGOING MEMBER BASE ('000)**



**NET GROWTH ('000)**

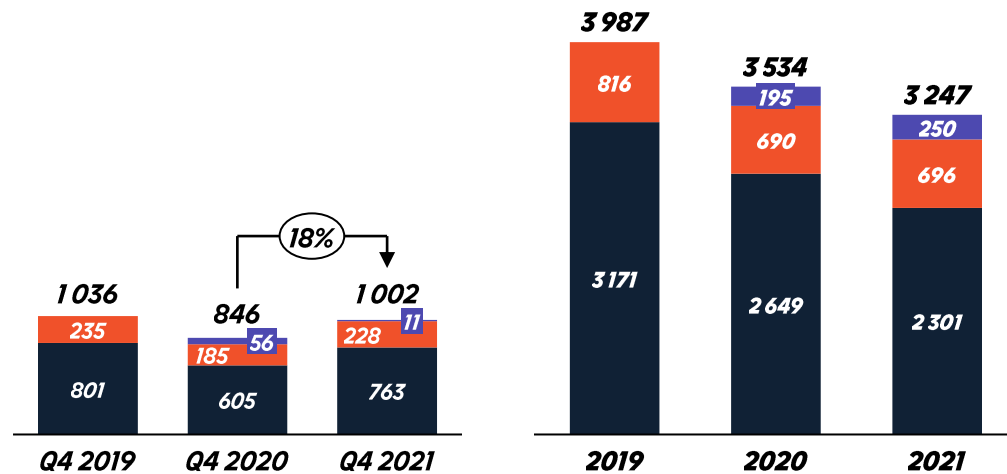


- Strong net growth of 2% in the quarter, across the Nordics, however reimposed restrictions resulted in weaker sales development towards the end of the quarter
- Member base ended in line with pre-covid level in Q4 2019, adjusted for the sold clubs in Denmark

# TOTAL REVENUES HAS RECOVERED TO 97 % OF 2019 LEVEL, BUT IMPOSED RESTRICTIONS TEMPORARILY SOFTENED REVENUE GROWTH

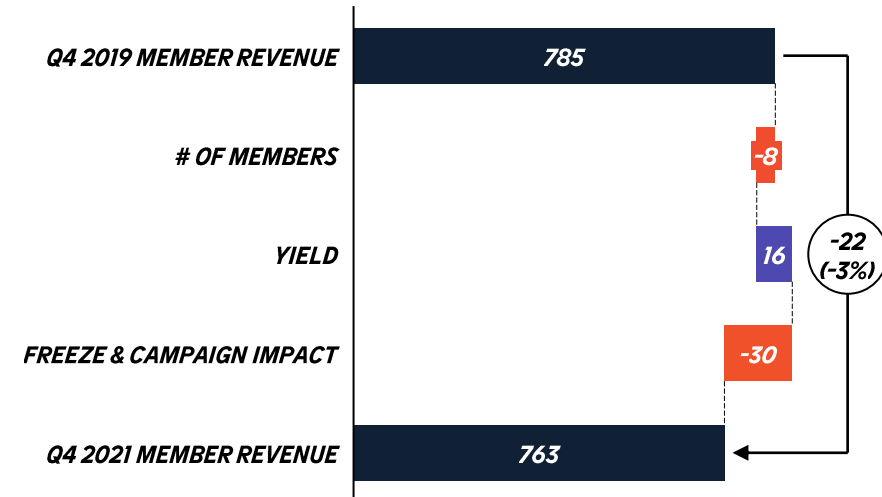
## TOTAL REVENUES (MNOK)

- MEMBERSHIP REVENUE
- OTHER REVENUE
- GOVERNMENTAL SUPPORTING PACKAGES



## MEMBER REVENUE BREAK-DOWN Q4\* (MNOK)

\*EXCLUDING REVENUES FROM SOLD DANISH CLUBS

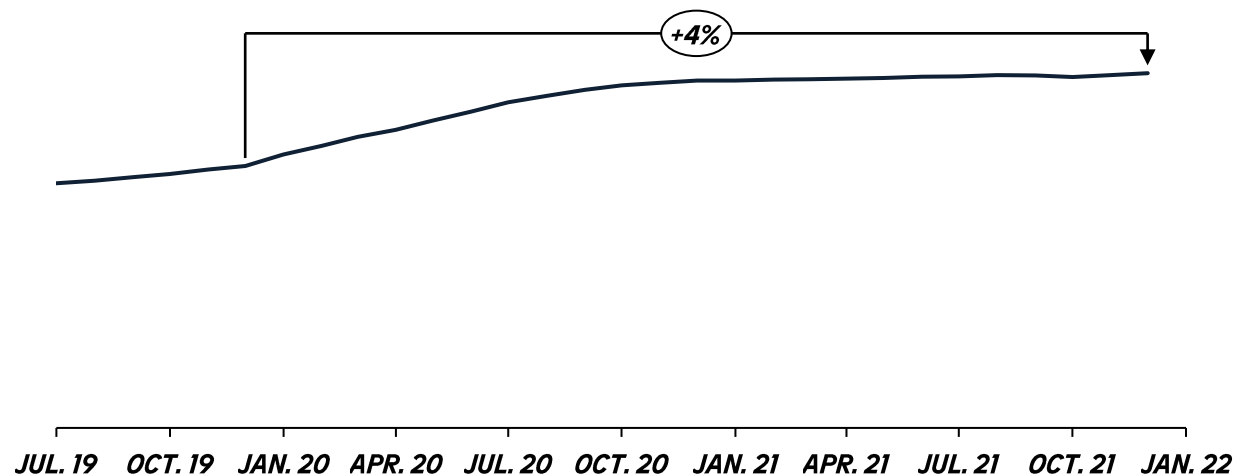


- Increasing revenues through the quarter driven by strong new membership sales in Q3 and unfreezing of memberships, but restrictions on group training, visit capacity and club closures in Finland increase freeze towards the end of the quarter
- Freeze still slightly higher than normal, also going into Q1 2022

- Average member base in the quarter slightly lower than in 2019, but fully recovered by end of quarter
- Yield improvements over the last years further improves member revenue
- Freeze level still inflated compared to normal year 2019
- Campaign cost to recover the member base impacts member revenues short-term

# ***SOLID DEVELOPMENT IN MEMBERSHIP PRICE PAST TWO YEARS, TO BE FURTHER LIFTED AFTER ANNUAL PRICE ADJUSTMENTS AS OF JAN 2022***

## **CONTRACTUAL MEMBERSHIP PRICE**



- Solid development in contractual membership price past two years, but slowdown in recent six months due to tight restrictions on group training and multi-club usage
- Expect to see pick-up in yield expansion as add-ons like group training and multi-club usage return to pre-pandemic level
- Annual list price adjustment performed with effect as of January 2022, both inflation adjustment of existing members, as well as price adjustment of members that of some historic reason have a membership price far below current list price

## **PRICE STRATEGY**



**Flexible membership structure** with a “pay for what you need” logic, addressing all budgets



### **Annual price optimization process**

- New list prices for new members on 1 January
- Adjustment for inflation for all existing members on 1 January
- Proactively increasing prices for members with significantly lower price than ordinary list price

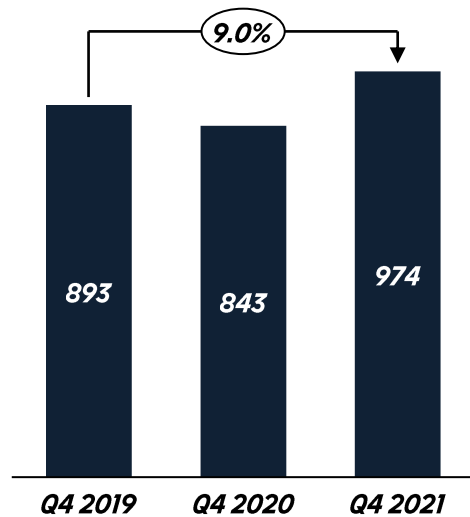


**All clubs set prices individually** based on club size, quality & product offering, local competition.

# COST INCREASE MAINLY DRIVEN BY ADDITIONAL CLUBS, OF WHICH MANY YET IN RAMP-UP MODE

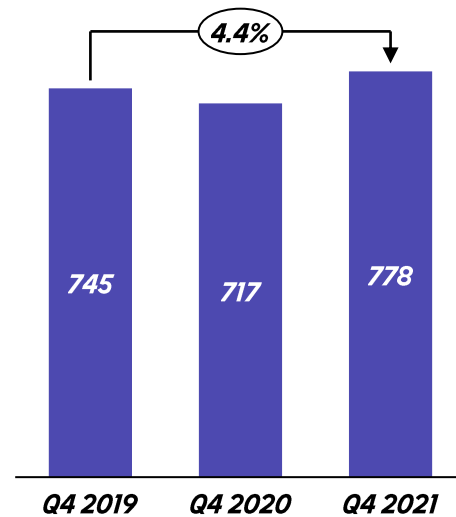
## OPERATING EXPENSES

Total operating expenses including COGS and overhead (currency adjusted)



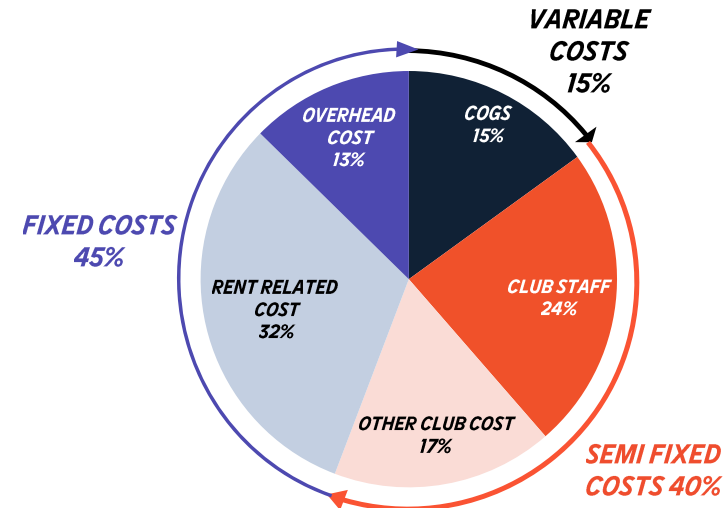
- +14 clubs compared to 2019 main driver for increase in operating expenses
- Extra marketing and campaign cost to recover the member base

Like-for-like club operating expenses (currency adjusted)

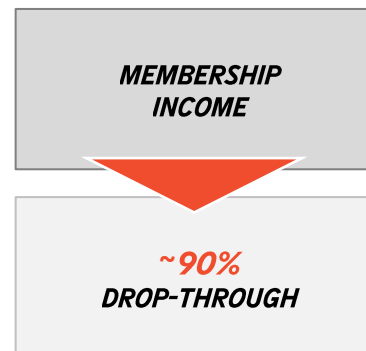


- Increase in operating expenses driven by lease cost, electricity prices and extra marketing and campaign cost to recover the member base
- OPEX increase with inflation, but successful cost saving efforts partly compensates for the increase

## OPERATING LEVERAGE



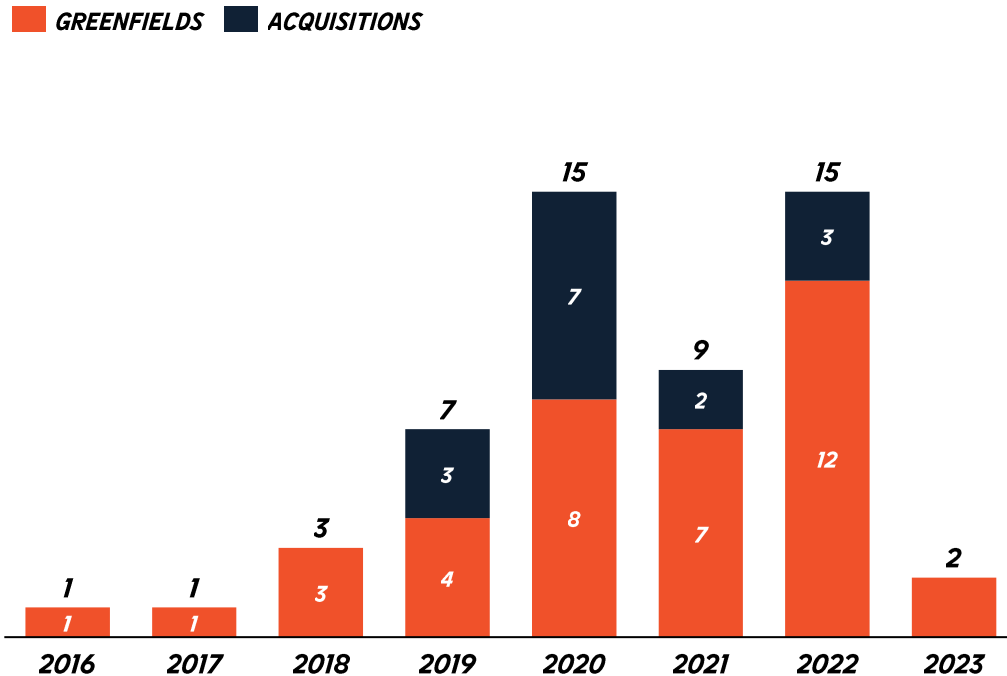
85% OF COST BASE IS FIXED OR SEMI-FIXED, RESULTING IN HIGH DROP-THROUGH TO ADJ. EBITDA



- The cost base required to operate the current club portfolio is largely fixed
- Therefore, as LFL member levels return, and new clubs fill up with new members, additional revenue growth flows directly to Adj. EBITDA
- Adj. EBITDA is expected to return to growth as LFL member volumes return

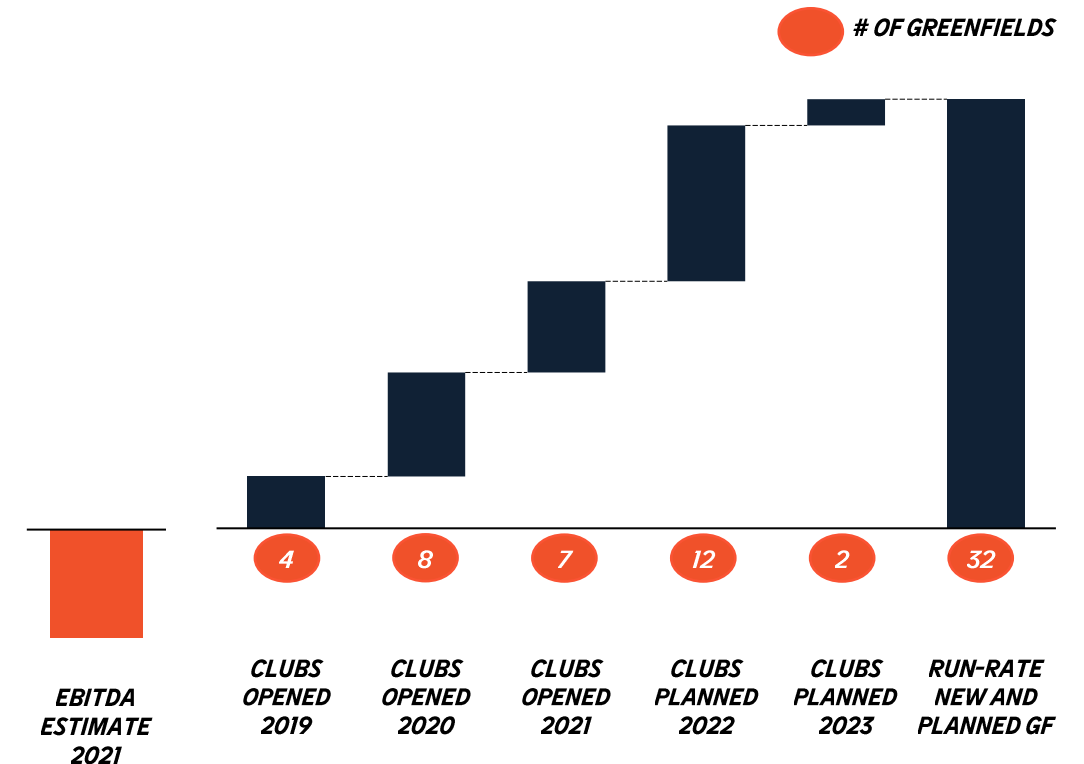
# CLUB EXPANSION HITS EBITDA SHORT TERM BUT HAS AN ESTIMATED FUTURE EBITDA CONTRIBUTION OF 150 MNOK AS NEW AND SIGNED CLUBS MATURE

## CLUB EXPANSION



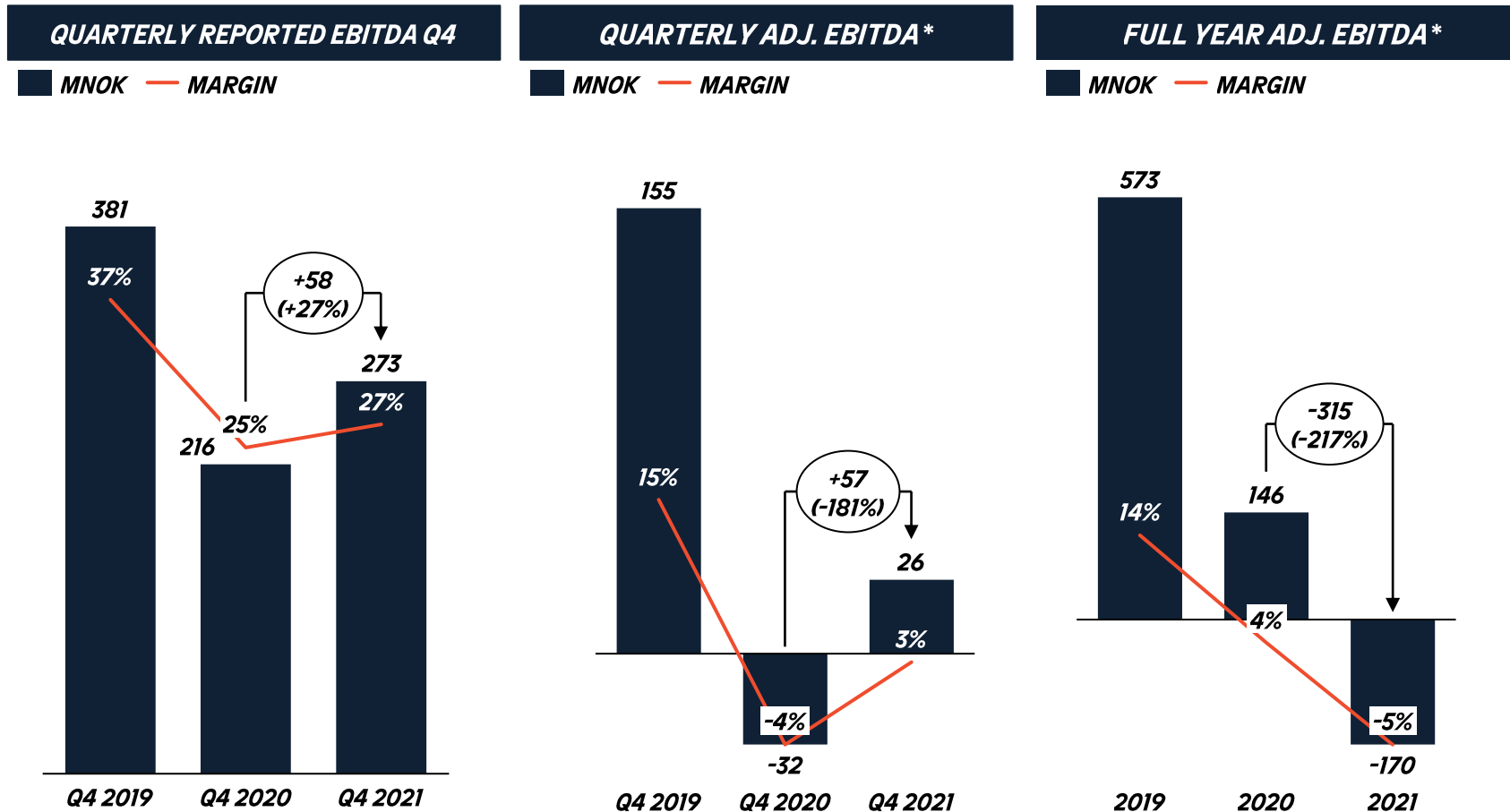
- Significant step-up in club expansion in recent years, both greenfields and acquisitions
- Greenfields take 6-12 months to reach Club EBITDA break-even and 24-36 to mature to portfolio average members and financials

## ILLUSTRATION OF FUTURE POTENTIAL FOR MATURING CLUBS



- Club expansion hits EBITDA short term but as the clubs mature over the next 24 months, the EBITDA contribution from newly opened and signed clubs indicate an upside of 150 million

# EBITDA ON TRACK FOR RECOVERY, BUT QUARTER IMPACTED BY IMPOSED RESTRICTIONS AND INCREASED OPEX FROM INVESTING IN REGAINING MEMBER BASE AND MATURING CLUBS



- Adjusted EBITDA continue to recover in Q4, but reimposed restrictions across the Nordics resulted in weaker development in sales and increased freeze towards the end of the quarter
- Increase in cost driven by lease cost, electricity prices and extra marketing and campaign cost to recover the member base
- Short term financials will continue to be affected by increased cost for maturing clubs and somewhat higher freeze
- Run-rate profits will return to healthy financials once the member base and activities are back to pre-covid-19 levels

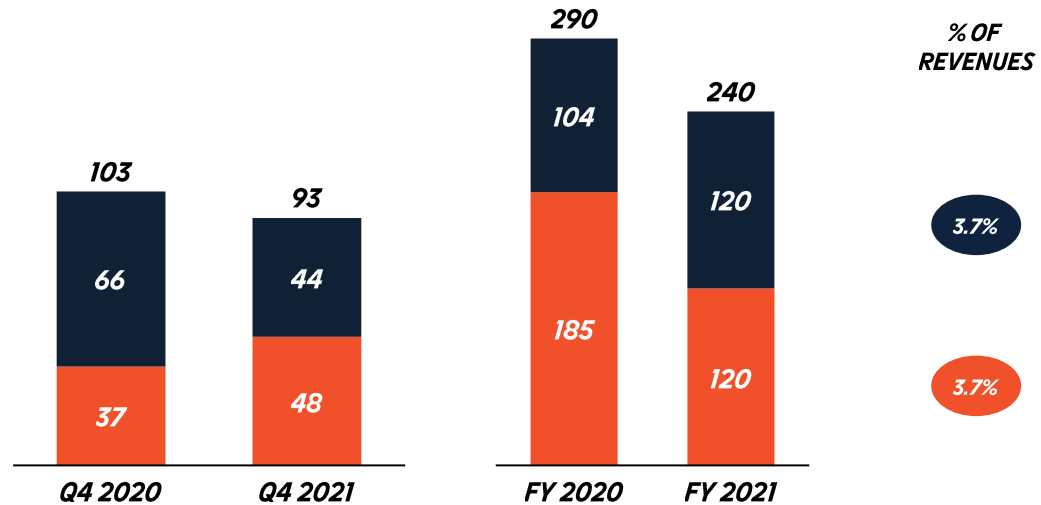
\*before impact of IFRS 16



# INVESTING IN FUTURE GROWTH

## CAPITAL EXPENDITURE (MNOK)

■ EXPANSION ■ MAINTENANCE



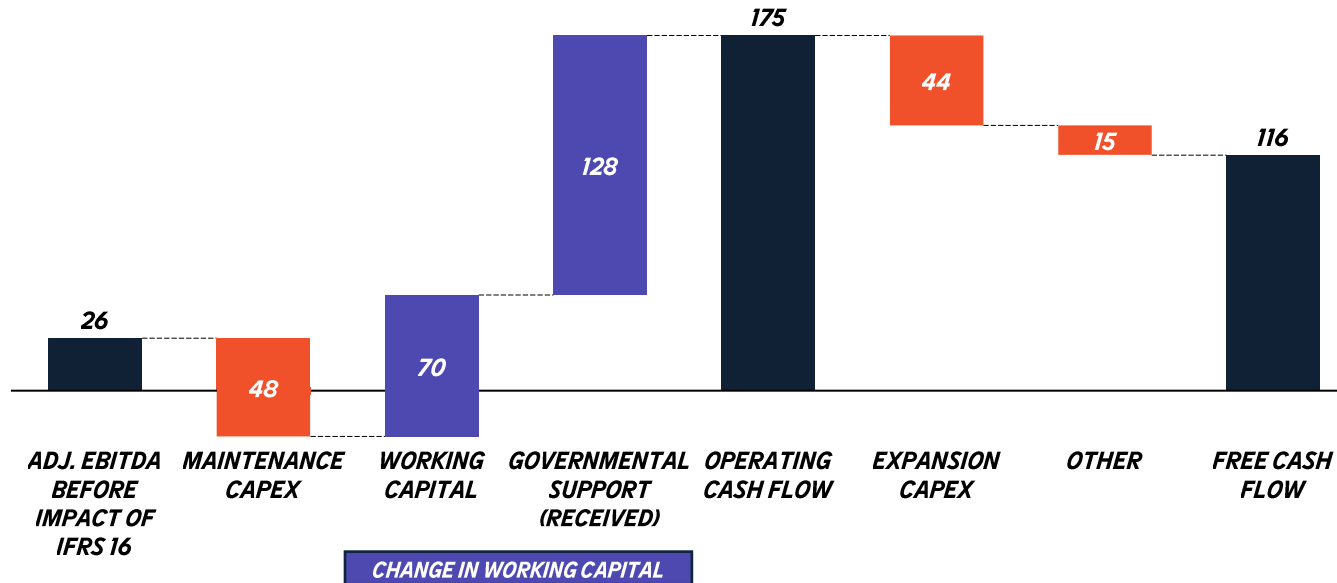
- Low maintenance capex in 2021 due to focus on cash preservation, less wear & tear on equipment because of reduced visits, and a lower average age in the club portfolio
- Expected normalized annual maintenance capex level of 5% of group revenues
- Increased expansion capex in 2021 is due to ramp-up in organic club openings

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

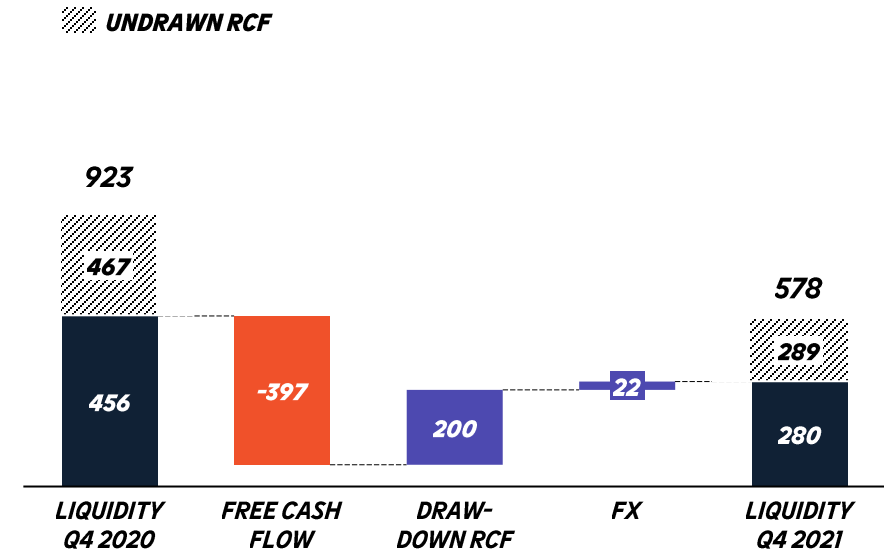


# OUR CURRENT LIQUIDITY POSITION IS SUFFICIENT TO HANDLE EXISTING OPERATIONS AND COMMUNICATED EXPANSION PLAN

KEY CASH FLOW ITEMS Q4 2021 (MNOK)



LIQUIDITY POSITION (MNOK)<sup>1</sup>

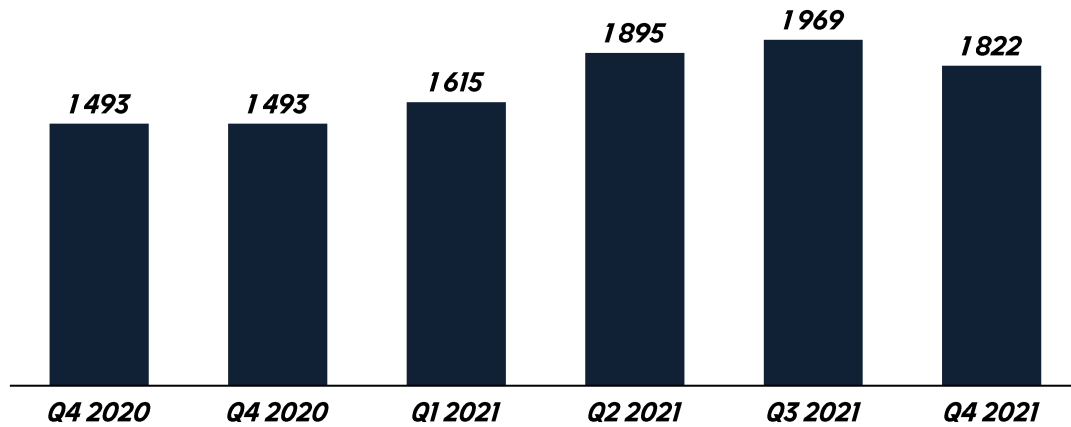


- Satisfactory liquidity with cash balance of NOK 280 million and undrawn RCF amount of NOK 289 million
- Positive change in working capital mainly due to receiving government compensation (128 million) related to previous periods, but ramp up in revenues with increasing member base also impacts working capital

(1) Liquidity includes cash balance and undrawn revolving credit facility, subject to minimum quarterly liquidity covenants

# ***EXPECT TO START DELEVERAGING ONCE RECOVERED***

**NET DEBT (MNOK)**



- Net debt increase the past year solely due to EBITDA effect of covid-19 and club closures
- Historically shown deleveraging capability on back of EBITDA growth and high cash conversion
- Increased short term flexibility with the addendum to the revolving credit facility agreement



# ***SUMMARY***



# CLOSING REMARKS



Strong member growth in Q4 slowed by new covid restrictions, but promising prospects moving into 2022 with lifting of restrictions



We ended 2021 with the same members base as end of 2019 – we are now ready to grow after a period of catching up



Increased demand and growing visits per member -> high activity level among our members despite restrictions



Ramping up our growth ambitions – in new clubs, existing clubs and digitally



Solid financial run rate as member base has recovered, positive cash flow and sufficient liquidity



Strong belief in continued growth of fitness market – and SATS well positioned to take advantage of growth



# **DISCLAIMER**

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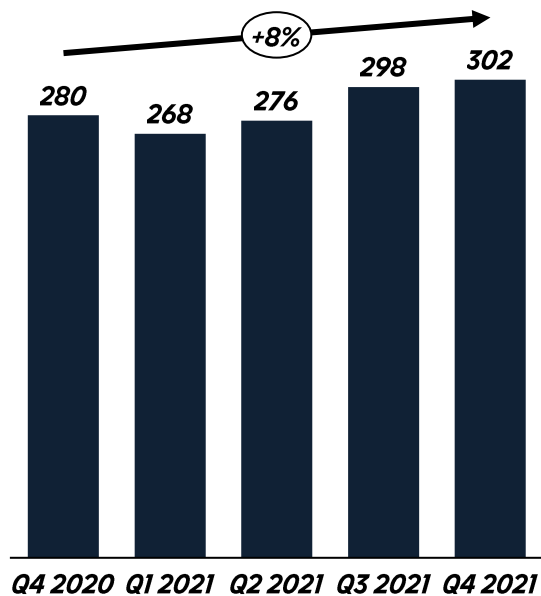
- This report includes forward-looking statements which are based on our current expectations and projections about future events. Statements herein, other than statements of historical facts, regarding future events or prospects, are forward-looking statements. All such statements are subject to inherent 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***



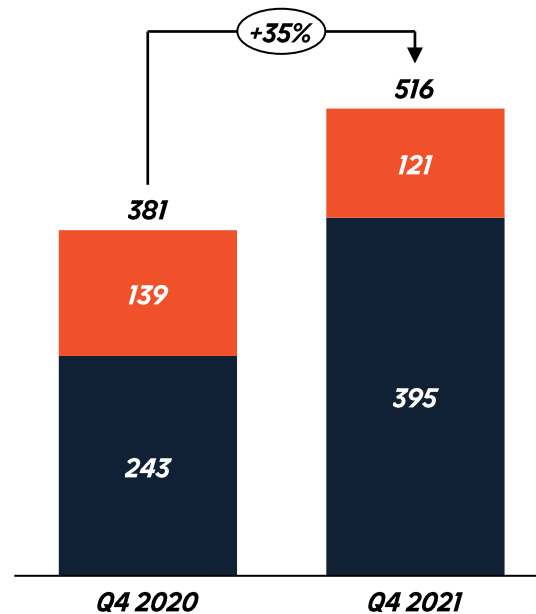
# NORWAY

OUTGOING MEMBER BASE ('000)



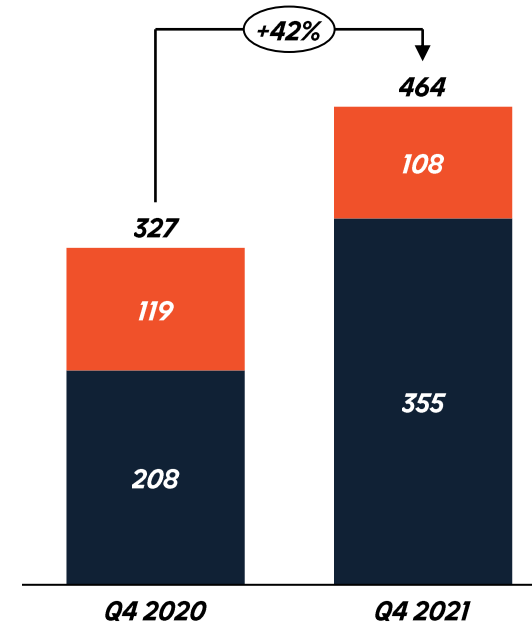
ARPM AND YIELD (NOK/MONTH)

MEMBERSHIP YIELD  
OTHER YIELD

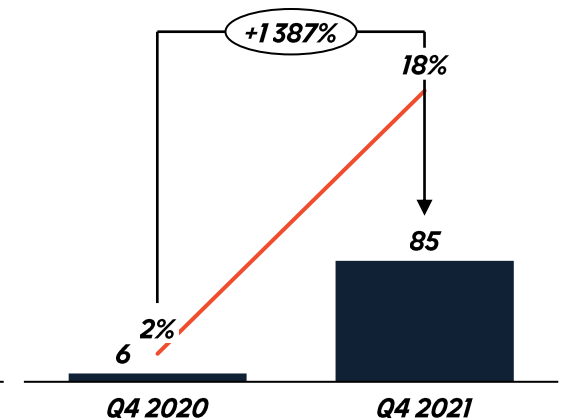


TOTAL REVENUES (MNOK)

MEMBERSHIP REVENUES  
OTHER REVENUES

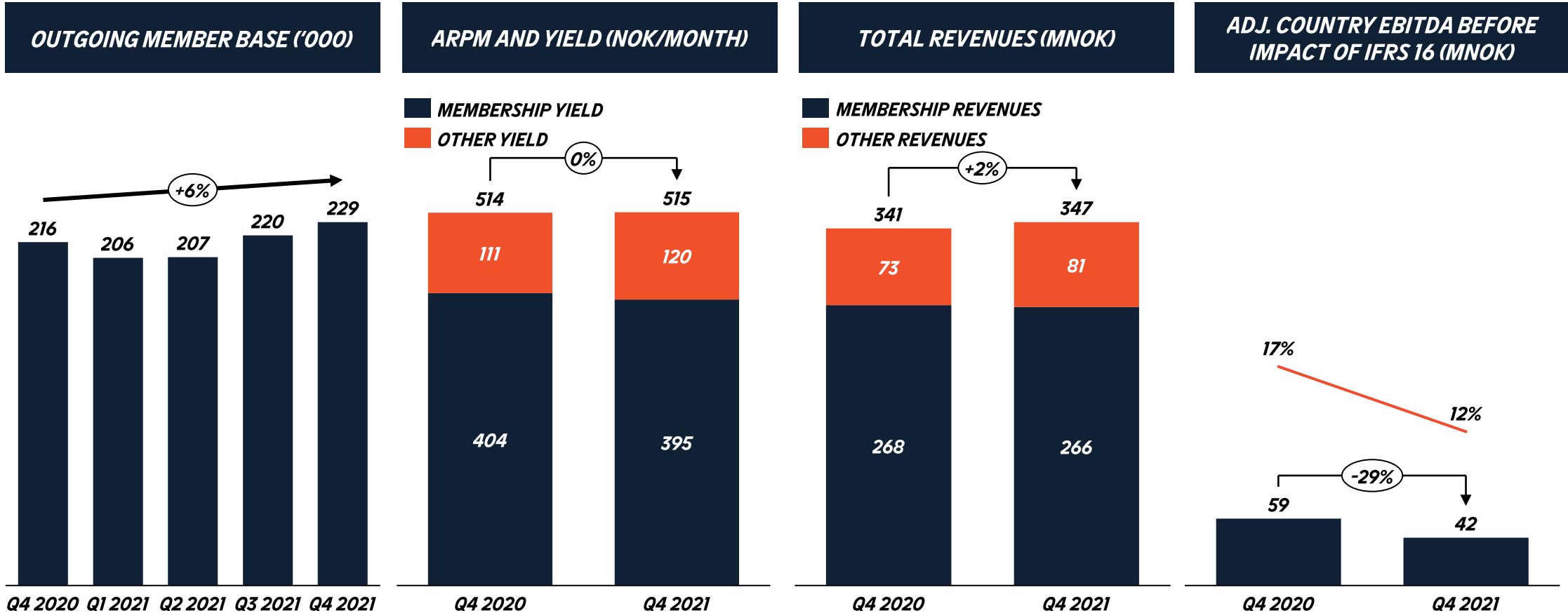


ADJ. COUNTRY EBITDA BEFORE IMPACT OF IFRS 16 (MNOK)



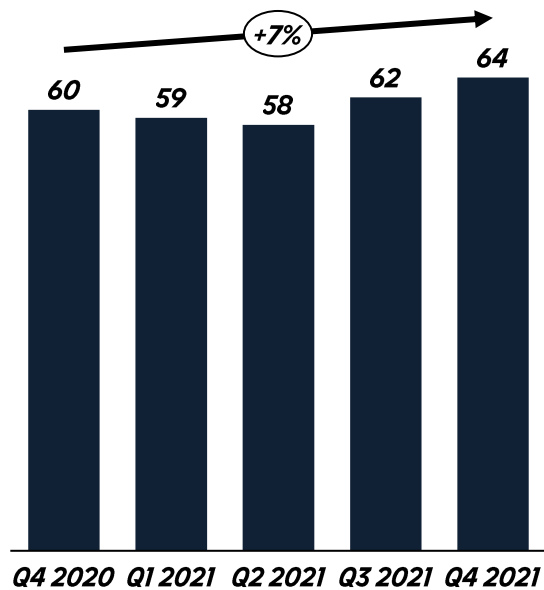


# SWEDEN



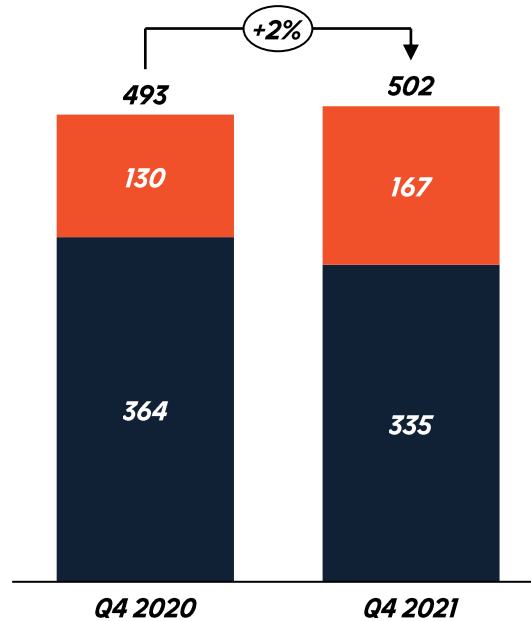
# FINLAND

## OUTGOING MEMBER BASE ('000)



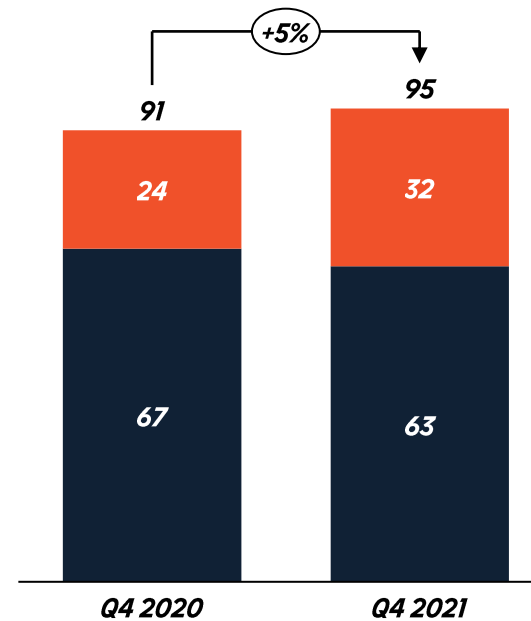
## ARPM AND YIELD (NOK/MONTH)

MEMBERSHIP YIELD  
OTHER YIELD

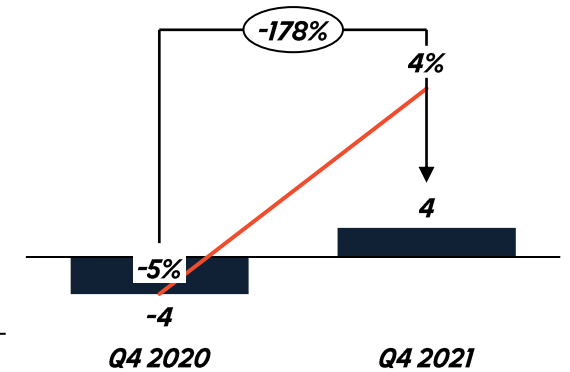


## TOTAL REVENUES (MNOK)

MEMBERSHIP REVENUES  
OTHER REVENUES

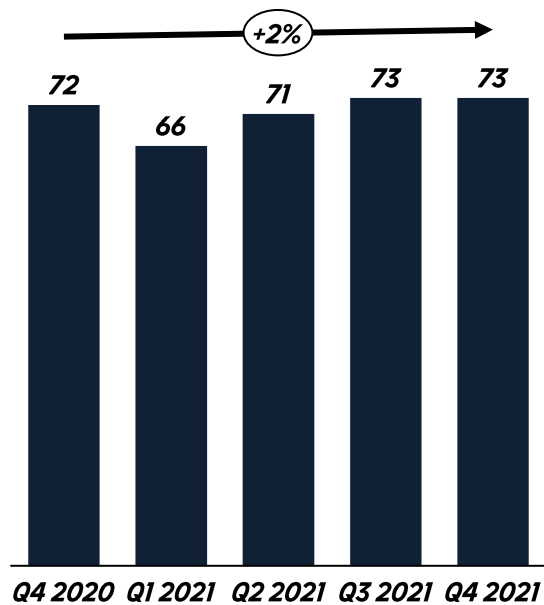


## ADJ. COUNTRY EBITDA BEFORE IMPACT OF IFRS 16 (MNOK)



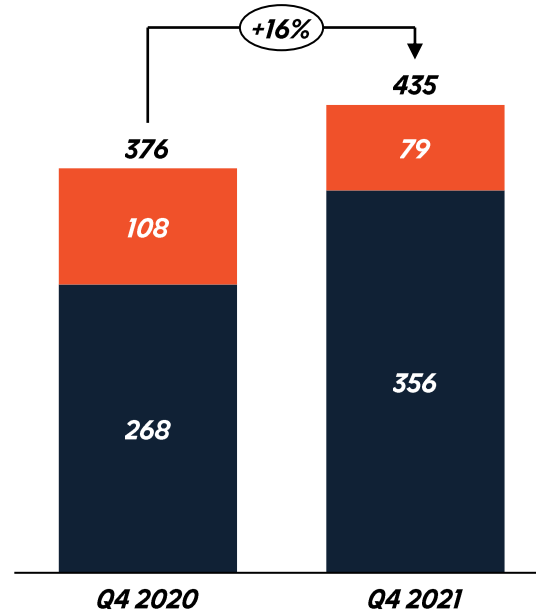
# DENMARK

OUTGOING MEMBER BASE ('000)



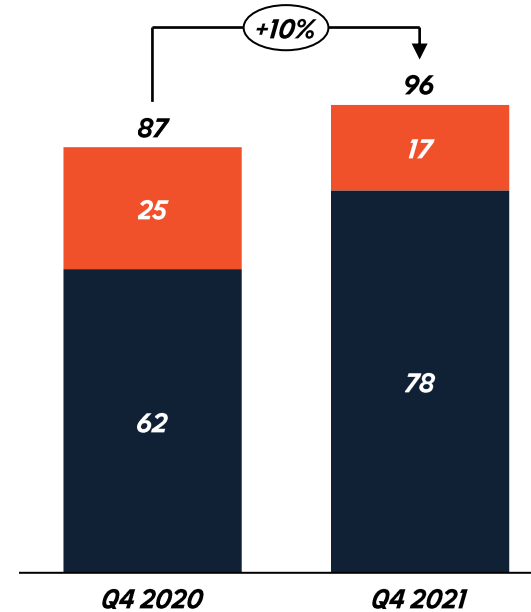
ARPM AND YIELD (NOK/MONTH)

MEMBERSHIP YIELD  
OTHER YIELD

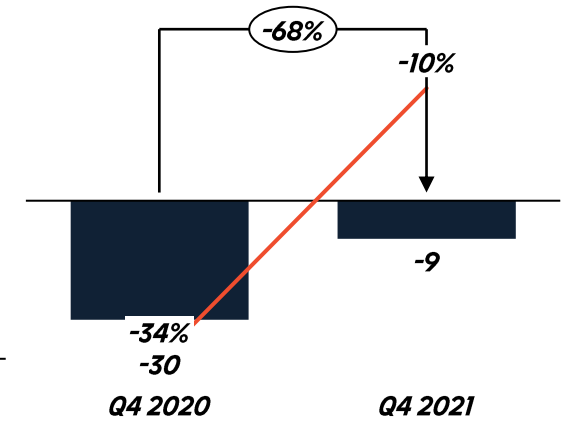


TOTAL REVENUES (MNOK)

MEMBERSHIP REVENUES  
OTHER REVENUES



ADJ. COUNTRY EBITDA BEFORE IMPACT OF IFRS 16 (MNOK)



# GLOSSARY

<b>TERM</b>	<b>DEFINITION</b>
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 at 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 and digital expansion
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

<b>TERM</b>	<b>DEFINITION</b>
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 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 end of the period, including frozen memberships, excluding free memberships
LTM EBITDA	Last twelve months EBITDA adjusted for lease expenses applying IAS 17 Leases
Member base, outgoing	Number of members at 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 2021	Q4 2020
Number of clubs, EOP	262	253
Outgoing member base ('000s)	669	628
Average number of members per club	2 553	2 482
ARPM (NOK)	505	437
Yield (NOK)	402	307
Reported EBITDA (MNOK)	273	216
Adjusted EBITDA before impact of IFRS 16 (MNOK)	26	-32
Adjusted EBITDA before impact of IFRS 16 margin	3 %	-4 %
Adjusted country EBITDA before impact of IFRS 16 (MNOK)	121	30
Adjusted country EBITDA before impact of IFRS 16 margin	12 %	4 %
Net debt (MNOK)	1 822	1 493
Total capital expenditures (MNOK)	93	103
Expansion capital expenditures (MNOK)	44	66
Maintenance capital expenditures (MNOK)	48	37
IT capital expenditures (MNOK)	11	18
Club portfolio capital expenditures (MNOK)	37	19
Operating cash flow (MNOK)	175	-60
Leverage ratio	-25,2	5,1
Cash conversion	681 %	191 %

# REPORTING UNDER IFRS 16

<i>Amounts in NOK million</i>	Reported Q4 2021	Change IFRS 16	Excl. IFRS 16 Q4 2021
<b>Balance sheet items - IFRS 16</b>			
Property, plant and equipment	691	0	691
Right-of use assets	4 077	4 077	0
Deferred tax assets	213	0	213
Prepaid expenses and accrued income	237	-70	307
<b>Total assets</b>	<b>8 336</b>	<b>4 007</b>	<b>4 329</b>
<b>Equity</b>	<b>483</b>	<b>-404</b>	<b>887</b>
Non-current lease liability	3 632	3 632	0
Current lease liability	820	820	0
Other current liabilities	369	-41	409
<b>Total liabilities</b>	<b>7 853</b>	<b>4 411</b>	<b>3 442</b>
<b>Profit &amp; loss items - IFRS 16</b>			
<b>Revenue</b>	<b>1 002</b>	<b>0</b>	<b>1 002</b>
Cost of goods sold	-29	0	-29
Personnel expenses	-426	0	-426
Other operating expenses	-273	248	-521
Depreciation and amortization	-276	-205	-71
Impairment of assets held for sale	0	0	0
<b>Operating profit</b>	<b>-2</b>	<b>43</b>	<b>-45</b>
Net financial items	-71	-42	-30
<b>Profit/loss before tax</b>	<b>-74</b>	<b>1</b>	<b>-75</b>

***SATS***