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17 MAY 2016

Basic-Fit announces intention to launch Initial Public Offering and listing on Euronext Amsterdam

Amsterdam, the Netherlands – Basic-Fit N.V. ("Basic-Fit" or the "Company"), the largest "value-for-money" fitness club operator in Europe as measured by number of clubs, today announces its intention to launch an initial public offering (the "IPO" or the "Offering") and listing on Euronext Amsterdam. The envisaged Offering will consist of a primary offering of new ordinary shares (the "New Shares") and a secondary offering of existing ordinary shares (the "Existing Shares") held by certain current shareholders. Net proceeds of the sale of New Shares will be used to refinance a portion of the Company's indebtedness and to repay shareholder loans in full, improving the debt maturity profile, increasing the financial flexibility and positioning the Company for the continued implementation of its growth strategy. The listing is expected to take place in the near future, subject to market conditions.

Company highlights

- Largest "value-for-money" or low-cost¹ fitness club operator in Europe measured by number of clubs with 351 clubs in the Netherlands, Belgium, Luxembourg, France and Spain and over one million members as at 31 March 2016
- Track record of growth, opening 78 new clubs in 2015 and 13 new clubs in the first three months of 2016 with the target of opening 65 to 75 clubs in total in 2016, and a similar number per year over the medium-term
- Active in the large and growing European fitness market, driven by increasingly favourable demographic and macro-economic developments, benefiting from an increased awareness of healthy lifestyles across various demographics and government initiatives to publicise the health benefits of increased physical activity, with the low-cost segment driving increased penetration rate levels
- High value-for-money proposition and core fitness offerings, flexible memberships and a network of clubs across five European countries, which we believe resonate strongly with those entering the fitness market for the first time
- Scalable and proven business model well positioned to capture growth opportunity in the low-cost fitness market in existing geographies
- Significant growth and value-creation opportunities driven by the maturation of the Company's existing estate, continued roll-out of new clubs, leverage "add-on" revenue opportunities and increasing secondary income sources as well as potential for further consolidation in a fragmented market
- Attractive financial characteristics with €202.2 million in revenue, €60.1 million Adjusted EBITDA², an attractive margin profile and strong underlying cash generation in FY 2015

¹ The Company considers the "value-for-money" or low-cost segment of the fitness market to consist of clubs that offer fitness services against a membership fee of €25.00 or less per month.

² The Company defines Adjusted EBITDA for a period as profit (loss) for the period attributed to the Company's owners, before interest, taxes, depreciation and amortisation, and before exceptional expenses.

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- Proven committed management team with extensive experience in the sector with a strong institutional management structure

Highlights of the Offering

- The Offering will consist of a primary offering of New Shares and a secondary offering of Existing Shares held by certain current shareholders
- The Offering is expected to be available to institutional investors and retail investors in the Netherlands, and to certain qualified institutional investors in various other jurisdictions
- Following the Offering, René Moos (the Company's CEO and co-founder) intends to remain a significant long-term shareholder in Basic-Fit

ABN AMRO and Morgan Stanley are acting as Joint Global Coordinators and Joint Bookrunners for the Offering. Barclays, Deutsche Bank and ING are acting as Joint Bookrunners and KBC, NIBC and Rabobank as Co-Lead Managers for the Offering. Lazard & Co., Limited ("Lazard") is acting as financial advisor.

René Moos, CEO and co-founder of Basic-Fit: *"Basic-Fit is established as the largest European fitness club operator in its segment, operating in some of continental Europe's most attractive fitness markets. We have realised significant growth over the past years, supported by our current main indirect shareholder 3i, and are now ready for a new phase. We believe an IPO is the logical next step in the development of Basic-Fit and a listing will be instrumental in effectively implementing our strategy going forward.*

Not only will the listing enable us to further strengthen our financial position, it will provide us full access to capital markets, supporting us in the implementation of our growth strategy of continuing the roll-out of new clubs across Europe. With our low-cost and quality fitness clubs we directly address the trend of healthy lifestyles and focus on individual health, and we will keep doing so in the years ahead of us. Member experience is one of the key pillars of our proposition. We look forward to the opportunities a listing on Euronext Amsterdam will bring."

Rationale for the Offering

The Company sees the Offering as the logical next step in its development. It will enhance the Company's profile, brand recognition and credibility and further improve the ability to recruit, retain and incentivise key management and employees. In addition, Basic-Fit believes the offering of New Shares will strengthen its financial position by enabling the Company to refinance a portion of the existing indebtedness and to repay in full the shareholder loans, which will improve the Company's debt maturity profile, increase its financial flexibility and position the Company for the continued implementation of its growth strategy.

The Offering will also provide additional financial flexibility and diversity through access to a wider range of capital-raising options to support the expected on-going roll out of new clubs or possible future acquisitions.

Company description and strategy

Basic-Fit is the largest "value-for-money" fitness club operator in Europe as measured by number of clubs, operating in some of continental Europe's most attractive fitness markets. The Company's clubs are located in the Netherlands (140), Belgium (145), Luxembourg (8), France (32) and Spain (26), with ca. 2,800 employees (representing ca. 1,290 FTEs), and over one million members as at 31 March 2016. Basic-Fit operates a transparent and straightforward membership model comprising three membership options and unlimited use of all its clubs across Europe for a fixed membership fee. The offering of shareable family passes in combination with the use of technology in the form of automated

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systems for the enrolment process, club entry and signing up for live group lessons are a valuable proposition for members.

The Company's aim is to be the preferred fitness brand in Europe. The Company seeks to continue to grow its business by the maturation of its existing estate, continuing the roll-out of new clubs in existing countries, leveraging “add-on” revenue opportunities and increasing secondary income whilst keeping the base membership fees low. Market fragmentation in the fitness sector offers opportunities for consolidation by selectively acquiring and converting other fitness clubs, providing a way to accelerate the Company's club roll-out strategy. Furthermore, the Company believes there are a number of other countries in Europe that could provide an attractive opportunity to establish a presence in the longer term although the Company is currently focused on expanding the number of clubs in its existing markets.

Key strengths

Active in a large and growing market, driven by low-cost segment

Basic-Fit operates in a large and growing market that has benefited from an increased awareness of healthy lifestyles across various demographics and government initiatives to publicise the health benefits of increased physical activity. Basic-Fit has seen a significant rise in the number of low-cost clubs in Europe, driving market expansion as well as taking market share from traditional mid-market clubs. Being the low-cost fitness market leader and the largest fitness chain in Europe by number of clubs, the Company is uniquely positioned to capture a significant share of the sizeable and expanding European fitness market.

Track record of growth, proven and scalable business model

From 31 December 2013 up to and including March 2016, Basic-Fit grew from 199 clubs to 351 clubs, representing a compound annual growth rate of 29%, and over the same period, it grew from 552,852 members to 1,076,752 members, representing a compound annual growth rate of 34%. Basic-Fit is targeting to open 65 to 75 clubs per year over the medium-term.

The Company's track record is evidenced by the success of its business model. Basic-Fit's attractive margin profile is demonstrated by its Adjusted Mature Club EBITDA margin³ of 48.0% in 2015. The Company's earnings visibility is supported by, among other things, the subscription-based model, with membership fees paid in advance via direct debit, the predictable membership ramp-up profile in maturing clubs and the standardised club format. In addition, the Company's business generates significant operating cash flow (Operating Cash Conversion⁴ of ~83.7% in 2015), which is reinvested into new club openings targeting ROIC⁵ levels on Mature Clubs of at least 30%.

Committed management team with strong institutional management structure

The management team is led by the Company's co-founder and CEO Mr. René Moos, a former professional tennis player who opened his first fitness club in 1984 and has over 30 years of fitness sector experience. Mr. Hans van der Aar, the Company's CFO, is a former audit partner at BDO Accountants who has over 30 years of experience in the accounting and audit fields.

Messrs Moos and Van der Aar are supported by a strong, international and professional organisation.

Basic-Fit maintains a two-tier board structure, consisting of a Management Board and a Supervisory Board. The Management Board comprises two members, the CEO and the CFO. The Supervisory

³ Adjusted Club EBITDA for a period is defined as Adjusted EBITDA for that period, before international and local overhead expenses. Adjusted Mature Club EBITDA for a period is defined as Adjusted Club EBITDA for that period, taking into consideration only clubs that have been operational as a Basic-Fit club for at least 24 months (“Mature Clubs”). Margin is expressed as a percentage of Mature Club revenue for that period

⁴ Operating Cash Conversion for a period is defined as Cash Flow Post Maintenance Capital Expenditure for that period divided by Adjusted EBITDA for that period. Cash Flow Post Maintenance Capital Expenditure for a period is defined as Adjusted EBITDA for that period minus the capital expenditure in relation to club maintenance, overhead (including software development) and replacing the Company's fitness equipment for that period

⁵ ROIC is return on invested capital, whereby invested capital means the initial capital expenditure incurred in opening a new club

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Board will consist of five members and will continue to be chaired by Mr. Ronald van der Vis who has been Chairman of the Supervisory Board of the Company since 2013 (including the period served as member of the supervisory board of Miktom Topco B.V.). Most recently, Mr. van der Vis was the Executive Director of the Board and Group CEO of Esprit Holdings Limited, a global fashion and lifestyle company and prior to that he was Group CEO of Pearle Europe (now GrandVision NV).

Significant growth and value-creation opportunity

The Company has various levers for future growth, including the maturation of its existing estate, continued roll-out of new clubs, leverage "add-on" revenue opportunities and secondary income sources, potential for further consolidation in a fragmented market as well as entry into new geographies. The Company has a visible and consistent maturity profile for new club openings.

On average, Basic-Fit clubs reach a mature membership base of c. 3,300 members within 24 months of opening and newly opened clubs have historically typically achieved positive Adjusted Club EBITDA within four months of opening or even one month for the Company's clubs in France. As at 31 December 2015, 54% of the Company's clubs have reached maturity and accordingly, 46% of clubs have the potential for further member growth simply by realising their membership growth potential in line with historic performance and without the need for additional material investment or for additional costs. Therefore, the Company anticipates the maturation of its existing clubs to be a significant driver of Adjusted EBITDA growth.

Basic-Fit has a proven track record of new club openings and a strong and visible pipeline of clubs scheduled to open in 2016 and 2017, supporting its roll-out plans. Penetration levels in Europe remain relatively low, especially in Belgium, France and Spain where penetration rates are well below the penetration rate in the Netherlands⁶ and the low-cost format has further potential to both grow the overall size of the fitness market and capture market share from traditional operators in the coming years.

Financials

In FY 2015, Basic-Fit had €202.2 million in revenue and €60.1 million of Adjusted EBITDA. Basic-Fit is active in five countries, and the business is organised and managed on a geographic basis, operating through two reportable segments: the Benelux, and France & Spain. The Benelux accounted for €180.8 million, or 89.4%, of revenue and €64.5 million, or 96.6%, of Adjusted EBITDA, in FY 2015. France and Spain accounted for €21.4 million, or 10.6%, of revenue and €2.3 million, or 3.4%, of Adjusted EBITDA, in FY 2015.⁷

Medium Term Objectives⁸

Through pursuing its strategy and assuming normal macro-economic conditions and market circumstances and no material changes to the current regulatory and tax framework of the industry and its business, Basic-Fit aims in the medium-term (i) to add 65 – 75 clubs to its network per year; (ii) to

⁶ Calculated as the number of health and fitness club members divided by total population. Penetration rate in the Netherlands in 2015 was 16.4% versus 6.8%, 7.8% and 10.6% in Belgium, France and Spain, respectively (source: EHF M Report)

⁷ Other reconciling items represent corporate costs that are not allocated to the operating segments.

⁸ The Company has not defined, and does not intend to define, "medium-term", and these medium-term objectives should not be read as indicating that the Company represents or otherwise commits to achieve any of these metrics or objectives for any particular fiscal year or reporting period. These objectives should not be regarded as forecasts or expected results or otherwise as a representation by the Company or any other person that it will achieve these objectives in any fiscal year or reporting period. The Company's ability to meet its medium-term objectives is based upon the assumption that it will be successful in executing its strategy and, furthermore, depends on the accuracy of a number of assumptions involving factors that are significantly or entirely beyond its control and are subject to known and unknown risks, uncertainties and other factors that may result in the Company being unable to achieve these objectives.

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achieve an annual revenue growth of at least 20% with significant operating leverage; (iii) to achieve modest (up to 1%) LFL Revenue Growth⁹; and (iv) to achieve a ROIC on Mature Clubs of at least 30%.

Capital Structure and dividend policy

As of 31 December 2015 and 31 March 2016, the Company's net debt was €254.9 million and €281.6 million, respectively, and its consolidated equity was negative, amounting to €-23.6 million and €-30.9 million, respectively.

The Company envisages a target dividend in the range of 10% to 20% of its net income.

Details of the Offering

The Offering will comprise the sale of New Shares and Existing Shares held by certain of the Company's current shareholders. The Company's ordinary shares are currently owned by 3i Group plc and entities managed by 3i Investments plc through Mito Holdings S.à r.l., the founders of the Company and a group of management members of the Company (together, the "Selling Shareholders").

The Offering is envisaged to be available to institutional and retail investors in the Netherlands and to certain institutional investors in various other jurisdictions. It is contemplated to complete the Offering with a listing on Euronext Amsterdam in the near future, subject to market conditions.

The Company has appointed ABN AMRO and Morgan Stanley as Joint Global Coordinators and Joint Bookrunners for the Offering, Barclays, Deutsche Bank and ING as Joint Bookrunners and KBC, NIBC and Rabobank as Co-Lead Managers. Lazard is acting as financial advisor.

If and when the Offering is launched, further details will be included in the prospectus relating to the Offering and the listing. Once approved by the Dutch supervision authority for the financial markets (Autoriteit Financiële Markten, the AFM), the prospectus will be published and made available to the public at the start of the offering period through the website of Basic-Fit, subject to securities law restrictions in certain jurisdictions.

For further information or press materials:

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⁹ LFL Revenue Growth for a year is defined as the percentage change in revenue for that year compared with the prior year, taking into consideration only the clubs which were operational as Basic-Fit clubs for at least 24 months on 1 January of that year

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In connection with the Offering, the Managers, or any of their respective affiliates, acting as investors for their own accounts, may purchase ordinary shares of the Company and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such ordinary shares and other securities of the Company or related investments, in connection with the Offering or otherwise. Accordingly, references in the prospectus, once published, to the ordinary shares of the Company being offered, purchased, acquired, placed or otherwise dealt in should be read as including any offer to, or purchase, acquisition, placing or dealing by, the Managers or any of their respective affiliates acting as investors for their own accounts. The Managers or any of their respective affiliates do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Lazard & Co., Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to the Company and no one else in connection with the Offering and will not be responsible to anyone other than the Company for providing

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This document may include forward-looking statements, which are based on the Company's current expectations and projections about future events and speak only as of the date hereof. By their nature, forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of the Company. Such factors may cause actual results, performance or developments to differ materially from those expressed or implied by such forward-looking statements. Accordingly, no undue reliance should be placed on any forward-looking statements. The Company operates in a rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible to predict all risks and uncertainties, nor to assess the impact that these factors will have on the Company. Important factors that could cause actual results to differ materially from those indicated by such forward looking statements include, without limitation, the following: (i) membership growth and retention; (ii) costs of expansion and maintenance; (iii) ability to identify and secure new sites and maintain existing sites; (iv) brand reputation; (v) technological changes; (vi) competition; (vii) retaining management and key employees; (viii) reliance on limited contractors and suppliers; (ix) delayed payments and ability to collect amounts due; (x) expansion into markets with different conditions and consumer preferences; (xi) limited flexibility for operating costs; (xii) data security; (xiii) liabilities acquired through acquisitions; (xiv) difficulty integrating acquisitions; (xv) failure to achieve medium-term objectives; and (xvi) economic conditions. Forward-looking statements speak only as at the date at which they are made and the Company undertakes no obligation to update these forward-looking statements. Furthermore, the proposed Offering is subject to market conditions and regulatory approvals and there can be no assurance that the proposed Offering will be completed.

The Company expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this document to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law.