# BASIC-FIT PRESS RELEASE
## HALF-YEAR 2024 RESULTS

Hoofddorp, 26 July 2024

## BASIC-FIT REPORTS STRONG FIRST HALF AND CONFIRMS OUTLOOK 2024
Underlying EBITDA less rent increased by 26% to €139 million

### H1 2024 FINANCIAL HIGHLIGHTS
- Revenue increased by 17% to €585 million (H1 2023: €500 million)
- Increase in average revenue per member per month to €23.80 (H1 2023:€23.13)
- Underlying EBITDA less rent increased by 26% to €139 million (H1 2023: € 110 million)
- Net profit of €4.2 million (H1 2023: a loss of €6.1 million)

### H1 2024 OPERATIONAL HIGHLIGHTS
- Number of memberships increased by 13% year-on-year to 4.1 million (H1 2023: 3.6 million)
- Record net club growth of 135 to 1,537 clubs
- Successful completion of the acquisition of 47 RSG Spain clubs and consecutive disposal of five Holmes Place clubs

### OUTLOOK 2024
- Club network to increase to around 1,575 clubs
- Revenue of between €1.20 billion to €1.25 billion
- Average revenue per member per month to increase to at least €24.50
- Underlying EBITDA less rent of between €305 million and €330 million (2023: €261 million)
- Free cash flow before new club expansion per share of between €2.60 and €2.95 (2023: €2.09)
- ROIC of mature clubs of well over 30%

### RENE MOOS, CEO BASIC-FIT:
*"We had a solid first half of the year, with memberships increasing by almost 300 thousand to 4.1 million. By the end of June, we expanded our network by 135 clubs, achieving 78% of the targeted club openings for the year. We are making good progress with the conversion of the 42 acquired McFIT clubs in Spain to the Basic-Fit brand and expect to have nearly completed it by the start of the important sales season in September.*

*The RSG Spain acquisition and the high number of club openings, along with their initial investments and losses, weighed on the cash flow and profitability in the first half of the year. This trend will reverse in the second half of the year, during which we will open a limited number of clubs, and the clubs opened in the first half of the year will start contributing to the bottom line. Despite the impact of the large number of club openings in the first half of the year, we were able to achieve an increase in the underlying EBITDA less rent of 26% to €139 million.*

*Operating leverage has had our increased attention during the past year. At our CMD in November 2023 we communicated that we aim to reduce headquarter costs to between 6% and 7% of revenue in the medium term. In the first half of 2024, we made good progress in achieving our goal by reducing headquarter cost to 7.2% of revenue, compared to 8.2% in the first half of 2023.*

*It is good to see the year-on-year improvement in profitability in the first half of the year and we look forward to an even stronger second half of the year, during which we expect to achieve all our targets for 2024 as communicated in April."*

## BUSINESS AND FINANCIAL REVIEW

| **Key figures** (In € millions, unaudited) | **H1 2024** | **H1 2023** | **Change** |
|---|---|---|---|
| **Total revenue** | **584.8** | **500.4** | **17%** |
| of which club revenue | 579.5 | 496.5 | 17% |
| of which non-club revenue | 5.3 | 3.9 | 35% |
| Club personnel costs | (91.7) | (76.3) | 20% |
| Other club operating costs | (147.1) | (133.6) | 10% |
| **Club EBITDA** | **340.7** | **286.6** | **19%** |
| Overhead | (74.5) | (69.6) | 7% |
| **EBITDA** | **266.2** | **217.0** | **23%** |
| Depreciation and impairment tangibles | (92.6) | (84.4) | 10% |
| Amortisation and impairment intangibles | (5.5) | (4.4) | 23% |
| Depreciation right-of-use assets | (113.0) | (96.5) | 17% |
| COVID-19 rent credits | - | 0.4 | |
| **Operating profit** | **55.1** | **32.1** | 72% |
| Cash finance costs* | (22.8) | (13.5) | 68% |
| Non-cash finance costs** | (0.6) | (6.2) | -90% |
| Interest lease liabilities | (25.3) | (19.5) | 30% |
| Income from associates | 0.5 | - | |
| Corporate income tax | (2.7) | 1.0 | |
| **Net result** | **4.2** | **(6.1)** | |

**Underlying key figures**

| | | | |
|---|---|---|---|
| **Club EBITDA** | **340.7** | **286.6** | **19%** |
| Rent costs (opened clubs) | (129.2) | (107.6) | 20% |
| Exceptional items - clubs | 2.9 | 2.2 | 36% |
| **Underlying Club EBITDA less rent (opened clubs)** | **214.4** | **181.2** | **18%** |
| **EBITDA** | **266.2** | **217.0** | **23%** |
| Rent costs clubs and overhead, incl. car leases | (131.9) | (109.6) | 20% |
| Exceptional items - total | 4.2 | 2.9 | 46% |
| **Underlying EBITDA less rent** | **138.5** | **110.3** | **26%** |
| **Underlying net result*** ** | **13.0** | **5.7** | **126%** |
| **Basic underlying net result per share (in €)** | **0.20** | **0.09** | **126%** |
| **Diluted underlying net result per share (in €)** | **0.20** | **0.09** | **126%** |

Totals are based on non-rounded figures. * Net finance costs related to bank loans, the convertible bond and the Schuldshein, SWAP settlement results and other cash finance costs. ** Non-cash finance costs related to the convertible bond accrual, interest rate hedge valuation results and amortisation of debt arranging fees. *** Adjusted for IFRS 16 (lease accounting), PPA-related amortisation, interest rate swaps valuation differences and non-cash convertible bond interest charges, exceptional items, one-offs and the related tax effects. Definitions of all alternative performance measures (APM's) used in this press release can be found in the APM section in this report.

## CLUB NETWORK AND MEMBERSHIP DEVELOPMENT

Geographic club split

| | H1 2024 | FY 2023 | H1 2023 |
|---|---|---|---|
| Netherlands | 241 | 237 | 235 |
| Belgium | 227 | 223 | 222 |
| Luxembourg | 10 | 10 | 10 |
| France | 834 | 781 | 718 |
| Spain | 201 | 139 | 112 |
| Germany | 24 | 12 | 6 |
| **Total** | **1,537** | **1,402** | **1,303** |

In the first half of 2024, we expanded our network by a record 135 clubs, reaching a total of 1,537 clubs. Compared to a year ago, this represents an increase of 234 clubs, reflecting a year-on-year growth of 18%. The 135 net club growth in the first half of 2024 is the result of 98 club openings, five club closures and the net addition of 42 RSG Spain clubs.

In Spain, where we acquired the 47 clubs of RSG Spain at the end of the first quarter of 2024, we recorded the largest increase in club growth, with a net addition of 62 clubs. Compared to a year ago, our Spanish network increased by 89 clubs (+79%). The June 2024 club count excludes the five Holmes Place clubs that were part of the RSG Spain transaction and that were divested in June 2024.

At the end of June 2024, 14 of the 42 remaining RSG Spain clubs were successfully rebranded and refurbished as Basic-Fit clubs. By the start of the important sales season in September 2024, we expect to have nearly completed the rebranding and refurbishing of the remaining RSG Spain clubs.

Our French network recorded further robust growth with the addition of 53 clubs to 834 clubs. Compared to a year ago, our French network increased by 116 clubs (+16%).

In our newest growth market, Germany, we opened 12 clubs, increasing our German presence to a total of 24 clubs. Compared to a year ago, our German network has grown by 18 clubs.
It is promising to see that the clubs that we have opened so far in 2024, are showing stronger growth trends after their respective openings, compared to clubs that we opened in 2023. This trend is visible in both larger and smaller cities. During this period, we opened our first clubs in Berlin and Frankfurt, and a second club in Bremen and Cologne.

In the Netherlands and Belgium, we expanded our network by four clubs each, to 241 and 227 clubs respectively.

Membership development

| In millions, end of period | 2024 | 2023 | change |
|---|---|---|---|
| Start of the year | 3.80 | 3.35 | 13% |
| First quarter | 4.05 | 3.60 | 13% |
| Second quarter* | 4.09 | 3.61 | 13% |
| Third quarter | | 3.71 | |
| Fourth quarter | | 3.80 | |

* Second quarter 2024 membership count, excluding memberships from the five sold Holmes Place clubs.

In the first half of the year, we increased our membership base by almost 300 thousand to 4.1 million. Compared to a year ago, our membership base increased by almost half a million memberships or 13%.

The Benelux countries and Spain all achieved sound membership growth trends. In Germany, we see a gradual improvement in membership growth trends, notably with the newer clubs, as we are further building brand equity. Business conditions in France remained somewhat challenging during the first half of the year, albeit that the second quarter showed prudent signs of improving growth trends.

In the first half of the year, we implemented a new management structure in France, in which we separated the responsibilities for club expansion and club operations. We also divided the country into separate regions, with each region being overseen by its own dedicated business director.

To further improve the membership experience, we continue to invest in the quality of the clubs, including the offering of massage chairs and longer opening hours, which we are currently testing in different clubs and in different regions.

The uptake of the premium membership by joiners remained around 50%. Premium memberships accounted for 43% of our total membership base at the end of the first half (H1 2023: 41%). Our total membership base includes the new RSG Spain members, who do not have a premium membership.

A club is considered mature when it is at least 24 months old at the start of the calendar year. At the end of June 2024, we operated 993 mature clubs with an average of 3,175 memberships per club. In 2024, the 2021 club cohort was added in the mature club base. These clubs were impacted during their important ingrowth period by COVID-19 closures and restrictions and have an average membership count below the average of the group. The continued high uptake of the Premium membership, although supportive to our average yield per member, is also having a negative impact on the average membership per club. In the medium term we expect the average mature club to have 3,250 memberships as communicated at our CMD in November last year.

## REVENUE

Revenue split

| In € millions | H1 2024 unaudited | H1 2023 unaudited | change |
|---|---|---|---|
| Club revenue | 579.5 | 496.5 | 17% |
| of which fitness revenue | 563.2 | 483.1 | 17% |
| of which other club revenue | 16.3 | 13.4 | 22% |
| Non-club revenue | 5.3 | 3.9 | 35% |
| **Total revenue** | **584.8** | **500.4** | **17%** |

Totals are based on non-rounded figures.

In the first half of 2024, group revenue increased by 17% to €585 million (H1 2023: €500 million). Fitness revenue, which includes income from our different memberships, as well as from add-ons like sportswater and personal online coach, increased by 17% to €563 million (H1 2023: €483 million). Growth was driven by the growth in memberships in combination with an increase in the average revenue per member per month (yield) to €23.80, compared with €23.13 in H1 2023.

Other club revenue increased by 22% to €16.3 million (H1 2023: €13.4 million) and includes income from our personal trainer concepts, physiotherapists, day passes, vending and advertising revenue via the screens in our clubs.

Non-club revenue, which includes sales from our webshop and NXT Level nutritional products to retailers, increased by 35% to €5.3 million (H1 2023: €3.9 million).

Geographic revenue split

| In € millions | H1 2024 unaudited | H1 2023 unaudited | change |
|---|---|---|---|
| Benelux | 256.6 | 230.5 | 11% |
| France, Spain & Germany | 328.1 | 269.9 | 22% |
| **Total revenue** | **584.8** | **500.4** | **17%** |

Totals are based on non-rounded figures

Our two geographic segments, the Benelux and France, Spain & Germany, recorded strong year-on-year revenue growth of 11% and 22% respectively. The increase in revenue reflects the growth of the club networks of the segments, memberships growth and an increase in yield.

## UNDERLYING CLUB EBITDA LESS RENT

Underlying Club EBITDA less rent, which is the IFRS-based club EBITDA minus the invoiced rent costs of our opened clubs and adjusted for exceptional items, increased by 18% to €214 million (H1 2023: €181 million).

Underlying club EBITDA less rent*

| In € millions | H1 2024 unaudited | H1 2023 unaudited | change |
|---|---|---|---|
| **Club revenue** | **579.5** | **496.5** | **17%** |
| Club personnel costs | (91.7) | (76.3) | 20% |
| Other club operating costs | (147.1) | (133.6) | 10% |
| **Club EBITDA** | **340.7** | **286.6** | **19%** |
| Rent costs (opened clubs) | (129.2) | (107.6) | 20% |
| Exceptional items - clubs | 2.9 | 2.2 | 36% |
| **Underlying Club EBITDA less rent*** | **214.4** | **181.2** | **18%** |
| As a % of club revenue | 37.0 | 36.5 | +50bps |

* Opened clubs. Totals are based on non-rounded figures.

Club operating costs related to rents (€129 million) and personnel (€92 million) each increased by 20% compared to the first half of 2023 due to the increasing club network (+18% in the past twelve months) and low to mid-single digit rent and wage cost inflation.

Other club operating expenses increased at a lower rate of 10% to €147 million (H1 2023: €134 million). The lower overall cost increase compared to club rents and personnel costs, reflects the benefit from a lower energy bill compared to a year ago.

Bad debt write-offs in monetary terms, as well as a percentage of revenue, increased compared to the first half of 2023. Compared to the second half of 2023, the bad debt write-offs as a percentage of revenue was stable. In our largest market, France, the rate improved compared to the second half of 2023.

The underlying club EBITDA less rent of €214 million has been adjusted for exceptional items that amounted to €2.9 million (H1 2023: €2.2 million). Exceptional items mainly relate to club closure costs and rent costs of newly built clubs that have not yet opened.

The year-on-year increase in underlying club EBITDA less rent was driven by our larger network of mature clubs and to a lesser extent by our immature clubs that were opened during 2022 and 2023.

Our mature clubs recorded a 16% higher underlying club EBITDA less rent of €188 million compared to €162 million in the first half of 2023. The average underlying mature club EBITDA per club increased to €189 thousand compared to €182 thousand in the same period last year. Like in 2023, we expect mature club profitability to improve in the second half of the year as a result of the further gradual increase in average yield per member and growth in memberships.

## UNDERLYING EBITDA LESS RENT

Underlying EBITDA less rent

| In € millions | H1 2024 unaudited | H1 2023 unaudited | change |
|---|---|---|---|
| **Club EBITDA** | **340.7** | **286.6** | **19%** |
| Overhead expenses excluding marketing | (42.4) | (40.8) | 4% |
| Marketing expenses | (32.1) | (28.8) | 12% |
| **EBITDA** | **266.2** | **217.0** | **23%** |
| Rent costs clubs and overhead, incl. car leases | (131.9) | (109.6) | 20% |
| Exceptional items - total | 4.2 | 2.9 | 46% |
| **Underlying EBITDA less rent** | **138.5** | **110.3** | **26%** |

Totals are based on non-rounded figures.

Underlying EBITDA less rent, which is EBITDA adjusted for exceptional items and minus invoiced rent costs, increased by 26% to €139 million, compared with €110 million in H1 2023.

Overhead expenses excluding marketing increased by 4% to €42.4 million (H1 2023: €40.8 million). As a percentage of total revenue, overhead expenses excluding marketing decreased by 100 basis points to 7.2% (H1 2023: 8.2%). The decrease in overhead expenses as a percentage of sales resulted from our efforts to improve operational efficiencies.

Marketing expenses increased by 12% to €32.1 million (H1 2023: €28.8 million). Marketing expenses as a percentage of revenue came in at 5.5% (H1 2023: 5.8%).

The underlying EBITDA less rent has been adjusted for exceptional items that amounted to €4.2 million (H1 2023: €2.9 million). The additional exceptional charges not included in club EBITDA in the first half of 2024 (€1.3 million) consist of various relatively small amounts and include one-off costs related to the RSG Spain acquisition and the sale of the five Holmes Place clubs.

## DEPRECIATION & AMORTISATION

Depreciation and impairment of tangibles increased by 10% to €92.6 million, compared with €84.4 million in the first half of 2023. The relatively limited year-on-year increase is the result of our Smart Refurbishing initiative, which we announced at our CMD last November. Under this initiative, instead of fully replacing all of our fitness equipment after six or eight years, our fitness equipment partner pays regular visits to the clubs to maintain and refurbish the equipment. The activities extend the useful life of the fitness equipment to twelve years and has a positive sustainability impact due to its lower environmental footprint. This change has resulted in a €5 million lower depreciation of fitness equipment for the April to June 2024 period, compared to the depreciation prior to the start of the Smart Refurbishing.

Depreciation of right-of-use assets increased to €113 million from €96.5 million in the first half of 2023. The year-on-year increase reflects the strong growth of our club network in 2023 and 2024.

Amortisation and impairment of intangibles amounted to €5.5 million, compared with €4.4 million in the first half of 2023. The increase is partly related to the RSG Spain acquisition at the end of March 2024.

## COVID-19 RENT CREDITS

COVID-19 rent credits in the period were nil, compared with €0.4 million in the first half of 2023. COVID-19 rent credits are related to property rent discounts received from our landlords that did not result in the amendment of lease contracts. In the event of lease contract amendments, we remeasured right-of-use assets and lease liabilities on our balance sheet. The reported amount in the first half of 2023 reflects the finalisation of rent negotiations for a number of clubs that were temporarily closed in 2021.

## OPERATING PROFIT

Operating profit increased by 72% to €55.1 million, compared with €32.1 million in the first half of 2023. Drivers for the strong increase were similar to those behind our higher EBITDA. Operating profit also benefitted from a lower increase in depreciation charges for our fitness equipment thanks to our Smart Refurbishing initiative.

## FINANCE COSTS

Cash finance costs increased to €22.8 million in the first half of 2024, compared with €13.5 million in the first half of 2023 and €21.1 million in the second half of 2023. The strong year-on-year increase reflects higher average interest rates due to the expiration of favourable hedging contracts in May 2023, and a higher average level of bank debt than in the previous year. The higher average level of bank debt results from the decision to open 78% of the targeted club openings for 2024 in the first half of the year (H1 2023: 51%).

Non-cash finance costs amounted to €0.6 million in the first half of 2024 compared to €6.2 million in the first half of 2023. The lower costs in the first half of 2024 are mainly the result of a positive result from interest rate swap valuation differences (€4.7 million) compared to a negative result in the first half of 2023 (€1.4 million). Non-cash finance costs also include the accretion of interest related to the liability component of the convertible bond, which amounted to €4.8 million (H1 2023: €4.5 million).

Interest on lease liabilities was €25.3 million, compared with €19.5 million in the first half of 2023.

## INCOME FROM ASSOCIATES AND CORPORATE INCOME TAX

Income from associates amounted to €0.5 million in the period (H1 2023: nil).

Corporate income tax was an expense of €2.7 million (H1 2023: €1.0 million income). The expense in the first half of 2024 is the result of a positive pre-tax result of €6.9 million (H1 2023: €7.2 million loss) and includes €0.6 million CVAE tax (H1 2023: €0.7 million). CVAE tax ('Cotisation sur la Valeur Ajoutée des Entreprises') is a corporate value-added contribution that meets the definition of an income tax as established under IAS 12. The lower CVAE tax in the first half of 2024 reflects a reduced tax percentage in 2024. Over the next few years, the CVAE rate should be gradually reduced and abolished in 2027 (source: Finance Act for 2024).

## NET RESULT AND UNDERLYING NET RESULT

The net result for the first half of 2024 was a profit of €4.2 million, compared to a loss of €6.1 million in the first half of 2023. The underlying net result, which is the reported net result adjusted for IFRS 16 (lease accounting), PPA-related amortisation, interest rate swaps valuation differences and non-cash convertible bond interest charges, exceptional items, one-offs and the related tax effects, increased by 126% to a profit of €13.0 million (H1 2023: €5.7 million). Note that the first half of 2023 underlying net result was restated from €2.4 million. Previously, this was not adjusted for non-cash convertible bond interest charges.

Reconciliation net result to underlying net result

| In € millions | H1 2024 | H1 2023 |
|---|---|---|
| **Net result** | **4.2** | **(6.1)** |
| IFRS 16 adjustments | 6.3 | 6.3 |
| PPA amortisation | 1.3 | 1.3 |
| Valuation differences IRS (non-cash) | (4.7) | 1.4 |
| Non-cash interest convertible bond | 4.8 | 4.5 |
| Exceptional items | 4.2 | 2.9 |
| COVID-19 rent credits | - | (0.4) |
| Tax effects (25.8%) | (3.1) | (4.1) |
| **Underlying net result** | **13.0** | **5.7** |

Totals are based on non-rounded figures.

## NET DEBT AND LIQUIDITY

Net debt (excluding lease liabilities) was €944 million at the end of June 2024, compared with €804 million at year-end 2023. The higher net debt reflects the decision to open 78% of the targeted club openings, including the RSG Spain acquisition, in the first half of the year (H1 2023: 51%). With a lower level of club openings in the second half of the year, we anticipate a lower net debt level at year-end 2024.

Net debt including lease liabilities was €2,643 million, compared with €2,464 million at year-end 2023.

The net debt/adjusted EBITDA[1] leverage ratio was 2.8 at the end of June 2024 (year-end 2023: 2.6), which is well below the 3.5 covenant threshold agreed with our lenders.

The interest coverage ratio was 7.7 in the first half of 2024, which is well above the 2.0 minimum ratio agreed with our lenders.

Including committed, but undrawn facilities, the company had access to cash and cash equivalents of €104 million at the end of June 2024.

## WORKING CAPITAL

Working capital was €135 million negative compared to €184 million negative at year-end 2023 and €168 million negative at the end of June 2023. The change in working capital as a percentage of revenue from 18% at year-end 2023 to 12% at the end of June 2024, is mainly the result of the timing of club openings and a change in payment policy.

The change in working capital compared to the year-end 2023 also partly explains the increase in the net debt at the end of June 2024.

## CAPITAL EXPENDITURE

The initial average capex for the 98 newly built clubs that we opened in H1 2024 was €1.25 million per club (H1 2023: €1.21 million). For the full year 2024, we expect the average capex for a newly built club to be around €1.25 million (full year 2023: €1.18 million). Regardless of the initial capex for a club, we continue to only sign a lease contract for a new club if we expect to achieve a return on invested capital (ROIC) of at least 30% at maturity.

The net 42 acquired RSG Spain clubs are not included in the full year guidance of on average €1.25 million initial capex per club. We expect that the combination of purchase price and rebranding & refurbishing spend will be around €1.4 million per club. This slightly higher initial capex per club is warranted by the fact that these clubs have positive cash flow right from the start, compared to newly built clubs that have start-up losses.

The average maintenance cost per club was €15 thousand (H1 2023: €19 thousand). With an expected higher spend in the second half of 2024, we expect the average spend per club to remain at around €55 thousand for the full year 2024.

Other capex amounted to €9.4 million (H1 2023: €6.9 million). Other capex consists of investments in innovations and software development and sustainability related investments. The sustainability related investments amounted to €2.5 million (H1 2023: €0.4 million) and mainly relate to the energy transition; changing gas-based warm water and heating systems with fully

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[1] Adjusted EBITDA under the bank covenants is defined as the underlying EBITDA less rent adjusted for permitted pro forma adjustments, which are capped at 15% of the total adjusted EBITDA.

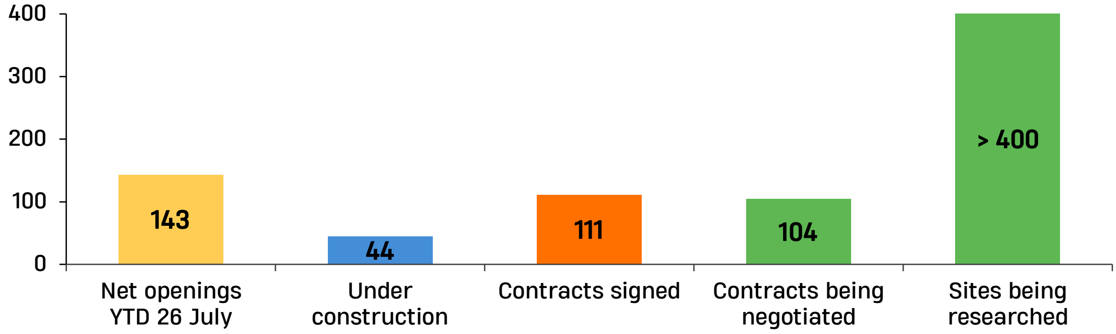
electric systems, and the installation of solar panels. Since the start of the energy transition project, we have converted 67 of the 300 clubs with gas systems, of which 22 in the first half of 2024. In addition, we installed solar panels on 26 clubs in the first six months of the year.

## 2024 OUTLOOK

We confirm our outlook for 2024 as provided at the time of our Q1 2024 trading update in April:

- Club network to increase to around 1,575 clubs, including RSG Spain acquisition
- Revenue of between €1.20 billion to €1.25 billion
- Average revenue per member per month to increase to at least €24.50
- Underlying EBITDA less rent of between €305 million and €330 million (2023: €261 million)
- Free cash flow before new club expansion[2] per share of between €2.60 and €2.95 (2023: €2.09)
- ROIC of mature clubs of well over 30%

*Club openings pipeline (# clubs)*

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## FOR MORE INFORMATION


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Basic-Fit is listed on Euronext Amsterdam in the Netherlands

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## AUDIO WEBCAST HALF YEAR RESULTS 2024

Date and time: 26 July 2024 at 14.00 CET

[Link to webcast](corporate.basic-fit.com/investors/financial-results) (corporate.basic-fit.com/investors/financial-results)

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[2] Definition given at CMD Nov-2023: underlying EBITDA less rent, minus maintenance capex, other capex, cash interest and cash taxes.

## FINANCIAL CALENDAR

| | |
|---|---|
| Q3 2024 trading update | 18 October 2024 |

## ABOUT BASIC-FIT

With more than 1,500 clubs, Basic-Fit is the largest fitness operator in Europe. The company operates in six countries and has 4.1 million memberships. On a daily basis, members can work on improving their health and fitness in our clubs. Basic-Fit operates a straightforward membership model and offers a high-quality, value-for-money fitness experience that appeals to the fitness needs of all people who care about their personal health and fitness.

## NOTES TO THE PRESS RELEASE

The financials are presented in millions of euros and all values are rounded to the nearest million unless otherwise stated. Change percentages and totals are calculated before rounding. As a consequence, rounded amounts may not add up to the rounded total in all cases.

This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

## ALTERNATIVE PERFORMANCE MEASURES

The financial information in this report includes non-IFRS financial measures and ratios (e.g. underlying club EBITDA less rent, underlying EBITDA less rent, exceptional items, underlying net result and net debt) that are not recognised as measures of financial performance or liquidity under IFRS. In addition, Basic-Fit discloses certain other operational data, such as the number of clubs, number of members and number of countries in which Basic-Fit is present. The non-IFRS financial measures presented are measures used by management to monitor the underlying performance of the business and operations and, have therefore not been audited or reviewed. Furthermore, they may not be indicative of historical operating results, nor are they meant to be predictive of future results. These non-IFRS measures are presented because they are considered important supplementary measurements of Basic-Fit's performance, and we believe that these and similar measures are widely used in the industry in which Basic-Fit operates as a way to evaluate a company's operating performance and liquidity. Not all companies calculate non-IFRS financial measures in the same manner or on a consistent basis. As a result, these measures and ratios may not be comparable to measures used by other companies under the same or similar names.

## Alternative performance measures

| Term | Definition |
|---|---|
| Fitness revenue | Revenue from memberships, as well as from add-ons like sports water and personal online coach |
| Club revenue | Total of fitness revenue and other club revenue |
| Yield (ARPU) per month | Fitness revenue divided by average members of the period (divided by number of months in the period) |
| Club EBITDA | EBITDA before overhead costs and net result from non-club revenue (webshop and NXT Level) |
| Underlying club EBITDA less rent | Club EBITDA adjusted for exceptional items and minus invoiced rent costs of opened clubs |
| Underlying club EBITDA less rent margin | Underlying club EBITDA less rent as a percentage of club revenue |
| Overhead | Total costs related to (local) headquarters, including all IT development, customer care and marketing |
| EBITDA | Profit (loss) before interest, taxes, depreciation, amortisation and COVID-19 rent credit |
| Underlying EBITDA less rent | EBITDA adjusted for exceptional items and minus invoiced rent costs |
| Underlying EBITDA less rent margin | Underlying EBITDA less rent as a percentage of total revenue |
| EBIT (operating profit) | Profit (loss) before interest and taxes |
| Exceptional items | Exceptional items include start-up costs for new countries, costs related to club closures and other costs or profits that are of a one-off nature or do not reflect the normal operations of the business |
| Underlying net result | Net result adjusted for IFRS16, PPA amortisation, IRS valuation differences, non-cash convertible bond accruals, exceptional items, one-offs and the related tax effects |
| Basic underlying EPS | Underlying net result divided by the weighted average number of shares |
| Diluted underlying EPS | Underlying net result divided by the weighted average number of diluted shares |
| Net debt | Total of long-term and short-term borrowings and IFRS16 lease liabilities, less cash and cash equivalents |
| Net debt (excl. lease liabilities) | Total of long-term and short-term borrowings, less cash and cash equivalents |
| Working capital | Total of inventories plus trade and other receivables, minus trade and other payables |
| Mature club ROIC | Underlying mature club EBITDA less rent as a percentage of the initial investment to build a club |
| Mature club | Club that has been open for 24 months or more at the start of the year |
| Mature club revenue | Revenue of mature clubs |
| Mature club underlying EBITDA less rent | Underlying EBITDA less rent of mature clubs |
| Mature club underlying EBITDA less rent margin | Underlying EBITDA less rent of mature clubs as a percentage of mature club revenue |
| Free cash flow before new club capex | Underlying EBITDA less rent, maintenance capex, other capex, cash interest and cash taxes |
| Initial capex newly built club | Total expenses newly built clubs divided by the number of newly built clubs |
| Expansion capex | Total expenses of newly built clubs, acquisitions, existing club enlargements and expenses for clubs that are not yet open |
| Maintenance capex | Capex to maintain the club and replace or refurbish the fitness equipment |
| Average maintenance capex per club | Total maintenance capex divided by the average number of clubs |

## FORWARD-LOOKING STATEMENTS / IMPORTANT NOTICE

Some statements in this press release may be considered ‘forward-looking statements’. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are outside of our control and impossible to predict and may cause actual results to differ materially from any future results expressed or implied. These forward-looking statements are based on current expectations, estimates, forecasts, analyses and projections about the industry in which we operate and management's beliefs and assumptions about possible future events. You are cautioned not to put undue reliance on these forward-looking statements, which only express views as at the date of this press release and are neither predictions nor guarantees of possible future events or circumstances. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events, except as may be required under applicable securities law.

## INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 2024 (unaudited)



# Interim condensed consolidated statement of comprehensive income

## Consolidated statement of profit or loss

| For the six months ended | Note | 30 June 2024 Unaudited | 30 June 2023 Unaudited |
|---|---|---|---|
| | | € 000 | € 000 |
| | | | |
| Revenue | 5 | 584,756 | 500,420 |
| | | **584,756** | **500,420** |
| | | | |
| Cost of consumables used | 6 | (18,773) | (17,788) |
| Employee benefits expense | 7 | (105,445) | (90,038) |
| Depreciation, amortisation and impairment charges | 8 | (211,074) | (185,306) |
| Other operating income | 9 | 695 | 667 |
| Other operating expenses | 10 | (195,015) | (175,869) |
| **Operating profit** | | **55,144** | **32,086** |
| | | | |
| Finance income | 11 | 127 | 1 |
| Finance costs | 11 | (48,841) | (39,243) |
| Share of profit of an associate | | 450 | - |
| **Profit/(loss) before income tax** | | **6,880** | **(7,156)** |
| Income tax | 12 | (2,698) | 1,036 |
| **Profit/(loss) for the year** | | **4,182** | **(6,120)** |
| | | | |
| **Attributable to equity holders of the parent:** | | | |
| Basic earnings per share (in €) | 19 | 0.06 | (0.09) |
| Diluted earnings per share (in €) | 19 | 0.06 | (0.09) |

## Consolidated statement of other comprehensive income

| For the six months ended | 30 June 2024 Unaudited | 30 June 2023 Unaudited |
|---|---|---|
| | € 000 | € 000 |
| | | |
| Profit/(loss) for the year | 4,182 | (6,120) |
| | | |
| Other comprehensive income for the year net of tax | - | - |
| | | |
| **Total comprehensive income/(loss) for the year** | 4,182 | (6,120) |

# Interim condensed consolidated statement of financial position

| | Note | 30 June 2024 Unaudited | 31 December 2023 Audited |
|---|---|---|---|
| | | € 000 | € 000 |
| **Assets** | | | |
| **Non-current assets** | | | |
| Goodwill | 13 | 215,389 | 204,843 |
| Other intangible assets | 14 | 48,219 | 43,939 |
| Property, plant and equipment | 15 | 1,219,182 | 1,172,194 |
| Right-of-use assets | 16 | 1,610,911 | 1,543,877 |
| Investment in associates | | 1,200 | 750 |
| Deferred tax assets | 12 | 81,794 | 82,033 |
| Receivables | | 12,457 | 10,064 |
| **Total non-current assets** | | **3,189,152** | **3,057,700** |
| **Current assets** | | | |
| Inventories | | 23,382 | 23,790 |
| Income tax receivable | | 981 | 135 |
| Trade and other receivables | | 76,156 | 80,247 |
| Derivative financial instruments | 17 | 249 | 1,769 |
| Cash and cash equivalents | | 34,793 | 70,934 |
| **Total current assets** | | **135,561** | **176,875** |
| **Total assets** | | **3,324,713** | **3,234,575** |
| **Equity** | | | |
| Share capital | | 3,960 | 3,960 |
| Share premium | | 690,526 | 690,526 |
| Reserves | | 51,601 | 51,467 |
| Retained earnings | | (337,795) | (341,977) |
| **Total equity** | | **408,292** | **403,976** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Lease liabilities | 16 | 1,448,524 | 1,405,291 |
| Borrowings | 18 | 958,173 | 857,203 |
| Derivative financial instruments | 17 | 32 | 6,255 |
| Deferred tax liabilities | 12 | 754 | 298 |
| Provisions | | 1,594 | 836 |
| **Total non-current liabilities** | | **2,409,077** | **2,269,883** |
| **Current liabilities** | | | |
| Trade and other payables | | 234,893 | 288,181 |
| Lease liabilities | 16 | 250,734 | 254,021 |
| Borrowings | 18 | 20,670 | 18,000 |
| Current income tax liabilities | | 1,047 | 514 |
| **Total current liabilities** | | **507,344** | **560,716** |
| **Total liabilities** | | **2,916,421** | **2,830,599** |
| **Total equity and liabilities** | | **3,324,713** | **3,234,575** |

# Interim condensed consolidated statement of changes in equity

## For six months ended 30 June 2024 (in €000)

| | Attributed to equity holders of the parent | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital | Share premium | Treasury shares | Equity settled share-based payments reserve | Equity component of convertible bonds | Retained earnings | Total equity |
| As at 1 January 2024 | 3,960 | 690,526 | - | 2,747 | 48,720 | (341,977) | 403,976 |
| Comprehensive income: | | | | | | | |
| Result for the period | - | - | - | - | - | 4,182 | 4,182 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **-** | **-** | **4,182** | **4,182** |
| Purchase of treasury shares | - | - | (1,092) | - | - | - | (1,092) |
| Equity-settled share-based payments[1] | - | - | - | 1,226 | - | | 1,226 |
| **Transactions with owners recognised directly in equity** | **-** | **-** | **(1,092)** | **1,226** | **-** | **-** | **134** |
| **As at 30 June 2024 (unaudited)** | **3,960** | **690,526** | **(1,092)** | **3,973** | **48,720** | **(337,795)** | **408,292** |

1 Note 20 Share-based payments

## For six months ended 30 June 2023 (in €000)

| | Attributed to equity holders of the parent | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital | Share premium | Treasury shares | Equity settled share-based payments reserve | Equity component of convertible bonds | Retained earnings | Total equity |
| As at 1 January 2023 | 3,960 | 690,526 | - | 880 | 48,720 | (338,691) | 405,395 |
| Comprehensive income: | | | | | | | |
| Result for the period | - | - | - | - | - | (6,120) | (6,120) |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **-** | **-** | **(6,120)** | **(6,120)** |
| Purchase of treasury shares | - | - | (221) | - | - | - | (221) |
| Exercised share-based payments[1] | - | - | 221 | (183) | - | (258) | (220) |
| Equity-settled share-based payments[1] | - | - | - | 793 | - | - | 793 |
| **Transactions with owners recognised directly in equity** | **-** | **-** | **-** | **610** | **-** | **(258)** | **352** |
| **As at 30 June 2023 (unaudited)** | **3,960** | **690,526** | **-** | **1,490** | **48,720** | **(345,069)** | **399,627** |

1 Note 20 Share-based payments

## Interim condensed consolidated statement of cash flow

| For the six months ended | Note | 30 June 2024 Unaudited | 30 June 2023 Unaudited |
|---|---|---|---|
| | | € 000 | € 000 |
| **Operating activities** | | | |
| Profit/(loss) before income tax | | 6,880 | (7,156) |
| *Non-cash adjustments to reconcile profit before tax to net cash flows:* | | | |
| Depreciation and impairment of property, plant and equipment and right-of-use assets | 8 | 205,618 | 180,869 |
| Amortisation and impairment of intangible assets | 8 | 5,456 | 4,437 |
| COVID-19 rent credits | | - | (380) |
| Share-based payment expense | 20 | 1,226 | 793 |
| Gain on disposal of property, plant and equipment | 9 | (648) | (164) |
| Adjustments for finance income | 11 | (127) | (1) |
| Adjustments for finance costs | 11 | 48,841 | 39,243 |
| Adjustments for result from associates | | (450) | - |
| Movements in provisions | | 265 | 296 |
| *Working capital adjustments:* | | | |
| Change in inventories[1] | | 517 | (2,823) |
| Change in trade and other receivables[2] | | 7,681 | 10,370 |
| Change in trade and other payables[3] | | (8,259) | (2,716) |
| **Cash generated from operations** | | **267,000** | **222,768** |
| Income tax (paid) received | | (2,316) | (3,151) |
| **Net cash flows from operating activities** | | **264,684** | **219,617** |
| | | | |
| **Investing activities** | | | |
| Proceeds from sale of property, plant and equipment | | 379 | 195 |
| Proceeds from assets held for sale, net of cash disposed | 4 | 5,000 | - |
| Purchase of property, plant and equipment | | (190,719) | (146,510) |
| Purchase of other intangible assets | | (4,009) | (6,102) |
| Acquisition of business combinations, net of cash acquired | 4 | (27,496) | - |
| Repayment of loans granted | | - | 6 |
| Interest received | | 127 | 1 |
| Investments in other financial fixed assets (security deposits)[1] | | (658) | (634) |
| **Net cash flows used in investing activities** | | **(217,376)** | **(153,044)** |
| | | | |
| **Financing activities** | | | |
| Proceeds from borrowings | | 125,000 | 85,000 |
| Repayments of borrowings | | (30,725) | (13,333) |
| Repayment of lease liability principal | | (126,396) | (100,224) |
| Lease liabilities interest paid | | (31,104) | (22,129) |
| Interest paid (excluding lease liabilities interest) | | (18,358) | (11,983) |
| Transaction costs related to loans and borrowings | | (774) | (2,680) |
| Purchase less sale treasury shares and exercised share-based payments | | (1,092) | (441) |
| **Net cash flows from/(used in) financing activities** | | **(83,449)** | **(65,790)** |
| | | | |
| **Net (decrease)/increase in cash and cash equivalents** | | **(36,141)** | **783** |
| Cash and cash equivalents at 1 January | | 70,934 | 43,510 |
| **Cash and cash equivalents at 30 June** | 22 | **34,793** | **44,293** |

1 Excluding changes as a result of acquisition of business combinations
2 Excluding changes as a result of acquisition of business combinations and netting payables and receivables
3 Excluding changes as a result of acquisition of business combinations, netting payables and receivables and changes in payables related to investing activities

# INDEX

## Notes to the interim condensed consolidated financial statements

# 1 Corporate and group information

## 1.1 Corporate information

The unaudited interim condensed consolidated financial statements ('interim financial statements') of Basic-Fit N.V. and its subsidiaries for the six months ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 25 July 2024. These interim financial statements as at and for the six months ended 30 June 2024 comprise the financial information of the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities').

Basic-Fit N.V. ('the Company') is a company incorporated in the Netherlands and whose shares are publicly traded. The Company's registered office is at Wegalaan 60, Hoofddorp, the Netherlands. The Company is domiciled in the Netherlands and registered at the Chamber of Commerce in Amsterdam under trade registration number 66013577.

With 1,537 clubs and 4.1 million members, Basic-Fit is the largest fitness chain in Europe. The Group is active in the Netherlands, Belgium, Luxembourg, France, Spain and Germany.

It is Basic-Fit's belief that everyone deserves to be fit and feel great. Basic-Fit aims to make fitness accessible to everyone and get people to love their fitness habits to help them lead healthier lives. The Group offers low-cost, high-value fitness solutions to make working out a basic of life everywhere at any given time. By using state-of-the-art technology, Basic-Fit constantly updates its products and makes them scalable, affordable, and personalised.

## 1.2 Group information

On 27 March 2024, Basic-Fit Spain S.A. completed the acquisition of a 100% interest in RSG Group España S.L.U. and its 100% subsidiary RSG Group Madrid Moncloa S.L.U. At the date of acquisition, RSG operated 42 McFIT clubs and five Holmes Place clubs in Spain. In April 2024, Basic-Fit reached an agreement to sell the five Holmes Place clubs to Weon SL, a Spanish Premium sport facilities operator. This transaction was closed at the end of June 2024. The acquisition is further disclosed in note 4 Business combinations.

On 1 April 2024, the name of Basic Fit II S.A. changed into Basic-Fit France S.A.

# 2 Basis of preparation and changes to the Group's accounting policies

## 2.1 Basis of preparation and statement of compliance

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standard Board (IASB) and as adopted by the European Union.

The Group has prepared the interim financial statements on the basis that it will continue to operate as a going concern. The Management Board considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023. However, selected explanatory notes are included to explain events or transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The interim financial statements are presented in euros and all values are rounded to the nearest thousand ('€ x 1,000'), except when otherwise indicated.

## 2.2 Critical accounting estimates and judgements

In preparing these interim financial statements, management has made judgements and estimates about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

**Change in estimates**
Under our Smart Refurbishing initiative, launched during the first six months of 2024, instead of fully replacing all of our fitness equipment at the end of its useful life, our fitness equipment partner pays regular visits to the club concerned after year six to maintain and refurbish all of its fitness equipment. The activities performed extends the useful life of the fitness equipment from between six and eight years to 12 years. This change has resulted in a €5 million decrease in depreciation of fitness equipment in the current period.

## 2.3 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial statements of the Group.

**Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7**
In May 2023, the IASB issued amendments to *IAS 7 Statement of Cash Flows* and *IFRS 7 Financial Instruments: Disclosures* to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's interim condensed consolidated financial statements.

**Amendments to IFRS 16: Lease Liability in a Sale and Leaseback**
In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

**Amendments to IAS 1: Classification of Liabilities as Current or Non-current**

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

## 3 Segment information

The following tables present revenues and underlying EBITDA less rent information for the Group's operating segments for the six months ended 30 June 2024 and 2023, and include a reconciliation of underlying EBITDA less rent to result before income tax for the Group:

| **For six months ended 30 June 2024** | **Benelux** | **France, Spain & Germany** | **Total** |
|---|---|---|---|
| Revenue | 256,623 | 328,133 | 584,756 |
| | | | |
| Underlying EBITDA less rent (segments) | 120,779 | 47,891 | 168,670 |
| Other reconciling items[1] | | | (30,154) |
| **Total underlying EBITDA less rent** | | | **138,516** |
| **Reconciliation of underlying EBITDA less rent to profit/(loss) before tax:** | | | |
| Underlying EBITDA less rent | | | 138,516 |
| *Depreciation, amortisation and impairment charges* | | | (211,074) |
| *Finance costs – net* | | | (48,714) |
| *Rent costs clubs and overhead, including car leases* | | | 131,907 |
| *Exceptional items* | | | (4,205) |
| *Income from associates* | | | 450 |
| **Profit/(loss) before tax** | | | **6,880** |

1 Other reconciling items represent corporate costs that are not allocated to the operating segments. These corporate costs mainly consist of personnel costs and IT costs

| **For six months ended 30 June 2023** | **Benelux** | **France, Spain & Germany** | **Total** |
|---|---|---|---|
| Revenue | 230,487 | 269,933 | 500,420 |
| | | | |
| Underlying EBITDA less rent (segments) | 97,872 | 42,000 | 139,872 |
| Other reconciling items | | | (29,614) |
| **Total underlying EBITDA less rent** | | | **110,258** |
| **Reconciliation of underlying EBITDA to profit/(loss) before tax:** | | | |
| Underlying EBITDA less rent | | | 110,258 |
| *Depreciation, amortisation and impairment charges* | | | (185,306) |
| *Finance costs – net* | | | (39,242) |
| *Rent costs clubs and overhead, including car leases* | | | 110,011 |
| *COVID-19 rent credits* | | | 380 |
| *Exceptional items* | | | (3,257) |
| **Profit/(loss) before tax** | | | **(7,156)** |

Exceptional items include start-up costs for new countries, costs related to club closures and other costs or profits that are of a one-off nature or do not reflect the normal operations of the business.

**Entity-wide information**

The Group operates in six countries. Note 5 Revenue contains a breakdown of revenues of these countries. Revenue in the first six months of the year in the Netherlands, the Group's country of domicile, is €134.0 million (2023: €120.7 million). There are no customers that account for 10% or more of revenue in any period presented.

**Breakdown of non-current intangible and tangible assets**

| | 30 June 2024 | 31 December 2023 |
|---|---|---|
| The Netherlands (country of domicile) | 628,847 | 643,529 |
| Belgium | 424,708 | 438,152 |
| Luxembourg | 35,356 | 36,286 |
| France | 1,471,140 | 1,456,947 |
| Spain | 454,650 | 328,505 |
| Germany | 79,000 | 61,434 |
| **Total** | **3,093,701** | **2,964,853** |

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, goodwill and other intangible assets. During the six months ended 30 June 2024, the additions amounted to €424 million (Segment Benelux €37 million, Segment France, Spain and Germany €387 million). During the six months ended 30 June 2023, the additions amounted to €294 million (Segment Benelux €28 million, Segment France, Spain and Germany €266 million). The additions in both periods are directly related to the investments in new club openings and (in 2024) the acquisition of RSG Spain (note 4 Business combinations).

## 4 Business combinations

**Acquisitions 2024**

On 27 March 2024, Basic-Fit announced that it had closed the acquisition of RSG Group España S.L.U., including all 42 McFIT clubs and all five Holmes Place clubs in Spain ('RSG Spain'). In May 2024, Basic-Fit reached an agreement to sell the five Holmes Place clubs. The transaction related to this sale was closed at the end of June 2024. With the acquisition of RSG Spain, Basic-Fit will further strengthen its leading position in the Spanish fitness market.

The total purchase price net of cash was €31 million, which was mostly allocated to right-of-use assets (including favorable and unfavorable lease contracts) and lease liabilities, property, plant and equipment, customer relationships and net working capital. Assets and liabilities related to the five Holmes Place clubs were recognised as "held for sale" based on the expected sales proceeds. The goodwill of approximately €10.5 million represents the excess of the consideration transferred after the recognition of newly acquired net identifiable assets and liabilities totalling €28.0 million and primarily relates to the value of new customers and the value of the assembled workforce. The clubs were acquired through a share deal. In relation to this share deal, a deferred tax liability has been recognised for the temporary differences caused by the amortisation of customer relationships and the positive net amount of favorable and unfavorable leases that is not deductible for income tax purposes (total €3.1 million). For the same amount (€3.1 million) a deferred tax asset was recognised, related to a part of available carry forward losses of RSG Group España S.L.U. that can be used to set-off future taxable profits. The remaining amount of carry forward losses for which no deferred tax assets has been recognised amounted to €60 million.

The fair values of the identifiable assets and liabilities will be revised if new information, obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date, causes adjustments to the above amounts, or for any additional provisions that existed at the acquisition date.

Transaction costs of €420 thousand have been expensed and are included in Other operating expenses in the statement of profit or loss and are part of operating cash flows in the statement of cash flows.

From the date of acquisition, RSG Spain has contributed €13.7 millon of revenue and €1.3 million to the profit before tax of the Group. If the acquisition had taken place at the beginning of the year, revenues for the Group would have been approximately €598 million and the profit before tax for the period would have been €7.1 million.

**Acquisitions 2023**

There were no acquisitions during the first six months of 2023.

The fair value of the identifiable assets and liabilities of the acquisitions in the first six months of 2024 and 2023 as at the date of acquisition was as follows:

| | Six months ended | |
|---|---|---|
| **Fair value recognised on acquisition** | **30 June 2024** | **30 June 2023** |
| **Assets** | | |
| Property, plant and equipment | 14,019 | - |
| Customer relationships | 6,100 | - |
| Right-of-use assets[1] | 82,386 | - |
| Favourable lease contracts[2] | 12,688 | - |
| Provision unfavourable lease contracts[2] | (6,375) | - |
| Other intangible assets | 32 | - |
| Non-current financial assets | 1,734 | - |
| Inventories and receivables | 789 | - |
| (Net) Assets and liabilites held for sale | 5,250 | - |
| Cash and cash equivalents | 7,261 | - |
| **Liabilities** | | |
| Lease liabilities | (82,386) | - |
| Borrowings | (4,787) | - |
| Other provisions | (491) | - |
| Other current liabilities | (8,245) | - |
| **Total identifiable net assets acquired at fair value** | **27,975** | **-** |
| Goodwill arising on acquisition | 10,546 | - |
| **Purchase consideration transferred (equity terms)** | **38,521** | **-** |
| | | |
| **Analysis of cash flows on acquisition:** | | |
| Net cash acquired with the subsidiary (included in cash flows from investing activities) | 7,261 | |
| Cash paid | (38,521) | - |
| **Net outflow of cash – investing activities** | **(31,260)** | **-** |

1 Excluding adjustment for the measurement of favourable and unfavourable lease contracts
2 To be included in the measurement of right-of-use assets in the statement of financial position

The cash outflow in the interim condensed consolidated statement of cash flow in the first 6 months of 2024 was €27.5 million. An amount of €3.8 million was paid in July 2024.

## 5 Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is primarily derived from contracts with customers.

### 5.1 Disaggregation of revenue

In the following table, revenue is disaggregated by revenue type, by country and based on timing of revenue recognition:

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| **Type of goods or service** | | |
| Fitness membership revenue | 563,181 | 483,113 |
| Other club revenue | 16,309 | 13,406 |
| Non-club revenue | 5,266 | 3,901 |
| **Total** | **584,756** | **500,420** |
| | | |
| **Geographical markets** | | |
| The Netherlands | 133,976 | 120,738 |
| Belgium | 113,990 | 101,963 |
| Luxembourg | 8,657 | 7,786 |
| France | 270,877 | 243,149 |
| Spain | 55,258 | 26,460 |
| Germany | 1,998 | 324 |
| **Total** | **584,756** | **500,420** |
| | | |
| **Timing of revenue recognition** | | |
| Products and services recognised over time | 543,180 | 458,775 |
| Products and services recognised at a point in time | 41,576 | 41,645 |
| **Total** | **584,756** | **500,420** |

Growth of Fitness membership revenue was driven by the growth in memberships in combination with an increase in the average revenue per member per month.

Other club revenue includes revenue from personal trainer concepts, physiotherapists, day passes, vending and advertising revenue via the screens in clubs. The increase in other club revenues is directly related to the increase in clubs and members in the past year as well as an increase in advertising revenue.

Non-club revenue includes sales from our webshop and NXT Level nutritional products to retailers.

## 5.2 Contract balances

Basic-Fit receives considerations before revenues are recognised (e.g. collected membership fees for future periods), but also recognises revenues before considerations are received (e.g. access to the clubs during a “free” period). A combination of timing differences between receipts and revenue recognition per member is possible. In case the revenues recognised exceed the received considerations, this is recognised as part of receivables. In the event that the received considerations exceed the revenues recognised, this is recognised as deferred revenues.

The following table provides information about receivables and deferred revenues from contracts with customers:

| | 30 June 2024 | 31 December 2023 |
|---|---|---|
| Receivables, included in 'Trade and other receivables' | 37,489 | 41,349 |
| Deferred revenues, included in 'Trade and other payables' | 20,936 | 29,888 |

The receivables relate to amounts due from customers for services performed in the past period(s), less any provision for impairment. Furthermore, receivables include amounts related to timing differences for situations in which the revenues recognised exceed the received considerations.

The deferred revenues, included in 'Trade and other payables', relate to the advance considerations received from customers, for which revenue is recognised over time in situations that the received considerations exceed the revenues recognised.

The lower amounts on 30 June 2024 compared to 31 December 2023 are mainly related to the timing and composition of direct debits and promotions for new members close to the end of the reporting periods.

## 5.3 Seasonality of operations

Membership growth varies throughout the year due to seasonality and marketing activities, with the first quarter of the year and after the summer holidays (usually the second half of August until and including October) being the periods that most new members subscribe.

# 6 Cost of consumables used

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| Cost of food and drink | (6,455) | (6,982) |
| Other cost of sales | (12,318) | (10,806) |
| **Total** | **(18,773)** | **(17,788)** |

## 7 Employee benefits expense

The employee benefits expense can be broken down as follows:

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| Salaries and wages (including share-based payments)[1] | (84,961) | (74,081) |
| Social security contributions | (18,978) | (14,613) |
| Pension costs – defined contribution plans | (1,506) | (1,344) |
| **Total** | **(105,445)** | **(90,038)** |

1 Share-based payments of €1,226 thousand (2023: €793 thousand) are disclosed in note 20 Share-based payments

## 8 Depreciation, amortisation and impairment charges

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| Depreciation of property, plant and equipment[1] | (92,640) | (84,393) |
| Depreciation of right-of-use assets | (112,978) | (96,476) |
| Amortisation of other intangible assets | (5,456) | (4,437) |
| **Total** | **(211,074)** | **(185,306)** |

1 See note 2.2 Critical accounting estimates and judgements for change in accounting estimate

## 9 Other operating income

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| Net gain on disposal of property, plant and equipment and right-of-use assets | 648 | 164 |
| COVID-19 rent credits | - | 380 |
| Insurance reimbursements and indemnity payments | - | 123 |
| Other operating income | 47 | - |
| **Total** | **695** | **667** |

## 10 Other operating expenses

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| Other personnel expenses | (15,943) | (15,620) |
| Housing expenses | (99,105) | (93,381) |
| Net marketing expenses | (32,095) | (28,744) |
| Write-off of bad debts, incl. collection agency costs | (21,420) | (14,988) |
| Short-term and low-value lease expenses and other lease adjustments[1] | (1,513) | (1,428) |
| Other car expenses | (1,141) | (956) |
| Overhead and administrative expenses | (23,798) | (20,752) |
| **Total** | **(195,015)** | **(175,869)** |

1 Related to buildings, parking lots, car and other equipment

Generally, the increase of all items in other operating expenses is directly related to the higher number of clubs, members and employees. With regard to the higher housing expenses, lower energy costs were more than offset by higher costs for repair, maintenance, cleaning and service charges.

## 11 Finance income and costs

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| Finance income: | | |
| Other interest income | 127 | 1 |
| **Total finance income** | **127** | **1** |
| | | |
| Finance costs: | | |
| Interest on convertible bonds | (7,042) | (6,790) |
| Interest on external debt and borrowings | (20,632) | (11,425) |
| Lease liabilities interest | (25,267) | (19,464) |
| Valuation difference derivative financial instruments | 4,703 | (1,398) |
| Other finance costs | (603) | (166) |
| **Total finance costs** | **(48,841)** | **(39,243)** |
| | | |
| **Total finance costs – net** | **(48,714)** | **(39,242)** |

## 12 Income tax

**Income tax in the interim condensed consolidated statement of comprehensive income**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings for each tax jurisdiction and applied individually to the interim period pre-tax income of each jurisdiction. The major components of the income tax expense in the interim condensed consolidated statement of comprehensive income are:

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| **Current income tax:** | | |
| Current income tax charge current year | (1,982) | (2,243) |
| Adjustments in respect of current income tax of previous year(s) | (20) | (73) |
| | **(2,002)** | **(2,316)** |
| **Deferred income tax:** | | |
| Change in deferred tax asset for carry-forward losses available for offsetting against future taxable income | (1,266) | 1,205 |
| Changes in other deferred tax assets and liabilities recognised in profit or loss | 570 | 2,147 |
| | **(696)** | **3,352** |
| **Total income tax** | **(2,698)** | **1,036** |

The current income tax charge for the six months ended 30 June 2024 includes €566 thousand (2023: €708 thousand) related to CVAE tax in France ("Cotisation sur la Valeur Ajoutée des Entreprises"). CVAE is a corporate value-added contribution which meets the definition of an income tax as established under IAS 12.

The effective income tax rate is calculated as follows:

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| Result before income tax | 6,880 | (7,156) |
| Income tax | (2,698) | 1,036 |
| **Effective income tax rate** | **39.2%** | **14.5%** |
| Applicable income tax rate | 25.8% | 25.8% |

**Global minimum top-up tax**

The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. Furthermore, the Group has reviewed its corporate structure in light of the introduction of Pillar Two Model Rules in various jurisdictions. Since the Group's effective tax rate is above 15% in all jurisdictions in which it operates, and management is not currently aware of any circumstances under which this might change, the Group does not expect a potential exposure to Pillar Two "top-up taxes". Therefore, the consolidated financial statements do not include information required by paragraphs 88A-88D of IAS 12.

### Amounts recognised directly in equity

In both reporting periods, all aggregate current and deferred tax arising in the reporting period has been recognised in the consolidated statement of profit or loss. No current and deferred tax arising in the reporting period has been recognised in equity.

### Deferred taxes in the interim condensed consolidated statement of financial position

The deferred income tax assets and liabilities on 30 June 2024 and 31 December 2023 can be specified as follows:

| | 30 June 2024 | 31 December 2023 |
|---|---|---|
| Losses available for offsetting against future taxable income | 93,133 | 91,296 |
| Tax incentives (investment allowance) | 630 | 718 |
| Purchase price allocation | (8,171) | (5,510) |
| Goodwill amortisation for tax purposes | (14,539) | (14,291) |
| Right-of-use assets | (406,049) | (390,639) |
| Lease liabilities | 426,972 | 410,184 |
| Convertible bonds | (10,318) | (11,460) |
| Valuation of property, plant and equipment | (892) | (440) |
| Timing of expense recognition | 330 | 720 |
| Derivative financial instruments | (56) | 1,157 |
| **Net deferred tax assets/(liabilities)** | **81,040** | **81,735** |

After netting deferred tax assets and deferred tax liabilities within the same tax entity for an amount of €441 million (31 December 2023: €423 million), these positions are as follows:

| | 30 June 2024 | 31 December 2023 |
|---|---|---|
| Deferred tax assets | 81,794 | 82,033 |
| Deferred tax liabilities | (754) | (298) |
| **Net deferred tax assets (liabilities)** | **81,040** | **81,735** |

### Tax losses

On 30 June 2024, Basic-Fit recognised €93.1 million (31 December 2023: €91.3 million) deferred tax assets for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. In evaluating whether it is probable that sufficient taxable income will be generated to realise the benefit of these deferred income tax assets, the Group considered all available evidence, including forecasts, business plans and appropriate tax planning measures. The Group took into account examples of positive evidence to support an assertion that it is probable that taxable profits will be available. Conversely, examples of negative evidence that may indicate that it is not probable that future taxable profits will be available are not applicable to Basic-Fit. These examples of positive and negative evidence are described in more detail in note 3.9 of the financial statements for the year ended 31 December 2023 and are also applicable for the situation on 30 June 2024.

As described in note 4 Business combinations, the deferred tax assets for unused tax losses includes an amount of €3.1 million which was recognised as part of the purchase price allocation for the acquisition of RSG Spain, related to a part of available carry forward losses that can be used to set-off future taxable profits.

Based on the budget for 2024 and later years, and with reference to the assumptions and significant judgements as described above, it is considered more likely than not that the Group entities are able to offset the loss carry-forwards in the coming years. In assessing whether it is probable that sufficient future taxable profits will be available, it is considered that the entities have a track record of positive fiscal results in the past years. Furthermore, it is noted that most of the losses are due to an identifiable and exceptional event, namely the COVID-19 pandemic in 2020 and 2021.

## 13 Goodwill and impairment testing

The movement in goodwill during the periods was as follows:

| | 2024 | 2023 |
|---|---|---|
| As at 1 January | 204,843 | 204,843 |
| Acquired through business combinations[1] | 10,546 | - |
| **As at 30 June** | **215,389** | **204,843** |
| | | |
| **Accumulated impairment at 31 December** | - | - |

1 Note 4 Business combinations

### Impairment testing

The Group performs its annual impairment test in December and in addition when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill, intangible assets with indefinite lives and tangible assets is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2023. As disclosed in those financial statements, there was significant headroom for all CGUs and the sensitivity analysis did not indicate that a reasonably possible change in the key assumptions on which the Group has based its determination of the recoverable amounts would result in impairment.

There is no indication to perform an impairment test in relation to these interim financial statements and no impairment charge was recorded in the reported periods.

## 14 Other intangible assets

The movement in intangible assets during the periods was as follows:

| | Six months ended 30 June 2024 | | | | Six months ended |
|---|---|---|---|---|---|
| | **Trademark** | **Customer relationships** | **Other intangible assets** | **Total** | **30 June 2023** |
| As at 1 January | | | | | |
| Cost | 44,918 | 63,809 | 42,574 | 151,301 | 140,248 |
| Accumulated impairments and amortisation | (22,459) | (63,233) | (21,670) | (107,362) | (97,673) |
| **Net book value** | **22,459** | **576** | **20,904** | **43,939** | **42,575** |
| | | | | | |
| Period ended 30 June | | | | | |
| Opening net book value | 22,459 | 576 | 20,904 | 43,939 | 42,575 |
| Additions | - | - | 3,604 | 3,604 | 6,103 |
| Acquired through business combinations | - | 6,100 | 32 | 6,132 | - |
| Amortisation for the year | (1,123) | (723) | (3,610) | (5,456) | (4,437) |
| **Closing net book value** | **21,336** | **5,953** | **20,930** | **48,219** | **44,241** |
| | | | | | |
| As at 30 June | | | | | |
| Cost | 44,918 | 69,909 | 46,557 | 161,384 | 146,351 |
| Accumulated impairments and amortisation | (23,582) | (63,956) | (25,627) | (113,165) | (102,110) |
| **Net book value** | **21,336** | **5,953** | **20,930** | **48,219** | **44,241** |

## 15 Property, plant and equipment

The movement in property, plant and equipment during the periods was as follows:

| | Six months ended 30 June 2024 | | | Six months ended |
|---|---|---|---|---|
| | **Building improvement** | **Other fixed assets** | **Total** | **30 June 2023** |
| As at 1 January | | | | |
| Cost | 1,309,871 | 667,962 | 1,977,833 | 1,625,846 |
| Accumulated impairments and depreciation | (417,862) | (387,777) | (805,639) | (636,287) |
| **Net book value** | **892,009** | **280,185** | **1,172,194** | **989,559** |
| | | | | |
| Period ended 30 June | | | | |
| Opening net book value | 892,009 | 280,185 | 1,172,194 | 989,559 |
| Additions | 78,374 | 47,390 | 125,764 | 183,684 |
| Acquired through business combinations | 9,918 | 4,101 | 14,019 | - |
| Cost of disposals | (3,182) | (750) | (3,932) | (2,856) |
| Depreciation for the year | (58,029) | (34,611) | (92,640) | (84,393) |
| Accumulated depreciation of disposals | 3,184 | 593 | 3,777 | 2,799 |
| **Closing net book value** | **922,274** | **296,908** | **1,219,182** | **1,088,793** |
| | | | | |
| As at 30 June | | | | |
| Cost | 1,450,944 | 743,534 | 2,194,478 | 1,806,674 |
| Accumulated impairments and depreciation | (528,670) | (446,626) | (975,296) | (717,881) |
| **Closing net book value** | **922,274** | **296,908** | **1,219,182** | **1,088,793** |

In the first six months of 2024, based on the Smart Refurbishing initiative further disclosed in note 2.2 Critical accounting estimates and judgements, Basic-Fit changed the estimated useful life of fitness equipment from 6 and 8 years to 12 years when calculating the depreciation costs. This change in accounting estimate was accounted for prospectively and resulted in a € 5 million decrease in depreciation of fitness equipment as part of Other fixed assets in the current period.

The additions and disposals of the first six months of 2024 mainly relate to the opening of 98 new clubs and the closure of 5 clubs. In the first six months of 2023, 108 new clubs were opened and 5 clubs were closed.

## 16 Right-of-use assets

| | Six months ended 30 June 2024 | | | | Six months ended |
|---|---|---|---|---|---|
| | Leased buildings | Leased vehicles | Other equipment | Total | 30 June 2023 |
| As at 1 January | 1,537,149 | 6,670 | 58 | 1,543,877 | 1,382,361 |
| Additions | 96,488 | - | - | 96,488 | 102,757 |
| Acquired through business combinations | 88,699 | - | - | 88,699 | - |
| Remeasurements | 29,936 | 2,247 | - | 32,183 | 41,473 |
| Disposals | (37,358) | - | - | (37,358) | (119) |
| Depreciation for the year | (111,381) | (1,572) | (25) | (112,978) | (96,476) |
| **As at 30 June** | **1,603,533** | **7,345** | **33** | **1,610,911** | **1,429,996** |

## 17 Financial assets and liabilities

Set out below is an overview of financial assets, other than cash and short-term deposits, held by the Group as at 30 June 2024 and 31 December 2023:

| | 30 June 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| **Financial assets** | Derivatives at FVPL[1] | Loans and receivables | Derivatives at FVPL[1] | Loans and receivables |
| Derivative financial instruments (non-current and current) | 249 | - | 1,769 | - |
| Trade and other receivables excluding prepayments (current) | - | 36,789 | - | 41,349 |
| **Total** | **249** | **36,789** | **1,769** | **41,349** |
| | | | | |
| Total non-current financial assets | - | - | - | - |
| Total current financial assets | 249 | 36,789 | 1,769 | 41,349 |

1 Fair value through profit and loss

Set out below is an overview of financial liabilities held by the Group as at 30 June 2024 and 31 December 2023:

| | 30 June 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| **Financial liabilities** | **Derivatives at FVPL** | **Other financial liabilities at amortised cost** | **Derivatives at FVPL** | **Other financial liabilities at amortised cost** |
| Convertible bonds | - | 261,161 | - | 256,397 |
| Borrowings (excluding lease liabilities) | - | 717,682 | - | 618,806 |
| Lease liabilities | - | 1,699,258 | - | 1,659,312 |
| Derivative financial instruments | 32 | - | 6,255 | - |
| Trade and other payables excluding non-financial liabilities | - | 88,500 | - | 120,488 |
| **Total** | **32** | **2,766,601** | **6,255** | **2,655,003** |
| | | | | |
| Total non-current financial liabilities | 32 | 2,406,697 | 6,255 | 2,262,494 |
| Total current financial liabilities | - | 359,904 | - | 392,509 |

## Financial risk management

The Group's activities expose the Group to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, price risk, interest rate risk and cash flow risk). The interim financial statements do not include all financial risk management information and should be read in conjunction with the Group's annual financial statements as at 31 December 2023.

At the end of June 2024, 35% (December 2023: 41%) of the interest exposure (excluding lease liabilities) was hedged using a combination of floating-to-fixed interest rate swaps and extendible swaps comprised of swaps and swaptions which are used to reduce the fixed interest of the swap. The interest rate risk is hedged for the period of the swap agreement. As the swaption can be exercised at the discretion of the fixed receivers, the swaptions of the extendable swaps are only expected to be exercised when the market rates at the expiration date are lower than the fixed rate. When market rates are higher than the fixed rates of the extendable swaps at the expiration dates, the swaptions are not expected to be exercised and the swaps will terminate. The swaptions will be cash settled at fair value on the expiration date. Under the swap agreements, the Group agrees with another party to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Including the convertible bond, 53% (December 2023: 60%) of our interest-bearing debt has a fixed interest rate. The financial instruments are held at fair value with no hedge accounting applied.

The fair value of these new financial instruments per 30 June 2024 are categorised below. The sensitivity analysis is pre-tax and the impact on the Group's equity is nil.

| | Notional amount | Inception | Maturity date | Weighted average fixed rate | Fair value June 2024 | Fair value December 2023 | Increase by 100 bps | Decrease by 100 bps |
|---|---|---|---|---|---|---|---|---|
| Interest rate swap | 250,000 | Q2-2025 to Q4-2028 | June 2025 | 2.637% | 249 | (715) | 5,463 | (5,013) |
| Swaption | 150,000 | Q2-2025[1] | November 2025 | 2.632% | (32) | (3,771) | 1,347 | (3,283) |
| **Total** | | | | | **217** | **(4,486)** | **6,810** | **(8,296)** |

1 When exercised the swaptions extend the interest rate swaps to June 2028

### Fair value estimation

For all periods presented, the Group only held financial instruments that classify as Level 2 fair values, in accordance with the fair value hierarchy as described in IFRS 13. These instruments relate to interest rate swaps and swaptions which are designated as a hedging instrument in a cash flow hedge relationship.

The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Group did not hold any Level 1 or Level 3 financial instruments and there were also no transfers between levels during the years. The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques which maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of the interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves (discounted cash flow model).

### Fair values, including valuation methods and assumptions

- As at 30 June 2024 and 31 December 2023, the carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables, and short-term borrowings approximated their fair values due to the short-term maturities of these assets and liabilities.
- As at 30 June 2024 and 31 December 2023, the fair values of other long-term financial assets were not materially different from the carrying amounts.
- As at 30 June 2024 and 31 December 2023, the fair values of the long-term bank borrowings (excluding lease liabilities and convertible bonds) were not materially different from the carrying amounts.
- As at 30 June 2024 the fair values of the convertible bonds amounted to €255 million (carrying amount €261 million). As at 31 December 2023, the fair values of the convertible bonds amounted to €244 million (carrying amount €256 million).

## 18 Borrowings

The Group's interest-bearing borrowings as at 30 June 2024 and 31 December 2023 are summarised in the following table:

| | 30 June 2024 | 31 December 2023 |
|---|---|---|
| **Floating rate borrowings** | | |
| Bank borrowings | 250,000 | 250,000 |
| Drawn revolving credit facility | 450,000 | 355,000 |
| Schuldschein | 10,000 | 10,000 |
| Borrowing costs | (4,380) | (4,194) |
| | **705,620** | **610,806** |
| **Fixed rate borrowings and lease liabilities** | | |
| Convertible bonds – liability component | 261,161 | 256,397 |
| Schuldschein | 8,000 | 8,000 |
| Other bank borrowings | 4,062 | - |
| Lease liabilities | 1,699,258 | 1,659,312 |
| | **1,972,481** | **1,923,709** |
| | **2,678,101** | **2,534,515** |
| **Of which:** | | |
| **Non-current lease liabilities** | **1,448,524** | **1,405,291** |
| **Non-current borrowings** | **958,173** | **857,203** |
| **Current lease liabilities** | **250,734** | **254,021** |
| **Current borrowings** | **20,670** | **18,000** |

### Convertible bonds – liability component

On 17 June 2021, the Company issued convertible bonds due on 17 June 2028 at 100% of their nominal value in an aggregate principal amount of €303.7 million. The convertible bonds have an interest rate of 1.50% payable semi-annually in arrears in equal instalments on 17 June and 17 December each year. The convertible bonds have a maturity of seven years and a denomination of €100,000 each. The bonds are convertible into ordinary shares of the Company at the option of the bondholders during the conversion period ending on the earlier of seven business days prior to the maturity date or any relevant redemption date. The initial conversion price was set at €50.625, (a 35% premium over the reference share price) and will be subject to adjustment in certain circumstances in line with market practice.

The Company will have the option to redeem all, but not some only, of the bonds for the time being outstanding at their principal amount together with accrued interest, at any time on or after 8 July 2025 provided that the volume-weighted average price of a share on Euronext Amsterdam shall have exceeded 130% of the conversion price on each of not less than 20 trading days in any period of 30 consecutive trading days. Any outstanding bonds are also redeemable at any time after the settlement date if at least 85% of the issued bonds have been converted, settled or redeemed. Bondholders will be entitled to require an early redemption of their convertible bonds at their principal amount, together with accrued but unpaid interest, on 17 June 2026 or in the event of a change of control as defined in the terms and conditions.

| | Six months ended 30 June 2024 | 2023 |
|---|---|---|
| Carrying amount of liability at 1 January | 256,397 | 247,248 |
| | | |
| Accrued interest | 7,042 | 13,704 |
| Interest paid | (2,278) | (4,555) |
| **Carrying amount of liability at 30 June 2024 respectively 31 December 2023** | **261,161** | **256,397** |

### Bank borrowings: senior debt loans and drawn revolving credit facility (RCF)

In June 2023, the Group successfully completed an amendment and extension of its existing facilities agreement, which is recognised as a modification with a prospective adjustment of the effective interest rate to reflect the new market rate and without recognising a modification gain or loss. Citibank was added as a new member of the syndicate, which already included Rabobank, ABN AMRO, ING Bank, BNP Paribas and KBC Bank.

The amended and extended facilities agreement consists of a €250 million term loan and a €400 million revolving credit facility, totalling €650 million. In addition to the term loan and revolving credit facility, the agreement includes a new uncommitted revolving credit facility accordion of up to €150 million. In December 2023 (€110 million) and January 2024 (€20 million), the Company received commitment from its syndicate banks to draw €130 million from the accordion facility. On 30 June 2024, an amount of €50 million of the accordion was drawn (31 December 2023: nil). Basic-Fit can request the syndicated banks to make the remaining €20 million of the uncommitted accordion facility available under the terms of the senior facility agreement.

In May 2024, the term loan and revolving credit facility, were both extended by one year to June 2028. Basic-Fit has the option to request further extension of one year in 2025 to June 2029.

As at 30 June 2024, an amount of €11.1 million (31 December 2023: €11.0 million) of the revolving credit facility including the committed part of the accordion of €530 million (31 December 2023: €510 million) had been used for bank guarantees and €450 million (31 December 2023: €355 million) had been drawn.

The interest is variable and based on 3-month Euribor plus a margin that depends on certain leverage covenants (Euribor plus margin were 5.9% as at 30 June 2024 and 6.1% as at 31 December 2023). The term loan and RCF are unsecured.

### Schuldschein

In October 2019, Basic-Fit completed a Schuldschein issuance. As at 30 June 2024, the outstanding amount was €18 million (31 December 2023: €18 million). The outstanding amount has a maturity until October 2024. For an amount of €8 million, on 30 June 2024, the interest is fixed at 1.55% (31 December 2023: 1.55%) and for the remaining part, the interest is variable and based on Euribor plus an average weighted margin of 5.39% (31 December 2023: 5.68%). This loan is unsecured.

### Other bank borrowings

As part of the acquisition of RSG Spain, Basic-Fit took over some bank loans. These loans are repayable in monthly instalments. The interest rates are fixed and vary from 1.35% to 7.15%.

### Borrowing costs

The carrying value of the borrowings is presented net of finance costs (30 June 2024: €4.4 million; 31 December 2023: €4.2 million). The finance costs are charged to the income statement based on the effective interest rate method over the period to maturity of the loans.

### Lease liabilities

The Group recognises lease liabilities to make lease payments regarding the right to use the underlying assets.

### Contractual maturities

As at 30 June 2024 and 31 December 2023, the contractual maturities of the Group's non-derivative financial liabilities were as follows:

| | 30 June 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Less than 6 months** | **6 months to 1 year** | **1-2 years** | **2-5 years** | **Over 5 years** | **Total** | **Carrying amount** |
| **Non-derivatives** | | | | | | | |
| Convertible bonds | 2,278 | 2,278 | 4,555 | 312,811 | - | 321,922 | 261,161 |
| Borrowings[1] | 40,856 | 22,162 | 42,548 | 784,349 | | 889,915 | 722,062 |
| Lease liabilities | 116,901 | 137,986 | 274,024 | 715,475 | 693,097 | 1,937,483 | 1,699,258 |
| Trade payables | 88,500 | - | - | - | - | 88,500 | 88,500 |
| **Total non-derivatives** | **248,535** | **162,426** | **321,127** | **1,812,635** | **693,097** | **3,237,820** | **2,770,981** |

1 Excluding capitalised financing costs

| | 31 December 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Less than 6 months** | **6 months to 1 year** | **1-2 years** | **2-5 years** | **Over 5 years** | **Total** | **Carrying amount** |
| **Non-derivatives** | | | | | | | |
| Convertible bonds | 2,278 | 2,278 | 4,555 | 315,089 | - | 324,200 | 256,397 |
| Borrowings[1] | 19,275 | 37,398 | 37,981 | 661,972 | | 756,626 | 623,000 |
| Lease liabilities | 130,693 | 127,302 | 254,514 | 686,538 | 676,133 | 1,875,180 | 1,659,312 |
| Trade payables | 120,488 | - | - | - | - | 120,488 | 120,488 |
| **Total non-derivatives** | **272,734** | **166,978** | **297,050** | **1,663,599** | **676,133** | **3,076,494** | **2,659,197** |

1 Excluding capitalised financing costs

### Loan covenants

Under the terms of the current facilities, the Group is required to comply at any relevant period with certain financial covenants as defined in the facilities agreement (until the expiration date of the agreement):
- The leverage ratio should not be more than 3.50
- The interest cover ratio should be more than 2.00

As at 30 June 2024, the Group complied with these covenants. The leverage ratio was 2.8 and the interest cover ratio was 7.7.

## 19 Earnings per share

The weighted average number of shares used for calculating the basic and diluted earnings per share for the six months ended 30 June 2024 and 30 June 2023 was 66.0 million.

The number of potential dilutive weighted-average shares not taken in consideration above, due to their antidilutive effect, amounted to 5,999,012 ordinary shares in both periods reported. These shares are related to the convertible bond.

## 20 Share-based payments

The Company has equity-settled share-based payment plans for members of the Management Board and certain employees as part of their remuneration. Performance shares are awarded on an annual basis under the long-term incentive plan (LTIP) and will vest three years after the award date, subject to continued employment and based on achievement of a target revenue growth per annum and a target net debt / EBITDA ratio over the three-year performance period. Linear vesting applies between threshold (50%), target (100%) and maximum (150%) vesting levels.

LTIP 2020, which originally should have vested in May 2023, did not vest as two years were affected by NOW limitations and the targets for 2020 and 2021 were not met. As a result, the shares granted were forfeited for the Leadership team. However, the Management Board exercised its discretionary competence in May 2023 and decided that the LTIP 2020 (covering the years 2020-2022) would vest on a pro rata basis for other participants for the year 2022 only and in a limited form. It was considered that targets were only partially achieved for the year 2022, while these were not met in 2020 and 2021. As a result, LTIP 2020 vested in May 2023 based on 25% of the initial award and only for a small group of participants, these not being part of the Leadership team. This led to a vesting of 11,932 shares in 2023 which was accounted for as a modification (€183 thousand).

Unvested awards do not entitle the participant to any share ownership rights, such as the right to receive dividends and voting rights. When a particular participant's employment is terminated, unvested awards will be forfeited.

Ordinary shares released to the members of the Management Board after vesting of awards are subject to a mandatory holding period of five years from the award date, provided that a sufficient number of such ordinary shares can be sold to cover any taxes due upon vesting.

Details of the number of share awards outstanding are as follows:

| | Six months ended 30 June 2024 | 2023 |
|---|---|---|
| As at 1 January | 153,919 | 201,119 |
| Awarded during the year | 127,981 | 65,886 |
| Exercised during the year | - | (11,932) |
| Forfeited during the year | (3,356) | (101,154) |
| **As at 30 June 2024 respectively 31 December 2023** | **278,544** | **153,919** |

The fair value of the performance shares awarded in 2024 and 2023 has been determined with reference to the share price of the Company's ordinary shares at the date of grant. Since dividends are not expected during the vesting period, the weighted average fair value of the performance shares awarded in 2024 is equal to share price at the date of grant of €20.16 (2022: €34.16).

The share-based payment expenses recognised in the first six months of 2024, with a corresponding entry directly in equity, amount to €1,226 thousand (2023: €518 thousand as a profit, due to performance adjustments and forfeitures).

## 21 Contingencies and commitments

Except as disclosed below, there were no material changes to the Group's contingencies and commitments during the first six months of 2024, compared to 31 December 2023.

### Capital commitments

Significant capital expenditure contracted for the end of the reporting period but not recognised as a liability is as follows:

| | 30 June 2024 | 31 December 2023 |
|---|---|---|
| Property, plant and equipment | 52,023 | 68,334 |

### (Long-term) financial obligations

The Group entered into several lease agreements for which the low-value or short-term exemption option of IFRS 16 will be used and several agreements that do not (or not yet) meet the definition of a lease. Future payment obligations under these agreements are as follows:

| | 30 June 2024 | 31 December 2023 |
|---|---|---|
| Within one year | 10,520 | 8,973 |
| After one year but not more than five years | 92,760 | 96,404 |
| More than five years | 151,055 | 149,087 |
| **Total** | **254,335** | **254,464** |

These commitments mainly include lease agreements for new clubs that are not effective yet and that can be dissolved on the basis of resolutive conditions, for example if the required permits are not obtained or if the builiding is not delivered by the lessor in the condition as agreed.

No discount factor is used in determining these commitments.

### Other commitments

As per 30 June 2024 an amount of approximately €11.1 million in total was issued in bank guarantees (31 December 2023: €11.0 million).

## 22 Cash and cash equivalents

For the purpose of the interim condensed consolidated statement of cash flow, cash and cash equivalents are comprised of the following:

| | 30 June 2024 | 31 December 2023 | 30 June 2023 |
|---|---|---|---|
| Cash at bank and in hand | 34,793 | 70,934 | 44,293 |
| Bank overdraft | - | - | - |
| **Total** | **34,793** | **70,934** | **44,293** |

## 23 Related party transactions

Except as disclosed otherwise and below, there are no material changes to the Group's related parties, related party transactions (including their terms and conditions) and (future) obligations towards related parties, compared to 31 December 2023.

### Transactions and balances held with related parties

**Purchases from/sales to related parties (Key management personnel)**

The table below provides the total amount of purchases from and sales to entities in which Management Board members have an interest (mainly leases from related parties) during the six months ended 30 June 2024 and 30 June 2023. In addition, the table provides an overview of all balances held with these related parties as at 30 June 2024 and 31 December 2023. Remuneration of Management Board members and other key management personnel is not included in the following overview:

| | Six months ended | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| Sales to related parties | 20 | - |
| Purchases from related parties | 3,895 | 3,521 |

| | 30 June 2024 | 31 December 2023 |
|---|---|---|
| Amounts owed by related parties[1] | 14 | - |
| Amounts owed to related parties[2] | - | 1,031 |

1 Included in trade receivables
2 Included in lease liabilities and trade and other payables

**Purchases from an associate**

During the six months ended 30 June 2024, purchases from subsidiaries of HKNA Participaties B.V. amounted to €24.9 million (2023: nil). The amount owed to HKNA Participaties B.V. and its subsidiaries on 30 June 2024 was €9.8 million (31 December 2023 €10.8 million).

## 24 Events after the reporting period

Subsequent events were evaluated up to 25 July 2024. There are no subsequent events.

## Management Board's statement on the interim consolidated financial statements for the six months ended 30 June 2024

We prepared the interim condensed consolidated financial statements for the six months ended 30 June 2024 of Basic-Fit N.V. and the undertakings included in the consolidation taken as a whole in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Dutch disclosure requirements for half-yearly financial reports.

To the best of our knowledge:

- The interim financial statements prepared in accordance with IAS 34, "Interim Financial Reporting", give a true and fair view of the assets, liabilities and financial position at 30 June 2024, and of the result of our consolidated operations for the first half year of 2024.
- The financial and business review as included in the press release related to the first half year of 2024 includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Act on Financial Supervision.

Hoofddorp, 25 July 2024

Management Board

René Moos – Chief Executive Officer

Hans van der Aar – Chief Financial Officer

## Overview risks

In the Directors' Report in our Annual Report 2023 we set out an overview of our primary strategic, operational, compliance and financial risks. Financial risks are also described in more detail in the notes to the Consolidated Financial Statements 2023 (Note 6.4).

Risk management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

In the first six months of 2024, our risk assessment policies and the main identified risks as described in the Annual Report 2023 have not changed and we do not have any indication this will significantly change during the remaining six months of the financial year 2024.