



MINUTES
ANNUAL GENERAL MEETING
Basic Fit N.V.

Held at
Monday 24 April 2023 – 9 a.m.
Basic-Fit GXR Studio at Hoofddorp

1. Opening

The chairman, Kees van der Graaf, opens the annual general meeting and welcomes all participants at our Basic-Fit GXR Studio at Hoofddorp. The meeting can also be attended via a webcast. Participants via our Webcast were given the opportunity to submit questions prior to the meeting. These questions will be answered in the meeting. The meeting will be held in English as the majority of our shareholders is English speaking.

The Chairman introduces the members of the Board of Directors, Mr. René Moos, CEO and Mr. Hans van der Aar, CFO and introduces in addition the members of the Supervisory Board, Mrs. Carin Gorter, Vice-Chairman and Chairperson of the Audit and Risk Committee, Mr. Herman Rutgers, Chairperson of the Selection, Appointment and Remuneration Committee, Hans Willemse and Rob van der Heijden. Mrs. Mischa Geerards is our company secretary and she will record the votes. Finally, the civil-law notary, Mrs. Lieke Stroeve from Stibbe and the accountant Mr. Arnoud Kuijpers from EY are introduced.

The minutes of the shareholders' meeting of April 21, 2022 have been adopted in accordance with the articles of association of Basic-Fit. The minutes have been made available to the shareholders on the corporate website of Basic-Fit. No comments were received about the minutes during the three months following the issuance of the minutes.

The Chairman establishes that the meeting has been convened in accordance with the legal regulations and the articles of association of Basic-Fit N.V.

The total issued capital on the record date March 13, 2023 was EUR 66,000,000 consisting of 66,000,000 shares with a nominal value of EUR 0.06. Each share entitles the holder to one vote. The company does not hold any of its own shares. The number of votes presented at the meeting is 51,774,907 which represents about 78.8% of the issued capital. The civil-law notary has received shares, proxies and voting instructions for 52,024,984 in the capital of Basic-Fit.

The official voting results will be posted on the corporate website of Basic-Fit N.V. within 5 working days.

2. Report from the Management Board and the Supervisory Board 2022

Report of the Management Board

Mr. René Moos starts with his presentation explaining the state of affairs and the most important developments of 2022.

2022 was a year in which Basic-Fit recovered from two years impacted by COVID. As the government restrictions gradually were lifted in the beginning of 2022 and consumers were able to join our clubs without limitations, membership growth accelerated and by the end of the year our membership base had increased by 51% to more than 3,3 million. Equally important, 502 mature clubs were back at pre-COVID levels with both membership and profitability. With the 185 net club openings we ended the year with 1200 clubs, which is an 80% increase compared to 2021. Our revenue more than doubled to € 795 million and our underlying EBITDA was € 204 million.

Acting in a sustainable and socially responsible way is part the DNA of Basic-Fit. By expanding our club network in Europe we enable more people to work on their physical health and wellbeing. At the same time Basic-Fit aims to use the world's natural resources carefully, both in our clubs and in our offices. By reducing our energy consumption and using sustainable energy we aim to reduce our carbon emissions and be carbon neutral by 2030. With our energy saving initiatives we target to have reduced our energy consumption per club by an average of 20% in the course of 2023 compared to 2022 and we will keep contributing to a long-term goal of carbon neutrality. In the next coming years gas heating systems will be replaced by fully electric alternatives and solar panels will be placed on our head office and when possible, on our clubs.

Basic-Fit has strengthened the leading position in Europe with a record of 185 net clubs opening. At the end of 2022 we had 1200 clubs open with 647 clubs in France and close to 100 clubs in Spain. We are now market leader in five of the six countries. Basic-Fit is convinced that the France market leadership will be further extended and, sees potential to grow to 1000 to 1300 clubs in the coming years. In our third high growth market, Germany, we opened our first three clubs at the end of last year. Even though it takes a considerable amount of time to receive a permit for building a club in Germany, at the end of last year already more than 65 contracts were signed for clubs to be opened in 2023 or 2024. Our Benelux club network enjoyed a steady growth of almost 30 to 460 clubs. More new clubs will continue to open with the pace in line of the past few years.

All countries in which Basic-Fit operates had a solid performance and we saw growth rates at new clubs which were quite similar to those in pre-COVID periods. In October the average number of memberships in the 502 mature clubs had recovered to the average pre-COVID levels of more than 3300 memberships per club. This recovery once again confirms the strength of our business model.

As Basic-Fit wanted a fast membership recovery last year, it therefor was decided to increase the marketing budget to around 6% of group revenue. The increased budget also helped to support a record number of club openings. When our entire marketing spend is divided by the record number of new memberships that we welcomed, the average spend per joiner was similar to that of the three years before COVID. This shows that we continue to be effective with our marketing spend.

Basic-Fit was able to keep the membership list prices unchanged during 2022 because of the low club operating costs and favourable energy contracts in an environment with rising costs where basically all the competitors had to substantially raise their prices during 2022. The premium membership uptake increased from 35% to over 50% in the second half of the year when Basic-Fit introduced the basic membership for all joiners. The result of these changes was that the premium membership penetration rate rose from 23% at the start of the year to 34% by the end of the year. This means that by year end 11% of the Members are paying € 10 extra per four weeks.

Furthermore to safeguard the 30% minimum return on invested capital, Basic-Fit decided to implement another membership structure. This involved an increase on the basic membership for the new joiners by the end of the year in France. The Benelux countries followed successfully at the end of February this year. With the basic membership in France and Benelux replaced by the € 5 higher price comfort membership, members were additionally allowed to access all the clubs in a country. The introduction of the comfort membership did not reduce the interest in the premium membership and the uptake is still above 50% today.

The revenue more than doubled and came in close to € 800 million. Revenue growth was driven by a strong membership development and higher average revenue per member of close to 23 euros. Compared to the € 20,60 we had before COVID in 2019, this means an increase of 11%. Revenue in the second half of the year was € 440 million, so 24% higher than the first half of 2022 and shows the strong momentum we developed throughout the year. Cost increase due to inflation in areas like rent and wages in the course of the year due to contracts with fixed energy prices in most of our countries, the impact of increasing energy prices on Basic-Fit was limited.

On average the spend on energy per club was around € 25,000, which is comparable to previous non-COVID years. In December of last year, Basic-Fit provided guidance of energy costs for this year of around € 55,000 per club. These figures are without any benefits from lower energy consumption initiatives that will be implemented this year.

Our underlying EBITDA came in at € 204 million for the year, which implies € 144 million result in the second half of the year. For the year we recorded a net loss of € 3.7 million compared to a net loss of € 150 million in the previous year. However, if you look at the second half of the year, then we realised a net profit of € 24 million. When we look at our balance sheet, our net debt excluding rent lease liabilities amounted to € 694 million compared to € 548 million in the previous year. The increase took place in the first half of the year at a time when our mature club profitability was still in recovery mode. Our net debt to adjusted EBITDA ratio was 2.9 times, well below the maximum of 3.5 times as agreed with our banks syndicate. We ended the year with available liquidity of € 143 million, which allows us to continue our accelerated club growth program.

With the recovery after COVID and the continuous optimization of our product offering, Basic-Fit is convinced to continue to deliver strong growth rates going forward. Basic-Fit will continue to monitor macroeconomic and membership developments so we can adjust the pace of club openings when necessary. For the full year we expect a revenue of at least € 1 billion on the back of strong membership growth and gradually increase of the average revenue per membership. And finally, we expect our 891 mature clubs to generate a strong underlying club EBITDA. As our action will mitigate cost inflations which will result in a return on invested capital of our mature clubs of well over 30% this year.

The Chairman thanks Mr. Rene Moos and takes over and invites the present shareholders to ask questions.

Mr. Jansen, Dutch Investor Association/VEB):

1. First of all we want to complement Basic-Fit after two very difficult years and 2022 as the year of recovery and Basic-Fit having already returns on invested capital of mature clubs of 30%. That's a remarkable achievement.
A listed peer in the UK (Gym Group) has also achieved returns on invested capital on mature clubs by 30% pre-corona, but is now standing at 20% which can be explained by a disappointing membership growth. Same goes for Germany. How can this difference be explained?

Mr. Moos replies:

England is different in comparison to the countries Basic-Fit is active in. Gym Group, but also Pure Gym, both big low-cost chains, have a lot of clubs in the city centre and still the area is not fully covered. England's economy differs from the countries Basic-Fit is active in. Yes, some countries perform better than others, but we are talking about slight differences. We just started in Germany and at this stage we cannot make a proper comparison, even though Basic-Fit is aware that the German market is somewhat behind after Covid.

In Germany less memberships can probably be related to the fact that 2/3 of the gyms continued to do the direct debit, while clubs were closed during Covid. Basic-Fit choose to immediately stop the direct debit after the clubs were closed and no additional charges were made. For non-listed companies it was probably more challenging for not being able to raise equity or loans, but nevertheless Basic-Fit is of the opinion that this helped keeping the trust of the members.

Mr. Jansen, Dutch Investor Association/VEB):

2. What about Spain? Basic-Fit has been longer active in Spain and has some mature clubs there. How did Basic-Fit achieve the 30% hurdle with regard to the clubs opened before March 2020.

Mr. Moos replies:

Basic-Fit has been growing fast in Spain. 10 Clubs were opened in the first quarter and 30 in the second half of last year. Basic-Fit started building clubs in Madrid and those clubs are more or less back to the pre-covid level. Keeping in mind that the majority of the clubs in Spain are immature and the membership base is still not fairly 3,300.

Mr. Jansen, (Dutch Investor Association/VEB):

3. What about the mature ROIC of the clubs. If you would make a distribution of let us say 800 clubs and you take the lowest 10% for example, what kind of returns are they making? Are they also making the 30% return hurdle? Or is this lower, and if so, what are the reasons for that?

Mr. Moos replies:

All depends on the first club or the last club that is opened in the cluster. At first the idea was that the more clubs you open, the more members you get, but we now know that it is also important to know that the main driver for people to join a gym is how close this is from work or the place they live. For example, after the Netherlands, Belgium seemed to be a logical next step. We calculated that around 20% of the population in Brussels was already a member of a gym, and now as we speak 12% is already member of Basic-Fit, even with other big competitors. As we started in Belgium the fitness penetration was 4%, this is now above 8%.

Mr. Jansen (Dutch Investor Association/VEB):

4. So the cluster in combination with increasing penetration will make sure that returns on capital will be higher than 30% for all clubs in the long run. I can imagine for the short term it does not, but that is just a strong conviction that this will happen.

Mr. Moos confirmed this.

Mr. Jansen (Dutch Investor Association/VEB):

5. It is impressive that the CAPEX levels of € 1.2 million for a new club has been remarkably stable over the last five years, also given the effects of inflation last year. What is the magic formula here? How does it work and can this level be maintained or should we expect higher levels in the near future?

Mr. Moos replies:

For the next two years we estimated that it still will be around € 1.2 million. It could go up by 1 or 2% in the future, but for now we are comfortable with the given number.

Basic-Fit can maintain this level because we are very conscious of the costs.

Mr. Jansen (Dutch Investor Association/VEB):

6. Can you give more transparency on the energy cost? 75% right now is hedged. Costs are going down. What is your long term take on hedging this kind of risk?

Mr. Moos replies:

I think we hedged 2,5 years ago and the cost was on average € 25,000.

Mr. van der Aar replies:

We knew it would be more expensive as we had to sign for energy costs for France (nuclear energy). It is very important to hedge as we aim on making a proper calculations on the return on invested capital.

Mr. Jansen (Dutch Investor Association/VEB):

7. The 75% will remain 75%? That is just the strategy?

Mr. van der Aar replied that the aim was to hedge 100%.

Mr. Jansen (Dutch Investor Association/VEB):

8. Maybe you already can shed some light on the initiatives you are taking to lower your energy consumption, which is good for the environment, but also good for the shareholders. So, 20% is quite ambitious, is there more room for further improvement? Could you lower this by 50% over the next five years? Is it a realistic target? Any thoughts on that?

Mr. Moos replies: The number is realistic. Solar panels are placed on many of the clubs already and, 5 years ago we started to take out gas of the clubs. We do have 300 clubs still using gas.

Mr. van der Aar replies:

The strategy is now getting rid of the gas in those remaining 300 clubs and redefining the policy on for example not using AC and heating at the same time. This will have an immediate effect. Placing solar panels and getting rid of gas will take approximately one to two years.

Mr. Moos replies:

We decided to get rid of gas already a few years ago. For the next coming years we planned for the remaining 300 clubs, 100 clubs a year, as it is a big and costly operation and we like to stay on the € 55,000 maintenance CAPEX.

Mr. Jansen (Dutch Investor Association/VEB):

9. And those minus 20% for this year, it is fair to say because this is a long-term plan, the next year there will be a new target?

Mr. Moos replies:

The first measures have been taken and already is shown on the invoices of the first quarter that costs are lowering. We do not have an exact percentage, it will go down in the future.

Mr. Jansen (Dutch Investor Association/VEB):

10. What kind of rental contracts are signed and are these indexed? What about an renewal option and especially what kind of contract are signed for Spain and Germany? Are this different contracts?

Mr. Moos:

It differs per country. For the past five years Basic-Fit only prefers to sign contracts when there is a cap on the index. For the old contracts it is more complicated.. In France the index is limited. You cannot have a cap in the contract, even if there is one already in the contract. The landlord is entitled to waive it. The French government, for instance, during Corona, changed that index between 4 and 5%, depending on the region. The relationship with our landlords is good.

Mr. van der Aar replies:

If you look at the total we gave guidance on the total increase of the rent 5% and what we see now is that it actual increased around 5%. The increase of the rent differs per country, but in total the increase is 5%

Mr. Jansen (Dutch Investor Association/VEB):

What number of fte's do you think you need to operate a gym by lets say 2030, keeping in mind that all gyms have a remote control system?

Mr. Moos replies:

A gym without staff is definitely possible at night. During opening hours we think staff should be present. We have been changing staffed opening hours, but for the most part we prefer staff present. With regard to the night opening. In the Benelux cameras, for security and safety reasons, are allowed but in France it is still not allowed. We are working on it.

Chairman gives Mr. Rogmans of Add Value Fund the opportunity to ask questions.

Mr. Rogmans (Add Value Fund):

1. First congratulations on the performance of last year. How does Basic-Fit look at capital allocation policy in the future?

Mr. Moos replies:

At this point the goal is to open more clubs and for the next two to three years we will not start returning money to the shareholders as we do not want to be a billion dollar plus debt company. We aim for a low debt to EBITDA of around 2 or even below 2. Opening 200 to 300 clubs a year is achievable. At first 200, but with a more stable world it could grow to 300 clubs a year.

Mr. Rogmans (Add Value Fund):

2. Do you have a minimum net depth target range compared to EBITDA as well?

Mr. van der Aar adds:

The first thing we will look at, if we have ample liquidity, and that is based on the amount of openings, is of course the convertible. So, if we would have more than enough cash, then we would look at buying back the comfortable bond.

Mr. Rogmans (Add Value Fund):

3. What is the average age of your current club network and maybe to formulate it better, clubs that are older than 10 years, for example, they might need more maintenance?

Mr. Moos replies:

If a club is 5, 10 or 20 years old, it does not automatically mean that there are more maintenance costs. Every 5-6 years we do a complete remake (flooring, repainting). Every 6 years we change our cardio machines and every 8-9 years our strength machines. Even if the building looks old from the outside, inside the look and feel will be all the same.

Report of the Supervisory Board

The Management Board and the Supervisory Board have set out the main features of the corporate governance structure in the management report. The report of the Supervisory Board is included in the management report.

The Chairman briefly reiterated the composition and structure of the management and the Supervisory Board and its committees, as well as how often they met during the year.

There are no additional questions related to this topic.

3. Annual account 2022

(a) Corporate governance structure and compliance with the Code 2016 in 2022.

In accordance with the 2016 Code, the main elements of Basic-Fit's corporate governance structure and compliance with the Corporate Governance Code will be discussed and accounted for at the Annual General Meeting of 2022. Emphasis is placed on the continuity and growth of Basic-Fit, whereby long-term value creation for the company is realized.

We deviate from the Code 2016 on a few points. In the management report on page 83, Basic-Fit explains why there is a deviation from the code for these specific points.

(b) Remuneration Report financial year 2022 (advisory voting item)

The Supervisory Board formulated the key sections of the remuneration policy for the members of the Executive Board and the current version of the remuneration policy was subsequently adopted by the General Meeting on 22 April 2020. The remuneration report is included on pages 102 to 113 of the management report and is published on the company's website.

Chairman gives the floor to the chairman of the Selection, Appointment and Remuneration committee, Mr. Herman Rutgers.

The remuneration policy is entrepreneurial and based on the growth profile of Basic-Fit. The remuneration policy aims at a good balance in the remuneration of the various directors and takes into account the social context, the corporate governance structure and the interests of the stakeholders of Basic-Fit. The remuneration policy of Basic-Fit was established after examining the remuneration packages of directors in similar companies, in terms of growth, international orientation and complexity.

The postponement of the decision on the possibility for the altered plans affected by the Covid-19 pandemic related governmental measures towards bonuses raised some questions. This is restored in the remuneration report, since in the year 2022 the decision was made not to allow vesting for the altered plans that are affected by at least two out of three years.

In 2022, the base salary of the CEO remained unchanged for the second year in a row at the request of the CEO. The base salary of the CFO was increased by 7% after a year without any increase. The members of the Management Board received in 2022 a short-term incentive. The bonus for both members of the Management Board may vary from 0% to 60% of the annual fixed base salary with 40% being applicable when both financial and non-financial personal targets are achieved at target.

However in 2022 the EBITDA was achieved, as were some of the personal targets which led to a bonus pay out for the CEO of 25% and for the CFO of 33% of base salary on the condition that this General Meeting approves the annual accounts for the year in question. More details of the targets and achievement regarding the short-term incentive can be found on page 109 of the board report.

For the grant made in June 2019 for the performance period 2018 to 2020 it was decided after the AGM in April 2022 that based on the results it was still reasonable and fair to allow the vesting of the pro rata amount of granted shares for 2/3, reflecting two out of the three years taking into account investing at target level for the years 2018 and 2019, although targets were outperformed in these years.

The vesting of the shares under the 2019-2021 performance share plan with scheduled vesting in 2022 will be permanently cancelled for the Management Board since two out of three years were affected by COVID-19. The same approach also applies to the grant under the performance share plan for the period 2020-2022, vesting in May 2023 as two of these performance years were affected by COVID. This means that the vesting of this grant will also be permanently cancelled.

In 2022, a new grant was awarded under the performance share plan and this being the first grant expected to fall under the normal regime of the plan, with a projected vesting in 2025. In line with earlier decisions, the next vesting will take place in 2024 for the pro rata granted performance share plan for the performance period of '21 to '23. This plan excludes a grant for '21, so the actual performance will be a period of '22 and '23.

The remuneration of the members of the Supervisory Board consists of a fixed annual remuneration for their role as a member of the Supervisory Board. In addition, the chairman and members of the committees will receive a fixed additional annual fee and also Basic-Fit-related travel and accommodation expenses are reimbursed. Basic-Fit does not grant the members of the Supervisory Board variable fees, shares or options as part of the remuneration package. In '22 the Supervisory Board compensation remained unchanged.

The 2022 Remuneration Report is part of the 2022 management report from page 102 onwards and is published on the company's website.

The General Meeting of Shareholders is requested to issue a positive opinion on the Remuneration Report 2022.

Based on the voting instructions, there are 51,534,365 votes in favour, which represent 99.05% of the capital present. There are 460,713 votes against and 29,906 abstentions.

Based on the votes, the Chairman concludes that a positive advice has been issued on the 2022 remuneration report.

3c. Adoption of the annual accounts 2022 (voting item)

Chairman gives the floor to Mrs. Carin Gorter, chairman of the Audit & Risk committee.

Mrs. Carin Gorter informs the Meeting that the 2022 Financial Statements have been prepared by the Management Board and have been approved by the Supervisory Board.

The Audit & Risk committee has discussed the audit plan for 2022 with the Management Board, the Supervisory Board and the accountant, Ernst & Young Accountants LLP (EY), as well as the half-year figures, the management letter, the management report including the annual accounts and the audit report.

In the year 2022, the organisation paid a lot of attention to the recovery from the COVID-19 pandemic and the impact of the global unrest, the war in Ukraine and the effect on the geopolitical, societal and financial

environments and its impact for Basic-Fit. In 2022, the Management Board considered also the potential impact of climate change. The impact for the financial statement is considered limited. Attention has also been paid on the further development of the internal control and risk management systems.

EY has audited the annual accounts 2022. On page 209 to 220 of the board report you will find the auditor's approval statement. Mr. Arnoud Kuijpers will explain the audit performed by EY on the Annual Accounts 2022. Basic-Fit NV has released EY from its duty of confidentiality for the purpose of this Meeting.

Mr. Arnoud Kuijpers (partner at EY and auditor of Basic-Fit) gives a presentation on the audit and results of the 2022 audit, the key points of attention and the communication with the company. The 2022 audit is subdivided into scope, strategy and execution.

The scope includes the statutory and consolidated annual accounts of Basic-Fit, including the annual report. The external auditor is ultimately responsible for the audit of Basic-Fit and the annual accounts. It was examined whether the annual report meets legal requirements and whether the content of the board report corresponds to the annual accounts and also to the knowledge gained during the audit of the annual accounts. An experienced and knowledgeable team with relevant industry knowledge and experts in the fields of information technology, taxation, valuation of goodwill and financial instruments, the correctness of discount rates and the assessment of the rental rates agreed for the rental of real estate were used. The materiality that was applied in the audit of the consolidated financial statements is € 6 million.

EY Netherland has evaluated all core processes together with foreign EY teams with work locally carried out under our direct supervision. As a result of the combination of all activities by the team in the Netherlands and the local teams, EY performed all procedures on 77% of total assets and 93% of turnover and performed additional procedures on the remaining assets and turnover in order to obtain sufficient and appropriate audit evidence to conclude on the financial statements.

The themes of going concern fraud are receiving increased attention. It is important to note that the company compared to previous years in which we had to deal with the consequences of COVID-19 Basic-Fit is no longer confronted with mandatory club closures as well as other negative operational and financial consequences of the pandemic. Nevertheless, EY still remains critical and assess the going concern assumptions made by management including expectations and the financial forecasts.

With regard to fraud, we have identified fraud risk factors and identified specific fraud risks by focusing on possible material impact on the financial statements. In our long form audit report we included the key audit matter in which we described our audit procedures on this matter in more detail and that these procedures did not lead to the discovery of fraud or errors in the revenue accounting.

In addition to the key audit matters regarding revenue recognition we also have included a key audit matter regarding the completeness of the leased assets, the right of used assets in accounting language. Basic-Fit has lease agreements in place for clubs, which may also be the case if the clubs are not yet opened. These contracts are individually of significant financial size. And in addition to the fact that these contracts must be correctly accounted for under IFRS, which we certainly confirmed as part of our audit, we particularly recognise the risk that one or more contracts are not included in the IFRS 16 calculations, and we have performed several procedures to mitigate the risk of missing any contracts. All these and other procedures did not reveal any omissions or other misstatements.

We furthermore established that Basic-Fit complies with the non-financial information and diversity degrees resulting from EU directives. Basic-Fit has to comply with the so-called EU Taxonomy Regulation as well. This directive aims to provide a uniform EU wide classification system that increases the transparency of organisations in the field of sustainability and the associated economic activities. We have determined that the non-financial information contains the required information as included in the Taxonomy Regulation. According to this law an independent auditor has to confirm whether the remuneration report contains the information required by law. We have done this in accordance with the applicable standards, the audit standard 720, and we have concluded that this is indeed the case.

On the basis of the European Corporate Sustainability Reporting Directive, CSRD large listed companies have to report on sustainability in accordance with the European Sustainability reporting standards as from '24 onwards. An independent party will provide assurance over this reporting. Basic-Fit has included more and

more information about sustainability and its Management Board report in recent years. For 2022, we have not been specifically engaged to review or audit this information in view of the CSRD requirements, regulation will require that auditors provide assurance over sustainability matters as from 2024 onwards. Hence, we expect to report more extensively on sustainability matters in this meeting a year from now. As a result of our audit, we have issued an unqualified auditor's report, which is included in the audit information to the financial statements.

Our audit procedures have resulted in sufficient appropriate audit evidence as a basis for our opinion, and this opinion means that the consolidated financial statements as prepared in accordance with IFRS and adopted by the EU and part nine of the Dutch Civil Code give a true and fair view. The company annual accounts are drawn up in accordance with part 9 book 2 of the Dutch Civil Code and also give a true and fair view. The board report complies with the law and the view presented in the annual report. There are no material inconsistencies between the Management Board report and the knowledge and understanding we have gained as a result of our audit.

On going concern the management of Basic-Fit has prepared the financial statements on a going concern basis. We have reviewed these assumptions looking at the availability of working capital for the coming year and the longer-term earnings and cash generating potential based on the company's current and projected business. We have not discovered any material uncertainties that have caused us to have reasonable doubts about the application of the going concern principle. Based on our draft audit plan, there are currently no major changes to our audit approach or strategy, although we will of course implement all new developments with regard to legislation and regulations.

The audit of the annual accounts is a process that leads to multiple reports from the accountant to the company. The accountant has drawn up an audit plan that has been discussed with the Audit Committee and afterwards the accountant has drawn up a Management Letter which has been discussed with the management of the company and with the statutory auditor.

As a result of our year-end audit, the auditor issued an unqualified auditors' report, which is included in the other information in the financial statements. The audit procedures have provided sufficient audit evidence to be able to issue this statement.

Reports are coordinated with management, the Supervisory Board and also the Audit and Risk Committee. Periodic consultations have taken place with each of these bodies. EY strives for a high level of quality and a professional attitude. The relationship with the company is transparent and critical in all areas. The auditor also established that management, the Audit and Risk Committee and the Supervisory Board take the findings seriously and that adequate follow-up is taking place. Ultimately, this led to a pleasant and constructive collaboration with Basic-Fit in a positive-critical attitude.

The accountant returns the floor to the Chairman.

Mr. Jansen (Dutch Investor Association/VEB)

1. If you look at the wording of the fraud risk, you explained your formulations are slightly different compared to last year. I wondered, is there a reason behind this? And is the fraud risk at a similar level as compared to last year? Or has it changed in your opinion? What is your view on that?

Mr. Kuijpers (Ernst Young Accountants LLP) replies:

The wording may have changed because the process of deferring and accounting for revenues exactly around year end, that system within Basic-Fit changed slightly and that may have triggered a different language, but there was no other reason behind the changed language.

Mr. Jansen (Dutch Investor Association/VEB):

2. Last year you used the complex spreadsheet model to deal with this and Basic-Fit still uses this complex spreadsheet model?

Mr. Van der Aar replies:

With the implementation of the SAP-system that we started using in 2022, the revenue is more integrated in that system and more automated. So, the spreadsheet model is now automated in our system and the fraud risk has diminished.

Mr. Jansen (Dutch Investor Association/VEB):

3. Basic-Fit wants to open 600 clubs in Germany, but the first club I believe was acquired by a related party or a party related to Mr. Moos, so what was the rationale to do it this way and why not do it organically?

Mr. Van der Aar replies:

The acquisition was preferable a location in Cologne, and we made that decision based on the same standards as we used for opening another club. We see a lose acquisition as organic growth. A takeover of a chain or a bigger chain is an acquisition. This was just a location which we really wanted to have, and we made that decision based on the same standards as we use for opening a club organically in a region.

Mr. Jansen (Dutch Investor Association/VEB):

4. Does Mr. Moos maybe have more interests in fitness companies in Germany?

Mr. Moos replies:

For about 15 years we had 23 HealthCity clubs in Germany and in the last three years we sold all 22 to different competitors and one to Basic-Fit. And the other 22 are sold and we are not interested in any other fitness chains. So, we have outside Basic-Fit personally no other investment in fitness chains.

Mr. Jansen (Dutch Investor Association/VEB):

5. For the Audit Committee and the auditor; what procedures did you take in order to assess that this transaction was at arm's length?

Mr. Van der Aar replies:

As said before, the acquisition was at arm's length. The price paid was part of the total package and, was calculated in the same way as we would have opening another club.

Ms. Gorter (chair of the Audit Committee) replies:

From the Audit Committee perspective, in the case of related parties, we definitely make the assessment if it is made in market conformity as Mr. van der Aar has already alluded and we basically attract all the criteria formally and furthermore we have our external auditor who was on our request reviewing it.

Mr. Jansen (Dutch Investor Association/VEB):

6. There are inventories shifting to PP&E, does that have something to do with the bikes? Are the bikes the success you hoped that it would be?

Mr. Van der Aar replies:

The change in accounting was due to the fact that we changed the model of selling those bikes. At first the strategy was to sell the bikes to customers. So, then it was inventory, and we changed the model and now it is part of the subscription, all-in subscription, and then it is part of the PPA.

Mr. Jansen (Dutch Investor Association/VEB):

7. What about the supplier buying bikes back?

Mr. Van der Aar replies:

The supplier needed those bikes because they had some issues with the production and they needed the bikes to sell them to other parties.

Mr. Jansen (Dutch Investor Association/VEB):

8. From a commercial perspective why did you change from selling to leasing them?

Mr. Moos replies:

We sold the first few thousand bikes, but it is not the amount that we expected. The construction of having a loan and lots of paper work did not motivate members to buy the bike as offered. Still we will proceed with it and keep focusing on finding the right formula.

The General Meeting of Shareholders is requested to issue a positive opinion on the Annual Accounts 2022 in accordance with the requirements arising from the revised guideline.

Based on the voting instructions, there are 52,023,743 votes in favor, which represent 99,99 % of the capital present. There are 0 votes against and 1,241 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued on the 2022 annual accounts.

3d. Discharge members of the Management Board (voting item)

The Chairman asks the meeting to grant discharge to the members of the Board of the Management Board for the performance of their duties for the financial year 2022, in so far as this performance of duties is apparent from the annual accounts or from information that has been made known to the General Meeting.

There are no questions.

Based on the voting instructions there are 51,549,156 votes for, which is 99.99% of the capital present. There are 473,116 votes against and 2,712 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued and the General meeting has discharged the members of the Management Board.

3 e. Discharge of the members of the Supervisory Board (voting item)

The Chairman asks the meeting to grant discharge to the members of the Supervisory Board for the performance of their duties for the financial year 2022, in so far as this performance of duties is apparent from the annual accounts or from information that has been made known to the General Meeting.

There are no questions.

Based on the voting instructions there are 51,549,156 votes for, which is 99.99% of the capital present. There are 473,116 votes against and 2,712 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued and the General meeting has discharged the members of the Supervisory Board.

3f. Dividend policy

The management wishes to maintain the current dividend policy. This policy is also included on the company's website under the Shareholder Information section. The current dividend policy can be summarized as follows. Given the strong return profile of opening of new clubs, the primary use of available cash resources in the short to medium term is to invest in the opening of new clubs. As a result, it is expected that no dividend will be paid in the short to medium term. We expect dividend payments to be introduced in the future, although these dividend distribution proposals will be carefully balanced against other ways of using cash, such as accelerating opening new clubs, paying off our debt or repurchasing shares and any acquisitions.

4. Composition of the Supervisory Board

As a result of the rotation schedule of the Supervisory Board set at the moment of listing of the company, there were a number of voting items. Before we proceed, I announced earlier that I have decided to step down as the Chair after this AGM. This is for me a moment and the right time to withdraw from my current role and hand over the responsibility of the Chair of the Supervisory Board to my successor. With that having said that, we propose to appoint two new members to the Supervisory Board. Joëlle Frijters and Jan van Nieuwenhuizen. We

would also like Jan van Nieuwenhuizen to replace me as the Chair of the Supervisory Board. And furthermore, we have the reappointments of Herman Rutgers and Hans Willemse, which are on the agenda.

4a. Appointment Joëlle Frijters (voting item)

The Supervisory Board proposes to appoint Joëlle Frijters for an initial period of four years, which term shall expire no later than immediately after the day of the next General Meeting to be held in the fourth year following the year of her appointment, and based on the rotation schedule, if it provides otherwise. The background of Joëlle clarifying the real added value that Joëlle brings to the Supervisory Board, has been explained in the announcement of this General Meeting. Joëlle introduces herself briefly.

Based on the voting instructions there are 51,628,509 votes for, which is 99.24% of the capital present. There are 67,155 votes against and 329,320 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued to appoint Joëlle Frijters.

4b. Appointment Jan van Nieuwenhuizen (voting item)

The Supervisory Board proposes to appoint Jan van Nieuwenhuizen as Chairman of the Supervisory Board for an initial period of four years, which term shall expire no later than immediately after the day of the next General Meeting to be held in the fourth year following the year of his appointment, and based on the rotation schedule, if it provides otherwise. The background of Jan clarifying his experience and his added value for the company as well as the suitability for the role as Chair of the Supervisory Board, has been explained in the announcement for this General Meeting. Jan introduces himself briefly.

Based on the voting instructions there are 51,449,509 votes for, which is 98.89% of the capital present. There are 246,155 votes against and 329,320 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued to appoint Jan van Nieuwenhuizen.

4c. Re-appointment Herman Rutgers (voting item)

The Supervisory Board then proposes to re-appoint Herman Rutgers as a member of the Supervisory Board for a third term of two years, which term will expire no later than immediately after the day of the next General Meeting to be held in the second year after the year of his reappointment. Herman was appointed as a member of the Basic-Fit Supervisory Board at the IPO at the shareholders' meeting held in May the 12th in 2016. As of the day, the listing date being June the 14th 2016. Based on the rotation schedule, his first term expired at the General Meeting in 2019. His second term will expire at the General Meeting 2023, at which time Herman will then have served in his position for seven years.

Based on the voting instructions there are 50,283,180 votes for, which is 96.65% of the capital present. There are 1,740,010 votes against and 1,794 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued to re-appoint Herman Rutgers

4d. Re-appointment Hans Willemse (voting item)

The Supervisory Board then proposes to re-appoint Hans Willemse as a member of the Supervisory Board for a fourth term of two years, which term will expire no later than immediately after the day of the next General Meeting to be held in the second year after the year of his re-appointment. Hans Willemse was first appointed as a member of the Basic-Fit Supervisory Board on May 12, 2016. He was reappointed at the shareholders' meeting of May 16 of 2017, after one year of appointment pursuant to the applicable rotation schedule, he was subsequently reappointed for four years, making him a member of the Supervisory Board for five years at the time of his reappointment in 2021. At the time of this General Meeting, Hans Willemse has been a member of the Supervisory Board for seven years.

Mr. Jansen (Dutch Investor Association/VEB):

1. Was it also considered to appoint an existing Supervisory Board member as Chairman?

Mr. Rutgers replies:

We started the process after the current chairman, Mr. Van der Graaf, said that he was considering not to continue as chair of the board. We drafted a profile of what would be the ideal person to fill this slot. We asked among the existing board members if anybody would like to fulfil that role, and that was not the case. We as the selection and appointments committee interviewed a lot of candidates and ultimately decided on Mr. Jan van Nieuwenhuizen because of his background and his expertise that will bring a lot of value to Basic-Fit.

Based on the voting instructions there are 50,387,959 votes for, which is 96.65% of the capital present. There are 1,611,661 votes against and 25,364 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued to re-appoint Hans Willemse

5. Designation of the Management Board

This is a normal instruction, which replaces the instruction made on 21 April 2022.

Based on Articles 6.1 and 6.3 of the Articles of Association, it is proposed to the General Meeting to designate the Board of Directors as the competent body to resolve to a) issue shares and/or grant rights to subscribe for shares and b) restrict or exclude pre-emptive rights.

This concerns the usual designation and, moreover, an extension of the designation previously given to the Board of Directors, which runs until October 24, 2024. The purpose of these instructions is to be able to react and respond in a timely and flexible manner with regard to the financing of the company. Moreover, this gives the management some room to maneuver in the event of mergers and acquisitions.

It is further proposed to the General Meeting to designate the Management Board for a period of eighteen months from the date of this Annual General Meeting, i.e. until 24 October 2024, as the body authorized to act, with the approval of the Supervisory Board, to resolve to:

5a. Designation of the Management Board to issue shares and/or grant rights to take shares (voting item)

The General Meeting is proposed to designate the Management Board until 24 October 2024 as the body authorised to decide, with the approval of the Supervisory Board, to issue shares and/or to grant rights to take shares, up to a maximum of 10% of the issued capital on the day of issue or on the day of grant of rights to take shares.

Based on the voting instructions there are 51,988,991 votes for, which is 99.93% of the capital present. There are 35,759 votes against and 234 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued of the designation of the Management Board to issue shares and/or grant rights to take shares

5b. Designation of the Management Board to restrict or exclude pre-emptive rights (voting item)

The General Meeting is proposed to designate the Executive Board until 24 October 2024 as the body competent to, with the approval of the Supervisory Board, decide to restrict or exclude the pre-emptive rights when issuing shares or granting rights to take shares as described.

Based on the voting instructions there are 51,958,170 votes for, which is 99.87% of the capital present. There are 66,580 votes against and 234 abstentions.

Based on the votes, the Chairman concludes that positive advice has been issued of the designation of the Management Board to restrict or exclude pre-emptive rights

6. Authorization of the Management Board to purchase own shares (voting item)

Based on Article 7.1 of the Articles of Association, it is proposed to the General Meeting to authorize the Management Board, for a period of eighteen months from the date of this Annual General Meeting, i.e. until 24 October 2024, to authorize, with the approval of the Board of the Supervisory Board, to repurchase shares in

the capital of the company. The purpose of this proposal is to give the Management Board the power to acquire own shares in order to reduce the capital and/or to fulfil obligations under share schemes or for other purposes in the interest of the company. On the basis of this authorisation the purchase may take place up to a maximum of 10% of the issued capital, provided that Basic-Fit and one or more of its subsidiaries will not hold more shares in its own capital than a maximum of 10% of the issued capital after the purchase. This concerns an extension of a previously given authorization

Based on the voting instructions there are 52,013,694 votes for which 99.98% of the capital present. There are 1.460 votes against and 9.830 abstentions.

The chairman notes that the majority of the votes has been cast in favor of the proposal.

The decision has thus been adopted and the decision to extend the authorization has been taken.

7. Appointment of the external auditor (voting point)

The Executive Board and the Supervisory Board are satisfied with the service provided by EY and EY is proposed to ensure the continuity of the audit. The General Meeting is proposed to approve the appointment of EY as external auditor for the examination of the Basic-Fit financial statements for the financial year 2024.

Based on the voting instructions, there are 52,024,750 votes for which represent 99.99% of the capital present. There are 0 votes against and 234 abstentions.

The decision has thus been adopted and EY has been appointed as the external auditor for the audit of Basic-Fit's annual accounts for financial year 2024.

8. Closure

The Chairman indicates that the formal agenda of this first General Meeting has come to an end. Before the meeting is closed he thanks his colleagues of the Management Board and the Supervisory Board for supporting him, during probably the most challenging time during Covid. Furthermore he thanks all the members of the team working hard on helping to get the company where it stands today. The chairman closes with just the words: stay fit!

Mrs. Carin Gorter thanks Mr. Kees van der Graaf immensely on behalf of the Supervisory Board for doing a great job as Chairmain of the Supervisory Board from 2017 onwards.

The chairman thanks all participants and closes the meeting.