ANNUAL REPORT 2024

BASIC-FIT

FORWARD LOOKING STATEMENTS & IMPORTANT NOTICE

This document is the PDF/printed version of the 2024 Annual Report of Basic-Fit N.V. in the European single electronic reporting format (ESEF) and has been prepared for ease of use. The 2024 Annual Report was made publicly available pursuant to section 5:25c of the Dutch Financial Supervision Act (Wet op het financieel toezicht), and was filed with the Dutch Authority for the Financial Markets in European single electronic reporting format (the ESEF package). The ESEF reporting package is available on the corporate website. In case of discrepancies between this PDF/printed version and the ESEF reporting package, the latter prevails.

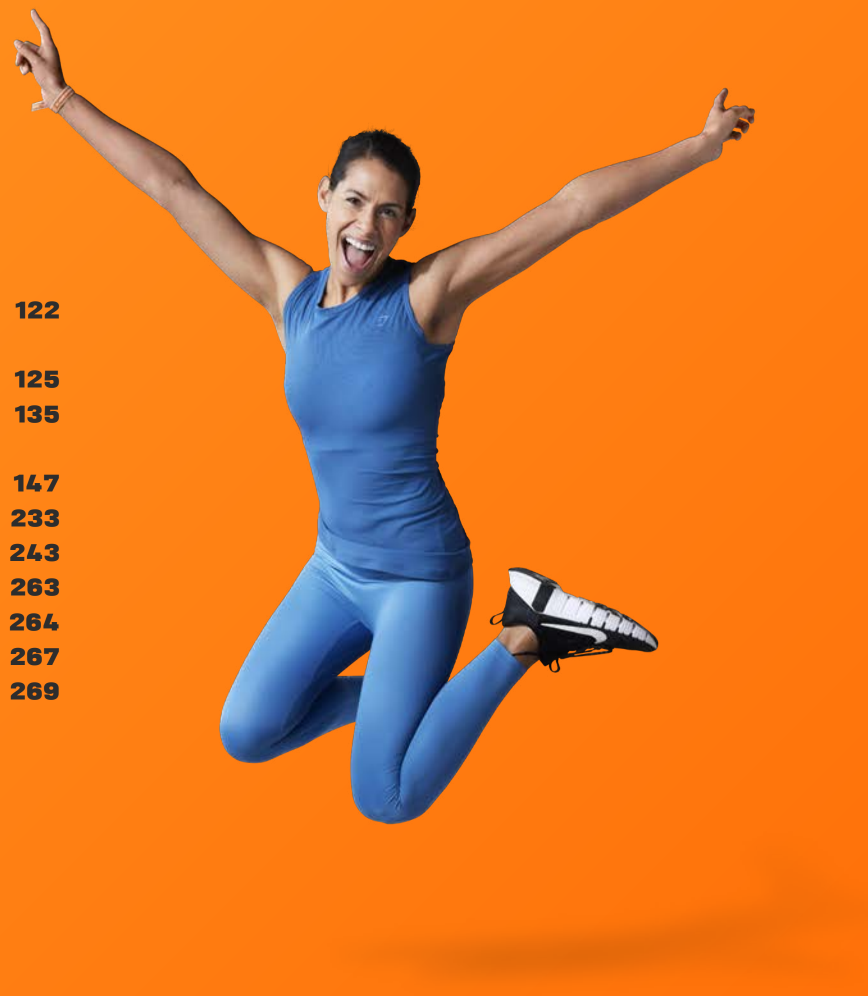
This annual report may contain forward-looking statements. Forward-looking statements are statements that are not historical facts, including but not limited to statements expressing or implying Basic-Fit's beliefs, expectations, intentions, forecasts, estimates and/or predictions (and the assumptions underlying them). The forward-looking statements in this annual report are based on numerous assumptions regarding Basic-Fit's present and future business strategies and the environment in which Basic-Fit will operate in the future, and could refer to the financial condition, results of operations and business liquidity, prospects, growth, strategies or the industry in which Basic-Fit N.V. and its subsidiaries (also referred to as 'the company') operate, and certain of the plans and objectives of Basic-Fit with respect to these items.

Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future, and may cause the actual results, performance or achievements of Basic-Fit to be materially different from those expressed or implied by such forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Basic-Fit's control or ability to estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors, such as Basic-Fit's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social or regulatory framework in which Basic- Fit operates, or in economic or technological trends or conditions. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance.

The forward-looking statements contained refer only to the date in which they are made, and Basic-Fit does not undertake any obligation to update any forward- looking statements.

This annual report may contain statistics, data and other information relating to markets, market sizes, market shares, market positions or other industry data pertaining to Basic-Fit's business and markets. Unless otherwise indicated, such information is based on the Basic-Fit's analysis of multiple sources, as well as information obtained from (i) experts, industry associations and data providers; and (ii) publicly available information from other sources, such as information publicly released by our competitors. To the extent that they are available, any industry, market or competitive position data contained in this annual report has come from official or third-party sources. While Basic-Fit believes that each of these publications, studies and surveys has been prepared by a reputable source, Basic-Fit has not independently verified the data contained therein. In addition, certain of the industry, market and competitive position data contained in this document comes from Basic-Fit's own internal research and estimates, based on the knowledge and experience of Basic-Fit's management in the markets in which Basic-Fit operates. While Basic-Fit believes that such research and estimates are reasonable and reliable, they and their underlying methodology and assumptions have not been verified by any independent source for accuracy or completeness, and are subject to change without notice.

TABLE OF CONTENTS



BASIC-FIT AT A GLANCE

1,575
clubs
+12% year-on-year

4.25 million
memberships
+12% year-on-year

€1,215 million
revenue
+16% year-on-year

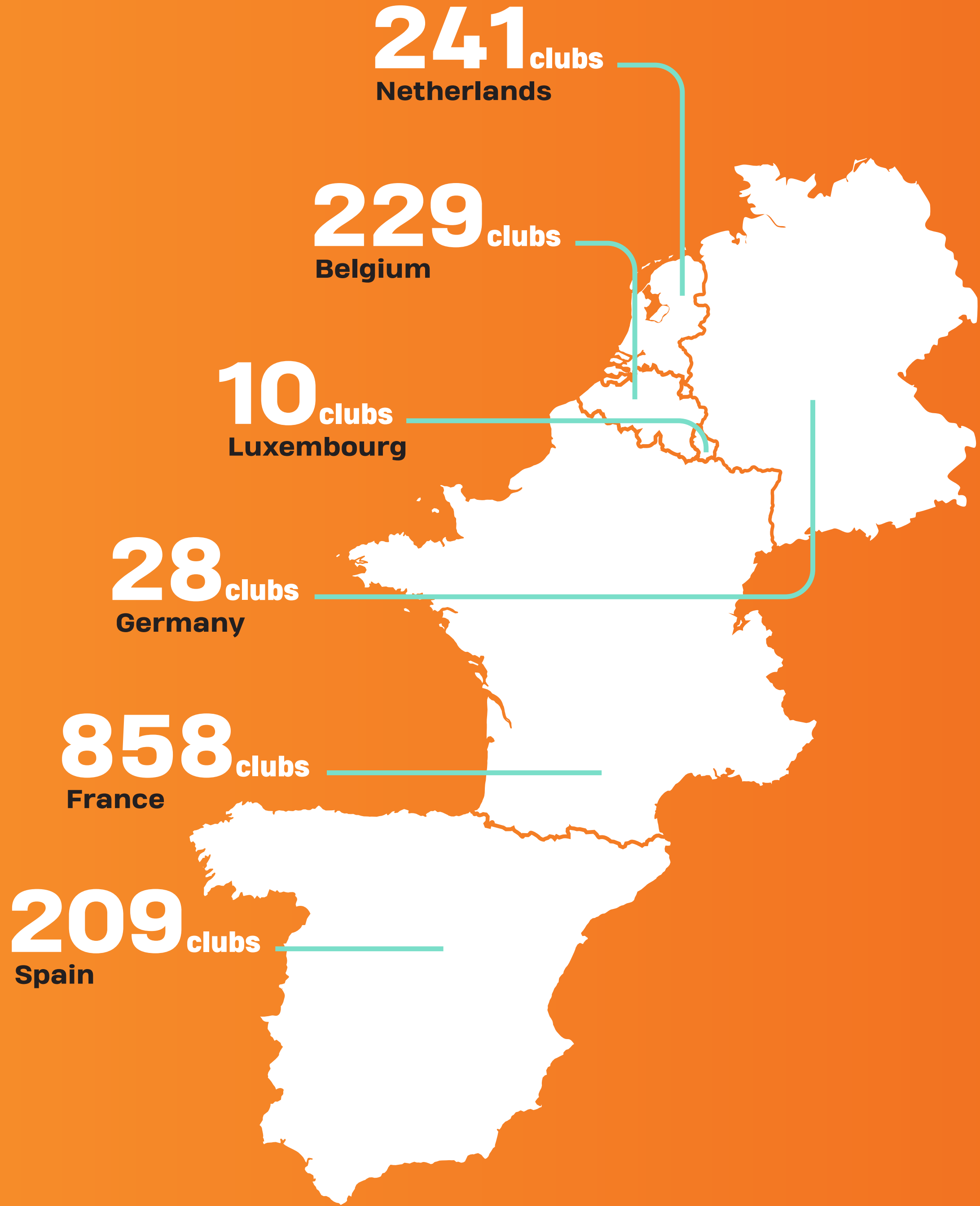
€313 million
underlying EBITDA less rent
+20% year-on-year

€156 million
free cash flow before new club capex
+13% year-on-year

€123.5 million
operating profit (EBIT)
+36% year-on-year

€8.0 million
profit/(loss) for the year
2023: € -2.7 million

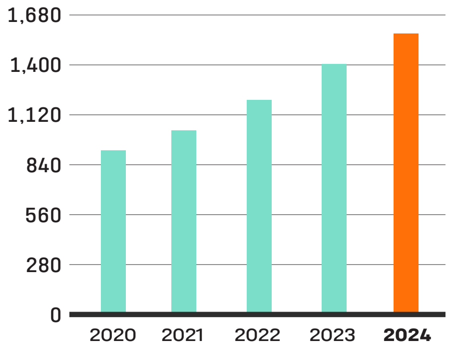
€43.6 million
underlying net result
+59% year-on-year



See page 269 for alternative performance measures

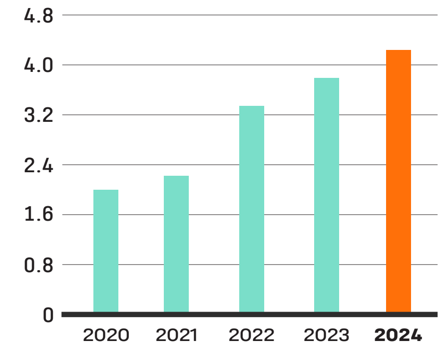
BASIC-FIT KEY FIGURES

clubs



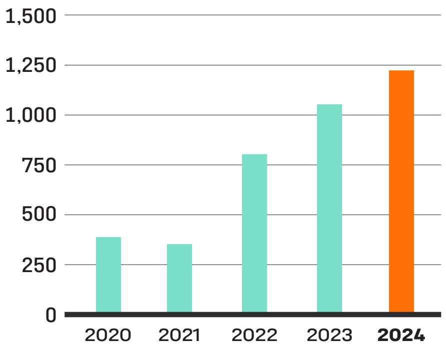
memberships

millions



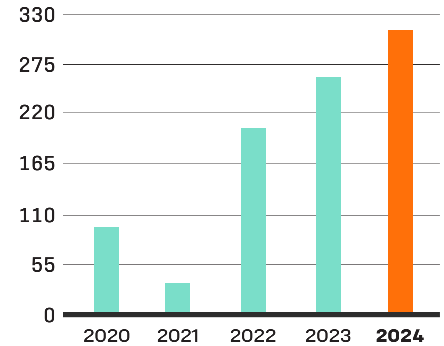
revenue

€ millions



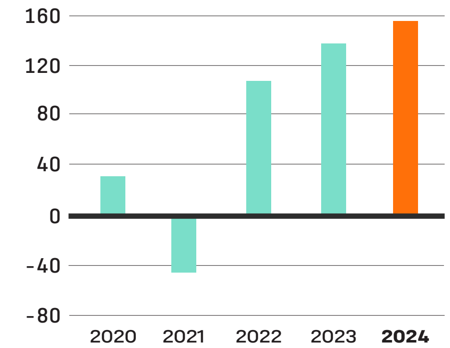
underlying EBITDA less rent

€ millions



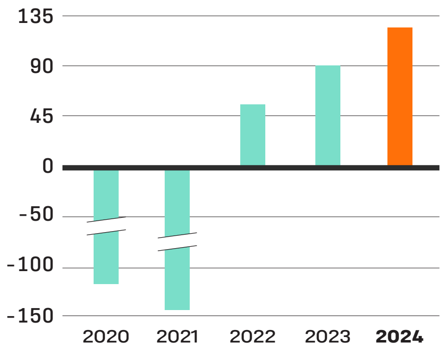
free cash flow before new club capex

€ millions



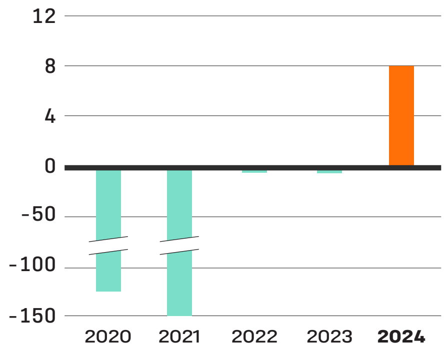
operating profit (EBIT)

€ millions



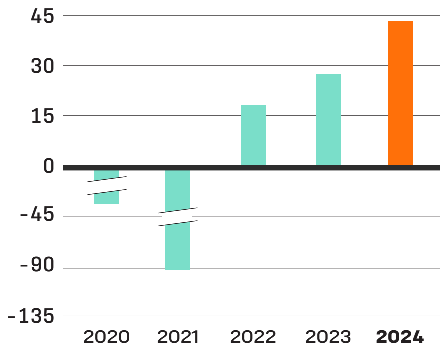
profit/(loss) for the year

€ millions



underlying net result

€ millions



In 2020 and 2021, clubs were temporarily closed 41% and 38% of the time, respectively, due to COVID-19-related government measures.

See page 269 for alternative performance measures

BASIC-FIT HISTORY

1984
Start of a new career

After ending his professional tennis career in 1984, René Moos started to manage and invest in tennis parks, to which he later added fitness facilities.

2004
Creation of HealthCity

Following a merger, HealthCity was founded in 2004. The mid-to-premium market fitness concept started with 11 clubs in the Netherlands. Clubs included facilities such as swimming pools, wellness areas and day-care facilities.

2006
Introduction of a value-for-money fitness concept

The company introduced HealthCity Basic, a value-for-money fitness concept in 2006.

2010
Acquisition of Basic-Fit

The acquisition of the Basic-Fit brand and 28 of its clubs proved to be a trigger for an acceleration of the company's value-for-money concept. HealthCity Basic clubs were transformed into Basic-Fit clubs.

2011
Entering France and Spain

HealthCity acquired parts of a competitor's network, which marked the start of operations in France and Spain.

2013
Focus on Basic-Fit

Following the decision to focus on the faster growing value-for-money segment, Basic-Fit was spun off from HealthCity. From that moment onwards, René Moos and his team focused fully and exclusively on the Basic-Fit brand. At the year-end, Basic-Fit operated 199 clubs.

2016
IPO and one million memberships milestone

In early 2016, Basic-Fit reached the milestone of one million memberships and began preparations for an initial public offering (IPO). On 10 June 2016, Basic-Fit was listed on Euronext Amsterdam and ready for the next growth phase.

2017
Accelerated organic expansion with focus on France

Following the accelerated execution of the new club opening plans since 2017, Basic-Fit became Europe's largest and fastest-growing fitness chain. Our expansion strategy focused on France.

2022
Entering Germany and three million memberships milestone

In 2022, the first clubs in Germany were opened and the group's network rose by a record 185 clubs to 1,200 clubs. After two years impacted by COVID-19, the business showed a speedy recovery and the 3 million memberships milestone was reached.

2024
A record year

Double digit growth in revenue, underlying EBITDA less rent and memberships. With more than 4.2 million memberships and 1,575 clubs, Basic-Fit extends its market leadership across Europe.

COMPANY PROFILE

Making fitness a Basic of life

With 1,575 clubs and more than 4.25 million memberships, Basic-Fit is Europe's largest and fastest-growing fitness chain. Close to 9,000 employees across six countries embrace its mission to make fitness accessible to everyone and a habit people love. Our community is guided by our BASIC values, these being Be, Accessible, Smart, Inclusive, and Committed. Every day we have a positive impact on the lives of millions of people by offering affordable and high-value fitness solutions. As a technology-driven company, our products and services are accessible, scalable and personalised.

Our inclusive model

As a market leader, we are here for everyone. We offer a variety of membership options, tailored to individual needs. Our subscriptions grant access to our club facilities, as well as all the advantages of the Basic-Fit app. Our self-developed and maintained app offers nutrition advice, virtual group lessons, and hundreds of training programmes for various needs or populations. Our customer-centric approach enables everyone to make the best use of our products and services. Members can track their progress, check a club's popular times, search for a personal trainer or give feedback, all at their fingertips. By combining an extensive club network and an exhaustive digital app, Basic-Fit offers everyone the opportunity to exercise close to where they live or work, at home or outside, no matter their fitness goals or level.

MESSAGE FROM THE CEO

Dear reader,
We had a very strong 2024, recording significant increases in all key metrics. Revenue and underlying EBITDA less rent increased by 16% and 20% respectively.

Basic-Fit's strong growth last year was achieved in the context of normalising European economic trends, with inflation and interest rates coming down from the heights seen in 2023. The price changes we implemented in 2023 contributed to the continued increase in the average revenue per membership, which enables us to offset our higher cost base.

We started 2025 well with a strong inflow of memberships in the important months of January and February. At the end of February we had 4.46 million memberships which is an increase of 202 thousand in the first two months of the year. A strong result considering the 19 fewer club openings in the period compared to the first two months of 2024.

Alongside our strong financial performance, we care deeply about delivering measurable social and environmental benefits. We continuously focus on making fitness accessible to as many people as possible in the most sustainable way.

Acquisition
An important step for Basic-Fit last year was the acquisition of RSG Spain, including all its 47 clubs. Soon after the completion of the acquisition, we disposed of the five clubs that were not a good fit with the Basic-Fit network and we rebranded and integrated the remaining 42 clubs. The integration process went very smoothly and with relatively limited loss of memberships. This is a testament to the quality and experience of our teams, both in Spain and at the head office in the Netherlands.

Strategy update
Looking ahead, we remain committed to our long-term vision without compromising on short term results. Accordingly, for 2025 and 2026 we are slowing down club openings while we allow our existing clubs to grow. We will open approximately 100 clubs a year in 2025 and 2026. As we aim to be the

clear market leader in the countries we operate, our long-term goal remains to operate between 3,000 and 3,500 clubs within our existing markets. At the new growth pace, we will remain the fastest growing fitness chain in Europe, whilst generating a significant amount of cash. This more capital-efficient strategy will enable us to reach the below 2x leverage target by 2026 while enabling the launch of a €40 million share buy-back programme in 2025.

In 2024, we successfully tested 24/7 staffed club openings in France since unstaffed operations are not permitted in France. The positive results led to an expansion to 333 24/7 clubs in France early 2025. Also in Spain and Germany, we are extending the opening hours of the clubs. The additional costs of the extended hours (approximately €35 million in 2025) are expected to be offset by increased membership levels at these clubs as of 2026, positioning us even stronger for sustainable growth.

I have full confidence that by continuously catering to our members' evolving needs and remaining accessible to everyone, we will further strengthen our market leadership and consolidate our position as Europe's strongest fitness brand.

Thank you

I would like to thank all our stakeholders for their continued support over the past year. And my great appreciation to our 4.25 million members for choosing Basic-Fit as their partner to work on their physical and mental well-being. Our people in the clubs and different head offices have done an outstanding job in achieving our growth targets. Meanwhile, our building partners and suppliers have been instrumental in helping us to open so many clubs again last year. Lastly, I would like to thank my colleagues in the senior management team and the members of the Supervisory Board for their dedication and contribution to our success last year.

René Moos
CEO and founder
Basic-Fit

OUR STRATEGY

Empowering everyone to stay mentally and physically fit

We believe that everyone deserves to be fit and feel great. By removing the barriers that are keeping people away from exercising, we encourage everyone to move towards a healthy lifestyle. We aim to live up to our mission to make fitness accessible to all and make everyone feel comfortable and feel they can be themselves in our clubs. We do this by being conscious of our environment and our communities, even beyond our members.

Our Sustainable vision

At Basic-Fit, we aim to have a positive impact on people, our planet and our local communities. Our ambition to achieve a fitter world by 2030 is reflected in the dedicated programme[1] we launched in 2021. Our strategic approach is based on these three key pillars and our programme covers various focus areas related to each of them. Our sustainability roadmap goes from offering both our members and employees a healthy and safe environment and reducing the impact of our business on the environment to the way we give back to our communities.
You will find more details of our sustainability strategy in the Sustainability Statement section of this annual report.

[1] We will revamp this programme in 2025, especially the goals connected to each of the pillars. The latter are therefore currently described in broad terms, in contrast to the 2030 goals we had reported previously.

GO FOR A FITTER WORLD PROGRAMME 2030

Fitter people

Keep increasing our reach to more people to help them move towards a healthy lifestyle

Health and safety
Ensure a healthy and safe environment for our staff and members.

People development and healthy lifestyle
Attract, retain and engage both our members and employees. Improve member satisfaction and give our employees the opportunity to have an impact every day.

Fitter planet

Reduce our carbon emissions and global environmental footprint

Sustainable operations
Optimise our carbon footprint in our supply chain and contribute to reduce our environmental footprint by optimising our site selections.

Enviromental footprint
Reduce our energy consumption and minimise environmental impact.

Fitter communities

Support our communities through social responsible behaviour and investments in partnerships that promote exercise and inclusion

Diversity and inclusion
Make Basic-Fit available for everyone and break barriers by making everyone welcomed.

Awareness and accessibility
Increase awareness beyond our members and build purposeful partnerships to harness the power of sport.

Responsible behaviour
Enhance responsible behaviour in our supply chain. Respect data privacy.

Fitter people, planet, and communities

Exercise and vitality are essential for a well-functioning society. In its 2022 report, the World Health Organization stated that almost 500 million people will develop heart disease, obesity, diabetes or other non-communicable diseases attributable to physical inactivity between 2020 and 2030, and emphasised the high related cost of physical inactivity if people are not encouraged to take up more physical exercise. The health and fitness industry has a crucial role to play in promoting the benefits of staying active and increasing the population's overall fitness.

We at Basic-Fit contribute to this by aiming to have a positive impact on as many people as possible across Europe, through our products and services. Our holistic approach includes training options to work out in our clubs, outside or at home. Accessibility remains a key criterion for people to join a fitness club, which is why we have increased our network of clubs across Europe, as well as the number of 24/7 facilities. In addition to being accessible, our clubs must also offer a safe and comfortable environment. An acknowledgement of our dedication to quality, safety and professionalism to give our members the best high-quality experience is reflected in our certification with the FITcert® scheme. FITcert® independently checks that clubs are compliant with the European Standard EN 17229. This standard covers management, operations, supervision, and fitness trainer qualifications. Our priority is to make our members feel safe but also welcome. We want to remove internal and external emotional barriers that prevent people from going to the gym.

We also aim to minimise the negative impact of our activities on our planet and, more specifically, to reduce our carbon emissions. We have made efforts to understand the main sources of our emissions, including the calculation of our full carbon emissions inventory (Scopes 1, 2 and 3). Over the past year, our dedicated energy department, together with our sustainability team, focused on the implementation of energy reduction initiatives, including new solar panels, more electric car charging stations or gas transformation opportunities. We also aim to create more awareness internally and invite our employees to join us in our efforts.

As we recognise our influence on the environment, we now consider our role and impact on the local communities in the countries where we operate and beyond. Advocating for diversity, promoting the benefits of sports activities and fostering responsible behaviour are key drivers in our ambition to make the world a fitter and more inclusive place. We believe that fitness has a positive impact on society. Our contribution is particularly focused on youngsters and young adults who lack the opportunity to exercise, whatever their background or ability. Doing sports from an early age encourages young people to develop good habits and to acquire skills that will benefit them socially and professionally, as well as help them work towards a healthier future. Since 2020, we have been partnering with well-established organisations that develop specific sports or job programmes to support their community: the Cruyff Foundation in the Netherlands and Spain, Sport dans la Ville in France and Sport2be in Belgium. In the coming years, we aim to increase our contribution and investment in our communities. We want to expand our cooperation with our partners and give more young people a better chance to lead healthy and active lives.

Sustainable long-term value creation

Basic-Fit's value creation model provides insight into the resources we use to achieve our strategic objectives and the impact that we ultimately have on the world around us. It aligns our material aspects and sustainability targets with our mission and strategy.

Our business model is based on our mission to make fitness accessible to all and to get people to love their fitness habits. We aim to achieve this by using technology and innovations to provide the best affordable, high-value fitness solutions that are easy to use for everyone. This is how we help our members to pursue fit and happy lives.

Key elements of our business model are a winning customer proposition and brand, scalability in existing and new regions, significant cost benefits in building and running clubs, and clear potential for continued growth.

The output of our value creation model is aligned with our strategic, financial and sustainability goals: affordable, innovative and high-quality fitness that is available to everyone, resulting in cycles of strong returns and sustainable growth in a way that is responsible towards both the environment and society.

The model below reflects our integrated thinking at Basic-Fit. The impact we have through our value creation model is aligned with our strategic and sustainability goals. We strive to have a positive impact on the health of people, our planet and the communities in which we operate. You will find more details in the Sustainability Statement section of this annual report.

Value creation model

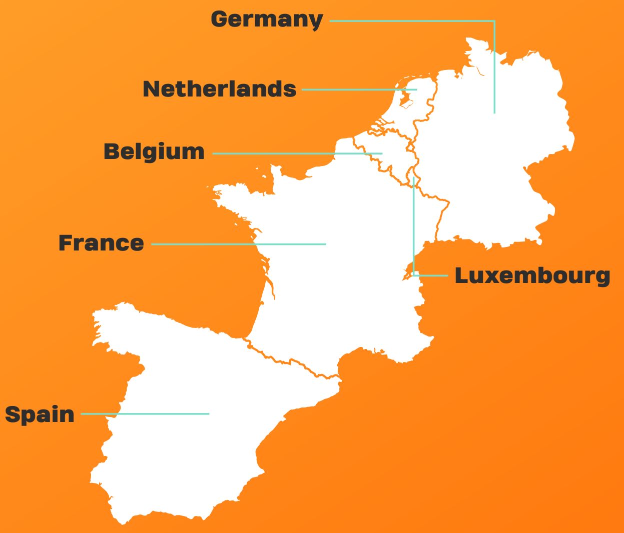
INPUT

- **Members**
- **Employees**
- **Intellectual property**
- **Financial**
- **Suppliers**
- **Technology**

BUSINESS MODEL

Vision
Everyone deserves to be fit and feel great

Mission
Making fitness accessible to everyone and getting people to love their fitness habits



- Affordable, innovative and high quality fitness
- Winning customer-centric proposition and brand
- Available to everyone, everywhere and in every way possible
- Cycles of strong returns and continued growth
- Responsible towards environment and society

OUTPUT

- Market leader in Europe
- Growing number of clubs
- Members working on their health & fitness
- Healthy & safe environment
- Sustainable environment
- Employee development & diversity
- Sport awareness & accessibility

IMPACT

Healthy people
By offering affordable gyms, we want to remove the barriers to a healthy and fit lifestyle. We want to keep increasing our reach to more people with our product and services.

Healthy planet
By working to reduce our carbon emissions, we ensure the climate impact of our clubs and offices is as small as possible.

Healthy communities
By investing in community projects, we contribute to promoting a healthy lifestyle, supporting everyone in acquiring soft skills through sports and get careers opportunities. Our focus is youngsters and young adults.

Driving organic growth through the rollout of new clubs

Modern day fitness clubs originated in the United States and the first chains came to Europe in the 1980s. Since that time, we have seen steady growth in the number of clubs and fitness has become one of the most popular sports activities across Europe. At the same time, the percentage of people who are members of a fitness club, also known as the penetration rate, is still relatively low in most European countries. This is also the case in all the markets Basic-Fit operates in except for the Netherlands, which is clearly ahead of a long term-trend of growing penetration rates. But in the Netherlands, too, there is room for further fitness penetration growth from the current 17%, towards the more than 20% fitness penetration rate in the USA.

There are several factors that determine penetration rates across Europe. One of the most important factors is the availability of value-for-money fitness clubs where people live or work. The majority of the countries where Basic-Fit operates are still characterised by large mid-market and premium fitness segments that cater predominantly to consumers who live or work nearby and who can afford relatively high membership fees. In these markets, the value-for-money segment accounts for a modest, albeit fast-growing, piece of the pie in terms of the number of clubs and total memberships. We believe there still is immense potential for value-for-money fitness growth in our current markets, but also in potential new European markets. Our efficient and highly automated model has proven that a greater supply of value-for-money fitness clubs in geographies where there is no or limited availability generates more demand.

Based on our regular proprietary analyses, we believe there is an opportunity to expand our network to 3,000 to 3,500 own clubs in our current six geographies. Our market analysis suggests there is potential to expand our network to 350 clubs in the Netherlands, to 350 clubs in Belgium and Luxembourg combined, to 1,200 clubs in France, 450-700 clubs in Spain and to 650 to 900 clubs in Germany.

The untapped potential in all our markets remains enormous thanks to low fitness penetration rates and limited competition from large chains in the fast-growing, value-for-money fitness segment.

When it comes to identifying and assessing new sites and developing new clubs, we have strict site selection and club development procedures. These all help to make sure we meet our financial criteria. The Board will only approve a new rental contract if a site analysis points to a minimum return on invested capital[1] (ROIC) of at least 30% at maturity. The average building costs of a new club and average rental costs can differ between city centre and cluster clubs on the one hand and regional clubs on the other. Most other club operating costs are similar for all the clubs in a country. In this respect, building costs and annual rental costs largely determine the minimum required number of memberships a new club should reach at maturity to generate a minimum ROIC of 30%. This means that a city centre club typically requires more memberships at maturity than a regional club.

We combine a centralised and a decentralised site selection and development approach that uses local and regional real estate agents and an increasing number of dedicated contractors. This means we can open a lot of clubs quickly and in the right locations.

Profit growth through maturation of existing network

According to our definition, a club is considered mature[2], and included in the mature club count, when it is at least 24 months old at the start of the calendar year. With clubs being opened throughout the year, this means that on average a club is first included in our mature club count after being open for an average of approximately 30 months. In the period after opening until it reaches maturity, the club ramps up its membership numbers to an estimated[3] average of 3,250.

Subsequently, membership growth levels out as the margin between members joining and members leaving the same club diminishes. In the first 24 months of a new club, the number of leavers is well below average rates for the group, as in that period a relatively large number of members are still under contract. A club is expected to reach the required minimum 30% ROIC threshold in its first year of maturity.

Our mature clubs are the main profit generators within the group. This is because the costs of a club are comparable, regardless of whether a club is considered mature or immature. Once a club surpasses the membership threshold required to achieve cash flow break-even, which currently stands at around 1,500 memberships, nearly all additional membership growth contributes directly to increased cash flow. This is because the vast majority of a club's costs are fixed. Basic-Fit operated 990 mature clubs in 2024. With a total club network of 1,575 at year-end, this indicates that 585 clubs are still in the process of maturing over the next few years. We aim to highlight the embedded underlying club EBITDA less rent potential within our network of clubs. Even without opening a single new club, our underlying club EBITDA less rent, calculated from 1,575 clubs, has the potential to increase to close to €629 million, based on the average mature club's underlying EBITDA less rent in 2024[4].

A variety of membership structures

In all our countries, except Germany, we offer a limited selection of membership types, consisting of an entry level price membership called Comfort at €24.99 per four weeks, a Premium membership for €29.99 per four weeks and an Ultimate membership for €34.99 per four weeks. In Germany, we offer the Basic membership for €19.99 per four weeks, which is limited to the use of one single club while the other memberships provide access to all clubs in a country or all

1 Calculated by dividing the underlying club EBITDA less rent at maturity by the initial capital expenditure incurred to open that club.
2 Clubs that were not yet considered mature according to the definition before the start of the pandemic in March 2020, or clubs that were opened during the COVID-19 affected years 2020, 2021 and 2022, may require a longer period to mature, i.e. reach their required target membership base.
3 Mid-term guidance based on a mix of mature clubs that fully recovered from the COVID period, younger mature clubs whose performance was hampered by the COVID period and future mature clubs, which include more regional clubs than we have opened in the past. Additional information can be found in the CFO update presentation given at our 2023 Capital Markets Day on 9 November 2023.
4 This calculation, based on the 990 mature clubs that we reported on in 2024, should not be considered as guidance for underlying club EBITDA less rent for mature clubs in 2025 or beyond.

clubs in Europe. In Germany, we do not offer the Premium membership, but we do offer the Ultimate membership for €29.99.

Last year marked the second full year in which we offered the Founding Member membership to the first members of a new club. The aim of offering the Founding Member membership is to boost the membership in-growth of our newly opened clubs. Members who join in the first week after opening pay a lower membership fee than the prevailing entry level price, for as long as they stay a member. The offer applies only to the club where they become a member. Thanks to this membership type, which boosts membership in-growth, new clubs start with a higher number of memberships than without this initiative. Additional benefits include a livelier customer environment post-opening, coupled with reduced start-up losses.

Membership add-ons and other revenue streams

In addition to membership fees and joining fees, a club also generates revenue from a limited number of membership add-ons and other revenue streams. The membership add-ons are additional fee-based services that can be added to a membership and thus lead to an overall higher yield per member. Add-ons include a sports water subscription, a discounted personal trainer introduction session, a 12-week online certified personal coach subscription, or a flex option that gives members a greater number of options to cancel a membership within the first contract year. The add-on income stream is part of our fitness revenue.

Our clubs also generate other club revenue. This revenue stream includes fees received from self-employed personal trainers and physiotherapists who offer their services in our clubs, as well as revenue from vending machines, and from the sale of day passes in our clubs. A club also generates revenue through digital out-of-home advertising. Third parties, usually large well-known international consumer brands, can advertise their products and services to our relatively young member base via the TV panels in our clubs. This service is seeing strong demand among advertisers, as these target groups are difficult to reach via traditional media channels, such as live TV, radio and print.

The company also generates non-club revenue, which is mainly derived from the online sale of home tools and other fitness-related products via our webshop and our in-house NXT Level nutrition brand via online and other distribution channels, including wholesale outlets, supermarkets and drug stores.

Unparalleled scale benefits

With a net growth of 173 clubs, which took our network to 1,575 clubs, and with 4.25 million memberships at year-end, Basic-Fit remained the largest and fastest-growing value-for-money fitness chain in Europe measured by the number of clubs and memberships.

Our strong growth profile, combined with our fitness equipment refurbishment and replacement cycle, also makes us by far the largest buyer of new fitness equipment and parts in Europe. This position helps us to negotiate favourable terms for fitness equipment. We believe we get the best deals in terms of pricing, but also in terms of service agreements, such as extended warranties and short repair or replacement windows for damaged or out-of-order fitness equipment. Our scale also gives us bargaining power in terms of building, furniture and other club-related initial investment and refurbishment costs. As a result, we believe we can build a club of similar size for less than any of our competitors.

Our ongoing investments in operational efficiencies should also help us to reduce the average energy consumption of our clubs. In the coming years, we will continue to install remote operating tools in all our existing and newly built clubs, which will enable us to monitor and reduce the use of energy. Thanks to the automation of our administrative processes, we can operate a club at a relatively low cost with only approximately three full-time equivalents (FTEs). Our remote camera system also allows us to operate nearly 75% of the clubs without staff in the Benelux 24/7 during the off-peak night hours. The non-24/7 clubs can also benefit from our remote camera and other systems and many can be run without staff during certain off-peak hours.

Our scale and operational efficiencies, currently put us in a positive cash flow (underlying club EBITDA less rent) position at club level, once we reach an average of approximately 1,500 memberships.

It also results in a payback period for the initial investment in a club of between three and four years.[1] To capture the full potential of a local market, we have adopted a cluster strategy, which is aimed at opening clubs in a region or country following a predetermined order and pace. Instead of opening one club in the centre of a city, we aim to open multiple clubs across a city in a relatively short timeframe.

This helps us to reach the estimated full potential for value-for-money fitness in a market as quickly as possible, while also ensuring that the clusters of clubs deliver on the minimum ROIC threshold of 30% at maturity. We accept that occasionally we may only reach this threshold at a later stage, for example if we feel this is necessary to achieve a strong and sustainable position in a geographical area in the long-term.

While our cluster clubs do compete with each other in terms of memberships, the impact is modest and included in our pre-opening assessments. On the other hand, cluster clubs benefit from local scale efficiencies, such as personnel planning, management affairs, marketing and other operating expenses. Having multiple locations also makes us the preferred brand to join, as we are likely to have a club near where people live, work or where their friends work out.

A preference for organic growth, but if the right conditions are met we seize M&A opportunities

Over the past few years, we have received many offers to buy medium-sized to larger chains, but we have set strict internal guidelines and we will only consider a deal if the price is right. Equally important when it comes to deals are the terms of the existing rental contracts and the number of locations that have to be sold or closed over time.

In March 2024, we announced that we had completed the acquisition of RSG Spain in a deal that included all 47 clubs in Spain, five of which we sold shortly after. This acquisition was our first significant deal since the Fitland acquisition in 2019. At the start of the fourth quarter of 2024, we completed the rebranding and integration of the 42 clubs acquired.

1 Based on pre-pandemic performances. The payback period of clubs that were operational for less than three to four years at the start of the pandemic depends on the impact of local lockdowns and restrictions.

The RSG Spain acquisition does not rule out more transactions in the foreseeable future, as we will continue to be open to M&A opportunities. We conclude asset deals involving a single or a few club locations on a regular basis. This serves as a method to obtain favourable locations without necessarily undergoing a potentially lengthy permit process.

Any acquisitions we pursue will be opportunistic, aimed at achieving clear revenue and cost synergies, while maintaining a minimum ROIC of 30% at maturity. At the same time, we are confident we will achieve our expansion goal of establishing a network of 3,000 to 3,500 own clubs in our existing six markets by building our own clubs, given the ample opportunities available.

Exploring franchise opportunities

In 2024, we continued the exploration of franchise model opportunities. We believe that our scale, operational expertise, and fully automated processes and technology will enable us to leverage a franchise model effectively. While we have been prioritising organic growth, we have now attained a size with a proven model, and we believe franchising can provide additional growth and returns. Franchising requires limited capital investments from Basic-Fit and presents opportunities for expansion into other countries and continents.

We believe we can provide future franchisees with a strong product that will enable them to make a good return on their investment. Elements that we can bring to the table include technology that will help the franchisee to build and operate clubs at low cost. Such elements are likely to include favourable conditions for fitness equipment purchases, low club staff numbers, a fully automated sales funnel, app technology, including QR code club access, and much more. Basic-Fit has developed and owns all the software needed to run a club.

Financing

We finance our growth by reinvesting the cash flows we generate and by drawing on our available credit facilities. With the current expansion plans, we expect to be able to finance our growth fully via our cash flow generation as of 2025. We continuously monitor our short-term and long-term liquidity needs to ensure we have ample available liquidity at all times.

The fitness industry benefits from global trends

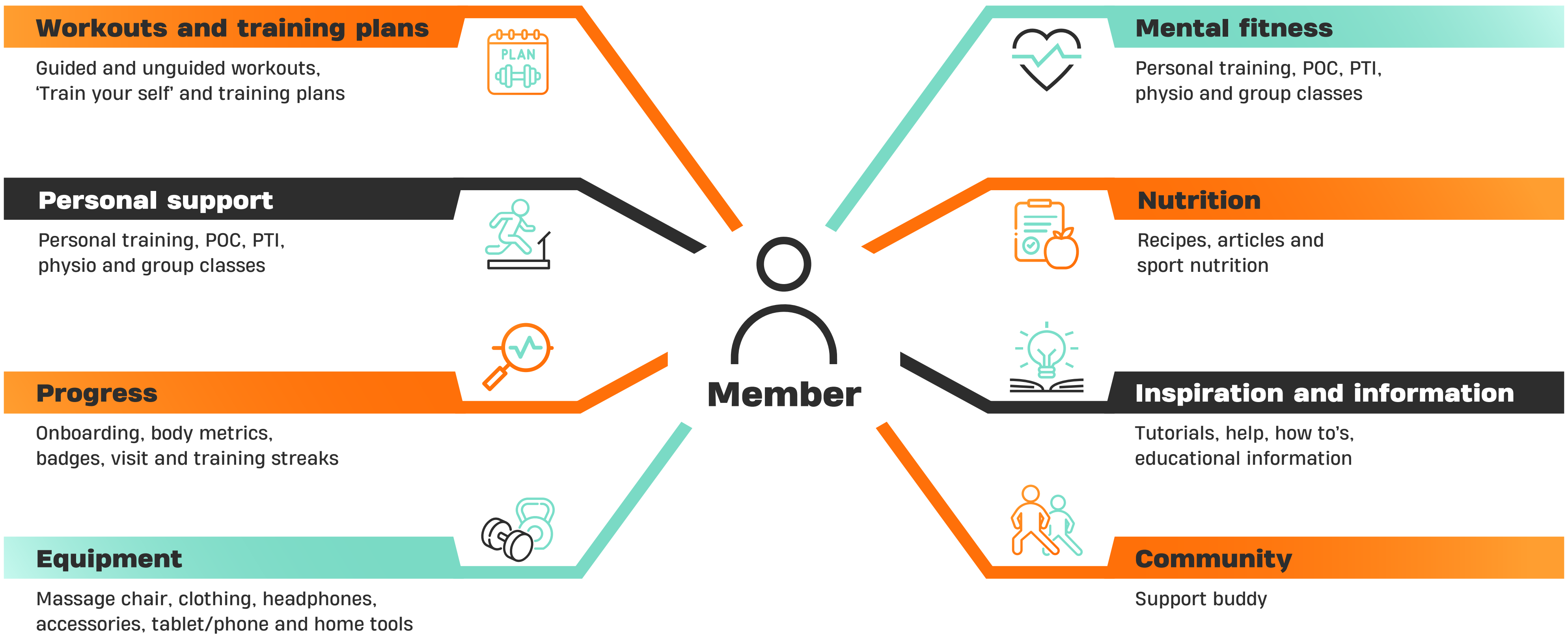
Several global trends continue to support the ongoing growth of the fitness industry in which we operate: 1) people are getting older; 2) an increasing number of people are suffering from lifestyle diseases such as obesity and diabetes; 3) people are moving to cities; 4) people are increasingly looking for flexibility and instant gratification; 5) people are less active as a result of digitalisation and the increasing use of smartphones; and 6) more and more people have a sedentary lifestyle. These trends support the growing demand for fitness in a number of ways. Global life expectancy has been increasing, and this trend is expected to continue in the coming decades. At the same time, the perception of old age and how older people live their lives has also been changing. An increasing number of people are remaining active and mobile at an older age. A fitness workout is an ideal solution for people who want to stay in control and get fit at their own pace.

Increasing prosperity in Europe has brought with it higher incidences of lifestyle diseases over the past decades. Globally, a higher calorie intake of often unhealthy food is contributing to a surge in the number of people suffering from lifestyle diseases such as obesity and diabetes. More people are moving to cities, where the options for outdoor sports are more limited. Combined with the steady growth of the global population, this means there will be less space available for outdoor activities. All these trends are linked to increasing inactivity, particularly among younger generations, and this trend is being exacerbated by the rapid pace of digitalisation and the increased use of smartphones.

We are very pleased that governments and NGO policies are increasingly promoting and devoting attention to healthy and active lifestyles. The fact that more resources are being devoted to informing the public about the need to adjust their lifestyles should lead them to adopt healthier habits, including regular exercise and a responsible diet.

The fitness sector in general, and Basic-Fit in particular, offer a highly effective, flexible and personalised way for people to remain active and stay fit. Basic-Fit caters to people who lead busy lives and are used to services that meet their needs, whenever and wherever they want. We offer all of this at a very affordable price and close to where people live or work, thereby maximising the potential number of Basic-Fit memberships.

BASIC-FIT OFFERING



BUSINESS AND FINANCIAL REVIEW

Key figures

In € millions	2024	2023	Change
Total revenue	**1,215.2**	**1,047,2**	**16%**
of which club revenue	1,204.2	1,039.5	16%
of which non-club revenue	10.9	7.8	41%
Club personnel costs	(191.7)	(157.6)	22%
Other club operating costs	(292.7)	(262.9)	11%
Club EBITDA	**719.8**	**619.0**	**16%**
Overhead	(147.9)	(137.9)	7%
EBITDA	**571.9**	**481.1**	**19%**
Depreciation and impairment tangibles	(203.9)	(180.3)	13%
Amortisation and impairment intangibles	(11.8)	(9.7)	22%
Depreciation right-of-use assets	(232.7)	(201.0)	16%
COVID-19 rent credits	0.0	0.5	-100%
Operating profit	**123.5**	**90.7**	**36%**
Finance costs	(58.3)	(51.1)	14%
Interest lease liabilities	(52.7)	(41.3)	28%
Income from associates	1.0	0.0	
Corporate income tax	(5.5)	(1.0)	469%
Net result	**8.0**	**(2.7)**	

Underlying key figures

In € millions	2024	2023	Change
Club EBITDA	**719.8**	**619.0**	**16%**
Rent costs (clubs)	(265.8)	(223.1)	19%
Exceptional items (clubs)	7.6	2.5	200%
Underlying club EBITDA less rent (open clubs)	**461.7**	**398.4**	**16%**
EBITDA	**571.9**	**481.1**	**19%**
Rent costs clubs and overhead, incl. car leases	(271.4)	(227.5)	19%
Exceptional items - total	12.3	6.9	78%
Underlying EBITDA less rent	**312.9**	**260.5**	**20%**
Underlying net result [1]	**43.6**	**27.5**	**59%**
Basic underlying net result per share (in €)	**0.66**	**0.42**	**59%**
Diluted underlying net result per share (in €)	**0.65**	**0.42**	**57%**

1 Adjusted for IFRS 16, PPA related amortisation, IRS valuation differences, non-cash convertible bond interest, exceptional items, one-offs and the related tax effects. Definitions of all APMs used in this overview can be found in the Alternative performance measures section in this report. Totals are based on non-rounded figures

Club network and membership development

Geographic club split

	Year-end 2024	Net openings 2024	Year-end 2023
Netherlands	241	4	237
Belgium	229	6	223
Luxembourg	10	-	10
France	858	77	781
Spain	209	70	139
Germany	28	16	12
Total	**1,575**	**173**	**1,402**

In 2024, our network increased by 173 clubs – 181 openings and eight closures – to 1,575 clubs. This was a year-on-year increase of 12%. Our growth markets France (+77 clubs; +10% year-on-year), Spain (+70 clubs; +50% year-on-year) and Germany (+16 clubs) accounted for nearly 95% of the growth in our network. In the Netherlands, the number of clubs increased by four to 241 clubs and in Belgium we expanded our network by six clubs to 229.

Membership development

In millions	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	4.20	3.71	13%
Fourth quarter	4.25	3.80	12%

In 2024, we expanded our membership base by 452 thousand to 4.25 million (+12% year-on-year). Consumer confidence and gym intention improved in France over the course of 2024. Clubs opened in 2023 and 2024 performed well, with clubs opened in 2024 showing in-growth at a higher level than clubs we opened in 2018 and 2019.

Our strongest markets in terms of member growth were France and Spain, partly driven by the successful founding member campaigns. A founding membership, which is offered only for a limited time around the opening of a club, grants access to that club at a life-time discounted price. The aim is to attract as many new members as possible early on, accelerating the time to cash flow break even. The growth in memberships in France and Spain delivered a 21% increase in revenue whilst the increase in the number of clubs was 16%.

At the end of 2024, we introduced a new membership pricing structure designed to offer a more balanced price-to-value proposition, including the removal of the Basic membership option in France. Early 2025 results are promising, with membership inflows meeting expectations.

Our retention department aims to keep members at Basic-Fit for a long as possible. Key in this is to get members to visit the club on a regular basis. When members subscribe, we help them to create their fitness habits by offering training plans adjusted to their goals, levels and preferences. We cheer them during their fitness journey by showing them their progress and offering little rewards like recommended workouts, a day pass to train with their friends, or discounts at our webshops that keep them going. When they fall out of their rhythm, we motivate them right away to get back to training. When members cancel their membership, we continue to encourage them to keep working out at the club so they can maintain their healthy habits and we offer them the possibility to reverse their cancellation. Finally, we offer selected active members that leave a limited promotional period to convince them to remain a member. And when people do leave, we listen to their feedback and use their input to optimise members' experience in both the club and digitally. The average length of stay of a member was 23 months in 2024, compared with 22 months in 2023.

Revenue

Revenue split

In € millions*	2024	2023	change
Club revenue	1,204.2	1,039.5	16%
of which fitness revenue	1,171.5	1,009.9	16%
of which other club revenue	32.8	29.5	11%
Non-club revenue	10.9	7.8	41%
Total revenue	**1,215.2**	**1,047.2**	**16%**

* Totals are based on non-rounded figures

In 2024, group revenue increased by 16% to €1,215 million (2023: €1,047 million). Fitness revenue increased by a similar percentage to €1,171 million (2023: €1,010 million). Growth was driven by the expansion of our club network, a continued gradual increase in membership levels at immature clubs, and an increase in the average revenue per member per month (yield) to €24.24, compared with €23.53 in 2023.

Other club revenue increased to €32.8 million (2023: €29.5 million) and includes income from our personal trainer concepts, physiotherapists, day passes, vending and advertising revenue via the screens in our clubs. The increase in this revenue reflects our growing club network.

Non-club revenue, which includes sales from our webshop and NXT Level nutritional products to retailers, increased by 41% to €10.9 million (2023: €7.8 million).

Geographical revenue split

In € millions*	2024	2023	change
Benelux	522.1	479.0	9%
France, Spain & Germany	693.1	568.2	22%
Total revenue	**1,215.2**	**1,047.2**	**16%**

* Totals are based on non-rounded figures

Underlying club EBITDA less rent

Underlying club EBITDA less rent, which is club EBITDA adjusted for exceptional items and minus the invoiced rent costs of clubs, increased by 16% to €462 million in 2024 (2023: €398 million).

Club operating costs (rent costs of clubs, club personnel costs and other club operating costs) increased by 17% to €750 million (2023: €644 million). The increase in club operating costs was mainly due to our fast-growing club network and to a lesser extent to cost inflation.

The exceptional items in club EBITDA amounted to €7.6 million (2023: €2.5 million). Exceptional items are mainly related to one-off costs for the integration and reorganisation of the RSG Spain acquisition, club closure costs and the rent costs of clubs that were not yet open.

The 990 mature clubs on average reported an underlying club EBITDA of €399 thousand per club compared with €390 thousand in 2023. The return on invested capital (ROIC) of our mature clubs in 2024 was 34%.

Underlying EBITDA less rent

Underlying EBITDA less rent, which is EBITDA adjusted for exceptional items and minus invoiced rental costs, increased by 20% to €313 million, compared with €261 million in 2023.

We achieved operating leverage (defined as overhead as a percentage of revenue) in 2024 for the second year in a row, declining to 12.2% from 13.2% in 2023. Excluding marketing costs, the overhead came in at €87.2 million or

7.2% of revenue in 2024, compared with €81.2 million or 7.8% of revenue in 2023. The improvement was the result of the increased focus on efficiencies at our head office. Our target for the medium term remains to reduce overhead costs, excluding marketing costs, to between 6% and 7% of revenue.

Marketing costs as a percentage of revenue fell to 5.0% (2023: 5.4%)

The underlying EBITDA less rent is adjusted for exceptional items, which amounted to €12.3 million (2023: €6.9 million). The additional exceptional charges not included in club EBITDA in 2024 consist of various relatively small amounts, such as one-off severance payments related to the reorganisation of the acquired RSG Spain head office, settlements and one-off system implementation costs, and disputed claims from the French government.

Depreciation & amortisation

Depreciation and impairment of tangibles amounted to €204 million, compared with €180 million in 2023. Depreciation of right-of-use assets increased to €233 million from €201 million in 2023. The increase in both line items was driven by the strong growth of our club network in 2023 and 2024. Amortisation and impairment of intangibles amounted to €11.8 million, compared with €9.7 million in 2023.

COVID-19 rent credits

There were no COVID-19 rent credits in 2024 (2023: €0.5 million). 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 2023 reflected the finalisation of rent negotiations for a number of clubs that were temporarily closed in 2021.

Operating profit

Operating profit increased by 36% to €123.5 million, compared with €90.7 million in 2023. Drivers for the strong increase were similar to those behind our higher EBITDA.

Financing costs

Finance costs came in at €58.3 million in 2024, compared with €51.1 million in 2023. The increase is the result of the higher average level of bank debt than in the previous year, partly offset by lower non-cash finance cost.

The non-cash part of finance costs, mainly related to derivative financial instruments and the convertible bond, came in at €12.1 million (2023: €16.5 million).

The interest on lease liabilities was €52.7 million, compared with €41.3 million in 2023.

Corporate income tax

The corporate income tax expense for the year was €5.5 million (2023: €1.0 million expense). The charge includes an amount of €1.2 million (2023: €1.4 million) related to the CVAE tax ('Cotisation sur la Valeur Ajoutée des Entreprises') in France. Furthermore, corporate income tax included €4.3 million (2023: €2.5 million) current tax charges and €0.2 million deferred tax expenses (2023: €3.0 million benefits). Despite the availability of loss carry-forwards, current tax charges are applicable due to restrictions to offset taxable profits with these losses in several jurisdictions.

Net result and underlying net result

The net profit for the full year 2024 was €8.0 million, compared with a loss of €2.7 million in 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, was a profit of €43.6 million (2023: €27.5 million).

Reconciliation net result to underlying net result

In € millions*	**2024**	**2023**
Net result	**8.0**	**(2.7)**
IFRS 16 adjustments	14.1	14.8
PPA amortisation	2.7	2.5
Valuation differences IRS (non-cash)	1.4	6.5
Non-cash interest convertible loan	9.7	9.1
Exceptional items	12.3	6.9
One-offs	7.9	1.3
COVID-19 rent credits	0.0	(0.5)
Tax effects (25.8%)	(12.4)	(10.5)
Underlying net result	**43.6**	**27.5**

* Totals are based on non-rounded figures.

Net debt and liquidity

Net debt (excluding lease liabilities) stood at €938 million at year-end 2024, compared with €804 million at year-end 2023. The year-on-year increase was partially due to the continued strong club growth, which Basic-Fit could not yet finance from cash flow from operating activities, and partially due to the financing of the acquisition of RSG Spain.

Net debt including lease liabilities stood at €2,767 million at year-end 2024, compared with €2,464 million at year-end 2023. The net debt/adjusted EBITDA[1] leverage ratio was 2.6 at year-end 2024 (year-end 2023: 2.6).

Including undrawn facilities, the company had access to cash and cash equivalents of €120 million at year-end 2024. Cash and cash equivalents on the balance sheet amounted to €56.7 million at year-end 2024.

Basic-Fit has €304 million in senior unsecured convertible bonds maturing in June 2028, with a put option for the bondholders in June 2026. Basic Fit is confident in the breadth of suitable options available to it to meet redemption requests while maintaining comfortable liquidity in case bondholders will exercise this option.

Capital expenditure

The initial average capex for the newly built clubs we opened in 2024 was €1.30 million per club (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 ROIC of at least 30% at maturity.

Maintenance capex totalled €86.2 million in 2024 (2023: €71.4 million) with an average maintenance cost per club of €58 thousand (2023: €55 thousand). The increase mainly reflects targeted investments in France to enhance club quality and meet evolving member needs which will also lead to a similar average maintenance costs per club in 2025. We have seen the investments in the quality of the clubs have resulted in higher member ratings and more positive reviews.

Other capex totalled €19.3 million (2023: €12.8 million), covering investments in innovations, sustainability programmes and software development. The increase was primarily driven by energy transition initiatives, including installing solar panels at head offices and clubs and replacing gas-driven systems for hot water and heating with fully electric systems.

Free cash flow before new club expansion

In the year under review, we recorded free cash flow before new club expansion of €156 million, representing a free cash flow before new club expansion per share of €2.36 (2023: €2.09). This is below the guidance for free cash flow before new club expansion per share of between €2.60 and €2.95 due to the higher-than-expected maintenance costs and other capex.

[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.

Outlook

Our club openings pipeline remains strong. In the first two months of 2025, we expanded our network by 32 clubs, compared with 51 clubs in the same period of 2024. We plan to add approximately 100 clubs in both 2025 and 2026. Driven by this growth, we expect to achieve positive free cash flow in 2025, enabling us to launch a €40 million share repurchase programme in 2025 and reduce leverage to below 2.0x adjusted EBITDA by 2026. With the planned openings we reinforce our position as Europe's fastest-growing fitness operator. As we aim to be the clear market leader in the countries we operate, our long-term goal remains to operate between 3,000 and 3,500 clubs within our existing markets. The guidance given in this announcement replaces the guidance Basic-Fit provided during our capital markets day in 2023.

At the end of December 2024, we introduced a new membership pricing structure, which is no longer focused on the average revenue per member per month. The previous yield per member guidance is therefore no longer valid, and we aim to achieve revenue growth by striking the right balance between yield per member and total number of memberships. Barring any unforeseen developments, we expect revenue to increase to between €1.375 billion and €1.425 billion in 2025. The underlying EBITDA less rent is expected to be between €330 million and €370 million in 2025.

As communicated in our Q3 2024 trading update, we see great opportunities in launching our own franchise platform. A franchise platform can leverage our scale advantages, technologies and market expertise. The franchise business will require limited capex and opens up possibilities to expand to new countries. We expect to communicate more details in the second half of 2025.

SUSTAINABILITY STATEMENT

GENERAL INFORMATION

Basis for preparation of the Sustainability Statement

Responsibility towards people and planet is a priority for Basic-Fit. Through our mission, we want to contribute to society by making fitness accessible to everyone and a habit that people love. And through responsible conduct we want to enhance our governance, support more people including workers and communities, and find innovative ways to support a healthy planet. We see this as a journey, a marathon more than a sprint. We hope this statement gives you a clear overview of our progress.

Our Sustainability Statement is prepared on a consolidated basis, covering Basic-Fit N.V. and all entities for which it holds management responsibility. Please see the Basic-Fit Organisational chart for an overview. The scope of consolidation and reporting period aligns with that of our financial statements, including consolidation of the acquisition of the RSG clubs in Spain from the end of March onwards (details can be found in our Business review section). Unless stated otherwise, the scope of our reported data encompasses Basic-Fit's activities, while other parties in our value chain, such as subcontractors and suppliers, are not included.

This Sustainability Statement is prepared voluntarily applying the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission in 2023, is compliant with the double materiality assessment process carried out by the company to identify the information reported pursuant to the ESRS, and meets the specifications adopted pursuant to Article 8 of the Taxonomy Regulation (Regulation (EU) 2020/852). All relevant information is included in this report. We have not applied either the option to omit information corresponding to intellectual property, know-how or the results of innovation, nor any exemption regarding disclosure of impending developments or matters in the course of negotiation.

With respect to metrics and the monetary amounts disclosed, the following have been deemed to be subject to a high level of measurement uncertainty: energy consumption and data used to calculate Scope 3 emissions. Data characteristics and estimations performed regarding these metrics are explained in the Climate Change and Energy section. In general, details of the measurement methodology, including assumptions, approximations and other measurements applied, are presented in the corresponding topic subsections of this Sustainability Statement. The figures reported are Basic-Fit's best estimate, and as such, measurement and estimation methodologies may be refined in the future as we gain better insights and inputs. None of the metrics' measurements were validated by an external body beyond the review undertaken by the assurance provider.

Incorporation by reference

We have reported the following disclosures (and specific datapoint or paragraph if relevant) in the indicated locations:

Disclosure Requirement	Paragraph	Location
GOV-1	21 c	Management Statements, Supervisory Board Report, p121, 123, 124, 127
G1.GOV-1	5 a 5 b	Corporate Governance, p 103, 105 (Duties)
GOV-3	29	Remuneration report, p 141, 142 (Short-term incentive)
E1.GOV-3	13	
GOV-5	36 b 36 c	Risk management and control systems (Sustainability governance), p 100

Governance of sustainability matters

Recognising the importance of sustainability for our business and our role in society, Basic-Fit has extended its governance processes and controls to the oversight of sustainability matters. A key characteristic of this is the involvement of our 'administrative, management and supervisory bodies'. At Basic-Fit, these bodies consist of the Leadership team (four members: CEO, CFO, CCO, COO) and the Supervisory Board (with six members). Regarding their composition and diversity, the following applies: the former are executive members while the latter are non-executive, the ratio of female to male[1] board members is 33% for the Leadership team and 50% for the Supervisory Board, and 83% of the Supervisory Board members are independent.

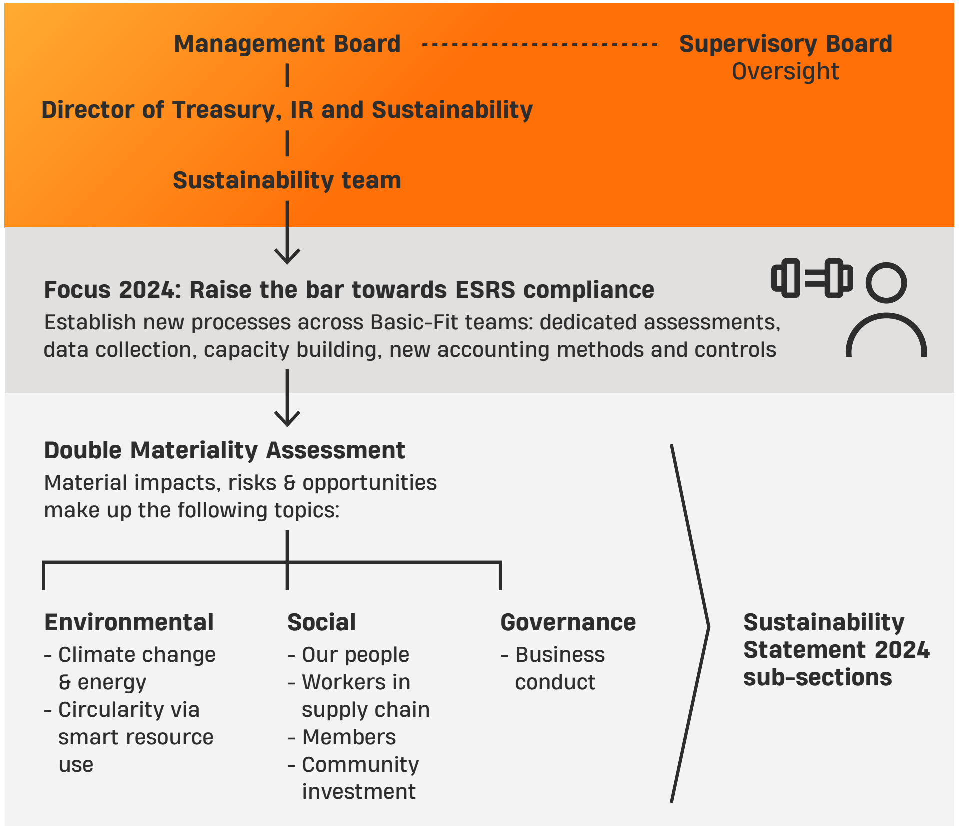
These boards are broadly responsible for the oversight of impacts, risks and opportunities. There is no dedicated body (such as a committee or similar) set specifically for sustainability matters, yet responsibility to perform strategy development, management, and supervision addressing sustainability is covered in the Management Board, Leadership Team and Supervisory Board rules[2].

In general, oversight of impacts, risks and opportunities is performed through a yearly risk assessment, the implementation of risk management, reporting to the Management Board and Supervisory Board, and the addressing of any recommendations for follow up, as described in the Risk Management and Control Systems section. We have an internal control framework, with quarterly reports. An annual risk assessment is conducted to address the most significant risks in four categories: (i) Strategic, (ii) Operational, (iii) Compliance, and (iv) Financial. Every risk is assigned a sponsor, an owner, and a champion (or champions). The sponsors are members of Leadership Team, and owners and champions come from relevant internal departments. They contribute to the risk assessments and identification of existing (and future) mitigation or control measures. The results are presented in the Risk Management and Control Systems section of this report. The statements in the latter are read by our external auditors in accordance with Dutch Standard 720 and, starting from 2025 (in accordance with the upcoming changes of the Dutch Corporate Governance Code), the mitigation measures and controls will be further tested. The improvement actions (if any) will be identified, monitored, and reported accordingly (per related requirements - i.e., the Risk Management statement). In particular, sustainability governance is assessed as a separate risk (within the category 'compliance') in the annual risk assessment.

Members of our Management Board and Supervisory Board have actively participated in discussions regarding our double materiality assessment (DMA), performed in 2024, helping them to understand how our material impacts, risks and opportunities are identified, as well as any reporting implications. As 2024 was the first year we prepared a Sustainability Statement (in accordance with the ESRS), this has been the main focus of the information provided to our governance bodies. This included the active participation of the CFO during

1 Following ESRS requirements, the percentages are calculated as ratio of female to male members and not as percentage of total number of members
2 Found on our corporate website at https://corporate.basic-fit.com/about-us/corporate-governance

meetings organised for the DMA, and one meeting where the DMA process and outcomes were discussed with the Supervisory Board's Audit and Risk Committee. This is illustrated in the diagram below, which also presents the material topics identified via the DMA and covered as separate sections in this sustainability statement. In the coming years, as we develop policies and set targets to address material topics, the boards will be involved and informed of any progress achieved.



Although the boards do not include workers representation specifically, the CFO engages with the Workers Council periodically, as laid down in the company's articles of association, and shares relevant topics with the members of the Supervisory Board.

Members of the boards have been involved in the establishment and monitoring of progress regarding our sustainability strategy, especially our Go for a fitter world programme 2030 and its goals. The Supervisory Board is informed annually of progress achieved, as part of the annual reporting cycle, whilst the Leadership Team is updated informally throughout the year. We will work on setting up a more formal updating schedule to enhance the boards' involvement in managing our sustainability strategy. This will cover information currently shared informally, including aspects of implementation of due diligence and specific related actions, metrics and targets.

The boards discussed their sustainability-related expertise, particularly in relation to Basic-Fit's material topics, in their meetings over the year, and whenever technical knowledge is required (e.g., on GHG emissions or climate change), they seek advice from external consultants.

Sustainability-related impacts, risks and opportunities, including associated potential trade-offs, are considered in conjunction with other business-related matters during discussions related to strategy, major transactions and risk management. For example, discussions regarding major acquisitions include considerations related to managing the introduction of any employees from the company acquired and how to ensure that this does not have a negative impact on their working conditions, and that they are treated as fairly and equally as all Basic-Fit employees.

As defined in the Management Board's remuneration package, the members have targets (as part of short-term incentives) related to sustainability matters, for example regarding energy consumption and gender diversity. The former is the only consideration factored into their remuneration that can be considered climate-related. Their performance is not assessed against specific GHG emission reduction targets. You will find more details on this in the Remuneration report (Short-term incentive) section of this report.

In general, Basic-Fit has not defined any specific targets to manage impacts, risks or opportunities related to any of the material topics covered in this report. The main reason for this is that our approach to sustainability is not yet fully formalised, including for example, that we do not yet have specific approaches to track effectiveness of relevant policies or actions taken. In 2025, Basic-Fit will initiate dedicated process(es) to formally establish targets and or indicators to assess such effectiveness.

Unless stated otherwise, the Management Board is accountable for the implementation of any policies described in this Sustainability Statement.

Risk management and internal controls over sustainability reporting

We started to apply our internal control framework (ICF) to sustainability reporting in 2024. With this, we aim to address risks related to data quality to ensure compliant reporting as mandated. We began with the implementation of control processes for the data related to electricity and gas consumption. We prioritised these topics taking into account our goal to reduce our emissions and the importance of monitoring energy use to achieve this; however, we plan to develop dedicated controls for other sustainability topics in the coming years. We subject the processes and controls related to sustainability reporting to an annual design reassessment, which helps determine additional sustainability topics to be covered by the ICF. This follows the same approach as other processes and controls in scope for the ICF.

In general, as explained in our Risk Management and Control Systems section, the responsibility for performing controls lies with the relevant functions (1st line of defence), and the control owners are assigned accordingly. They periodically submit the evidence of controls performed to the 2nd line of defence function for review. They are also responsible for implementing remediation actions, if the controls have identified either operational or design deficiencies. In the case of sustainability reporting, the Sustainability Reporting Manager is assigned as process owner for all ESRS-related processes and is responsible for identifying major changes in the reporting requirements, if any. A quarterly reporting cycle is performed by the 2nd line of defence function, to coincide with the annual schedule of the Supervisory Board's Audit and Risk Committee meetings. The ICF findings are first reported to the controls and process owners, then to the Management Board (CFO), and finally to the Audit and Risk Committee.

As this is our first year preparing a Sustainability Statement in accordance with ESRS requirements, we recognise that we can further develop our sustainability reporting practice and related controls. We will continue our work with that objective in the coming year.

Statement on due diligence

The following table provides a mapping of where the application of the main aspects and steps of the due diligence process are reflected in this Sustainability Statement.

Core elements of due diligence	Sections in this statement
a) Embedding due diligence in governance, strategy and business model	• Governance of sustainability matters • Double materiality assessment
b) Engaging with affected stakeholders	• Sustainability at Basic-Fit • Double materiality assessment
c) Identifying and assessing negative impacts on people and the environment	• Double materiality assessment
d) Taking action to address negative impacts on people and the environment	• Climate change and energy use • Smart resource use • Our people • Our members • Business conduct
e) Tracking the effectiveness of these efforts	• Climate change and energy use • Our people • Our members

Sustainability Strategy

Empowering everyone to stay mentally and physically fit, while caring for our planet

We believe that everyone deserves to be fit and feel great. By removing the barriers that prevent people from exercising, we encourage everyone to adopt a healthy lifestyle. We aim to live up to our mission to make fitness accessible to all and make everyone feel comfortable and feel that they can be themselves when working out. We do this by being conscious of our environment and our communities, reaching out to our members and beyond.

At Basic-Fit, we aim to have a positive impact on people, our planet and the communities in which we operate. Our sustainability roadmap runs from offering both our members and employees a healthy and safe environment and reducing the impact of our business on the environment to the way we give back to our communities. Our ambition is to achieve a fitter world by 2030, which we outlined in a dedicated programme launched in 2021. This covers three key pillars, reflecting our core business and our role in society.

Our sustainable vision is reflected in our Go for a fitter world programme 2030[1], and its three pillars:

Fitter people focuses on providing access to fitness for as many people as possible. This also means providing a safe environment for people to exercise and work in. We do our best to ensure that our clubs are safe places for all our members, but also that our workforce is well trained, and their work environment is both diverse and inclusive. We also believe it is crucial to provide growth opportunities for our employees, both in the clubs and in our offices.

In line with this pillar, our goal is to keep increasing our reach so more people benefit from our products and services. We believe this is how we will help them move towards a healthy lifestyle.

[1] We will revamp this programme during 2025, especially the goals connected to each of the pillars. The latter are therefore currently described in broad terms.

Fitter planet is linked to our ambition to minimise the negative impact of our activities on our planet and more specifically to reduce our carbon emissions. Beyond our main focus on emissions, we also work to address other environmental issues. This includes initiatives to promote circular economy practices and to further reduce our use of natural resources.

We have made efforts to understand the main sources of our emissions, starting with Scopes 1 and 2 emissions and last year by measuring our Scope 3 emissions. In the coming year, we intend to define a pathway to tackle all our emissions.

Fitter communities focuses on our impact on the communities in which we operate. We believe that fitness has a positive impact on society, including the improvement of nearby communities by increasing the levels of exercise in young people's lives. Our efforts focus specifically on those who lack the opportunity to exercise, whatever their background or ability. In addition to this, part of our healthy communities drive also includes the promotion of responsible behaviour among our business partners.

With this in mind, we have invested in partnerships with organisations that, for example, run dedicated programmes that promote exercise among children and young adults. We aim to continue investing in such partnerships to keep helping people and communities to build healthier lifestyles.

Our business model is based on our mission to make fitness accessible to all and to get people to love their fitness habits. We aim to achieve this by using technology and innovations to provide the best affordable, high-value fitness solution that is easy to use for everyone. In this way, we help our members to pursue a fit and happy life. We operate in six countries in the European market: the Netherlands, Belgium, Luxembourg, France, Spain, and Germany. Key elements of our business model are a winning customer proposition and brand, scalability in existing and new regions, significant cost benefits in building and running clubs, and clear potential for continued growth. The output of our value creation model is aligned with our strategic, financial and sustainability goals: affordable, innovative and high-quality fitness that is available to everyone, resulting in cycles of strong returns and sustainable growth in a way that is responsible towards the environment and society. You will find more information on our sustainable vision and strategy in the Our strategy section of this report.

Our stakeholders

We are committed to creating opportunities to engage with our various stakeholders, enabling us to understand their interests and views, and to take those into account in the pursuit of our sustainable growth strategy, in line with our stakeholder engagement policy. Our stakeholder network is primarily structured around six categories, as listed below.

By maintaining an open dialogue with our key stakeholders, we gain a greater understanding of our shared interests and impact. This also helps us gain their support for our mission to make fitness accessible, and to foster healthy lifestyles. We interact with our stakeholders to ensure we have a clear understanding of their views regarding our performance as a business in general, including their views regarding how Basic-Fit connects with sustainability. We incorporate the information obtained from all these engagements and the outcomes in our strategy, as well as in how we assess and mitigate our risks, and how we view business opportunities.

In addition to our general approach to stakeholder engagement, we have also performed dedicated engagements to gather information regarding specific topics or projects. One key example of this is the double materiality assessment we carried out last year. For this assessment, we went beyond our normal stakeholder interactions and engaged with a number of other specific stakeholders. For instance, we interviewed and surveyed representatives from our peers and from fitness industry associations, and from non-governmental organisations (NGOs) involved in topics related to sport and health, recognising the importance of their views in this process. You will find more details on this assessment in the Double materiality assessment section of this Sustainability Statement.

Our stakeholder network and engagements

Stakeholder	Relationships	Interactions
Employees	We employ more than 8,000 employees in six countries with different nationalities, personal backgrounds, genders, sexual orientations or religions. Our number one priority is to offer a safe and healthy working environment to our employees. We also provide them with the support they need to optimise their journey with us.	Employee surveys, intranet, calls, emails, regular meetings, team building, employee onboarding.
Members	More than 3.8 million members exercise either in our clubs or at home and outside through our Basic-Fit app. We aim to keep our members engaged and help them to stay active and move towards a fit and happy life. Members' feedback and needs are taken into account and addressed by our Operations team. Members' questions are handled by our fully dedicated Customer Care department.	Consumer website, Basic-Fit app, regular surveys, emails, focus groups, social media, online chats, webforms.
Suppliers	We have outsourced many aspects of our operations and therefore work in close cooperation with our suppliers. We view our primary suppliers as an integral part of our operations and the execution of our sustainability strategy. Our main suppliers are the ones providing us with fitness equipment, digital solutions, maintenance and cleaning, as well as builders.	Meetings and supplier code of conduct to foster responsible behaviour.
Financial community	We actively communicate with financial analysts, investors and other financial parties. We are transparent about our purpose, strategy, goals, financials and operations. We communicate in a structured way, ensuring that all parties have equal and timely access to all relevant and price-sensitive information about the company.	One-on-one and group meetings, press releases, corporate website.
Public sector	As a leader in its market, Basic-Fit interacts with a wide range of European, national and local government bodies. We are also actively engaged in discussions with the national fitness federations in the countries where we operate. We believe that the fitness industry has an important role to play in achieving several of the UN's Sustainable Development Goals.	Partnerships and involvement with fitness federations, discussions with government bodies ranging from the European Union to local councils.
Local communities	We help to encourage our local communities to develop good habits and get an active life and facilitate access to career opportunities.	Collaboration with national and local organisations to support sports, education and job programmes.

Our value chain

We are in contact with many different business actors in our value chain to deliver our fitness services.

Regarding the upstream side of our value chain, our most direct suppliers help us run our clubs and provide our members with support, such as cleaning and maintenance personnel, physiotherapists and personal trainers, and outsourced customer service agents.

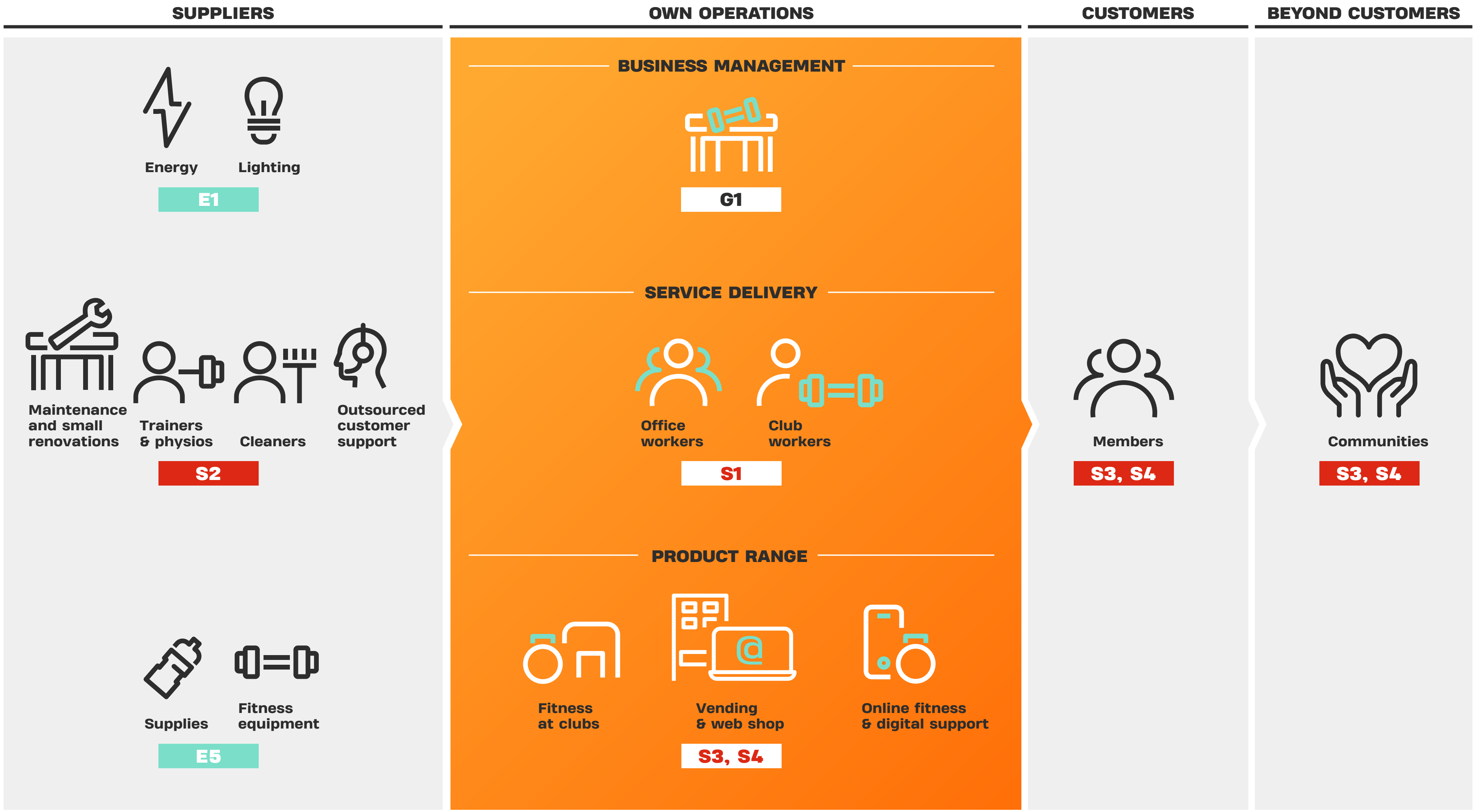
Additionally, we work with building partners, fitness equipment manufacturers and other suppliers to ensure our clubs are fully equipped for our members. Moreover, we also engage with digital support and content providers to offer fitness opportunities to our members beyond our clubs.

Our own operations focus on the provision of fitness services, both in person and digitally, for which we depend on our club and office employees.

Beyond our own operations, our members are a key part of our value chain, as they are the main users of the fitness services we strive to optimise. We also support local communities by partnering with organisations that help people become more physically active.

Our value chain diagram connects these different parties with the ESRS topical standard that covers impacts, risks and opportunities typically related to each of them.

Our value chain



Double Materiality Assessment

In 2024, we conducted a double materiality assessment. We had previously conducted other assessments and reviews between 2019 and 2022, but last year marked the first time we performed an assessment in accordance with ESRS. As such, the assessment involved the identification of both our impacts on people and the environment, and the business risks and opportunities resulting from sustainability topics. The process confirmed and deepened our understanding of Basic-Fit's most significant sustainability topics.

The scope of the double materiality assessment included of Basic-Fit N.V's operations and its value chain. The steps undertaken are summarised in the diagram below.

Process for assessing double materiality

Sustainability context

- Landscape assessment: review of industry analysis, peer reports, media scan, inputs to previous materiality assessments
- Value chain and associated impacts, risks and opportunities
- Identification of relevant stakeholder groups
- Workshop: sustainability topics identification

Assessment of impact and financial materiality

- Interviews with representatives of stakeholder groups
- Stakeholder survey
- Review of other inputs with stakeholders' views: employee survey, personal trainers survey, members' feedback
- Impact materiality workshop
- Financial materiality workshop

Validation

- Validation session with representation of Management Board
- Discussion of results with Supervisory Board's audit and risk committee
- Mapping of material topics to ESRS and company-specific disclosures

As a first step, we conducted a landscape assessment, which consisted of a review of industry analysis, peer analysis, a review of previous materiality assessments and a media scan analysis. Additionally, value chain mapping and stakeholder identification provided a broad view of the scope of our operations, our sustainability context, and more specifically, impacts, risks and opportunities (IROs) that could be related to Basic-Fit.

We held an initial workshop, with representatives from various departments, to discuss this overview and define a long list of IROs for more detailed assessment. We grouped IROs into topics to facilitate the assessment. The ESRS topics and (sub)sub-topics were used as initial basis for mapping out relevant topics. At the same time, this workshop and ensuing engagements also looked at whether there could be other topics not covered by the ESRS that apply specifically to Basic-Fit, and we did not identify any indication of such a topic or topics.

We then evaluated these topics by consulting with our stakeholders. The stakeholders consulted - either in an interview or survey - included peers, governmental organisations, NGOs, industry associations, investors and credit institutions, suppliers, and internal stakeholders from various areas of the business. This was supplemented by a review of other stakeholder inputs, including employee surveys and members' feedback about our services. Our aim was to ensure we had a complete picture of the sustainability issues that our stakeholders consider most important to Basic-Fit. We then assessed the resulting topics (and related IROs) internally in separate impact and financial materiality workshops.

Following the identification of relevant topics, sub-topics, sub-sub topics and impacts, we conducted an impact materiality workshop attended by members of the leadership team, the sustainability reporting team and our compliance officer. Depending on the context, we assessed these either at a sub-topic level or on an individual impact basis to ensure a focused and relevant analysis for Basic-Fit. We evaluated impacts using a matrix that scored them on the basis of severity (incorporating scale, scope, and irremediability) and likelihood, each rated on a scale from 1 to 5. Severity was represented on the vertical axis, and likelihood on the horizontal axis of the matrix. The threshold for materiality was determined by a combination of these scores—for example, an impact could qualify as material with a score of 5 on severity but 2 on likelihood, or with a balanced score of 4 on both dimensions.

We also conducted a workshop to determine financial materiality. This workshop was attended by our finance director, treasury director and our internal control officer. Firstly, participants scored identified risks and opportunities individually. Risks and opportunities were scored using a matrix that considered the size of the financial effect (ranging from less than €1 million to more than €25 million) and likelihood, rated on a scale from 1 to 5. The size of the financial effect was represented on the vertical axis, and likelihood on the horizontal axis. Following the individual scoring, the group convened to review and determine the final scores through consensus. The threshold for materiality was dependent on the combination of these scores; for instance, a risk or opportunity could qualify as material with a financial effect of over €25 million but a likelihood score of 2, or with an effect of over €10 million and a likelihood score of 4.

Through the DMA process, including impact and financial materiality workshops, we also considered the timeframes for these IROs as defined in the ESRS, i.e., short-term as one year, medium-term between one and five years, and long-term more than five years.

The different discussions and reviews included consideration of the interconnectedness between the IROs, how impacts on people or our dependency on environmental resources may trigger certain risks for the business. This is in line with our Risk management and control systems. Additionally, during the process we maintained a neutral and prudent approach towards depicting negative and positive aspects of information, trying to keep a focus on gross effects and, for example, avoid netting or compensating negative impacts or risks with mitigation actions or opportunities.

The monitoring and management of sustainability-related risks and opportunities is integrated into Basic-Fit's overall management process. In effect, these risks and opportunities are prioritised along with other business risks and opportunities.

Looking ahead, we anticipate performing a review of our material topics in 2026. Future reviews and assessments will enable us to confirm whether material topics remain material but will also include re-evaluation of topics deemed not material in previous years. One example of the latter is water use. Taking into account that our clubs do not have facilities that require large quantities of water, such as swimming pools or saunas, and our wastewater discharge is minimal, primarily from showers, toilets and cleaning activities, we concluded that the topic is not material. Re-evaluation of this topic will be part of future processes seeking to maintain a complete view of material sustainability matters.

Results from projects undertaken for specific purposes, and performed between materiality assessments, may also offer insight into new topics. For example, as we performed a calculation of our full carbon emissions inventory for the first time, preliminary results, only available after finalising the present materiality assessment, suggested impacts, related to certain emission sources, which could become material in the future when we have a better understanding of our carbon inventory.

Material topics, related IROs, and disclosures (ESRS or entity-specific)

Material topic[1]	Impacts, risks and opportunities	Location	Disclosures[2]
Climate change and energy	⊖ **Energy efficiency and renewable energy usage**: Basic-Fit's network of clubs consumes significant amounts of energy to operate, which generates GHG emissions. Implementing energy-efficient practices, such as self-powered fitness equipment and energy-efficient heating, ventilation and air-conditioning (HVAC) systems, along with transitioning to renewable energy sources, help mitigate the generation of GHG emissions.	upstream, own operations	E1-1 - E1-9
	Ⓡ **Operational risks from climate change**: Extreme weather events can damage clubs or disrupt power supplies, leading to operational downtime, potential revenue loss, and customer dissatisfaction. No specific weather event has been identified as financially material at the group level, but some events may be more pervasive in certain locations, requiring different approaches to address this risk.		
	Ⓞ **Cost reduction through energy-saving initiatives**: Energy-saving initiatives lead to long-term operational cost reductions, improving profitability.		
Circularity via smart resource use	⊖ **Sustainable product design**: As a key input in our clubs, Basic-Fit's demand for fitness equipment can have a significant environmental footprint. By servicing and refurbishing this equipment to extend its lifespan, both Basic-Fit (indirectly) and its suppliers (more directly) can reduce the need for raw materials to produce new equipment. Besides, exploring with our suppliers other circularity approaches, such as using recyclable materials, could potentially further reduce our footprint.	upstream, own operations	E5-1 - E5-4 Entity-specific: equipment per club
	Ⓞ **Life-time extension of gym equipment**: Reducing the environmental footprint of the business model by extending the life cycle of fitness equipment potentially leading to reduction of required investments.		
	Ⓞ **Opportunities from other circularity practices**: exploring the use of products designed for disassembly and reuse and implementation of recycling solutions can reduce expenses required to purchase new products.		
Our people: working conditions of the workforce	⊕ **Ergonomic and safe working conditions**: Ergonomic equipment and effective facility management ensures safe and clean working environments, promoting employee health and safety.	own operations	S1-1 - S1-17
	⊖ **Physical strain, safety risks**, and employee safety: Employees involved in facility management and equipment maintenance may face physical strain and risks associated with handling heavy equipment or cleaning chemicals. Additionally, we need to address safety concerns, particularly for employees working alone at clubs, to ensure a secure and supportive working environment for all staff members.		
	⊖ **High employee turnover and job security**: High employee turnover rates raise concerns about job satisfaction and working conditions. Additionally, the introduction of the 24/7 model with the option of having clubs remotely surveyed and without staff may lead to the perception of reduced workforce stability and secure employment for current employees. This combination highlights the need to improve both job satisfaction and long-term job security to maintain a stable workforce.		
Our people: equal treatment, opportunities and privacy for the workforce	⊕ **Employee development and inclusion**: Focusing on enhancing skills, ensuring gender equality, and fostering a diverse and inclusive workplace to boost employee satisfaction and productivity. Additionally, the fitness-centric nature of Basic-Fit's operations promotes a healthy workforce.	own operations	
	⊝ **Privacy breaches and workforce security**: While privacy breaches are unlikely due to control measures in place, they can severely impact employees if they occur. Such breaches might expose personal and sensitive information.		
	⊝ **Potential exclusivity in policies**: Incorrectly applied inclusivity policies could unintentionally exclude certain employee groups, such as part-time workers or those with disabilities, impacting morale and causing dissatisfaction.		
Workers in our supply chain	⊕ **Employment opportunities**: Operations in Basic-Fit's value chain can provide various employment opportunities, and promote work environments with fairer wages and safer conditions, which can also promote economic growth in different regions.	upstream	S2-1 - S2-4
	⊝ **Potential mistreatment in labour-intensive sectors**: Workers in labour-intensive sectors, such as cleaning, security, and construction, may face risks of mistreatment and poor working conditions if not properly monitored.		
	⊝ **Equal treatment challenges**: There could be challenges in ensuring equal treatment (incl. diversity) for subcontracted workers, particularly in countries without very strong labour laws.		

Legend ⊕ positive actual impact ⊖ negative actual impact ⊕ positive potential impact ⊝ negative potential impact Ⓡ risk Ⓞ opportunity

Location in the value chain upstream own operations downstream

[1] Regarding time horizons, we expect each IRO to remain material in the short, medium and long-term
[2] ESRS codes listed as general reference, specific (sub)disclosures covered by them may be phased-in and thus not reported for 2024.

Material topic[1]	Impacts, risks and opportunities	Location	Disclosures[2]
Our members	**Health and well-being promotion**: Health and well-being promotion: Improving public health by providing accessible fitness facilities and promoting physical activity (through mass sports events) can enhance quality of life and reduce healthcare costs for people.		S4-1 - S4-5 Entity-specific: memberships, clubs, visits
	Inclusivity and accessibility: Visiting the club can be intimidating to some members, e.g., when they have little experience using the equipment. Initiatives like 'Be Comfortable' can help members avoid gymtimidation and make fitness accessible to a broader demographic, promoting social inclusion and ensuring facilities are welcoming for all users.		
	Information complexity: The complexity of information available online or at clubs might lead to confusion or misuse of fitness equipment.		
	Exclusivity and inaccessibility issues: Despite inclusivity initiatives, some groups might still find facilities physically inaccessible or financially prohibitive, leading to perceptions of exclusivity or discrimination. Basic-Fit is aware of a limited number of cases of clubs that may not be fully accessible to people with disabilities, including equipment and supportive services tailored to the needs of disabled members, which may exacerbate feelings of exclusion.		
	Safety and security in 24/7 operations: Ensuring member safety during off-peak hours is crucial. Concerns about the adequacy of security measures, particularly remote surveillance and response times when clubs have limited or no staff, may affect member perceptions of safety.		
	Enhanced digital engagement and member education: Utilising digital platforms like apps to provide personalised training programmes and manage memberships more efficiently can improve user satisfaction and operational efficiency. Also, providing members with information about health, wellness, and safe equipment use can enhance their experience and build long-term loyalty.		
Community investment	**Economic contributions**: Job creation and local business engagement make a positive contribution to local economies and improve the presence of the business among local community members.		S3-4 Entity-specific: financial contribution
	Community engagement: By offering affordable fitness options and sponsoring initiatives to promote a healthy lifestyle, Basic-Fit has a positive impact on broader communities. These efforts advocate for healthier living, benefiting both local areas and our consumers.		
Business conduct	**Promotion of ethical business practices**: By implementing rigorous training and detection mechanisms, Basic-Fit can lead by example in promoting a culture of integrity and ethical behaviour, not only within its own operations but also among its partners and peers in the fitness industry.		G1-1 - G1-3, G1-5 - G1-6
	Supplier relationship management and ethical risks: A commitment to transparent procurement, with clear documentation and open tenders, sets an accountability standard. However, Basic-Fit's commercial influence or high dependency of certain suppliers on Basic-Fit's payments might create power imbalances. This could pressure suppliers to cut corners to meet demands or contractual terms, potentially leading to unethical business practices. Transparency and ethical supplier engagement are crucial to maintaining integrity in the supply chain.		
	Whistleblower protection and lobbying practices: Without robust whistleblower protections, Basic-Fit employees may feel intimidated or fearful of repercussions, leading them to refrain from reporting unethical practices, misconduct, or violations of laws within the organisation. Additionally, if political engagement is conducted unethically by lobbying agencies, it could be perceived as exerting undue influence by Basic-Fit.		
Legend	positive actual impact, negative actual impact, positive potential impact, negative potential impact, risk, opportunity		
	Location in the value chain upstream, own operations, downstream		

[1] In general, we expect all IROs to remain material in the short, medium and long-term
[2] ESRS codes listed as general reference, specific (sub)disclosures covered by them may be phased-in and thus not reported for 2024.

Outcomes

The material impacts, risks and opportunities (IROs) we identified were grouped into topics as presented and described above. There are eight material topics: climate change and energy use; circular economy; working conditions of the workforce; equal treatment, opportunities and privacy for the workforce; value chain workers; communities; members; and business conduct. This Sustainability Statement describes how we address such topics.

All IROs connect to our business model and/or strategy and in some cases also to activities taking place upstream or downstream of our value chain. In general, we expect all IROs to remain material in the short, medium, and long-term, even if specific elements change over time (e.g., some types of physical risks related to climate change may become less material in time, yet climate change is expected to remain as a material risk). Anticipated materiality reviews and full assessments in the future will test this expectation.

Regarding current financial effects of material risks and opportunities, those related to a circular economy and mainly related to our 'smart refurbishing' model, are deemed to have an overall significant effect through higher maintenance expenses and lower capital expenditures and lower depreciation. This is explained in Note 4.3 of the Financial Statements. Other risks and opportunities are deemed to have limited financial effects, as is the case of savings regarding energy costs for example, which were offset by other housing expenses (as explained in Note 3.8 of the Financial Statements).

We have launched efforts with the aim of understanding the resilience of our business model in the face of climate change impacts on our business, including risks related to extreme weather events. This is explained in the Climate change and energy section. Beyond this, we believe our strategy and business model, including actions planned as per our risk management and control systems and improvements we are working on, will enable us to address material impacts and risks and take advantage of material opportunities.

Identification of information to disclose

Following the identification of material topics, we selected the corresponding material information to be disclosed in this statement. We evaluated disclosures in terms of how effectively they reflect our material topics, and we selected those we considered relevant and useful for an understanding of the related material IROs.

We began by assessing the reporting disclosure requirements and datapoints in the topical ESRS (including their (sub)sub-topics) to identify which of those we should report to reflect our material IROs. This assessment covered a broad perspective, in which the ESRS disclosures were only considered out of scope if they were clearly disconnected from the material topic and its IROs. For some topics, entity-specific disclosures were also considered relevant for reporting. This was the case for our reporting on members and communities, for which we include specific metrics that represent our impacts more specifically. For more details, see the ESRS Disclosure section of this Annual Report.

Topic-specific considerations

With respect to IROs related to our own workforce, club hosts and workers in our offices are considered employees, while live group instructors in clubs, contingent workers in Luxembourg, and freelancers in our offices are considered non-employees. The IROs we identified refer to the general working environment in Europe, where we operate. We recognise that our business is highly dependent on our workforce and thus strive to ensure their safety and fair working conditions.

Addressing negative impacts on the environment is primarily focused on energy use reductions and extending the lifespan of fitness equipment. This is not expected to lead to any significant change in the way we work, and therefore we consider there is no significant impacts on our workforce that would arise from addressing environmental impacts.

During the double materiality assessment, the level of dependency of certain suppliers on Basic-Fit's business was used as a criterion to identify IROs relating to business conduct.

In addition to this materiality assessment, we performed a climate change risks and opportunities assessment, which identified physical and transition climate risks per country. Beyond this, we did not perform any specific site or country assessments regarding the environmental topics we assessed in order to identify their materiality; this means we identified material IROs and topics at an overall group level.

ENVIRONMENT

Climate change and energy

Fit to tackle climate change

Following our DMA outcomes, we recognise that extreme weather events and other climate-related risks can have material effects on our business, and we aim to take action to adapt our business. We understand that to adapt effectively it will be necessary to begin by gaining clear insights into the types of risks and opportunities that climate change creates for us. This would help us to assess the resilience of our business in relation to such risks and define adaptation solutions as needed. With this objective in mind, Basic-Fit conducted its first climate-related risks and opportunities assessment (CRRO) in 2024. The outcomes of this, including how climate change-induced extreme weather events can affect our business, are presented in this section.

We also work to mitigate our impact on climate change, mainly by reducing our GHG emissions through a more efficient use of energy. Last year, we set out to measure our Scope 3 emissions for the first time, and we now have a process for reporting our full emissions inventory, including improvements in our measurement of Scopes 1 and 2 emissions. Additionally, we will develop a register of climate change mitigation actions, including related decarbonisation levers and expected emissions reductions. All of this information is vital to develop a transition plan for climate change mitigation in a serious and well-informed manner. With these outcomes, we intend to have such a transition plan by the end of 2025.

As a leader in the fitness industry, it is Basic-Fit's aim to implement a strong climate-related policy, yet this is still in the draft stage, including considerations of how we will manage other environmental impacts. We anticipate such a policy will tackle climate change mitigation and adaptation, as well as renewable energy deployment, with approval and launch expected in the course of 2025. At the moment, Basic-Fit is thus unable to describe in detail the key climate change mitigation and adaptation actions, targets or resources allocated to the implementation of this policy. That said, we are already engaged in certain climate change mitigation efforts, such as installation of solar panels and HVAC control systems, which are intended to reduce our energy consumption and related emissions. These are included in the EU Taxonomy section of this report.

As part of our Go for a fitter world programme, we are committed to working to reduce our emissions. However, specific related targets will be defined in 2025, when we have a better understanding of our full emissions inventory and decarbonisation trajectories. Currently, recognising that reducing energy use lowers related emissions, progress in the former serves as an indicator of the effectiveness of our efforts.

Climate-related risks and opportunities assessment

The core analysis consisted of identifying the material[1] physical and transition risks and opportunities to the business through a climate-related scenario analysis[2].The physical and transition risks and opportunities were listed and determined as per Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. The selected scenarios were compatible with the climate-related assumptions and expectations made in our financial statements. Our efforts to reduce energy consumption, which can be considered as supporting climate mitigation, were considered mainly during the identification of transition risks and opportunities, effectively resulting at the basis of one risk and one opportunity identified (as described below).

For physical risks, the analysis used climate scenario data from a low emissions pathway (SSP1-2.6)[3]and a high emissions pathway (SSP5-8.5), with SSP5-8.5 representing a 'reasonable' worst-case climate scenario by 2050. Due to limitations in data availability and reach, Basic-Fit could not extend 2024's physical risks analysis to its value chain. We are planning to include the value chain by the fourth year of our ESRS reporting.

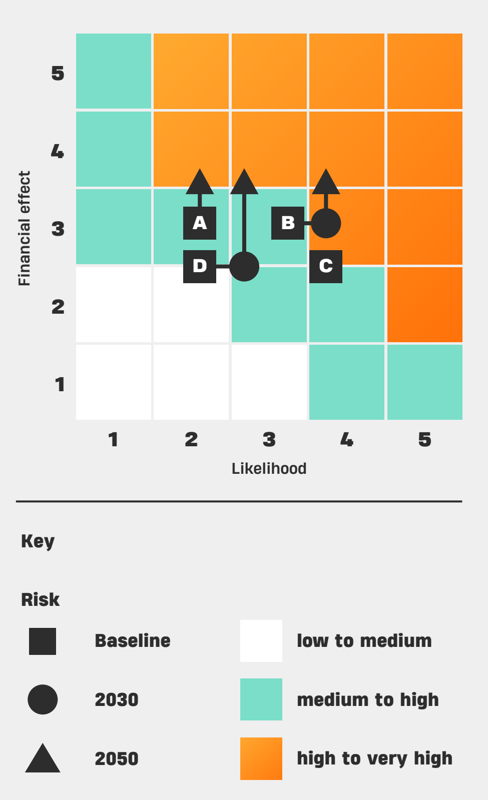
We investigated a representative sample of clubs, allowing optimal use of our in-house data while still obtaining results with an acceptable level of granularity. To determine materiality, we analysed the relevant physical hazards under each pathway. The results are visualised and explained in the tables 'physical risks' and 'transitional risks and opportunities' below. We found water stress to be a material physical risk in all scenarios. A majority of clubs in the sample were at risk of either flooding or drought due to changing precipitation patterns. Heatwaves, heat stress, and storms are also projected to become highly material in a high-emissions pathway scenario.

We identified key transition risks and opportunities via an internal relevance assessment, including workshops with internal stakeholders. We used climate scenarios from recognised sources, such as the Network for Greening the Financial System (NGFS) and the International Energy Agency (IEA). These entail a 'low-carbon' net-zero policy scenario and a 'business-as-usual' scenario aligned with current climate policies. Each analysis scenario implements a 2030, 2040, and 2050 timeframe. We used the low -carbon scenario to map the transition risks and opportunities. The analysis also extended to Basic-Fit's value chain as, being qualitative, data insights into the topics were more obtainable. The detailed results are explained in the 'material transition risks and opportunities' table below. The changes in materiality over the different timeframes are also visualised in this table. To briefly summarise our assessment, volatile energy prices were found to remain a material transition risk in 2040 and 2050. While material in 2030, the efforts to decarbonise Basic-Fit's value chain are expected to decrease in materiality in 2040 and 2050. The analysis found one material transition opportunity in Basic-Fit's proactive management of energy consumption, which may lead to significant savings. It is expected to remain a material opportunity across all three timeframes of the 'low-carbon' scenario.

As a follow up to this Climate-related risks and opportunities assessment (CRRO) assessment, in 2025 we will organise workshops to identify adaptation solutions, with the aim of monitoring their effectiveness during implementation. Additionally, we plan to carry out an internal review of the CRRO on a yearly basis, to ensure results remain faithful to changing climate developments.

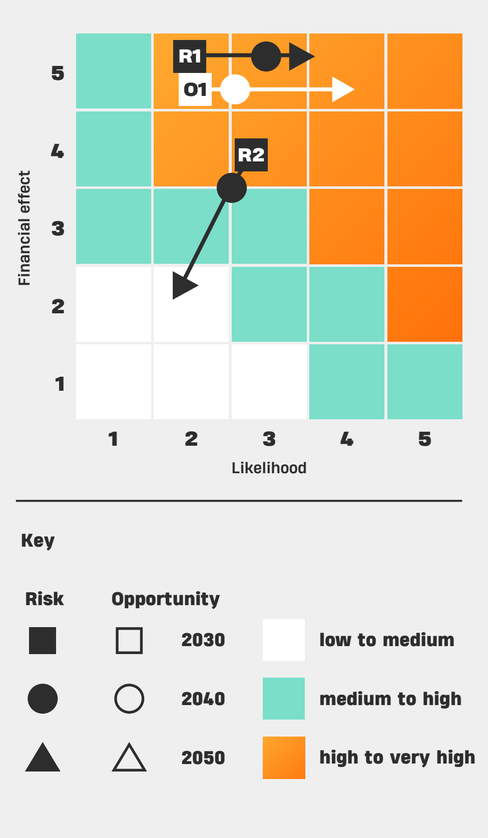
[1] The term 'material' in this section is different from the use of the term in the DMA section, the CRRO followed a different methodology and the outcomes were not specifically considered during the DMA. As such, the term 'material' here, can be considered as pointing to the most significant physical risks and transition events.
[2] A detailed account of our impacts on GHG emissions was not included in this analysis. Reporting on such impacts is covered in the 'GHG Emissions' section.
[3] SSP stands for 'Shared Socioeconomic Pathways', a set of scenarios developed by the international scientific community to facilitate climate policy and impact analyses

Physical risks



		Risk Description	Outlook	Justification
A	Heat Stress	The rise in temperature beyond a threshold level for a period of time.	Material by 2050	Heat stress could lead to significant increases in expenditure associated with additional energy usage for increased cooling requirements, and additional expenditure if additional HVAC systems require installation.
B	Heat Waves	An extended period of hot weather relative to the expected conditions of the area at that time of year, which may be accompanied by high humidity.	Material by 2030	The high proportion of sites which could be impacted by heatwaves could lead to significant increases in expenditure associated with additional energy usage for increased cooling requirements, and additional expenditure if additional HVAC systems require installation.
C	Water Stress	Water stress occurs when the demand for water exceeds the available amount during a certain period or when poor quality restricts its use.	Material at baseline	Stress on water availability could lead to increased expenditures if the cost of water increases. There may also be disruptions to operations if there are caps on water usage.
D	Storm	Events of winds ranging from 75 to 88 km/h, with heavy storms reaching speeds from 89 to 102 km/h. This risk includes blizzards, dust and sandstorms.	Material by 2050	There is a general projected increase in severe windstorms in the countries of Basic-Fit's operations and the severity of the potential impacts related to storms. These impacts could include increase expenditure for general maintenance following storm events e.g., fixing roofs or clearing flood waters. There may be reduced revenue if clubs need to shut following damages from a serious storm event.

Transitional risks and opportunities



		Description	Category	Outlook	Justification
R1	Volatile energy prices	Several factors could drive energy prices up in the short to medium term, including stricter carbon pricing regulations (such as the EU ETS and taxes) and investment slowdown in new fossil projects, leading to supply-demand impairment. Additionally, increased reliance on renewable sources like solar and wind can contribute to price volatility due to their variable nature and dependency on weather conditions.	Transition Risk	Material by 2030	As a value-for-money business focused on efficiency, volatile energy prices pose a significant risk directly affecting the company's cost structure and profitability. Although scenarios suggest a long-term decrease in electricity prices, fluctuations due to geopolitical factors, technology readiness, and weather variability could result in increased operational expenditure.
R2	Internal global supply chain decarbonisation efforts	Basic-Fit primarily relies on suppliers which manufacture in Asia for its fitness equipment. The construction and transportation of this equipment present environmental impacts. Although Basic-Fit does not operate in a high-emitting sector, substantial efforts and changes may be required if the company engages in decarbonizing its upstream indirect emissions.		Material by 2030	The risk associated with Basic-Fit's supply chain decarbonisation effort is expected to peak by 2030, potentially significantly impacting expenditure. Increased scrutiny from regulators and investors is pressuring companies to reduce value chain emissions, which may raise costs, particularly for greener transport services and club furnishing material. In the medium to long term, initial supplier investments in decarbonisation are expected to eventually reduce cost pressures.
O1	Proactive management of energy consumption	Basic-Fit can achieve operational savings through improved energy management and efficiency measures. By transitioning to renewable energy sources, upgrading its heating and cooling systems, and further electrifying its vehicle fleet, Basic-Fit can reduce energy costs and minimise its environmental impact.	Transition Opportunity	Material by 2030	Managing energy consumption presents significant cost-saving opportunities for Basic-Fit. As energy is a major expense, cost-efficient reductions directly increase the company's profitability. Since launching its heating and cooling system retrofitting program, Basic-Fit has seen a return on investment through improved energy efficiency and reduced expenditure with each upgrade

Energy powering our operations

Controlling our use of energy and ensuring that it comes from renewable sources is key to the reduction of our direct emissions. It also helps us also to improve the cost efficiency of our club operations. As such, Basic-Fit sees energy use as a strategically important topic.

In broad terms, energy consumed in Basic-Fit operations consists primarily of purchased electricity and gas for running clubs and offices, self-generated renewable energy from solar panels and fuel for company vehicles.

Sources of energy consumed

Country	Energy from fossil sources (MWh)	Energy from nuclear sources (MWh)	Energy from renewable sources		Total (MWh)
			Purchased (MWh)	Self-generated (MWh)	
Belgium	12,892	114	33,747	106	**46,859**
Germany	3,316	106	77	-	**3,499**
Spain	17,011	10,098	966	-	**28,075**
France	16,105	103,385	5,560	-	**125,050**
Luxembourg	-	-	1,929	-	**1,929**
Netherlands	15,310	2	37,202	1,478	**53,991**
Total	**64,634**	**113,706**	**79,480**	**1,584**	**259,404**

Basic-Fit has taken some actions in 2024 to address our negative impacts on the environment. This includes the installation of solar panels, heat pumps, efficient water boilers and HVAC control systems. These actions were taken with the expected outcome of reducing our energy consumption and related emissions. You can find more information on these actions in Note 2.3 of the Financial Statements.

Renewable energy production

Country	Own use (MWh)	Reselling to grid (MWh)	Total (MWh)
Belgium	106	5	**112**
Netherlands	1,478	357	**1,835**
Total	**1,584**	**363**	**1,947**

Methodology Notes

The data regarding sources of energy used[1] covers Basic-Fit's club operation and energy use in offices. It is disaggregated by country. Company leased cars and self-generated renewable energy are also taken into account in these results.

Actual electricity data was available for 73% of clubs and gas data for 68% of relevant clubs. In cases where actual energy consumption data for 2024 was unavailable, we calculated the median energy usage per club per square metre for each country, using actual data sourced directly from energy suppliers and smart meters. This information was then used to estimate energy consumption for clubs without data, based on their size (in square metres).

Regarding the disaggregation of energy by sources, we applied the following:

1. The electricity purchased in France, Spain, and Germany was disaggregated based on information from national suppliers or energy authorities regarding country-level electricity generation sources. Basic-Fit intends to purchase GOs for total electricity consumption in 2024, with the purchase planned for 2025 once electricity consumption data has been settled, and the actual consumption is known. As a result, the energy mix indicated in this report may be updated accordingly.
2. In the Netherlands and Belgium, all electricity purchased was classified as renewable based on purchased guarantees of origin (GOs) certifying that electricity comes from renewable sources.
3. In Luxembourg, the energy contract certifies that all electricity comes from renewable sources.

[1] This means the 'Sources of energy consumed' table presents totals for the following disclosures: E1-5 37a, 37b, 37cii and 37ciii. 37ci is not applicable to Basic-Fit.

4 Gas consumption is accounted as ‘energy from fossil sources’.
5 Fuel consumption by company leased cars is accounted for as ‘energy from fossil sources’ and is based on data from fleet reports. An assumption of 5.5 L/100km was applied for fuel consumption. Energy consumption from electric company- leased cars is considered under purchased electricity.

Regarding the disclosure requirement applicable to high climate impact sectors (disaggregation of sources as per paragraph 38), we consider this does not apply to Basic-Fit, as we deem our operations to be classified under NACE[2] section R code 93.13 ‘Activities of fitness facilities’, whilst the ESRS defines high climate impact sectors as those listed in NACE Sections A to H and L.

Regarding renewable energy production data from our solar panels (E1-5 39), we had access to actual solar generation data for all relevant clubs. In cases where a club produced more renewable energy than it could consume, the excess energy was returned to the grid. The amount of renewable energy sold is based on actual data from the energy supplier and is reported in the table "renewable energy production". The difference between the self-generated renewable energy produced and sold is reported in the table 'Sources of energy consumed', under self-generated renewable energy (E1-5 37ciii). Basic-Fit did not engage in the production of non-renewable energy (E1-5 39).

GHG Emissions

Last year, we undertook a full calculation of our emissions inventory, updating our calculations of Scope 1 and 2 emissions and for the first time measuring our Scope 3 emissions. In summary, the emissions comprise the following:

Scope 1 emissions relate to gas consumption in clubs and offices, travel using vehicles leased by Basic-Fit, and refrigerant fluids used in heating, ventilation, air conditioning, and refrigeration machines.

Scope 2 emissions are related to the indirect emissions based on the electricity purchased by Basic-Fit. This is equivalent to the electricity consumption as reported under E1-5. The Scope 2 emissions reported here include the gross location-based and market-based emissions.

Scope 3 emissions are calculated after assessing the applicability of the corresponding 15 categories in the GHG protocol. Applicable categories are included in the GHG emissions table below.

The following Scope 3 categories were excluded from the calculation:

- Upstream and Downstream Leased Assets: Leased assets, including vehicles and buildings, were accounted for under other categories, as they are integral to Basic-Fit’s operations.
- Processing of Sold Products: Basic-Fit does not engage in the sale of intermediate products.
- Franchises: Basic-Fit did not operate franchises in 2024.

[2] Statistical Classification of Economic Activities in the European Community (NACE 2.1) https://ec.europa.eu/eurostat/documents/3859598/5902521/KS-RA-07-015-EN.PDF]

GHG emissions

[1]	Unit	Belgium	France	Germany	Netherlands	Luxembourg	Spain	Total
Scope 1 Emissions								
Total Scope 1 GHG Emission	Metric tonnes CO2e	2,368	1,531	25	4,016	-	853	**8,792**
Scope 2 Emissions								
Location-based	Metric tonnes CO2e	3,804	3,681	1,135	8,995	113	3,286	**21,014**
Market-based	Metric tonnes CO2e	31	4,863	2,380	17	-	3,286	**10,577**
Scope 3 Emissions								
1 Purchased Goods	Metric tonnes CO2e	4,845	17,732	615	5,246	272	5,312	**34,021**
1 Purchased Services	Metric tonnes CO2e	13,417	58,865	4,918	14,753	445	25,807	**118,206**
2 Capital Goods	Metric tonnes CO2e	5,935	46,149	11,017	5,347	-	60,243	**128,691**
3 Energy related activities not in Scope 1 or 2	Metric tonnes CO2e	1,690	2,851	325	3,439	96	1,513	**9,913**
4 Upstream transport & distribution	Metric tonnes CO2e	16	230	22	22	1	396	**687**
5 Waste	Metric tonnes CO2e	1,604	4,846	177	2,619	79	1,457	**10,782**
6 Business Travel	Metric tonnes CO2e	34	131	7	65	-	63	**301**
7 Employee Commuting	Metric tonnes CO2e	500	1,114	60	983	-	526	**3,183**
9 Downstream Transportation	Metric tonnes CO2e	95	66	0	129	5	13	**307**
12 End of life treatment of sold products	Metric tonnes CO2e	16	30	1	20	1	1	**69**
15 Investments	Metric tonnes CO2e	54	202	16	137	-	81	**489**
Total Scope 3 Emissions	Metric tonnes CO2e	**28,206**	**132,217**	**17,159**	**32,759**	**898**	**95,413**	**306,650**
11 Visitors[2] **(Scope 3)**	Metric tonnes CO2e	19,244	61,626	746	33,703	1,464	22,538	139,323
Total Scope 3 Emissions (including visitors[2])	Metric tonnes CO2e	**47,450**	**193,843**	**17,905**	**66,462**	**2,362**	**117,950**	**445,973**
Total GHG Emissions								
Total GHG emissions (location-based) (including visitors)	Metric tonnes CO2e	**53,622**	**199,055**	**19,064**	**79,473**	**2,475**	**122,090**	**475,779**
Total GHG emissions (market-based) (including visitors)	Metric tonnes CO2e	**49,849**	**200,237**	**20,309**	**70,494**	**2,362**	**122,090**	**465,342**

1 2024 is the base year for GHG emission calculations for Basic-Fit. Since this is the first year, we have omitted the retrospective columns from the E1-6 AR 48 standardised table. Additionally, the 'Milestones and target years' columns have not been included in the GHG emission table above. As outlined earlier in the report, we plan to define milestones and targets by the end of 2025, along with a transition plan (E1-6 AR 48)

2 Optional subcategory under the GHG Protocol

Emissions intensity

Total location-based GHG emissions per net revenue	Tonnes CO2e per million euro
Total location-based GHG emissions per net revenue	392
Total market-based GHG emissions per net revenue	383

Methodology notes

GHG Emissions

The GHG Emissions table shows gross Scope 1, 2 & 3 emissions in metric tonnes of CO2eq. Scope 1&2 emissions are disaggregated by country. Scope 2 emissions also include the gross location-based and market-based emissions. 0% of Scope 1 GHG emissions come from regulated emission trading schemes. Basic-Fit did not purchase any carbon credits in 2024 and did not participate in any GHG removal or GHG mitigation projects financed through carbon credits. Basic-Fit has not applied any internal carbon pricing schemes. All emissions disclosed correspond to the consolidated accounting group.

Scope 3 Emissions

The highest emitting categories for Scope 3 were purchased goods and services, capital goods and visitors.

- Category 1 - Purchased goods and services: The largest share of the purchased goods and services was attributed to the purchased services. Emissions from purchased services were calculated using supplier cost data. For each supplier, industry-specific emission factors from BaseCarbone (v23.4 & 2022), ExioBase (2022) and GES1points5 (2019) were used to determine the associated emissions.
- Category 2 - Capital goods: primarily related to the construction or renovation of new leased buildings and gym equipment. The building emissions were calculated based on the square meter data of new clubs opened in 2024, combined with emission factors from EcoInvent (3.10.1). Gym equipment emissions were based on delivery data from the equipment supplier which included the actual number of items delivered and the weight of the products in 2024. This was allocated per country according to the number of new clubs in each country. Due to data availability assumptions were made to estimate the composition of gym equipment. Emission factors from IPCC (2021) were then used to estimate associated emissions.
- Category 11 - Visitors: Although not required by the GHG Protocol, the guidance for the calculation of Scope 3 emissions category 11 'use of sold products' provides the option to include indirect use-phase emissions. This subcategory can be connected with the emissions generated by our Visitors', traveling from their home to our clubs. To obtain a more complete view of our emissions inventory, Basic-Fit conducted a survey to assess visitor travel emissions. The survey collected data on transport modes and travel distances for members commuting to and from clubs. Survey results indicate an average travel distance of 8 km, which is used to estimate emissions for all visitors, including members and their friends. The results are presented as additional lines in the emissions calculation table below. We will refine this measurement in the future to obtain a clearer view of the size and significance of this type of emissions in our inventory.

Scope 3 emissions from categories 4, 6, 9, 12 and 15 individually account for less than 1% of total emissions. Categories 3, 5 and 7 have minor impacts accounting for less than 5% individually and data quality efforts are underway for future reporting. Our calculation methods for these categories are in line with the GHG Protocol and include activity-based method, distance-based approach, average-activity method, average spend-based method and other hybrid methods.

Scope 3 Emissions calculated using primary data

Where available, Scope 3 emissions are calculated using primary data, supported with assumptions where necessary. For the significant categories the use of primary data is stated under the section 'Scope 3 emissions' above. This includes parts of category 5 from waste collection contract data detailing liters collected and collection frequency, parts of category 6 with data from an external travel report with actual costs and kilometres travelled by employees, and parts of category 7 based on HR-reported actual distances and hours worked. Additionally, primary data is used for categories 2, 4, and 9, incorporating supplier-provided details on gym equipment quantity and weight, as well as category 2 solar panel data, including the actual number and type of panels.

Basic-Fit has some processes in place to reduce uncertainties and improve quality of data. This includes validation from external climate experts and internal reviews performed by management to identify abnormalities in data.

Emission Factors
Emissions were calculated in accordance with GHG Protocol guidelines, with emission factors selected by external climate advisors based on their relevance and appropriateness for each category. For Scope 1, the emissions factors were provided from DEFRA (2022 & 2024), CO2emissiefactoren (2024), IPCC (2013 & 2021), EcoInvent (v3.10.1) and ExioBase (2022). For Scope 2, the emissions factors were provided from AIB (2023) and ExioBase (2022). For significant Scope 3 categories, the emission factors were provided from BaseCarbone (v23.4 & 2022), ExioBase (2022), GES1point5 (2019), EcoInvent (3.10.1), DEFRA (2024) and AIB (2023). Other industry databases were used where deemed relevant by external climate advisors, with Basic-Fit acknowledging the inherent uncertainty associated with reliance on individual judgment.

GHG Emissions Intensity
GHG emissions intensity is calculated based on the gross Scope 1, 2 & 3 emissions reported in the Emissions Intensity table, per net revenue. Note 3.2 of the financial statements presents disclosures relating to revenue, as well as the accounting policy applied.

Circularity via smart resource use

Smart resource use: promoting circularity in our clubs
In line with our ambition to achieve a 'fitter planet', we actively seek solutions to address our environmental impacts beyond reducing our use of energy. The manufacture of new fitness equipment can entail significant extraction of natural resources, which creates a key opportunity for us to implement circular economy practices in our operations.

Together with our fitness equipment supplier, we have developed a new approach to extend the useful life of our fitness equipment: the smart refurbishment model, extending the equipment's useful life to 12 years. This model ensures that the quality of the equipment is safeguarded, by maintaining the excellent look, feel and technical operational level of the equipment. This is achieved via periodic inspections, the implementation of preventive maintenance activities, and the prompt repair of identified defects by our equipment supplier.

The agreement at the basis of this model also covers the responsible disposal or recycling of replaced equipment components, compliance with ESG reporting obligations, and the application of our Supplier Code of Conduct.

In summary, thanks to this model the lifespan of the equipment is extended and therefore our demand for new equipment will be reduced. This can be considered as a way to reduce the resource inflows required to provide our fitness services. As such, we expect the indicators regarding weight of fitness equipment below will reflect this evolution in upcoming years.

Resource inflows

	2024
Weight of fitness equipment acquired in the year (tonnes)	6,565
Weight of fitness equipment acquired in the year per club (tonnes)	4.17
Recycled and other secondary materials or components used to manufacture the fitness equipment (% of total)	(Not available) %

Methodology notes
Primary data obtained from the gym equipment supplier includes details on the quantity of each equipment type and the total weight purchased by Basic-Fit in 2024. We consulted with our supplier regarding the weight of recycled and other secondary materials or components used to manufacture the fitness equipment as a proportion of total input used (in connection with ESRS E5-4-c) but this data is not available.

This model originated as a proactive effort to further reduce our environmental footprint. However, having no dedicated environmental policy, we will work in 2025 to develop one and thus formalise the management of our impacts, risks and opportunities related to topics such as sustainable sourcing, use of renewable resources, and circular economy. Similarly, we did not undertake any specific assessment process regarding our resource use and circular economy. For instance, we did not specifically screen activities in our value chain in terms of resource flows or waste, or perform any dedicated consultations on the topic.

EU Taxonomy

Basic-Fit is subject to Regulation (EU) 2020/852 on EU Taxonomy. The taxonomy establishes an EU-wide classification framework that sets the criteria for defining 'environmentally sustainable' economic activities in relation to six climate and environmental objectives. Basic-Fit is required to disclose the percentage of Taxonomy-eligible and Taxonomy-aligned economic activities in terms of its total turnover, capital expenditures (capex) and operating expenses (opex)[1], and complementary qualitative information.

The six environmental objectives established by the EU Taxonomy are: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and eco-systems (abbreviated as follows in this subsection: CCM, CCA, WTR, CE, PPC, BIO). Delegated acts developed for each environmental objective define the list of applicable economic activities. Taxonomy-eligible economic activities refer to activities that are listed in the delegated acts, irrespective of whether the economic activity meets any or all of the technical screening criteria (TSC) laid down in said delegated acts. Taxonomy-aligned economic activities refer to Taxonomy-eligible economic activities that comply with the TSC laid down in the delegated acts, which include fulfilling the principle of do no significant harm (DNSH) to the other environmental objectives, and complying with minimum safeguards on human and labour rights.

The taxonomy regulation defines the turnover denominator as a company's net turnover in the given year (for Basic-Fit this is reported as total revenue). The capex denominator is defined, for IFRS companies, as all costs accounted under IAS 16 Property, Plant, and Equipment, IAS 38 Intangible Assets, IAS 40 Investment Property, IAS 41 Agriculture, IFRS 16 Leases. Finally, the regulation defines opex as costs related to 'the research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.'

Scope and methodology

At a high level, Basic-Fit's main activity – the operation of fitness clubs and offering fitness services to its members – does not fall under the activities covered by the EU Taxonomy (as per review of covered activities listed in the EU Taxonomy Navigator[2]). However, some specific activities undertaken in the pursuit of our business objectives may be covered. We carried out internal discussions and workshops to identify these activities and initiate the corresponding reporting in 2024. We first highlighted the eligible activities, based on the technical screening criteria. We then screened the selected activities for alignment, based on the DNSH criteria. Finally, we identified the relevant accounting items to determine the numerator values in accordance with regulation (EU) 2021/2178. This process is visualised in the 'EU Taxonomy process' diagram below.

[1] The taxonomy regulation defines the turnover denominator as a company's net turnover in the given year (for Basic-Fit this is reported as total revenue). The capex denominator is defined, for IFRS companies, as all costs accounted under IAS 16 Property, Plant, and Equipment, IAS 38 Intangible Assets, IAS 40 Investment Property, IAS 41 Agriculture, IFRS 16 Leases. Finally, the regulation defines opex as costs related to "the research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets."

[2] Found in: https://ec.europa.eu/sustainable-finance-taxonomy/activities

EU Taxonomy process

Eligibility analysis

· Compliance analysis of activities with:
  - Technical screening criteria for substantial contribution

Alignment analysis

· Compliance analysis of eligible activities with:
  - DNSH criteria to other environmental objectives
  - Minimum social safeguards

KPI calculation

· Determining the relevant accounting items in accordance with regulation (EU) 2021/2178.

Eligibility Analysis

Over the past year, TSC documentation has gone through several changes, namely through the addition of regulation (EU) 2023/2486. We re-mapped the potentially applicable activities covered by regulations (EU)2021/2139 and (EU)2023/2486. We then identified eligible activities in the scope of the climate change mitigation and circular economy objectives.

Basic-Fit's main activity and source of revenue is the operation of fitness clubs. Since this activity is not covered by the EU Taxonomy, as explained above, we consider none of Basic-Fit's turnover as eligible[1]. A portion of Basic-Fit's capex is devoted to ensuring its clubs run sustainably, for example by installing energy-efficient components. This year, we also devoted capex and opex to the improvement of the maintenance of our fitness equipment. The sections below will explain how we find these amounts eligible for the capex and opex numerators.

[1] The table for turnover is included in this report as required in the Delegated Regulation (EU) 2021/2178, although no amount has been considered eligible.

Identified activities

Basic-Fit clubs are located in rented properties, which undergo a refurbishment to be elevated to the standard of a Basic-Fit club. Part of this transformation entails the improvement of on-site energy performance through the installation of efficient heat-pumps, boilers, heat recovery units, or solar panels (pending landlord approval). This leads to a significant sum of capex related to renovation works in rented real estate. In 2024, we also invested in improving the energy efficiency of our international headquarters. We identify this capex as eligible in accordance with the description of the “renovation of existing buildings” activities 7.3 and 7.6 for the climate change mitigation objective.

In addition, and as mentioned previously, in 2024 we signed a ‘smart refurbishment’ agreement with our fitness equipment supplier. This agreement entails preventive inspections and regular maintenance of fitness equipment in all clubs.

The main objective is to extend fitness equipment life. We thus concluded that the related capex and opex are eligible under the ‘services’ activity 5.1 ‘Repair, refurbishment and remanufacturing’ for the circular economy objective.

Compliance with TSC (CCM) 7.3 Installation, maintenance and repair of energy efficiency equipment

In 2024, we installed highly efficient water boilers and HVAC control systems in both new and re-built clubs in the Netherlands, France and Spain. Through a qualitative review of the technical documentation provided by our suppliers, we concluded that these installations were compliant with the laid-out requirements for eligibility.

Compliance with TSC (CCM) 7.6 Installation, maintenance and repair of renewable energy technologies

As part of our rebuild and gas transition efforts in 2024, we also installed solar panels and highly efficient heat pumps in both Belgium and the Netherlands. In line with our methodology, we reviewed the relevant documentation provided by our stakeholders and concluded that these installations complied with the legislative requirements for eligibility.

Compliance with TSC (CE) 5.1. Repair, refurbishment and remanufacturing

Our fitness equipment supplier carries out regular inspections and – if necessary – maintenance to refurbish fitness equipment until it reaches a new maximum lifetime of 12 years. After reviewing the criteria, we concluded that this activity corresponds to the refurbishment definition laid out in regulation (EU)2023/2486[2]. Furthermore, we consider the fitness equipment in question falls under NACE code C32.3[3]. To ensure full eligibility with the criteria, our supplier agreed to include a clause confirming that it will recycle replaced parts and/or dispose of them in accordance with EU law.

Reclassification of 2023 values

In 2023, we reported the CCM-related investments under activities 4.1, 4.16, 4.25 in the energy category of the CCM objective, yet after re-evaluation, we have considered that these activities rather relate to large scale, commercial energy production. Considering that Basic-Fit installs energy machinery in individual properties, often tied to gas transition renovations to improve the energy efficiency of rented real estate, from this year onward we identify such capex as eligible in accordance with the description of the "renovation of existing buildings" activities 7.3 and 7.6 (CCM). The corresponding eligible amounts from 2023 did not change but were reclassified under a different activity code (whilst the amounts for 2024 follow the new classification), as summarised in the table below:

2023 EU Taxonomy KPIs (CCM only)[1]		Absolute (€m) | Proportion of total (%)[2]			Total Taxonomy-eligible
capex	***Activity code, original***	***4.25***	***4.1***	***4.16***	
		0.13 0.022%	0.4 0.067%	0.34 0.056%	0.87 0.164%
	Activity code, after reclassification	***7.3***	***7.6***		
		0.13 0.022%	0.74 0.123%		0.87 0.164%
opex		0 0%			0 0%
turnover		0 0%			0 0%

1 No CE-related figures were reported in 2023
2 Represents Taxonomy-eligible values; no amount of capex, opex or turnover was deemed aligned in 2023

Alignment analysis by activity

The second step of our process is to determine which eligible activities are also aligned with the EU Taxonomy. As explained, this includes assessing whether the activity fulfils the principle of DNSH to other environmental objectives, as specified in the corresponding technical screening criteria. It also requires compliance with minimum social safeguards on human and labour rights, as per article 18 of Regulation (EU) 2020/852.

Regarding activities 7.3 and 7,6, while climate related hazards were identified as part of our CRRO, we are still in the process of determining pertinent adaptation solutions. We expect to roll these out in 2025, therefore these activities are not considered to be taxonomy aligned. Our process related to activity 5.1 does not meet the relevant DNSH criteria, so we also do not consider it to be taxonomy aligned. We thus find no activity to be Taxonomy aligned in 2024.

[2] 'Refurbishment' means testing and where necessary repairing, cleaning or modifying a used product to increase or restore its performance or functionality or to meet applicable technical standards or regulatory requirements, with the result of making a fully functional product to be used for a purpose that is at least the one that was originally intended and to maintain its compliance with applicable technical standards or regulatory requirements originally conceived at the design stage.
[3] Other manufacturing, manufacture of sports goods.

Given that the DNSH analysis has not determined any activity as taxonomy aligned, we did not assess compliance with minimum safeguards. In general, while we do not have a dedicated human rights policy, we aim to ensure compliance with international human rights principles through adherence to local laws, practices, and procedures. Our current procedures and policies, including our Speak-Up policy (whistleblowing policy), inherently align with standards such as the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. However, we will continue to develop the instruments needed to ensure that how we work, including how we carry out taxonomy-eligible activities, fulfils the established minimum safeguards.

KPI Calculation

As outlined in regulation (EU) 2021/2178, the nominator figures reflect the proportion of Basic-Fit's expenditure that is either aligned with or eligible as an activity in the EU Taxonomy. The figures relevant to each identified activity were carefully extracted from the available accounting items. Supplementary qualitative and quantitative information was used to avoid any inconsistencies or miscounting.

Compared to 2023, our eligible capex and opex have significantly increased. This is based on the expansion of our club gas transition efforts to other countries beyond the Netherlands and an increase in solar panel installations. Additionally, this year's introduction of our new 'smart refurbishment' approach, as detailed earlier in this section, resulted in an increase in eligible amounts.

With respect to denominators, the figures were extracted from a single reporting tool displaying all of Basic-Fit's annual accounts, in line with criteria defined by regulation (EU) 2021/2178[1]. The turnover denominator includes Basic-Fit's total turnover realised over 2024. The capex denominator is the sum of investments in property, plant, and equipment, leases, and other intangible assets, excluding remeasurement. Finally, the opex denominator reflects the direct expenses needed to ensure the proper functioning of assets. Basic-Fit's taxonomy figures for capex, opex and turnover are visualised in the following tables.

[1] The taxonomy regulation defines the turnover denominator as a company's net turnover in the given year (for Basic-Fit this is reported as total revenue). The capex denominator is defined, for IFRS companies, as all costs accounted under IAS 16 Property, Plant, and Equipment, IAS 38 Intangible Assets, IAS 40 Investment Property, IAS 41 Agriculture, IFRS 16 Leases. Finally, the regulation defines opex as costs related to "the research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets."

EU Taxonomy capex table

Capex				Substantial contribution criteria						DNSH Criteria (Does Not Significantly Harm)[1]										
Economic activities	Code(s)	Absolute capex 2024	Proportion of capex	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion capex, year N	Taxonomy-aligned proportion of capex, year N-1	Category ("enabling activity")	Category ("transitional activity")
		€m	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E[2]	T[2]
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Installation, maintenance and repair of energy efficient equipment	CCM 7.3	0	0%							N	N	N	N	N	N	N	0%	NA		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0%							N	N	N	N	N	N	N	0%	NA		
Repair, refurbishment and remanufacturing	CE 5.1	0	0%							N	N	N	N	N	N	N	0%	NA		
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%							N	N	N	N	N	N	N	0%	NA		
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Installation, maintenance and repair of energy efficient equipment	CCM 7.3	0.37	0.06%																	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	2.92	0.48%																	
Repair, refurbishment and remanufacturing	CE 5.1	4.28	0.71%																	
Capex of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)(A.2)		7.57	1.25%																	
Total (A.1 + A.2)		7.57	**1.25%**														0%	NA		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																				
Capex of Taxonomy-non-eligible activities (B)		596.75	98.75%																	
Total (A + B)		604.32	**100.00%**																	

1 These columns refer to whether (Yes/No) the activity fulfils the principle of DNSH for environmental objective. Pending the thorough assessments required for this, and applying a prudent approach, all activities are marked as not fulfilling DNSH.
2 The description of each activity in the Climate Delegated Act (EU) 2021/2139 defines whether the activity can be categorised as 'enabling' or 'transitional'. No activity is marked in this table, as none is categorised as such in the regulation.

EU Taxonomy opex table

Opex				Substantial contribution criteria						DNSH Criteria (Does Not Significantly Harm)[1]										
Economic activities	Code(s)	Absolute opex 2024	Proportion of opex	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of opex, year N	Taxonomy-aligned proportion of opex, year N-1	Category ("enabling activity")	Category ("transitional activity")
		€m	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%[2]	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Installation, maintenance and repair of energy efficient equipment	CCM 7.3	0	0%							N	N	N	N	N	N	N	0%	NA		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0%							N	N	N	N	N	N	N	0%	NA		
Repair, refurbishment and repair of renewable energy technologies	CE 5.1	0	0%							N	N	N	N	N	N	N	0%	NA		
Opex of environmentally sustainable activities (A.1)		0	0%																	
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Opex of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)(A.2)	CCM 7.3	0	0%																	
Installation, maintenance and repair of renewable energy technologies	CCM 7.3	0	0%																	
Repair, refurbishment and repair of renewable energy technologies	CE 5.1	1.83	1.51%																	
Opex of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1.83	1.51%																	
Total (A.1 + A.2)		1.83	1.51%														0%	NA		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																				
Opex of Taxonomy-non-eligible activities (B)		119.79	98.49%																	
Total (A + B)		121.62	100%																	

1 These columns refer to whether (Yes/No) the activity fulfils the principle of DNSH for each environmental objective. Pending the thorough assessments required for this, and applying a prudent approach, all activities are marked as not fulfilling DNSH.
2 The description of each activity in the Climate Delegated Act (EU) 2021/2139 defines whether the activity can be categorised as 'enabling' or 'transitional'. No activity is marked in this table, as none is categorised as such in the regulation.

EU Taxonomy turnover table

Turnover

				Substantial contribution criteria						DNSH Criteria (Does Not Significantly Harm)[1]										
Economic activities	Code(s)	Absolute turnover 2024	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover, year N	Taxonomy-aligned proportion of turnover, year N-1	Category ("enabling activity")	Category ("transitional activity")
		€m	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%														0%	NA		
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Turnover of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)		0	0%																	
Total (A.1 + A.2)																	0%	NA		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		1215.15	100%																	
Total (A + B)		1215.15	100%																	

1 These columns refer to whether (Yes/No) the activity fulfils the principle of DNSH for each environmental objective. This is not filled in given that the applicable turnover is 0%.

EU Taxonomy: contribution per environmental objective

Information (in %) on the extent of eligibility and alignment per environmental objective in (amended) Annex II of Delegated Regulation (EU) 2021/2178

	Proportion of capex		Proportion of opex		Proportion of turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	0.54	0	0	0	0
CCA	0	0	0	0	0	
WTR	0	0	0	0	0	0
CE	0	0.71	0	1.51	0	0
PPC	0	0	0	0	0	0
BIO	0	0	0	0	0	0

EU Taxonomy: nuclear and fossil gas related activities

Information on nuclear and fossil gas activities in Annex III of Delegated Regulation 2022/1214

Nuclear energy related activities		
1	The undertaking carries out, funds or has exposure to research, development, demonstration, and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	No
2	The undertaking carries out, funds or has exposure to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposure to construction and safe operation of existing nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
Fossil gas related activities		
4	The undertaking carries out, funds or has exposure to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposure to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposure to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

SOCIAL

Our people

Basic-Fit is committed to managing material impacts, risks, and opportunities related to our workforce through a range of comprehensive policies. These policies cover all employees and are designed to create a safe, inclusive, and equitable workplace. Our Diversity, Inclusion, and Belonging policy promotes equal opportunities and prohibits discrimination based on race, ethnicity, gender, sexual orientation, disability, religion, or any other protected characteristics. This policy applies to all employees and temporary staff, consultants, interns, freelancers working for Basic-Fit N.V. and/or any of its group companies. It is made available to employees via our intranet. The HR Director is responsible for the policy and the Management Board is accountable for the implementation of the policy. We strive to create a culture of respect and belonging, actively working to eliminate harassment and discrimination in all its forms. Our policies are aligned with local laws and best practices, ensuring compliance with European Union regulations and any national legislation on anti-discrimination.

Basic-Fit maintains a robust health and safety framework. We implement measures to safeguard the well-being of our employees, adhering to both legal requirements and internal safety protocols. This includes ongoing risk assessments, employee training, and adherence to health and safety standards aimed at reducing workplace accidents. We have a system in place and connection to our certified Monitoring Alarm and Receiving Centre (MARC) for safety purposes and our duty of care towards our employees. Club employees who find themselves in trouble can rely on direct assistance from our MARC by using the alarm buttons.

Basic-Fit has implemented policies and procedures on data protection compliance that protect the privacy of employees. We have installed a Data Protection Officer to monitor GDPR compliance and with whom our employees can raise their concerns. Due to the fact that we handle personal data related to our workforce and have a security system in our clubs, including camera supervision, we established a specific policy regarding the protection of the privacy of our employees. This privacy policy outlines the principles to be adhered to when handling personal data and it regulates the operational management of personal data and how this data is protected. The policy covers all personal data of employees that is processed by Basic-Fit. We do not allow the use of camera images of our employees, for example, to check on their performance. The individual responsible for the processing of personal data is the person who determines the purpose of, and the means for, the processing of personal data. The Management Board is responsible for the implementation of this policy.

In terms of governance, our Code of Conduct establishes clear expectations for ethical behaviour, covering areas such as anti-discrimination, fair treatment, and compliance with legal and regulatory requirements. Employees are expected to uphold these standards, and we address any reported violations swiftly through appropriate disciplinary actions. To reinforce this, we have a robust Speak Up policy, providing employees with a confidential process to report concerns about violations, misconduct, or unethical behaviour without fear of retaliation. You will find more details on this policy in the Business Conduct section in this report. We post periodical reminders about this policy on our internal communication platforms, aiming to ensure that all employees are aware of the policy. At the same time, there is no specific assessment to ensure all employees are aware of and trust the process. When we remedy a situation, there is no specific assessment of the effectiveness of such a remedy.

While we do not have a dedicated human rights policy, Basic-Fit ensures compliance with international human rights principles through adherence to local laws, practices, and procedures. Our employee lifecycle processes inherently align with standards such as the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. Human rights considerations, including labour rights, are embedded in our day-to-day operations and corporate governance.

We do not conduct separate assessments for human rights violations because they are integrated in our standard compliance monitoring. These procedures ensure that we meet legal and ethical obligations, making human rights violations, such as forced labour, human trafficking, or child labour highly unlikely in our operations. Basic-Fit operates as a low-risk organisation for its own employees in these areas due to our operating model and strict adherence to both internal policies and external legal frameworks. Additionally, engagement with our workforce follows a broad approach, aiming to gain insights from all people that we could impact, and there is no dedicated approach to seek input from specific groups that could be considered particularly affected or vulnerable, such as part-time workers or those with disabilities.

Our continuous development strategy includes onboarding training, periodic webinars, and leadership development programmes designed to align employee growth with company standards. We use performance assessments and a continuous feedback loop to steer employee performance, identify talent, and increase retention. These insights help us to create initiatives that address turnover and optimise employee engagement, ensuring that we remain an attractive employer. Furthermore, our newly implemented Talent Development Module and leadership behaviours framework enable us to systematically assess and develop leadership potential, contributing to long-term business goals.

In addition, Basic-Fit is committed to fostering a diverse, inclusive, and safe work environment. Our Diversity, Inclusion, and Belonging (DIB) strategy is actively embedded in the employee lifecycle through education and initiatives aimed at promoting equal opportunities. We use data from global dashboards to monitor headcount, diversity, and employee turnover, which helps us to make informed decisions and adjust our strategies to meet our goals. Employee surveys conducted every 18 months, alongside quarterly data analysis, provide valuable insights that shape our HR strategy and inform our ongoing efforts to create a supportive and productive workplace. These efforts, coupled with our use of internal communication platforms and professional HR tools, enable us to efficiently manage risks and leverage opportunities, ensuring our workforce remains motivated and aligned with our business objectives.

Our engagement with our employees is also undertaken via their representatives. Our Works Council meets with the company representation, including the CFO, whenever workers concerns are raised, in addition to two meetings every year to discuss the company's end-of-year and half-year results. For example, the council must be involved in any major business decisions such as a merger or acquisition. While there is no specific process for the assessment of the effectiveness of these engagements, the Management Board is responsible of ensuring that engagements with employees and their representatives take place, ensuring they take into account outcomes and views form these engagements when defining or reviewing the business strategy.

We aim to avoid causing or contributing to material negative impacts on our employees through adherence to the policies described in this section, while our employee survey, carried out every 18 months, helps us to understand the views and satisfaction of our employees. However, we do not have specific processes aimed at ensuring that our practices do not cause or contribute to material negative impacts on our own workforce in place currently.

Impacts related to our workforce are addressed as a whole; no particular action has been launched specifically to provide or enable the remedy of negative impacts beyond those stipulated in existing policies, such as the Speak-Up policy. As such, we do not yet evaluate these actions by setting specific targets (for example, in terms of the metrics presented below) in relation to our employees.

In general, the resources devoted to HR, particularly training and health and safety, as well as some resources devoted to compliance are allocated to manage material impacts, risks and opportunities related to the topic of 'Our people'.

Workers' characteristics and diversity

At year-end 2024, Basic-Fit had a workforce of 8,937 individuals, compared with 8,182 at the close of the previous year. This increase was primarily driven by the expansion of our fitness clubs, including the acquisition of the RSG clubs in Spain.

Gender diversity is thriving in our dynamic team, with a breakdown of 4,572 men, 4,358 women, and seven individuals who identify as gender-neutral.

See Note 3.4 of the financial statements for information regarding the total number of employees in FTE.

Employee breakdown by gender (head count)

Gender	2024
Male	4,572
Female	4,358
Other	7
Not reported	0
Total employees	8,937

Employees per country (head count)

Country	2024
Belgium	979
France	3,674
Germany	292
Netherlands	2,522
Spain	1,470
Total	8,937

Methodology notes

Workers in Luxembourg are not accounted as employees, as they are subcontracted.

It is noteworthy that a significant portion of our dedicated workforce, approximately 71%, opts for part-time roles, particularly within our club environment. A substantial part (91%) of our personnel works in our clubs, highlighting the focal point of our operations.

Employees per contract type and gender (head count)

	Female	Male	Other	Not disclosed	Total
Number of employees	4,358	4,572	7	0	8,937
Number of permanent employees	3,498	3,723	5	0	7,226
Number of temporary employees	788	818	2	0	1,608
Number of non-guaranteed hours employees	72	31	0	0	103

Employees per contract type per country (head count)

	Belgium	France	Germany	Netherlands	Spain	Total
Number of employees	979	3,674	292	2,522	1,470	8,937
Number of permanent employees	851	3,570	63	1,390	1,352	7,226
Number of temporary employees	128	104	229	1,029	118	1,608
Number of non-guaranteed hours employees	0	0	0	103	0	103

Methodology notes

The calculation of the number and distribution of employees excludes the Management Board (CEO and CFO) but includes the rest of the Leadership team (CCO and COO). Workers in Luxembourg are not accounted as employees, as they are subcontracted. The classification of contract types is aligned with national legal definitions.

Collective bargaining and social dialogue

All of our employees in France, Spain, and Belgium benefit from the protective umbrella of collective bargaining agreements, adhering to standard sector norms. This commitment underscores our dedication to fostering a harmonious and supportive work environment across our international workforce.

Collective bargaining and social dialogue

	Collective bargaining coverage		Social dialogue
Coverage Rate	Employees - EEA[1]	Employees- Non-EEA	Workplace representation (EEA only)[2]
0-19%	Germany, Netherlands	NA	Germany
20-39%		NA	Spain
40-59%		NA	
60-79%		NA	
80-100%	Belgium, France, Spain	NA	Belgium, France, Netherlands

1 100% of our employees in France, Spain and Belgium are covered by collective bargaining agreements. 0% of our employees in Germany or the Netherlands are covered by such agreements.
2 100% of our employees in Belgium, France and the Netherlands are covered by workplace representation. 28.62% of our employees in Spain and 0% of our employees in Germany are covered by this representation.

Methodology notes

The totals represent employees in the European Economic Area (EEA), as we do not have employees outside this region. We do not have agreements with our employees for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

Turnover

Employee turnover reflects the changes in our employee base through the year. Given the nature of work, especially at clubs, our employees tend to take jobs temporarily, for example during study breaks. This is reflected in marked levels of turnover.

Employee Turnover

	Belgium	France	Germany	Netherlands	Spain	Total
Total number of employees who left in the reporting period (FY 2024)	301	2,923	125	1,270	383	5,002
Turnover rate	31%	82%	64%	48%	43%	60%
Leavers (monthly)	25	243	10	106	32	417
Average number of employees (monthly)	981	3,577	195	2,674	891	8,317

Methodology notes

As per local regulation, all instances of an employee leaving are counted separately, i.e., if the same employee who has left returns and leaves again, both times they left are accounted for as separate instances. Turnover is calculated as *total number of leavers per month / (average number of employees per month),* based on headcount numbers.

Top management

At the end of 2024, 35% of our employees in top management positions were female. You will find more information on our approach to diversity in the Corporate Governance section.

	Male	Female	Total
Number of employees at top management	25	14	39
Percentage	65%	35%	100%

Methodology notes

Top management is defined as equal or higher than scale 18 in the Basic-Fit job classification system (based on Korn Ferry Hay Method), excluding the Leadership team (CEO, CFO, CCO, and COO). This is the same definition used for 'middle management' in the Corporate governance section of this report, yet 'top management' is used here to maintain consistency with ESRS language. The Hay Method is a pay equity compliant and gender-neutral evaluation system that assesses a job based on skill (know-how), effort (problem solving) and responsibility (accountability).

Employees age distribution

Beyond our employees' gender, we also pay attention to their distribution in terms of age representation. Our vision is to have a workforce that respects and appreciates diversity in our clubs, and who can understand everyone's needs and demands.

Distribution of employees by age group

	Belgium	France	Germany	Netherlands	Spain	Total
Under 30	53%	70%	80%	45%	64%	60%
Between 30 and 50	43%	26%	17%	37%	31%	32%
Over 50	4%	3%	3%	19%	5%	8%

Methodology notes

The calculation of the number and distribution of employees excludes the Management Board (CEO and CFO) but includes the rest of Leadership team (CCO and COO). Workers in Luxembourg are not accounted as employees as they are subcontracted.

Remuneration

All employees are paid an adequate wage, in line with applicable benchmarks, understood as either legal minimum wage per country or wage as per collective bargaining agreement (when the latter is higher).

We understand the need to ensure equal pay for the same job, regardless of the employee's gender, which is reflected by our gender pay gap metrics. On the other hand, the annual remuneration ratio provides insights into the level of remuneration inequality within Basic-Fit and any significant disparities.

This year, we recorded an unadjusted gender pay gap of 3.1%. This is notably low compared to the EU average, which stood at 13% in both 2022 and 2023. Additionally, this number is below the threshold of the EU Gender Pay Transparency Directive, which has a threshold of 5% and does not mandate action for such a low pay gap. The use of the unadjusted gender pay gap also indicates that there is a low probability of structural injustices between genders within Basic-Fit.

Remuneration metrics

	2024
Gender pay gap	3.1%
Annual total renumeration ratio	61,45

Methodology notes

The gender pay gap is defined by the weighted average pay gap per country. The annual total remuneration ratio is defined by the reward of the highest paid individual in the organisation, the CEO, divided by the median reward of the average employee of the total employee base.

Safety at work

Health and safety is managed locally by prevention officers in each country in which we operate. They supervise how clubs operate, have an overview of hazards and risks, and ensure that employees receive continuous safety training, including ergonomics, first-aid and fire prevention. They also coordinate with local authorities to ensure cooperation and compliance with regulations. They meet at periodic health and safety coordination sessions, where they share experiences and plan future actions to minimise the risk of accidents or injury.

In line with labour health and safety regulations, recorded accidents include any case deemed to be work-related regardless of the level of seriousness of the accident. In the case of Basic-Fit, the majority of work-related accidents were considered of minor level, such as finger cuts, falls from ground level, and muscular overexertion.

Work-related health and safety metrics

	Belgium	France	Germany	Netherlands	Spain	Total
Percentage of employees covered by health and safety management system (%)	100	100	100	100	100	**100**
Number of fatalities	0	0	0	0	0	**0**
Number of accidents	36	286	6	20	57	**405**
Rate of accidents	34.60	64.14	94.73	11.42	76.15	**50.24**

Methodology notes

Data refers to work-related incidents. It is gathered separately in each country, as per local regulation, and reported to local authorities as required. The rate of accidents is calculated by dividing the number of cases by the total number of hours worked by people in our own workforce and multiplied by 1,000,000.

Our efforts to ensure safety at work also involve addressing any concerns raised by our employees, which as explained in the Business Conduct section, can be reported through our Speak-Up officers (our grievance mechanism). In 2024, one incident was recorded via this channel. Resulting from this, no fines, penalties or compensation for damages (i.e., € 0.0) have had to be paid. Moreover, in 2024 there were 57 reported incidents of discrimination or harassment (including aggression on staff by members). These incidents are investigated and addressed separately in each country.

Workers in our supply chain

Basic-Fit's impact on value chain workers is concentrated on workers in our supply chain, especially those working for our first tier suppliers. We consider these to be the workers who could be materially impacted by our activities, including via our products or services or business relationships.

These workers can be grouped as follows:

- Workers working directly at our facilities, mainly cleaners, maintenance personnel and trainers.
- Our outsourced customer service agents. They provide their services via an outsourcing partner, who has signed a Code of Conduct that covers standards of responsible business conduct.
- Construction workers who carry out minor renovation activities required to open a new club.
- Workers manufacturing our fitness equipment further upstream in our supply chain.

The groups above can include workers who may be particularly vulnerable due to their inherent characteristics, mainly those who could be mistreated due to their migrant status or their gender. Potential negative impacts are mainly systemic in nature in some contexts, including countries without very strong labour laws, such as some countries in Asia (where there could be a risk of forced labour), or labour-intensive sectors, such as construction. We have not identified workers downstream in the value chain as workers likely to be materially impacted by Basic-Fit and we do not have any joint ventures.

We expect our suppliers and partners to adhere to local legal and regulatory requirements, including respect for the human rights of workers. We have a supplier Code of Conduct that we apply to many of our long-standing suppliers, and we have open communication with subcontracted personal trainers in our clubs. We believe working with our suppliers to ensure they operate responsibly with respect to their employees can generate a positive impact on these workers.

Notwithstanding our efforts, we understand that as a responsible business we should have a closer engagement with our suppliers and partners to ensure their workers are fairly treated. We have not yet adopted a policy to manage our material impacts on workers in our supply chain, including setting up mechanisms to provide or enable remedy for human rights impacts. However, in 2024, we took a first step in this direction by performing a thorough assessment of our procurement processes, with the objective of, among other things, including sustainability and responsible business conduct considerations in our procurement policies. As this process is still in development, Basic-Fit has not yet been able to establish suitable processes nor defined any metrics or targets to monitor material matters regarding workers in our supply chain.

We consider the material impacts we could have on the workers in our supply chain as directly connected to our business model, but we do not anticipate any major strategy or business model adaptations will be required to address these impacts.

Our members

Making fitness more accessible

As part of our mission to make fitness accessible to everyone, we strive to make our clubs easy to reach, which is why we open clubs close to where people live and work. At the end of 2024, Basic-Fit operated 1,575 clubs in six countries with a membership base of 4.25 million. This represents an increase of 12% in our membership base compared with 2023.

Our reach

	2024	2023
Clubs	1,575	1,402
Memberships (millions)	4.25	3.80

We believe we can have a positive impact on people's health if we motivate them to maintain a fitness routine. We want to motivate our members to visit our clubs at least once a week, so they are on the right track to build a healthy lifestyle. Our objective is to inspire our members to visit our clubs at least this frequently or more.

Visiting frequency

	2024
Visits per member per week	1.0

We are always on the look-out for ways to ensure our products and services are affordable, innovative, high-quality and available to everyone. Our attractive prices allow more and more people to start working out. We continuously optimise the club workout environment in line with the needs of our members.

Our Basic-Fit app makes fitness available 24/7 and assists our members in the club, at home or outdoors, plus it delivers personalised fitness content, nutrition advice and a wide range of workouts, from meditation to cardio training. However, we recognise that the quantity of information available may become overwhelming to some. For example, the tutorials for equipment use provided could be unclear to members not familiar with the equipment, potentially leading to its misuse. We keep working to improve the Basic-Fit app functionalities and provide an in-app tour to guide users. We also offer customisation of the app so it can be personalised to each member's needs.

Ensuring the safety of our members at our clubs is of course one of our top priorities. The majority of our clubs are fitted with a remote surveillance system in order to ensure the safety of our employees and members. We recognise that this has important implications for the privacy of our members and endeavour to uphold high privacy standards in the use of this system. Our regulations for the use of camera surveillance include standards for image retention periods, transparency, transfers and the security of images. This regulation also outlines data subject rights and is made available to members via our website.

We have a set of terms and conditions in each country in which we operate, which any person seeking to become a member must declare they have read and accepted before becoming a member. The terms and conditions establish clear and transparent agreements between Basic-Fit and our members. The terms and conditions inform the members of: their rights regarding the withdrawal of their membership, the access that each type of membership grants to clubs and online resources, and options that can be added to memberships. The terms and conditions also provide members with the conditions regarding fees and payments, the use of QR codes and member cards, club opening hours, minimum age requirements, insurance, risks and liability and their personal data. The terms and conditions are made available to each member via Basic-Fit's website in each country, and via email when they become a member.

While our policies regarding members are not explicitly aligned with internationally recognised instruments relevant to consumers, such as the UN Guiding Principles on Business and Human Rights, Basic-Fit ensures compliance with international human rights principles through adherence to local laws, practices, and procedures. A few incidents related to the right to privacy, which could be considered as non-severe cases of non-respect of human rights of members, were reported in 2024 and were addressed in accordance with our internal policies and procedures. We recognise that upholding our members right to privacy is crucially important, and as such we endeavour to collect, use and store personal data fairly, securely and safely, in line with international best practices and applicable laws. We have several policies in place in relation to our members privacy. Our privacy statement sets the standard for how we approach the management of our member's personal data, including how potentially sensitive data is anonymised, not used for other purposes and deleted after a limited period. The privacy statement also describes the measures we take to safeguard personal data, and contact details necessary for consumers to exercise their privacy rights. Basic-Fit only processes data when there is a legal basis for doing so, in accordance with Article 6 of the GDPR. Additionally, the privacy statement describes the standards for transferring data to third parties, outside the EU as well as the handling of privacy complaints. The privacy statement is made available to customers via our website.

Engagement with our members occurs at every stage of their membership. For example, when members join, they receive a confirmation email providing them with their contract, terms and conditions and house rules, instructions for downloading the Basic-Fit app and using the QR code for accessing our clubs.

Basic-Fit also continuously gathers feedback from members through several channels. We collect feedback via our app periodically after members have visited a club, including questions related to the member's overall experience, hygiene, staff, crowdedness, equipment and ambiance of the club. This feedback is requested from members once every two weeks after at least two club visits to a maximum of twice per month per member. Either seven weeks or six months after becoming a member, members are asked to tell us how likely they are to recommend Basic-Fit to other people. We monitor this feedback continuously and escalate as appropriate. Additionally, we review external sources of feedback such as Trustpilot and Google reviews to understand consumers experience of our clubs. The Customer Relationship Manager and Customer Service Manager have operational responsibility for these engagements, while the Management Board is responsible for ensuring that the results inform Basic-Fit's approach.

Basic-Fit has several channels available to members to raise their concerns and have them addressed. From within our clubs, members can speak to our hosts or they can contact an agent 24/7 via an intercom. The host can provide a first line of support regarding any issues in the club, access to the club or inform the member about our self-service options. The intercom agents can provide incident related support or access to the club. Basic-Fit also makes a chatbot known as 'Ruby' available to members. Ruby can help members with certain queries and pass the member on to a customer service agent in cases it cannot resolve. Additionally, members can raise any concerns directly with customer service, which they can contact through the live chat on our website or app, on Facebook or via email. If the customer service team cannot resolve the member's concern, it will be escalated as appropriate to the relevant internal department or external agents, such as the police. The process to address members' complaints varies depending on the nature of the issue raised with customer service. If the complaint is in relation to the club facilities this will be forwarded to the regional or cluster manager to take action. If it is in relation to harassment or aggression from another member it will be escalated to the regional or cluster manager and a warning or a ban will be issued to the offending member. If it is a GDPR-related complaint, it will be escalated to the Privacy Officer. Basic-Fit has an International Customer Service Manager responsible for our customer service channels, while ultimate responsibility for the implementation of these processes lies with the Management Board.

We do not yet have in place specific processes to assess the effectiveness of remedies provided in the event that Basic-Fit has caused or contributed to a negative impact on a member. Additionally, while the contents of member complaints are monitored, we do not yet assess whether members are aware of these structures or trust them as a way to raise concerns. Basic-Fit does not currently have a specific policy in place to protect members who raise concerns from retaliation, as in most cases the nature of concerns raised by members would not lead to retaliation. We have not required the availability of channels for members to raise concerns by our business relationships given that we have directly made the channels and processes described above available to our members.

Engagement with our members, including when we are addressing their concerns or complaints, and collecting feedback from them, provides us with an understanding of the effectiveness of our policies and the actions we take. This also enables us to identify lessons to improve our services.

Tackling barriers to fitness

We have numerous initiatives to achieve our aim of helping more and more people stay motivated to work out and improve their health and well-being. For example, some subscription models give our members the opportunity to bring a friend, which can help our members feel more encouraged to keep working out.

Through our app, we offer workout programmes for people in specific conditions or with different goals, including for pregnancy or for those looking to gain muscle. Since 2023, we have also provided programmes tailored to those who can present with a lack of motricity. These programmes provide guidance videos for people with a motor disability, who, according to the De Nederlandse Sportdeelname Index, find unclear instructions to be a barrier to their participation in sport. With these programmes, we aim to pave the way for a future in which more people can experience the benefits of sports. All of these programmes are accompanied by a disclaimer explaining that the participant should consult a doctor or midwife before participating.

Generally speaking, we keep improving our fitness services, and developing online content for specific fitness goals, such as running training, with the objective of motivating more people to start working out and keep moving, at the clubs or at any other location.

In 2024, we launched our 'Boost Your Mood' campaign. The campaign was born out of the understanding that encouraging exercise as means to enhance overall health – particularly mental well-being – is becoming increasingly vital. In 2024, the World Health Organization (WHO), the Dutch National Institute for Public Health and the Environment (RIVM) and Municipal Health Services (GGD) (in the Netherlands) reported a decline in mental health among young adults. Since the COVID-19 pandemic, attention to mental health has become more critical than ever, with one in three young adults acknowledging challenges in this area. Scientific studies have shown that regular physical activity can reduce stress, boost self-esteem, improve sleep quality, and enhance mood in both the short and long term. Findings from research conducted among our members affirmed these benefits: more than 80% of respondents reported an improved mood immediately following exercise or feeling more relaxed and clear-minded afterward. Additionally, 93% of respondents advocate for exercise as an effective means to enhance overall well-being, both physically and mentally. The campaign was launched on television, social media, radio and outdoor advertising. Several ambassadors and mental health organisations also supported the campaign.

According to 2022 Eurobarometer data, 53% of adults in Basic-Fit's operating countries don't engage in sports. Basic-Fit initiated extensive research on the barriers to participation. Two studies commissioned by Basic-Fit show that 30% experience 'gymtimidation'. This is driven by internal factors like the lack of self-confidence, experience, and unfamiliarity with gym equipment, as well as external factors like fear of judgment and unwanted attention. With the introduction of another initiative, 'Be Comfortable', Basic-Fit wants to make fitness accessible to all. 'Be Comfortable' is the central concept for a range of activations in the upcoming years. The scope of the activations includes digital and in-club initiatives such as behavioural guidelines for members, staff training on how to create a comfortable environment, tailored training plans for various groups and social content to positively break through gym intimidation.

In addition to our safety trained employees in the club, we continue to install remote surveillance systems in our clubs to help our members feel safe when working out, and to ensure a swift response when incidents occur. These systems include smart camera networks, intercoms and alarm buttons, and they are now a standard feature in newly built clubs. A dedicated department operates these systems, including our EN50518:2019 certified Monitoring and Alarm Receiving Centre which acts as the first line for primary care and alarm verification.

In general, achieving increases in our membership base and seeing our members visit our clubs at least once a week, serves as a general indication that our efforts are broadly effective.

Technical notes

All of our members are included in the scope of this disclosure. Our members are not considered to be consumers of products that are inherently harmful to people or increase risk, or services that potentially negatively impact their rights to privacy, to have their personal data protected, to freedom of expression and to non-discrimination. Our members may be dependent on accurate and accessible information on the use of equipment in our clubs to avoid damage or injury, as such this information is available via our app. Our membership includes minors aged over sixteen. We are currently working to develop a comprehensive human rights policy that will include provisions for protecting the rights of our members.

We may work with partners to prevent, mitigate or enable remedy to material negative impacts on members. However, these activities do not require wider industry collaboration. Our material negative impacts relating to members are not systemic in nature, given that they relate to limited numbers of cases or faults in certain communications or services.

Impacts related to our members are addressed as a whole; no particular action has been launched specifically to provide or enable remedy of negative impacts beyond those stipulated in our existing policies detailed in this section. Basic-Fit is thus unable to describe in detail actions, targets or resources allocated to the implementation of these policies.

In general, the resources devoted to customer care, remote surveillance, product innovation, and marketing are allocated to manage material impacts, risks and opportunities related to the topic of ‘Members’.

Community investment

Our ambition is to actively support our communities to help them lead fitter, healthier lives and create a more inclusive environment. We understand the importance of building healthy habits that will keep people healthy, both physically and mentally. This is why, since 2020, we have been partnering with organisations in the countries in which we operate, to help young people who lack the opportunity to exercise, stay fit and enjoy the social benefits of doing sports, regardless of background or ability. We do not have a specific policy for these partnerships, nor have we identified any severe human rights issues or incidents connected to the communities we operate in; we manage them primarily as philanthropic actions to enhance the benefits of sport in society.

Our main partner in the Netherlands and Spain is the Johan Cruyff Foundation. Together we focus on children and young people for whom sports is not guaranteed. Through sports sessions and workshops, we raise awareness of the benefits of physical activity, helping them thrive mentally and physically. In Belgium, we support Sport2be and our partner in France is Sport dans la Ville. Both organisations develop sports and job programmes to support young people in their learning process through sports, and help young adults acquire professional skills. Studies have shown that sports play a key role in education from an early age, and our goal is to accompany youngsters and young adults on their journey to a bright and healthy future.

Additionally, we have also provided fitness equipment for sport or health initiatives. For example, as part of the Week of Sport at the Hospital, in France, we donated bicycles to 72 medical facilities to promote physical activity for patients.

We support our partners financially but, at an operational level, we activate young people by hosting regular fitness training sessions in a number of regions, facilitating a partner’s event in our club facilities, giving professional advice or facilitating career opportunities. We aim to continue investing in such partnerships to keep supporting our communities towards healthy lifestyles.

Community partnerships

	2024	2023
Financial contribution to communities (€1,000)	€ 860	€ 571[1]

1 The amount in 2023 is restated due to an amount erroneously not accounted for before: the total reported in the previous annual report was € 527. This represents a correction of 8.3% with respect to previous data.

Methodology notes

Calculation is based on contributions to partners following indications from our communications and marketing teams regarding the identity of these partners. The calculation also includes any amount registered as donations. The growth after 2023 is mainly due to the donation of bikes to different initiatives and a dedicated contribution to the Grande Cause Nationale in the context of the 2024 Olympics in France.

We do not have a dedicated policy to manage these community initiatives, which we will work on developing in 2025, potentially in alignment with other instruments related to our social impacts, such as a human rights policy.

GOVERNANCE

Business conduct

We recognise that doing business responsibly requires being transparent towards our stakeholders. In addition to reporting how we manage the different impacts of our operations on people and the environment, in this section we explain how we ensure that sustainability remains at the core of our corporate governance and business strategy, including our work to ensure that all our operations are performed with integrity and in compliance with applicable legal and regulatory requirements.

Significant developments and observations related to areas of business conduct, such as human rights, anti-bribery, tax reporting, and ESG reporting, are shared with the Management Board or second line of defence roles through various channels in the organisation. When they are noted by people in second line of defence roles in reviews, they are subsequently escalated to the Management Board. The Supervisory Board receives regular updates on these topics. In the event of any serious incident, the matter and any mitigation will be discussed in the Management Board and/or in the Supervisory Board.

We continue to work on the further integration of sustainability and ESG into our strategy and business processes. Together with our international and local teams, we ensure that our ESG priorities are concrete and manageable. The Leadership team takes overall responsibility for Basic-Fit's sustainability strategy, approves targets and monitors performance.

Corporate culture and integrity

Basic-Fit is committed to avoiding any non-compliance with legal and regulatory requirements of the countries in which we operate, which include health and safety regulations, competition and antitrust laws, insider trading regulations and anti-corruption laws. Basic-Fit has a Code of Conduct, which reflects the company's values and principles and ethical business practices in a wide range of areas, such as good business practice, integrity in dealing with third parties and financial reporting, health and safety, conflicts of interest and handling confidential information. Everyone working for Basic-Fit is required to diligently follow the principles as set out in the Code of Conduct when dealing with any business on behalf of Basic-Fit.

The principles and rules for ethical conduct, anti corruption and anti-bribery are laid down in the Code of Conduct. The Code of Conduct applies to all employees and temporary staff, consultants, interns and freelancers.

The compliance officer monitors compliance with the Code of Conduct. The compliance officer, together with other stakeholders/departments such as Human Resources (HR), are responsible for the continuous promotion of best practices from the Code of Conduct and for raising awareness of the elements of the Code of Conduct within Basic-Fit (in clubs, as well as offices in all countries). Our insider trading policy sets out obligations for Basic-Fit and its employees with respect to the ownership of, and transactions in Basic-Fit Securities, in accordance with the European Market Abuse Regulation. This policy applies to all employees or anyone in any other form of relationship of authority to Basic-Fit N.V. It is made available on our corporate website and to our employees on our internal communication channels. Our internal data security policy provides information on what is meant by a security incident and on what is expected of employees in the event of an incident. This policy applies to all employees and is made available to them via our internal communication channels. The Management Board is accountable for the implementation of these policies. Information on these policies is also provided to our employees in the employee handbook.

The company's corporate governance framework and its Code of Conduct also include safeguards and controls by the Supervisory Board to avoid conflicts of interest.

The elements and values reflected in the Code of Conduct are assessed in an annual integrity, fraud and corruption risk assessment, based on a Systematische Integriteitrisicoanalyse (SIRA) model. The Basic-Fit compliance officer initiates and processes this assessment. This includes assessing those functions most at risk in respect of corruption and bribery, which are generally related to all employees who are qualified as 'insiders' due to our obligations as a stock exchange listed company. These functions include members of the Supervisory and Management Boards as well as some members of our finance, property, marketing, legal, investor relations, tax, IT development, operations and HR departments. All individuals designated as insiders are provided with an explanation of their role as an insider during their onboarding or upon becoming an insider, at this point, they must declare that they will comply with the insiders policy.

We do not have a specific policy for training related to these instruments, but the principles and rules of business conduct are embedded in our onboarding programme and other employee training. We are currently developing a process to integrate an annual review of the Code of Conduct for target groups into our HR management tool (Workday), which will ensure that the policy is reinforced across the organisation. Additionally, the Code of Conduct is made available via our intranet and on our corporate website. Our annual integrity risk assessment enables us to determine which target groups may require (re)training.

Our 'Speak-Up' (whistleblower protection) policy applies not only to employees but to all people who provide labour or services to Basic-Fit, including employees of our suppliers and contractors. The aim of this policy is to ensure that anyone affected has the ability to report issues that are not in line with Basic-Fit's principles and values. Speak-Up officers are appointed in each country; they are legal counsels familiar with European and local laws related to whistleblowing, and are accessible directly and in the local language. The local Speak-Up officers are responsible for assessing reports, ensuring necessary investigations are carried out and the proper registration of reports, under the guidance of the central Speak-Up officer. The local Speak-Up officers inform the central Speak-Up officers of any reports received. The central Speak-Up officer has the most expertise on this topic and is responsible for coordinating all whistleblower reports. The central Speak-Up Officer is then responsible for informing the Management Board through a memo, which will be shared by the Management Board with the Supervisory Board if necessary. The Speak-Up Policy requires that the members of investigation committees must be impartial and have no prior involvement with the misconduct, nor a close personal or working relationship with the person being investigated. The investigators are also separate from the chain of management involved in the matter. Those who report an issue through Speak-Up in good faith, as well as anyone who helps them to report, or anyone connected to the person who is speaking up, are legally protected from any form of retaliation. The policy is reviewed and updated, and the new version shared on an annual basis. From 2025, this sharing will be integrated in our HR system, Workday. The Speak-Up policy is also made available to all employees via our intranet. Information on the number of incidents reported via Speak-Up in 2024 can be found in the 'Our People' section of this Sustainability Statement.

As a stock exchange listed company, Basic-Fit has been subject to all national laws, including Directive (EU) 2019/1937, related to the protection of whistleblowers since our initial public offering.

Political engagement

As a leader in its market, Basic-Fit interacts with a wide range of European, national and local government bodies. We are also actively engaged in discussions with the national fitness federations in the countries in which we operate. It is our position that the fitness industry has an important role to play in advancing health and well-being, and that making fitness accessible to more people enhances this role, benefiting society at large.

We manage our political engagement in coordination with trade unions and lobbying agencies advocating for the promotion of fitness and physical activity, such as Europe Active, Hague PA agency in the Netherlands, and APC PA agency in France. The amount of 'political contributions' in the table at the end of this subsection represents the financial resources paid to these organisations, no additional contribution was made to any other type of recipient or beneficiary.

Beyond addressing market conditions for operation of the business, lobbying activities are mainly focused on material impacts, risks and opportunities that connect with the promotion of health and well-being, working conditions of the workforce, and members' safety and security. The topics covered by lobbying activities can vary by country, but generally the following issues have our attention and support:

- Positioning fitness as an essential industry for a healthy and vital society.
- Promoting scientifically proven benefits of physical activity and the social value of our industry.
- Identify ways to stimulate sports participation and fitness penetration.
- Promote a good industry reputation at governmental/EU level, including our role in supporting a healthy lifestyle and saving healthcare-related costs by preventing chronic diseases.
- Anticipate industry trends and the role of technology in the fitness industry and the impact on consumer behaviour (AI, GLP-1 medicines, social media/ influencers, gamification, longevity).

Topics mainly related to market conditions:

- Limiting as possible potential increases in related VAT rates in Europe.
- Understand local authority rules that influence our speed of expansion or our club model, e.g., 24/7 remote control of clubs, club safety requirements or staff training requirements.
- Recognise energy costs faced by the industry and identify possibilities for savings through government subsidies or support.

The Management Board is responsible for the oversight of these activities. Additionally, none of the members of Basic-Fit's administrative, management and supervisory bodies appointed in 2024 held a comparable position in public administration in the two years prior to said appointment.

Political contributions

	2024
Monetary value of contributions (€1,000)	€875

Methodology notes

Calculation is based on a list of lobbying partners provided by the Strategic Advisor to the Board, who supports the Management Board in overseeing these activities, and corresponding invoices for services provided by these partners.

Our relationship with suppliers

Basic-Fit applies a supplier Code of Conduct, and the 2nd line of defence regularly performs reviews regarding business conduct and corporate culture, including on supply chain matters.

In line with the company's growth, we continue to enhance our procurement framework to closely monitor the procurement process and to engage and partner with responsible suppliers. When entering into any engagement with suppliers, Basic-Fit always tries to apply its own contract documentation, including the principles and values related to sustainability, human rights, anti-corruption and anti-bribery, or negotiates the contract conditions to ensure that these principles and values are fulfilled. This helps us promote responsible business conduct practices in the industry and among our partners.

We do not monitor the size of our suppliers specifically to identify which are SMEs. Payment terms may be shorter for small suppliers in accordance with local legislation. When cases of late payments to small suppliers have occurred, these have been mainly caused by payment system integration issues.

Payments are performed upon receipt of invoice as per agreed payment terms with suppliers. Unless otherwise specified, these terms follow the generally applicable payment terms between companies[1] of 60 days. These terms apply to all of our supplier categories, and 91% of payments are aligned with them.

Payment practices

	2024
Average time for payment (days)	32
Outstanding legal proceedings for late payments	1

Methodology notes

The average time for payment is calculated as the difference between the date of payment and the date of receipt of invoices. The calculation excludes direct debit payments and correction entries. The legal proceeding corresponds with a case in France which is, at the end of 2024, still outstanding.

Any case of misconduct by our suppliers, whether related to their integrity or the labour rights of their workers, could lead to financial and reputational damage for Basic-Fit. However, we believe that based on the policies and procedures we have implemented, combined with the background of most suppliers with whom Basic-Fit has been working for years, we have a strong basis to build on to enhance our control of this risk.

In 2024, we performed a thorough assessment to evaluate how the procurement cycle addresses and manages pertinent key strategic and tactical risks, and to define improvements required to ensure these risks are effectively tackled or mitigated.

We recognise that we need to continue to develop sustainability-related matters in our relationships with suppliers and that these are yet fully embedded. For example, the supplier selection procedures do not take into account social and environmental criteria, which we recognise as a gap we need to address.

Our goal is to appoint a procurement manager in 2025, who will, among other business objectives, continue to develop policies to improve the embedding of sustainability considerations in the management of supplier relationships. We anticipate the procurement manager function will begin by setting priorities and putting together a project plan with our CFO, with the formalisation of policies and implementation taking up at least the rest of 2025.

[1] As laid down in the European Directive for combating late payments in business dealings.

OTHER DISCLOSURES

ESRS Disclosure Requirements list

Datapoints derived from other EU legislation

Disclosure requirement	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	30
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	30
ESRS 2 GOV-4 Statement on due diligence paragraph 30	32
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	42
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Not relevant
ESRS E1-4 GHG emission reduction targets paragraph 34	31
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Not material
ESRS E1-5 Energy consumption and mix paragraph 37	46
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Not material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	48
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	49
ESRS E1-7 GHG removals and carbon credits paragraph 56	49
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Not material
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)ESRS E1-9Location of significant assets at material physical risk paragraph 66 (c).	Not relevant
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	Not relevant
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69	Not relevant
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Not material
ESRS E3-1 Water and marine resources paragraph 9	Not material
ESRS E3-1 Dedicated policy paragraph 13	Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Not material
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Not material
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Not material

Disclosure requirement	Page
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	61
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	61
ESRS S1-1 Human rights policy commitments paragraph 20	61
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	61
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	61
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	60
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	72
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	65
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Phased-in, not reported
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	64
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	64
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	65
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	65
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	66
ESRS S2-1 Human rights policy commitments paragraph 17	66
ESRS S2-1 Policies related to value chain workers paragraph 18	66
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	66
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	66
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	66
ESRS S3-1 Human rights policy commitments paragraph 16	Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 1	Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	67-68
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	67
ESRS S4-4 Human rights issues and incidents paragraph 35	67
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	71-72
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	72
ESRS G1-4 Fines for violation of anticorruption and anti-bribery laws paragraph 24 (a)	Not material
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	72

RISK MANAGEMENT AND CONTROL SYSTEMS

Achieving our long-term strategic objectives inherently involves taking risks. This makes risk management an essential element of Basic-Fit's culture, corporate governance, strategy, and operational and financial management. Basic-Fit carefully considers the types of risks we take and our risk appetite in achieving our objectives. Basic-Fit's risk management approach plays an important role in achieving our strong international growth ambitions and creating long-term value.

Description and governance

The responsibilities for risk management extend across all levels of the organisation, embedding these duties throughout the hierarchy. This comprehensive approach fosters a culture of accountability and vigilance, enabling us to identify and mitigate risks promptly while upholding high standards of governance and compliance.

The Management Board, under the supervision of the Supervisory Board, is responsible for identifying and managing the risks associated with the company's strategy and activities. The Management Board, therefore, bears ultimate responsibility for designing and establishing Basic-Fit's risk management and internal control framework, and for creating and promoting the right business culture and values.

The members of the Leadership Team, being the members of the Management Board, as well as the CCO and COO, serve as Risk Sponsors, bearing responsibility for establishing risk appetite levels that are aligned with strategic goals and associated risks' severity, provide feedback and recommendations on significant emerging risks identified, and oversight of the Basic-Fit actions and controls in response to risks being taken.

The Audit and Risk Committee supervises the effectiveness of the internal control systems and reports annually to the Supervisory Board regarding the methods used to access the effectiveness of the design and operation of the internal risk management and control systems. The Supervisory Board approves the overall strategic objectives and regularly discusses the principal risks associated with the strategy.

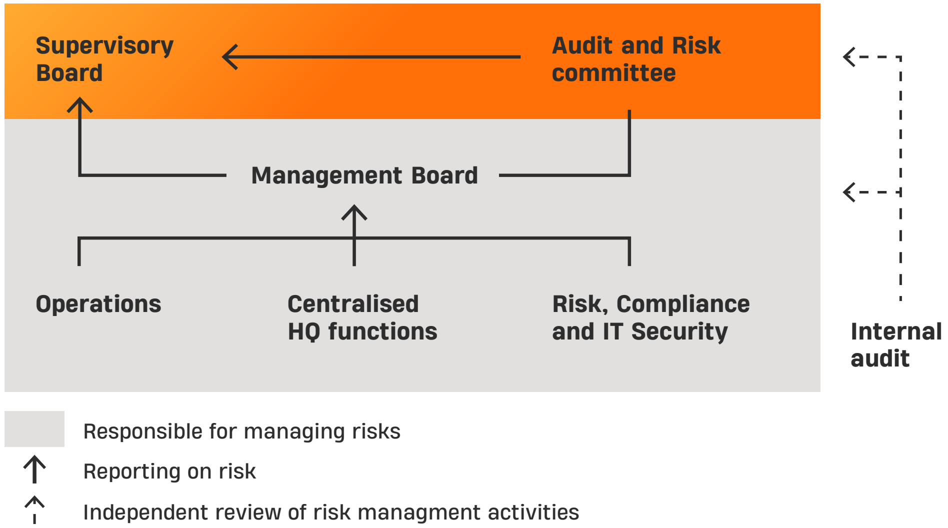
The three lines of defence

Middle management and all employees help the Leadership Team to carry out risk, control, and corporate governance tasks on a daily basis, representing our 1st line of Defence. They are encouraged to work in an entrepreneurial manner, provided they are equipped to manage risks and operate within the boundaries set by the Leadership Team. They serve as risk owners and risk champions, responsible for identifying and understanding risks within their area of responsibility and for developing and implementing mitigation measures to manage those risks, including performing control activities. Organisationally, those employees perform control activities centrally when they relate to centralised head office functions and processes, such as Finance, HR, Marketing, Customer Care, IT, and Legal. We refer to the head office also as headquarters (HQ) in this report. When these control activities are linked to Operations, they are performed locally. For description of our regional operations, please see the Our Strategy section in this report.

The risk and control, compliance and privacy, and IT security functions represent the 2nd line of Defence and jointly protect and monitor Basic-Fit's risk strategy, risk culture and integrity. The 2nd line coordinates risk assessment activities, supports the 1st line in designing related controls, ensures that risks are managed within the Basic-Fit risk appetite by monitoring the performance of existing control activities and performing other assurance activities related to risk mitigation measures. The 2nd line works closely with the internal auditor, who acts as the 3rd line of Defence, to align working methods and the approach to risk management and internal controls improvements.

The 2nd line follows up on the implementation of the internal and external auditor recommendations and other control improvement plans. The 2nd line reports to the Management Board on the state of risk management and control activities.

As the 3rd line of Defence, the internal audit function provides independent assurance by assessing and reporting on the effectiveness of governance, risk management and internal controls implemented by the 1st and 2nd lines of Defence, to the Management Board and the Audit & Risk Committee. The internal auditors use a risk-based internal audit plan that enables them to provide the Management Board with the necessary assurance on how Basic-Fit manages key risks, including the effectiveness of the controls and other responses to such risks. The function is outsourced to an independent international audit firm.



Risk management practices

Our organisation has established a well-embedded risk management framework based on risk management practices guided by the COSO 'Internal Control – Integrated Framework (2013)' issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). We follow the high-level principles of the COSO framework, and selectively apply detailed points of focus based on their relevance to and practicality in our operations. We continuously review and enhance our internal control systems to align with best practices and evolving business needs.

Basic-Fit takes an entrepreneurial but prudent approach to risk taking. We identify and define risks across the spectrum of strategic, operational, financial, and compliance categories.

In case of **strategic risks**, we concentrate on factors that could influence our ability to attract and retain members, such as service offerings, marketing effectiveness, brand perception and reputation, and competitive pressures. When assessing **operational risks**, we recognise the necessity of adaptability and resilience within our business model. A key aspect of these risks is the effective management of resources - whether this is the timely adoption of new technologies, attracting and retaining talented people, securing suitable locations, maintaining strong supplier relationships, or safeguarding our IT assets. Each risk highlights the vital role of operational efficiency and business continuity, as failures in these areas can disrupt service delivery, affect member satisfaction, and ultimately impede the company's growth objectives. When considering **financial risks**, we prioritise stability in our capital-intensive growth strategy, taking into account the potential impact of external factors like inflation and market changes on cash flows and financial health. When looking at **compliance risks**, we stress the importance of adhering to legal and regulatory standards to protect our reputation. A recurring challenge in this risk category is the increasing complexity of regulations, particularly those related to sustainability and data security.

These perspectives help us to maintain a comprehensive view of the different categories of risks we currently face and may face in the future.

To increase our understanding of the risks we face, we evaluate the risk severity, which is a combination of impact and probability of each risk. We adopt a qualitative approach to evaluate the potential impact of risks. In determining the probability of a risk occurring, we take into account various factors, including any historical occurrence and the current state of the existing mitigation measures.

Additionally, we aim to clearly define our risk appetite for each of the risks, which reflects the level of risk we are willing to accept in pursuit of our strategic goals and objectives. The risk appetite is defined by the company's culture and our corporate governance, defined in Basic-Fit's strategy, values, code of conduct, policies and procedures. For **strategic** risks, the acceptable risk levels vary depending on the subject at hand. In line with our entrepreneurial culture with our focus on increasing fitness penetration and our market share, we are generally prepared to take above-average to high risks, in the pursuit of our ambitions. Therefore, we generally expect a higher risk appetite in this category. We weigh **operational risks** in relation to the implementation of our strategy and the impact of its execution. We expect a medium risk appetite on this front, reflecting our proactive approach to navigating potential challenges in the implementation of our strategy. However, we have a low-risk appetite for specific areas like IT security and Digital Transformation, Health and Safety, Workforce and Talent, and Suitable Sites. This is due to their sensitivity and the potential impact on other risks, such as Reputation, Regulatory, and Data Protection. We have adopted a prudent financial risk strategy with the intent to limit financial risks, maintain long-term solvency, and stay within our bank covenants. Therefore, we are setting an averse to low-risk appetite for **financial risks**. We strive for the highest level of **compliance** with legal and regulatory requirements, so we have a low-risk appetite for these risks.

The assessed level of risk severity, combined with the risk appetite, determines the type of mitigation measures we undertake in response to a risk. Generally, we assume that the higher the risk severity, and the lower the appetite, the more robust our mitigation measures should be. Additionally, our approach to assurance activities varies depending on the type of risk. **For financial and sustainability reporting**, we have implemented a robust process that includes not only our own reviews, but also those conducted by internal auditors. We have developed a separate internal control framework for financial and sustainability reporting, which encompasses a comprehensive cycle of formalised control assessments conducted at least quarterly. Please see the risk card 'Tax and Accounting' in Financial Risks section, and 'Sustainability Governance' risk card in Compliance Risks section. Following this approach, we provide reasonable assurance that financial reporting is free from material inaccuracies. Please see the In control statement in the Management Statements section. We also confirm that sustainability statements have been prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission. Please see the Responsibility statement in the Management Statements section.

For operational and compliance risks we utilise a less rigorous testing approach, relying on interviews with risk owners, risk champions, and other relevant parties, along with desk reviews of pertinent documentation, including policies, procedures, protocols, and available management reports. These reviews are conducted at least once a year. We evaluate the effectiveness of risk management practices, represented by mitigation and control measures, as 'adequate' when we determine that the company sufficiently manages the associated risks within the established risk appetite. We do not recommend any changes if these measures are deemed adequate. We recommend improving existing risk mitigation measures if we find them adequate but still in need of further enhancement. This improvement should reflect the relation between risk severity and appetite, considering the risk tendency - whether it is increasing, stable, or decreasing. Furthermore, if we determine that the measures are either absent or insufficient to maintain the risk within the established appetite, we classify them as 'inadequate/absent'. In line with our commitment to continuous improvement, we may introduce more frequent review cycles for these risk categories in the following year, as well as more robust assessment for the areas that we find relevant. We maintain this prudent approach, and although we have implemented controls and we have not observed inadequate or absent mitigation measures as described above, due to its limitations we are inherently not in the position to provide certainty that the operational and compliance risks were effectively controlled in the past year. While most of the existing measures are adequate, we are planning certain enhancement actions for the following risks: Health and Safety, IT Security, Club Maintenance, Suppliers, and Regulatory. Please see the relevant risk cards in the Operational Risks and Compliance Risks sections.

For strategic and general financial risks, we adopt a high-level approach that includes an annual risk assessment cycle. During this cycle, relevant mitigation measures are updated by risk champions and owners. Please see the relevant risk cards in the Strategic Risks and Financial Risks sections.

According to our assessment, our Risk Management and Control Systems are effectively designed to capture significant risks across different risk categories based on the selected approach and assessment methodology. Please see the In control statement in the Management Statements section.

Developments in 2024

Last year, we continued the integration of our assurance activities across the 2nd and 3rd lines of defence, with the aim of enhancing our working practices, reduce duplication of efforts, and foster a more comprehensive and collaborative approach. Specifically, we conducted an integrated risk assessment to prepare the Internal Audit Plan for 2025 and performed some internal audit fieldwork activities together to execute the 2024 internal audit plan.

We continued to enhance our internal control framework (ICF) by expanding its scope to include more processes and by consistently strengthening existing controls. This effort follows recommendations from both the 2nd and 3rd lines of defence, as well as findings from the external auditor communicated in the Management Letter and final audit results. Specifically, we have incorporated sustainability reporting controls into the ICF and redefined the former Compliance Risk 'Sustainability and ESG' as 'Sustainability Governance'. This change reflects its broader role in the risk management cycle, especially as the ESRS reporting cycle matures. For specific risks and opportunities related to Sustainability, please see the Sustainability Statement in this report.

In the area of risk management, we experienced the following developments and implemented the following measures in 2024: on the Customer Behaviour front, we have proactively embraced recent developments that recognise the critical role of mental health in overall well-being, alongside physical health, by rolling out the 'Be Comfortable' and 'Boost Your Mood' campaigns. We continued to tackle Unpredictable Local Markets risk in 2024 by adding and rebranding 42 new clubs following the acquisition of RSG Spain and by opening more than 300 clubs in France that are open 24/7, while continuing to enhance our market position through our cluster strategy. To address Workforce and Talent risk, we launched a leadership behaviours framework to clarify expectations for our leaders in line with our mission, with plans to integrate this in training and recruitment in 2025. On the Club Maintenance front, we restructured our Facility team for improved efficiency and service quality, while diversifying our supplier base to enhance oversight and ensure service continuity. For Regulatory risk, we aligned our compliance programme with ISO 37301:2021 and conducted a full compliance risk assessment, along with an integrity risk assessment based on the SIRA (Systematic Integrity Risk Analysis) model. On the Data Protection and AI front, we evaluated the impact of the upcoming AI Act on processes at Basic Fit that make use of AI technology. We concluded that the impact is low and no additional measures are required. We also updated our Privacy Policy to provide more detailed information on our data protection approach. These initiatives collectively strengthened our operational resilience and compliance.

Furthermore, we reorganised our risk reporting by introducing risk cards that display all relevant risk attributes. See the risk cards after the Key Risks section.

Basic-Fit will continue to enhance compliance and risk awareness within the company, focusing on improving efficiency, training and knowledge sharing, and monitoring of risks and controls in our ever-evolving organisation.

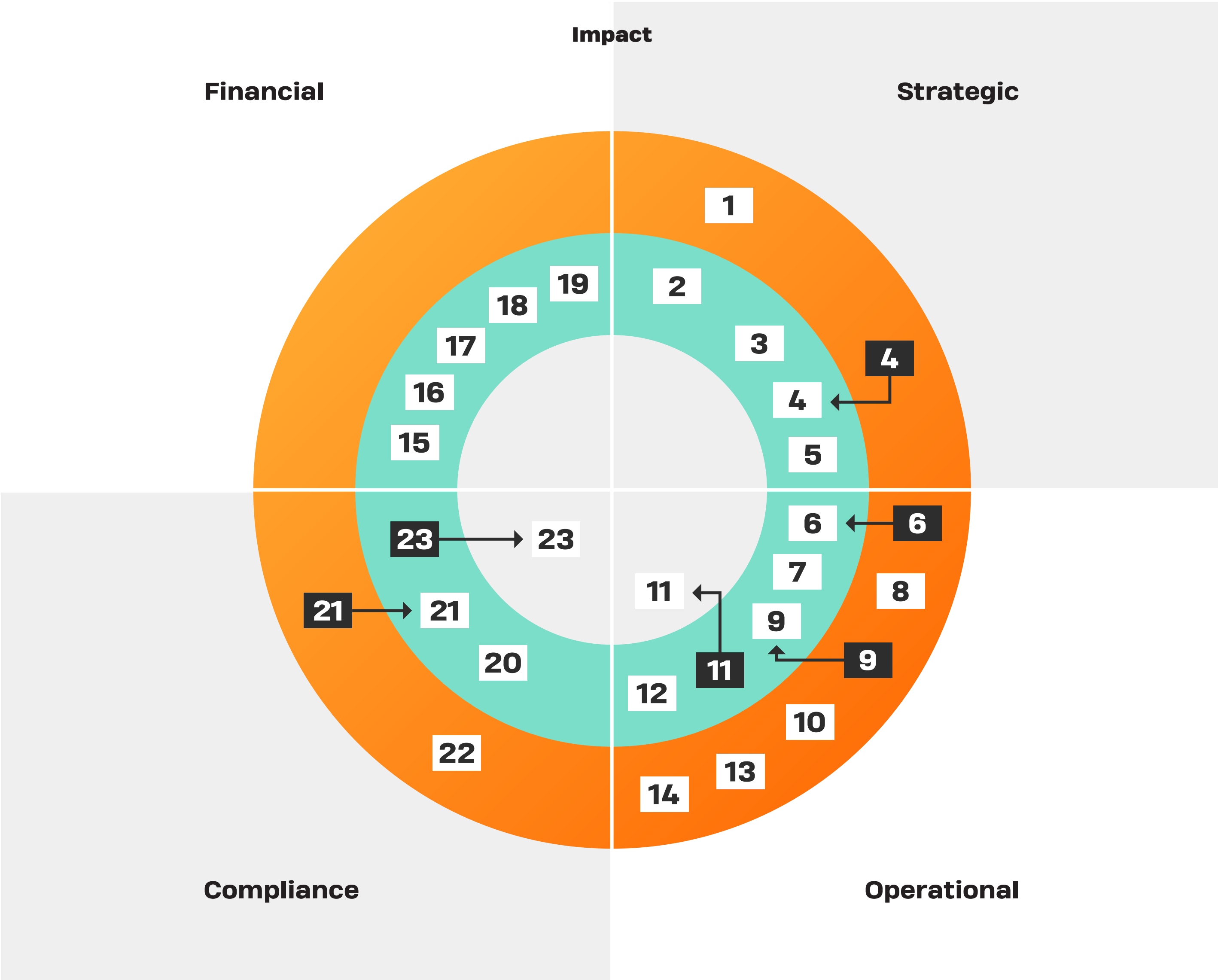
Sensitivity analysis

The risks that potentially have the greatest adverse effect on the achievement of Basic-Fit's objectives are described below in the Key Risks section. We have also looked at the sensitivity of the company's results to material changes in external circumstances.

	Change	On	Impact (in € millions)	Assumptions
Revenue (members)	+1.0%	Underlying EBITDA/EBITDA	12	No change to yield
Revenue (yield)	+1.0%	Underlying EBITDA/EBITDA	12	No change to volume
Operating expenses	+1.0%	Underlying EBITDA	(9)	No change to revenue
	+1.0%	EBITDA	(6)	No change to revenue
Clubs	+10 clubs	Underlying EBITDA/EBITDA	-	No (material) EBITDA impact during the first year from opening clubs
	+10 clubs	Underlying EBITDA less rent	1	
		Net debt*	13	
Net debt**	+€50 million	Net Profit	-	Stable interest rates
Borrowings	+€50 million	Net Profit	(3)	Stable interest rates
Interest rate	+100 bps	Net Profit	7***	Stable net debt
Interest rate	-100 bps	Net Profit	(7)****	Stable net debt

* Net debt excluding lease liabilities
** Net debt excluding lease liabilities
*** The impact reflects the non-hedged floating rate borrowings, as well as valuation changes of the derivative financial instruments. Excluding valuation changes of the derivative financial instruments, the impact would be (3).
*** The impact reflects the non-hedged floating rate borrowings, as well as valuation changes of the derivative financial instruments. Excluding valuation changes of the derivative financial instruments, the impact would be 3.

Key Risks



Strategic risk
1 Customer behavior
2 Unpredictable markets
3 Competition
4 Macroeconomic and (geo)political risks
5 Reputation

Operational risk
6 Digital transformation
7 Suitable sites
8 Workforce and talent
9 Suppliers
10 Health and safety
11 Managing Expanding Operations
12 Business model disruptions
13 IT security
14 Club maintenance

Financial risk
15 Financial risk and inflation
16 Liquidity risk
17 Credit
18 Currency and interest
19 Tax and accounting

Compliance risk
20 Regulatory
21 Sustainability Governance
22 Data security and AI
23 Diversity and inclusion

Severity (impact × Probability)
High
Medium
Low
2023
2024

The year 2024 presented many challenges, including escalating interstate armed conflicts and ongoing unrest in several regions, extreme weather events such as hurricanes, forest fires, and severe flooding, increased economic instability in several countries, and numerous cybersecurity incidents worldwide, including major data breaches, a notable rise in ransomware attacks, and cyberattacks on supply chains.

However, reflecting the growing maturity of our established mitigation measures, we reduced the severity of several risks, including Digital Transformation, Suppliers, Sustainability Governance, and Macro-Economic and Geopolitical risks. Additionally, we downgraded the 'Managing Growth' risk from medium to low severity. This risk involves the challenge of managing our expanding portfolio of clubs. The change in assessment reflects the robust and scalable centralised processes we have established over the years, which help us effectively manage geographically dispersed operations. To better clarify this point, we renamed the 'Managing Growth' risk as 'Managing Expanded Operations'. The specific operational challenges of continued growth are now reflected in 'Club Maintenance', 'Suitable Sites', 'Suppliers', and other thematic risks.

We also integrated the 'Diversity and Inclusion' processes into our 'Workforce and Talent' initiatives, downgrading the 'Diversity and Inclusion' risk to low and removing it from the reporting. As we do not publish low-risk cards, please see the Social section of the Sustainability Statement in this report for more details on how we manage these projects.

We are constantly improving and developing our processes and systems. The 'Developments 2024' and 'Plans for Y2025' sections of each risk card summarise the current year and future developments, along with planned enhancement actions regarding existing mitigation measures.

This is not an exhaustive list. There may be risks or risk categories currently identified as having no significant impact on the business but that could develop into key risks. The objective of Basic-Fit's risk management systems is to identify changes in risk profiles and any risk-related incidents in a timely manner, so the company can take appropriate and timely measures.

Strategic risks

Customer Behaviour

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	**High**	High	↑	**Mitigate**
Compliance	Medium	**Medium**	↔	Transfer
Strategic	Low	Low	↓	Avoid
Financial		Averse		Accept

Risk description

Attracting and retaining members is one of the core focus points of Basic-Fit's strategy. Being less attractive to our existing and new members, due to our offering, communication, marketing, competition, harm to our reputation, pricing and membership structure or changes in consumer preferences and behaviour could impact future growth and profitability.

Risk developments since the last assessment & future plans

Developments 2024:
- We have continued to focus on offering the optimal reachability for our members on all channels by further developing our chatbot, the self-service options and by continuous training & coaching of our Customer Service employees. This has resulted in less friction for our members, a higher overall score on Trustpilot, an average reachability of 98% on the live chat and an answer to mail questions of 1.2 days.
- We improved our products and services to provide our members with the best tools to make fitness accessible to everyone and help them make it a habit they love.
- We have proactively embraced recent developments that recognise the critical role of mental health in overall well-being, alongside physical health, by launching the 'Boost Your Mood' campaign in all operating countries. With this campaign, we emphasised that exercise extended beyond improving one's appearance; it fundamentally enhanced overall well-being. Physical activity is a powerful tool for uplifting mood, relieving stress, and boosting self-confidence. By making fitness accessible to everyone, we aimed to inspire people to take care of both their bodies and their minds, making a positive impact on society as a whole.
- We rolled out the 'Be Comfortable' campaign in all countries. We aimed to encourage everyone to feel welcome in our clubs, regardless of age, level, weight, race, gender, and motivation. We sought to eliminate any typical fitness-related barriers that could be uncomfortable, such as lack of self-confidence, feeling intimidated by the level or shape of others, the atmosphere (like lighting, sound, music, and smell), social safety, and knowledge of equipment,

Plans for 2025:
- We will continue to improve our products and services to provide our members with the best tools to make fitness accessible to everyone and to help them turn it into a habit they love.
- We will extend responding to questions, complaints and comments on public Social Media channels such as Google reviews to show our members we listen, learn and follow-up on their input/feedback/issues.
- We will introduce more technology tools to address easy or frequently asked questions that are sent by email cases to make sure our members get their answers immediately, outside of CS working hours making part of our service available 24/7. The chatbot will service our Instagram as an extension of the 24-hour service in easily finding answers to questions for our members who chose to contact us through Instagram.

Risk developments since the last assessment & future plans

Plans for 2025:
- We will use AI in offering directly relevant Knowledge articles, coaching and guidance to our service agents while working on cases. We will also train debt follow-up specialists at our Back Office teams to be able to take a personal approach to help members with their debts by, for instance, offering payment plans, with the aim to retain the member and avoid expansive escalations to collection agencies.
- We will continue to focus our communications on the two themes derived from our mission to make fitness accessible to everyone and to help individuals cultivate a habit they love. The first theme, 'Be Comfortable', encourages everyone to feel welcome and safe in our clubs. Additionally, we will keep focusing on 'Well-Being' through the 'Boost Your Mood' campaign, which aims to foster greater awareness of the positive effects of physical activity on overall well-being, encompassing both mental and physical aspects.

Mitigation measures

✓ **Value for money:** We continuously invest in an attractive value proposition and customer journey to remain relevant to our existing and new members. Our customers can use the Basic-Fit app, which is very customer friendly, provides self-help service, new and extended online workouts and schedules and improved features for club entrance. This approach strengthens our data-driven approach to member communications and motivation. Furthermore, the app offers the availability of an online coach to help our members to set their goals and build and maintain a fitness habit.

✓ **Membership model:** We operate a transparent, flexible, affordable, and straightforward membership model comprising three main forms of membership with attractive add-on opportunities, with several options at attractive price levels and with the option to make these memberships flexible. We continuously analyse new forms of membership and add-on opportunities to keep up with new market developments and to be able to adapt to market circumstances, such as rising inflation.

✓ **Innovative fitness products:** Our investment in people, innovative fitness products and technologies for use both in and outside our clubs, complementary product online and on-site offerings, marketing campaigns and sales promotions all enable us to enhance the value of our brand and our members' connection to our brand.

✓ **Customer experience:** We have a dedicated customer service department constantly working to improve the service to our customers and their customer journey. The level and quality of customer service will impact our net promoter score. Our virtual assistant Ruby helps our members and therefore our customer service departments, to answer members' questions. We constantly facilitate our members' access to self-help tools, so we can assist our members even more quickly, at higher quality standards and more efficiently.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Unpredictable markets impacting expansion

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	**Medium**	↔	Transfer
Strategic	Low	Low	↓	Avoid
Financial		Averse		Accept

Risk description

The expansion potential could be influenced by different or changing market conditions, laws and regulations, pandemics, consumer preferences and discretionary consumer spending habits in our growth markets or potential new markets. This could impact future growth and profitability.

Risk developments since the last assessment & future plans

Developments 2024:
- We added and rebranded 42 new clubs after the successful acquisition of RSG Spain, which has a strong presence in the Barcelona region.
- We opened 335 24/7 clubs in France.
- We followed our cluster strategy, which aims at enhancing market position and increase penetration.
- We focused on further expanding and increasing the quality of our clubs and services in our six countries.

Plans for 2025:
- We will develop a clear strategy for adopting a franchising model, which will offer faster expansion opportunities through local partnerships.

Mitigation measures

✓ **Extensive research:** Before entering a new market or region, we conduct extensive research into growth opportunities and value creation for the medium and long term.

✓ **Site selection:** We have a rigorous site selection process, driven by technology, local market insights and experience, which takes into account local competition, local demographics, local fitness penetration and required site characteristics.

✓ **Uniform club format:** We have a system in place to review and register all our clubs in an automated 3D drawing system, which makes it easier to roll out a uniform club format and makes it possible to easily monitor the club with the correct data once operational.

✓ **Monitoring local laws:** Our centralised international legal department closely monitors local laws and regulations, with support from local external advisors if required.

✓ **Promotion:** Our international marketing campaigns focus on promoting and positioning our brand and include group-wide and local marketing efforts and sales promotions that appeal to local inhabitants.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Competition

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	**Medium**	↔	Transfer
Strategic	Low	Low	↓	Avoid
Financial		Averse		Accept

Risk description

The health and fitness industry is highly competitive and localised and competitors could succeed in attracting our existing and new members, which could impact future growth and profitability.

Risk developments since the last assessment & future plans

Developments 2024:
- We added and rebranded 42 new clubs after successful acquisition of RSG Spain that has strong presence in Barcelona region
- In France, our membership growth trends have been improving on the back of the continued investments in the quality of our clubs and longer opening hours.
- The strong back-to-school campaign resulted in a further growth of our membership in the third quarter.
- We finished the roll-out of massage chairs in all our clubs and began to install plate-loaded machines.

Plans for 2025:
- We will focus on further expanding and increasing the quality of our clubs and services in our six countries on top of further increasing opening hours.
- We will install plate-loaded machines in all clubs in Europe.
- We will continue emphasising the affordability of a membership, while implementing changes to our membership structure.

Mitigation measures

✓ **Value-for-money:** We invest continuously in offering an attractive value-for-money proposition to our existing and new members: we offer a value-for-money membership at a low cost with longer opening hours.

✓ **Remote:** We have opened more clubs on a 24/7 basis in the Netherlands, Belgium, Luxembourg, and France. We are continuing the roll-out of the implementation of a highly advanced remote surveillance system in some countries to support high levels of safety and security and efficient functioning of the clubs and opening hours, in line with the highest standards of privacy compliance.

✓ **Marketing:** We have localised marketing campaigns and sales promotions to win market share and increase the fitness penetration rate.

✓ **Cluster strategy:** With our cluster strategy and online off-site fitness offer, we are making fitness accessible for (potential) members wherever they are and whenever they want.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Macroeconomic and (geo-)political risks

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	**Medium**	⟷	Transfer
Strategic	Low	Low	↓	Avoid
Financial		Averse		Accept

Risk description

The risk that market developments, such as (macro-) economic and (geo-)political developments, war and unrest, inflation, natural disasters or pandemics could have a possible adverse effect on our growth and profitability.

Risk developments since the last assessment & future plans

Developments 2024:
- We continued to closely monitor macroeconomic developments to be able to adapt accordingly.
- We increased the hedging on the interest rate risk, which reduced our vulnerability to interest rate fluctuations.
- We completed implementation of the smart refurbishing programme, which reduced our dependency on the shipment and supply of fitness equipment materials.
- We performed the climate-related risks and opportunities assessment (CRRO), that mapped the climate-related physical and transition risks to evaluate the resilience of our business in relation to climate change.

Plans for 2025:
- We will work on climate change mitigation mainly through controlling our energy use and we will develop adaptation solutions to address mapped climate change risks.

Mitigation measures

✓ **Diversified portfolio:** Our diversified portfolio of 1,500+ clubs in six countries at year-end 2024, with local operational management, is a mitigating factor against individual political, country, regional or local economic risk. We monitor these risks through the normal course of business.

✓ **Contribution:** As the largest and fastest-growing fitness operator in Europe, we want to contribute to the growth of the entire fitness market and we actively participate in the development of the industry and its standards at local and European levels.

✓ **Business model:** we can benefit from our proposition in times of economic downturn, as people could be downtrading for high-value, low-cost alternatives to mid-market and high-end offerings.

✓ **Affordable:** Increasing pressure on the cost of living and inflation is impacting society. Our attractive and affordable proposition allows people be a member at low fees.

✓ **Long-term relationships:** Increasing pressure on the cost of goods, shipment costs, scarcity of goods, inflation and unrest in several parts of the world, have so far not impacted Basic-Fit's potential to open clubs, because of good and fair long-term relationships with our suppliers.

✓ **Relevance of fitness:** We continued to convince politicians and the market of the relevance of fitness on health, (physical and mental) well-being and prevention. By offering a safe workout environment, we enable people to work on their fitness and strengthen their immune systems.

Mitigation measures

✓ **Water and electricity supply:** Climate change is expected to increase the frequency, magnitude, and impact of droughts in the long-term. We are constantly improving our management of energy use and control of costs.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Reputation

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	**Medium**	**↔**	Transfer
Strategic	Low	Low	↓	Avoid
Financial		Averse		Accept

Risk description

The risk of negative publicity, ineffective marketing campaigns or incidents occurring, which will have an adverse effect on the Basic-Fit brand.

Risk developments since the last assessment & future plans

Developments 2024:
- We continued to monitor our brand health and reputation across all channels and responded quickly as needed.
- We proactively clarified our concepts and purpose to our stakeholders.

Plans for 2025:
- No particular plans, we will continue what we did in 2024.

Mitigation measures

✓ **Brand image and reputation:** We have an extensive brand and corporate communications department and an investor relations department in place to manage our commercial communications, corporate communications and PR, and to protect our reputation and brand value.

✓ **Quick response system:** We have insight into all publications and communications on Basic-Fit in public markets through a news service, so we have a quick response system in place. If an incident occurs, we can measure the impact and take appropriate action as needed.

✓ **Monitoring our brand:** We continuously monitor and track our brand recognition and awareness in the market. We are the strongest fitness brand in Europe. We also have a monitoring system in place to monitor communications about Basic-Fit via social channels.

✓ **Integrity:** The company has well-embedded compliance, risk management and internal audit functions that work closely together, while respecting their independence, to mitigate risks and protect the company's integrity and reputation.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Operational Risks

Digital transformation

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	↔	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

The increasing demand for advanced digital capabilities poses a risk to sustaining our growth if we are unable to attract and retain top IT talent, ensure alignment between IT and business objectives from project inception, and enforce stringent standards for critical software and cloud services.

Risk developments since the last assessment & future plans

Developments 2024:

- We have enhanced our IT talent strategy by hiring a specialised recruiter, organising comprehensive onboarding sessions, assigning buddies to new hires, and engaging talent coaches to support and retain our IT staff.
- We strengthened our governance structure by distributing new initiatives across domain tables to facilitate faster, more informed decision-making with board sponsor input, and established robust policies for cloud service suppliers

Plans for 2025:

- We will leverage and further professionalise the measures taken in 2024.

Mitigation measures

✓ **Attracting and Retaining IT Talent:** To attract and retain top IT talent, we have branded our IT function as Basic-Fit.tech. We utilise talent coaches for development and retention, and maintain partnerships with IT firms to address specialised needs and resource gaps. These efforts ensure we have a dynamic and skilled IT team ready to meet our evolving needs.

✓ **Proactive IT Engagement in Strategic Planning:** In our operational model, we have enhanced control over our IT agenda to fully support our business objectives. By actively participating as a strategic partner in the initial concept and scoping discussions across business domains, we ensure alignment from the outset on new initiatives. This proactive approach guarantees that our IT strategies are always in sync with our business goals.

✓ **Reliable Service Providers:** Prior to acquiring software tools to support business processes, engagement with IT and Legal teams is essential. For critical services, we require cloud service providers to meet specific standards, including third-party assurances and relevant certifications. This rigorous selection process ensures that we work with reliable partners who uphold the highest standards of service and security.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Suitable sites

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	↔	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

The identification and securing of suitable sites, obtaining the required permits and agreeing on acceptable lease terms is crucial for the realisation of our growth ambition. Delays in regulatory procedures or construction activities could impact our club opening process and objectives for the year.

Risk developments since the last assessment & future plans

Developments 2024:

- We further trained our AI-based club layout tool, which is aimed at raising the 'success rate' of potential locations, as well as reduce the expansion time and costs, while maintaining conformity to corporate standards.

Plans for 2025:

- We will continue training the AI tool and further incorporate it in our site development process.

Mitigation measures

✓ **Real estate agents and local partners:** We combine a centralised and a decentralised site selection and development approach that uses local and regional real estate agents and a number of dedicated contractors.

✓ **Site selection:** We have a rigorous site selection process, which is efficient and improves time to market.

✓ **New Club Approval Analysis:** Project of a new site can only be launched after approval by the Management Board and after a rigorous investment analysis that includes return on invested capital.

✓ **Country expansion teams:** We have strong country expansion teams, to facilitate the company's long-term growth plans in terms of opening new clubs and exploring new opportunities.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Workforce and talent

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	**High**	High	↑	**Mitigate**
Compliance	Medium	Medium	**↔**	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

Any failure to recruit, train, motivate and retain service-minded staff in our clubs, customer care centre and HQ's, or suitably qualified management, could impact future growth and profitability.

Risk developments since the last assessment & future plans

Developments 2024:

- We made online training via LinkedIn Learning accessible to every level of our management and professionals. This also includes a defined learning path for new managers or for special skillsets, like giving feedback.
- We will digitalised our Health and Safety offering to all our employees via gamification.
- We have implemented our Talent Assessment Module to all countries to enable us to gain better insight into Talent Potential, leading to smarter development and retention plans.
- We have simplified processes in the recruitment journey to ensure for a better candidate, recruiter and hiring manager experience.
- We integrated our HR systems with key providers (ex. Indeed) to further streamline the candidate, recruiter and hiring manager experience.

Plans for 2025:

- We will finalise developing a leadership profile, to be used in training, recruitment, and development of our management staff
- All our corporate trainings, both digital and live, will be registered in our Learning Management System to be launched fin all countries. Trainings for the cluster managers will be digitalised.

Mitigation measures

✓ **Continuous development:** We have onboarding training for club staff in which employees are trained in many aspects and topics, for example, health and safety, company products, software systems, brand awareness, roles and responsibilities on how to run a club based on Basic Fit standards. We also train all Customer Service and Remote Operations new managers on basic elements of communications with members and foundations of member retention, who will further train their new agents. We provide periodical webinars to club hosts on basic communication and service skills.

✓ **Employee feedback:** We aim to continuously improve our employee services through employee feedback to ensure we remain an appealing employer. We do this through analysing our employee lifecycle. Currently, we focus our analysis on the beginning of the journey e.g. the candidate experience, in the middle of the journey e.g. learning feedback evaluations, and the end of journey e.g. our exit survey. These are administered through our HR management tool and Microsoft tools.

Mitigation measures

✓ **Employee feedback (continued):** We analyse this data quarterly and develop initiatives and strategies from the insights. Additionally, every 18 months we issue our people survey through an external objective supplier. This gives us oversights of the complete employee experience and feeds back into our strategy development.

✓ **Performance and Talent development:** We have continuous performance and development cycle that ensures our employees are constantly engaged with their Managers about their current performance and development needs. Our cycle includes goal setting, continuous feedback and end of year review. This year, we have implemented our new Talent Development Module which enables Managers to assess Talent potential in their teams and enables HR to use the insights to create development, engagement and retention strategies for the business. Furthermore, to ensure our employees can develop themselves in line with our business needs, we have introduced a new leadership behaviours framework that defines the expectation of leadership at Basic-Fit. This is currently being delivered to our Leadership population. In 2025, we will embed the leadership profile across the lifecycle into key areas such as training, recruitment and performance initiatives.

✓ **Implemented HR systems:** We have an internal communication platform in place, to facilitate more appealing, transparent, uniform and accessible communication with our people, to foster the communication among our employees and enhance awareness of company developments in general. This year, we have rolled out our new Employee Information Hub in 3 countries to ensure we are compliant in enabling our employees to get fast access to global policies and documents. Furthermore, Spain and France have been piloting chatbot functionalities to better foster awareness and communication. Finally, we have improved our internal communications platform to now include Manager groups to ensure we are more efficient in facilitating appealing, transparent communications to all our critical stakeholders. We use a professional HR management tool, which allows us to have a uniform and controlled HR approach in all our countries, allowing us to collect and analyse the data we need – for example, this year we have created global dashboards accessible to country HR that report Headcount, Diversity and Turnover. These dashboards have enabled us to gain better insights and make fast informed decisions.

✓ **Recruitment:** Due to better brand recognition we have greater visibility and attractiveness to candidates, which results in sufficient interest for vacancies. The labour market is under pressure, and in most countries it can be difficult to find sufficient and suitable staff. We have been making steady efforts to simplify and engage candidates across our countries. We now have simplified steps in the candidate, recruiter and hiring manager journey within our HR Management Tool, including centralised communications and notifications. We have reduced bias in the hiring phase by issuing global interview templates and exploring system integrations with suppliers to further simplify the process ensuring our Managers can focus their best attention on getting the right talent, in the right role, at the right time.

✓ **Compensation and benefits:** We have a Compensation and Benefits program in place that includes conducting salary benchmarking in the countries of operation to ensure that our compensation levels align with market standards. This process involves comparing our salaries and benefits to external market data to ensure competitive and fair pay. We have established a comprehensive job grading system in Headquarters.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Suppliers

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	**Medium**	↔	Transfer
Strategic	Low	Low	↓	Avoid
Financial		Averse		Accept

Risk description

The limited number of suppliers for various aspects of our business makes us vulnerable to interruptions to our existing and new operations and could impact future growth and profitability.

Risk developments since the last assessment & future plans

Developments 2024:
- We conducted an in-depth analysis of most of our spend categories, gaining valuable insights that contributed to significant cost savings.
- We diversified our service supplier base in France and Spain, reducing the number of clubs managed per supplier to improve oversight and quality control (see the Risk Card 'Club Maintenance').
- We completed a thorough internal audit assessment to evaluate how our procurement cycle addresses and manages key strategic and tactical risks, and to identify necessary improvements for effective risk management.

Plans for 2025:
- We are introducing a central oversight role to ensure consistent supplier management processes across our procurement activities (see the proposed enhancement actions for details).
- With many of our long-term lease contracts approaching expiration, we will treat our landlords as suppliers to renegotiate lease terms for more favourable conditions. To support these efforts, we have established a global role of the International Head of Real Estate.

Mitigation measures

→ **Procurement governance:** We currently embrace an autonomous approach where multiple employees (budget holders) have operational responsibilities for different procurement categories.

We will establish a procurement structure that includes a central oversight role responsible for overseeing procurement activities, monitoring adherence to guidelines, and driving the business to leverage this formalised function. We will also develop and implement a tailor-made procurement policy and related processes across all departments.

→ **Key suppliers and sourcing strategies:** We maintain strong relationships with our largest suppliers and collaborate closely with them across various goods and services. We use a Requests for Proposals (RFP) approach for selecting suppliers for large new projects.

We will develop and implement long-term category management strategies that align with Basic-Fit's overall goals, and create separate processes and methodologies for both tactical and strategic spend. For IT suppliers, we will implement a supplier security policy that integrates information security throughout the supplier lifecycle.

Mitigation measures

→ **Contractual framework:** In recent years, we have made significant progress by securing contracts with all key suppliers in the main spend categories (fitness equipment, builders, cleaners, landlords). By incorporating robust Service Level Agreements (SLAs), Key performance Indicators (KPIs), and penalty clauses, we hold suppliers accountable for maintaining high standards.

A key area for improvement is the follow-up of contracts and SLAs, specifically in quality control of the services delivered. Supplier assessment and controls are crucial for the future and should be implemented with priority.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Health and safety

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	**High**	High	↑	**Mitigate**
Compliance	Medium	Medium	↔	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

Any failure to respect external laws and regulations related to health and safety of our employees, external parties and customers or to follow our own procedures and policies could impact the reputation of the company and its long-term growth.

Risk developments since the last assessment & future plans

Developments 2024:
- Health and safety became a part of our annual compliance risk assessment that helps us to identify the focus points and set priorities for further operational improvements.

Plans for 2025:
- Please see the proposed enhancement actions (amber arrow).

Mitigation measures

✓ **Profound Security System:** We installed a comprehensive array of components such as 24/7 available intercoms, alarm buttons, remote-controlled doors, speakers, and security cameras to optimise the safety of our members and staff. Some security cameras are equipped with sensors to detect aggression or if a person becomes unwell. Our EN50518:2019 certified Monitoring and Alarm Receiving Centre (MARC) provides first-line primary care and alarm verification. Our Intercom Team also offers emergency services to members in unstaffed clubs.

✓ **Manager on Duty (MOD):** Triggered by our Intercom Team and MARC or MOD phone for staff, our MOD team (available 24/7) provides secondary care. They work based on comprehensive impact-based protocols, ensuring club operational continuity, staffing, or temporary closure. They can guide club hosts or members and initiate follow-up actions such as implementing restorative measures or providing aftercare for staff or members.

→ **Incident Reporting:** We register incidents in a central system, categorise them by significance, and report them to club operational management. These incidents include aggression, damage, theft, and life-threatening situations.

We will explore opportunities to further improve governance regarding health and safety within the company. This includes establishing global oversight of the incident management process, assigning responsibilities to define a vision and strategy in this area, and developing a learning process based on insights from incident reports to proactively prevent future incidents.

✓ **Prevention Officers:** In all countries, we have appointed a prevention officers responsible for registering and following up on work-related incidents among our employees. They ensure that national occupational health and safety standards are sufficiently implemented.

Mitigation measures

✓ **Monitoring Regulatory Changes:** We hold regular meetings between Central Operations, MARC, and Compliance to discuss issues/incidents and changes in processes, laws, regulations, and guidelines that might affect our approach to remote surveillance and operations.

✓ **H&S Compliance Assessment:** We conduct a compliance risk assessment that includes health and safety risks. For example, we assess adherence to safety standards and requirements for the installation and placement of sports equipment and facilities.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Business model disruptions

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	**Medium**	↔	Transfer
Strategic	Low	Low	↓	Avoid
Financial		Averse		Accept

Risk description

In addition to the membership fees, the company's wish to offer a holistic fitness offering requires a disruptive business model and the revenue from the other operational activities and products, such as in-house NXT level nutrition products, vending machines, services of personal trainers and physiotherapists, as well as digital advertising. These activities are becoming increasingly important, and any setback in them will have an impact on growth and profitability.

Risk developments since the last assessment & future plans

Developments 2024:
- We continued to expand the presence of our NXT Level brand in FMCG channels (supermarkets) in Benelux in 2024, which will result in accelerated growth of revenue in this category of products.
- We developed partnerships with gamifying experience providers. As a result of this, we moved from a single proposition (screen) to omni-channel proposition, including touchpoints like in-club activation, radio, and app.

Plans for 2025:
- We will continue to expand the presence of our NXT Level brand in FMCG channels (supermarkets) in Benelux and France in 2025.
- We will develop a clear strategy for adopting a franchising model, which will offer faster expansion opportunities through local partnerships.

Mitigation measures

✓ **Secondary products:** We partner with suppliers to offer our members the opportunity to buy all products relevant to completing their fitness experience, such as locks, drinking bottles, towels, and NXT Level sports nutrition. These products are available in vending machines and via the Webshop. We expanded the distribution of our NXT Level sports nutrition products and rolled out the sale of the products in FMCG channels.

✓ **Personal trainers:** A dedicated team ensures co-operation with personal trainers within the clubs according to a Head trainer concept. With this concept we partner with external Personal Trainers who want to develop a team of Personal Trainers in a specific Basic-Fit location. The PTI (Personal Training Introduction) we offer to members is serviced by the certified Personal Trainers, all with the common goal to support the members in their fitness journey.

✓ **Advertising sales:** We have an increased number of digital screens in our clubs for the digital out-of-home provision of media sales advertising services to our relatively young member base. This service is seeing strong demand among advertisers, as these target groups are difficult to reach via traditional media channels, such as live TV, radio and print. It is aligned with general tendency of retail media development which is a growing business model.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Managing IT security

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	**High**	High	↑	**Mitigate**
Compliance	Medium	Medium	↔	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

The resilience of the Basic-Fit organisation in the face of cyber threats or crisis is constantly under pressure. Attacks, threats and intrusion attempts are becoming increasingly sophisticated and are focusing more and more on users. The combination of this with potential reduced awareness can result in attackers trying to gain access to our crown jewels via e.g. ransomware. Not having the right procedures and controls in place could impact our business operation, our business continuity, reputation and brand. It is essential that Basic-Fit is prepared for such attacks by means of sufficient business continuity and crisis management procedures, which allow us to protect and recover our IT assets.

Risk developments since the last assessment & future plans

Developments 2024:
- We established a regular training program to help employees recognise and report security threats, enhancing awareness and reinforcing secure practices across the organisation.
- We have renewed our three-year commitment with our security partner.

Plans for 2025:
- Please see the enhancement plans (amber arrows).
- We will implement supplier security procedures to enforce tailored security requirements at each stage of a supplier contract based on their access to sensitive systems or data, and collaborate with a new procurement officer to embed these requirements into our procurement policy, see also the Suppliers risk card.

Mitigation measures

✓ **Basic Cyber Hygiene:** We maintain key cyber hygiene measures together with our security partner.

→ **Awareness:** We strengthen employee cyber resilience and awareness through a comprehensive program that includes continuous training and awareness activities.

We will enhance employee awareness through specialised training focused on recognizing and responding to potential security threats.

✓ **IT General Controls:** We maintain an IT General Controls (ITGC) framework to ensure the integrity, confidentiality, and availability of our IT systems and data, mitigating risks, preventing unauthorised access, and ensuring regulatory compliance.

→ **Business Continuity:** We strengthen business continuity by assessing critical needs, establishing recovery protocols, and routinely validating restoration capabilities to minimise potential disruptions.

We will increase resilience by implementing and routinely assessing recovery procedures for essential applications with key partners, and improving data protection measures for critical systems.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Club maintenance

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	**High**	High	↑	**Mitigate**
Compliance	Medium	**Medium**	↔	Transfer
Strategic	Low	Low	↓	Avoid
Financial		Averse		Accept

Risk description

The identification and securing of suitable sites, obtaining the required permits and agreeing on acceptable lease terms is crucial for the realisation of our growth ambition. Delays in regulatory procedures or construction activities could impact our club opening process and objectives for the year.

Risk developments since the last assessment & future plans

Developments 2024:

- To mitigate maintenance risks and ensure high club functionality, we have implemented several key measures aimed at enhancing member retention. Please see the mitigation measures for details.

Plans for 2025:

- Please see the recommended enhancement actions (amber arrow).

Mitigation measures

✔ **Optimised Team Structure:** We have restructured our Facility teams into more efficient and specialised units. This reorganisation enables quicker responses to both planned and unplanned maintenance issues, enhancing overall service quality and supporting operational stability and member satisfaction.

✔ **Enhanced Supplier Management:** By diversifying our service supplier base, we have reduced the number of clubs managed per supplier, improving oversight and quality control. This strategy also ensures continuity of service in case a supplier underperforms.

→ **Strengthened Contract Management:** Incorporating robust Service Level Agreements (SLAs), Key Performance Indicators (KPIs), and penalty clauses, we hold suppliers accountable for maintaining high standards. This structured approach drives consistent service delivery, minimises downtime, and upholds member satisfaction.

We plan to expand the implementation of these contractual elements across our entire maintenance services supplier base.

✔ **Continuous Improvement Program:** We are committed to the ongoing assessment and improvement of our maintenance processes through a Continuous Improvement Plan. This proactive approach allows us to address emerging challenges, adapt to evolving operational needs, and sustain high standards across all clubs.

✔ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Financial Risks

Financial risk and inflation

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	**↔**	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

In line with our growth strategy, we manage a large number of capital-intensive projects to expand our club base. Overspending or price increases due to developments in the markets or inflation could impact our cash flows. Lack of cash generation impacts the company's capital expenditure capability.

Risk developments since the last assessment & future plans

Developments 2024:
- We continued to strictly follow the site selection and investment approval processes, while managing the costs of club openings.

Plans for 2025:
- We will slow down club openings, while allowing our existing clubs to grow. This more capital-efficient strategy will allow us to generate a significant amount of cash.

Mitigation measures

✓ **Capex:** Each new club analysis process includes a detailed investment plan, and the required expansion and maintenance capital expenditure is analysed on a club-by-club basis.

✓ **Price risk:** The centralised property department controls all our investments and tries to minimise the price risk. See also the Risk Card 'Suppliers' for other price-related risk mitigation measures.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Liquidity

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	**↔**	Transfer
Strategic	Low	Low	↓	Avoid
Financial		**Averse**		Accept

Risk description

We require access to capital to fund our growth ambitions

Risk developments since the last assessment & future plans

Developments 2024:
- We continued to closely monitor our long-term cash flow expectations to be able to increase our available liquidity in a timely fashion when needed.
- We continued to be flexible with our club openings to adapt to market developments and ensure we maintain sufficient financial liquidity.

Plans for 2025:
- We will continue to closely monitor our long-term cash flow expectations to be able to increase our available liquidity in a timely fashion when needed.
- We will slow down club openings, while allowing our existing clubs to grow. This more capital-efficient strategy will allow us to generate a significant amount of cash.
- We are confident in the breadth of suitable options available to it to meet redemption requests while maintaining comfortable liquidity in case bondholders will exercise the put option.

Mitigation measures

✓ **Fund our growth:** Over the past few years, we have mainly relied on debt to finance our growth plans. In addition to our bank facilities, we have issued a convertible bond.

✓ **Cash flow forecast:** Cash is managed on a daily basis, while management prepares a monthly cash flow forecast to identify the company's short-term cash needs.

✓ **Monitoring:** We monitor our long-term liquidity needs on a quarterly basis.

✓ **Ample liquidity:** Basic-Fit strives to have ample available liquidity to execute its growth strategy and to cope with unforeseen events that might have a negative cash impact. The aim is to have a minimum available liquidity of 10% of the Last Twelve Months (LTM) revenue.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Credit risk

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	**↔**	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

The payment behaviour of our existing and future members could change, which would have an impact on our profitability and cash flows.

Risk developments since the last assessment & future plans

Developments 2024:
- We enhanced credit management by distinguishing between B2C and B2B revenue streams. We started refining the digital dunning process for our members with tailored timing, channels, tone, and reminder frequency. We strengthened the B2B team with a hands-on credit manager.

Plans for 2025:
- In 2025, we will continue on the path we have taken, further sharpening the B2C processes and standardizing and improving the B2B processes.

Mitigation measures

✓ **Membership fees:** As members need to pay membership fees upfront, credit risk is limited to those membership fees that cannot be collected upfront.

✓ **Collection agencies:** We have a designated credit management department and we use collection agencies for receivables that have been due for more than 120 days.

✓ **Cash:** We avoid the concentration of credit risk with banks by spreading cash and cash equivalents over various reputable banks.

✓ **Credit Management Tool:** We have implemented a credit management tool with tailored workflows and personalised reminder process.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Currency and interest rate

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	**↔**	Transfer
Strategic	Low	Low	↓	Avoid
Financial		**Averse**		Accept

Risk description

Significant changes in financial markets could impact our financial condition or performance.

Risk developments since the last assessment & future plans

Developments 2024:
- We entered into additional IRS agreements in 2024 and currently have hedged over 50% of our drawn exposure.

Plans for 2025:
- No specific plans – in line with 2024 developments.

Mitigation measures

✓ **Currency:** Basic-Fit only operates in the Eurozone, so currency translation risk is negligible. We mitigated the limited translation risk by purchasing in euros and signing multi-year contracts with our equipment suppliers. We do not use financial instruments to hedge any remaining currency risk.

✓ **Interest rate:** Interest rate risk arises from the financing facility, which is linked to EURIBOR. With various hedge contracts in place, we aim to hedge a minimum of 50% of our variable interest exposure. We use floating-to-fixed interest rate swaps (IRS) to achieve this goal. An increase of 100 basis points in Euribor would result in an approximately €6.5 million increase in net profit (based on exposure at year-end 2024). This impact reflects the non-hedged floating rate borrowings, as well as valuation changes of the derivative financial instruments. Excluding valuation changes of the derivative financial instruments, would entail a €2.6 million decline in net profit.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Tax and accounting

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	↔	Transfer
Strategic	Low	Low	↓	Avoid
Financial		**Averse**		Accept

Risk description

Changing tax and accounting regimes could impact our financial performance or tax treatment programming.

Risk developments since the last assessment & future plans

Developments 2024:
- We continued to prepare for regulatory developments and new and changing tax-related legislation in all countries in which we operate clubs, including legislation issued by the European Union, for example related to e-Invoicing and BEPS (Base Erosion and Profit Shifting). In addition, Basic-Fit has committed itself to comply with the Dutch Tax Governance Code, which was introduced in 2022.
- We performed a gap analysis and launched a project to prepare ourselves for the upcoming changes in the Dutch Corporate Governance Code regarding the requirements of the risk management statement ('Verklaring omtrent risicobeheersing' - VOR) for the listed companies.

Plans for 2025:
- We will further develop our internal control framework by adding more significant processes and respective controls, along with plans to start incorporating key application controls related to our financial systems. Additionally, we will document key policies and procedures in this area.
- We will adhere to the changes in the Dutch Corporate Governance Code regarding the requirements of the risk management statement ('Verklaring omtrent risicobeheersing' - VOR) for the listed companies.
- As an extension to the internal control framework, we have set up a tax control framework that will be operational early 2025. The tax control framework implementation will be able to ensure compliance with tax laws and regulations, mitigate risks, and manage tax-related processes effectively. It involves establishing policies, procedures, and internal controls to govern the organisation's tax activities and ensure that they are carried out in accordance with applicable laws and regulations.

Mitigation measures

✓ **General:** Based on our internal control framework, the centralised support departments, supported by external advisors and auditors, we monitor and review local practices to provide reasonable assurance that we remain aware of and act in compliance with relevant laws and policies, including those related to reporting and tax.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Compliance Risks

Regulatory

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	**↔**	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

Failure to comply with legislation, internal and external policies, rules and regulations could have a negative impact on our reputation, future growth and profitability. Furthermore the regulatory framework is becoming increasingly complex with many developments and new (European) laws coming in the current year and years to come. Also, we have to take six different countries with their own national laws and legislation into account and sometimes differences in how the authorities of these countries interpret European law.

Risk developments since the last assessment & future plans

Developments 2024:
- We improved and professionalised our compliance programme in alignment with ISO 37301:2021 (including a regulatory framework).
- We executed a full compliance risk assessment and reassessed all compliance risks.
- We enhanced our integrity risk assessment by using SIRA (Systematic Integrity Risk Analysis) model to assess integrity risks.

Plans for 2025:
- See the recommended enhancement actions below (amber arrow).

Mitigation measures

✓ **Laws and regulations**: We are committed to complying with the laws and regulations of the countries in which we operate. In specialist areas, the relevant country and centralised support teams are responsible for setting detailed standards to comply with regulations and laws that are relevant to their roles. We keep track of new laws and monitor closely whether they are, or can become, applicable to Basic-Fit. We also report on non-compliance issues to management to prioritise mitigating measures

✓ **Legal, Risk and Compliance department:** We have a well-embedded centralised legal, risk, and compliance department, consisting of legal professionals for all jurisdictions, a Risk and Control team, and a Compliance and Data Protection Officer. The department's focus is on compliance with laws and regulations in line with the business strategy and protecting the integrity and reputation of the Basic-Fit brand. We enhanced our integrity risk assessment in 2024 by using SIRA (Systematic Integrity Risk Analysis) model to assess integrity risks.

Mitigation measures

→ **Annual compliance plan:** We prepare an annual compliance plan to identify and address the most significant risks and topics and follow up on mitigating these risks.

We will strengthen our business continuity management by introducing formalised recurring processes to address continuity risks in critical business functions. Business Continuity Management will become part of the Annual Compliance Plan.

✓ **Aligned processes:** See the Risk Card 'Health and Safety' for mitigation measures related to Health and Safety compliance risks.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Sustainability governance

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	High	High	↑	**Mitigate**
Compliance	**Medium**	Medium	↔	Transfer
Strategic	Low	**Low**	**↓**	Avoid
Financial		Averse		Accept

Risk description

Basic-Fit is committed to integrating Environmental, Social, and Governance (ESG) principles into our business operations. However, the need to adapt to a continuously evolving regulatory landscape, including the introduction of the European Sustainability Reporting Standards (ESRS), presents potential risks in relation to maintaining adequate governance of the sustainability reporting process. Additionally, risks related to accurate and timely disclosure can be caused by limited data availability or inadequate data management systems.

Risk developments since the last assessment & future plans

Developments 2024:
- Basic-Fit has been providing more prominence to sustainability, particularly reporting, by enhancing the responsible team with additional dedicated staff.
- As the basis for our first sustainability statement in line with ESRS, we performed a double materiality assessment to identify material sustainability impacts, risks, and opportunities, in coordination with external technical support.
- Regarding reporting on specific topics, we carried out a climate risk and opportunity assessment to evaluate the company's vulnerability and resilience in different climate scenarios. Additionally, we have undertaken a project to calculate our full emissions inventory (Scopes 1, 2, and 3). The outcomes, beyond their value for our business strategy, help us comply with ESRS requirements and our reporting on EU Taxonomy.
- We started applying our internal control framework (ICF) to sustainability reporting in 2024, beginning with control processes for data regarding electricity and gas consumption, as energy use is a key material sustainability matter.

Plans for 2025:
- We will extend the coverage of our ICF to other key sustainability topics.
- We will prepare information management systems to ensure accurate and timely reporting of data anticipated to be required as per ESRS in 2025, e.g., metrics regarding training and skills development and work-related ill-health.

Mitigation measures

✓	**Internal Control System:** Based on our ICF, continuously monitor and review the effectiveness of controls related to gas and electricity data. Additionally, other areas are under review in closer cooperation between control, compliance, and sustainability reporting teams.
✓	**Dedicated Team:** The Director of Treasury, Investor Relations, and Sustainability is responsible for the development and execution of the strategy. The Director is supported by a dedicated team, who ensure understanding of the scope of required disclosure, the rollout of plans, and liaise with key stakeholders for reporting. This team includes the Sustainability Reporting Manager and sustainability reporting specialists.
✓	**Top Management Accountability:** The CEO's and CFO's remuneration targets include ESG performance-related objectives.
✓	**Periodic Reviews:** Periodic review of specific assessments to ensure compliant reporting, e.g., materiality and/or climate-related risks and opportunities.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

Data protection and AI

Risk category	Risk severity	Risk appetite	Risk tendency	Risk response
Operational	**High**	High	↑	**Mitigate**
Compliance	Medium	Medium	**↔**	Transfer
Strategic	Low	**Low**	↓	Avoid
Financial		Averse		Accept

Risk description

It is of the utmost importance that our general data and other privacy-sensitive data is secure and processed responsibly. Failure to follow the right procedures and respect rules and regulations could impact our image and brand, which could have a financial impact and have an adverse effect on the company's profitability and reputation. Use of artificial intelligence tools can lead to infringements of confidentiality, privacy rights, copyrights and misuse.

Risk developments since the last assessment & future plans

Developments 2024:
- We have conducted a first impact assessment regarding the coming AI Act on our systems that include a form of AI, like our smart cameras and Ruby.
- We conducted an intensive awareness programme regarding phishing tests.
- We updated our Privacy Policy to reflect more in details our approach to data protection.

Plans for 2025:
- Please see the enhancement plans (amber arrow).

Mitigation measures

✓ **Data protection:** We have policies and responsibilities in place regarding data protection and GDPR compliance. Now that Basic-Fit is becoming an increasingly data-driven company, this topic will also become more important in the coming years. We have a data protection and security officer in place to support and advise the responsible managers and to periodically monitor and improve all existing procedures.

✓ **Safeguarding privacy rights:** We have an adequate process in place related to privacy requests and complaints, which makes it easier for members to submit a request and for us to handle it within the legal parameters.

→ **IT Security & Privacy Office:** We installed our IT Security & Privacy Office together with an external partner, to monitor our IT security risks, security incidents and data breaches and to implement solutions to mitigate cybersecurity risks.

We will enhance employee awareness through specialised training focused on recognising and responding to potential security threats.

✓ **Privacy compliance programme:** We continuously monitor and improve our policies, procedures, the register of processing activities and our websites regarding GDPR compliance, including up-to-date privacy and cookie statements and our camera policy.

✓ Not requiring changes → Additional enhancements identified ! Inadequate or absent measures

CORPORATE GOVERNANCE

Basic-Fit recognises the importance of good governance, and its vital role in ensuring integrity and maintaining open and transparent communications with stakeholders and other parties interested in the company. Basic-Fit's corporate governance structure, its supervision, and how it is reported are all in line with the Dutch Corporate Governance Code 2022 (the Code). The Code contains principles and best practice provisions that regulate relations between the Management Board, the Supervisory Board and the General Meeting, with a focus on ensuring the continuity and growth of Basic-Fit while the company endeavours to create sustainable long-term shareholder value.

Basic-Fit fully endorses the core principles of the Code and is committed to following the Code's best practices to the greatest extent possible. However, in consideration of our own interests and the interests of our stakeholders, we deviate from a limited number of best practice provisions, which we specify and explain in the Corporate Governance declaration in this board report.

General

Basic-Fit N.V. is a public limited liability company incorporated under Dutch law on 12 May 2016. On 10 June 2016, part of the share capital of Basic-Fit was offered to the public in an Initial Public Offering, as a result of which 54,666,667 shares were listed on Euronext Amsterdam. On 9 June 2020, Basic-Fit issued 5,333,333 new shares as a result of which 60,000,000 shares were listed. After that, on 23 April 2021, Basic-Fit issued 6,000,000 new shares as a result of which 66,000,000 shares are now listed on Euronext Amsterdam. Basic-Fit has a two-tier board structure, consisting of a Management Board and a Supervisory Board. The Management Board currently consists of two members, while the Supervisory Board has six members. The provisions of the Dutch Civil Code related to the large company regime (structuurregime) do not apply to Basic-Fit.

Management Board and Leadership team

Duties

The Management Board is collectively responsible for the day-to-day management of Basic-Fit. Its tasks include the overall management, performance and general affairs of Basic-Fit, as well as the formulation and implementation of its strategy, policies and objectives, as well as the company's results. The Management Board provides the Supervisory Board with information in a transparent way. The key items of information are the annual and long-term budgets, monthly management reports, quarterly reports and the board report, information on significant investments and expansion strategies, risk management and control reports, including risk, compliance and internal audit updates, together with major HR and IT issues. Over the past year, the Management Board devoted specific and close attention to the approach and execution of Basic-Fit's strategy in light of the control of costs, enhancing the company's base processes and maturity and operational excellence, plus the acquisition of RSG group in Spain, while dealing with the geopolitical and economic developments that the world faced in 2024, as a result of the wars in Ukraine and the Middle-East and other developments. Despite this, the company was able to open 173 clubs and had increased its member numbers to 4.25 million by the end of the year.

The Management Board is supervised by the Supervisory Board and has adopted rules (Management Board Rules) describing its duties, responsibilities, composition, decision-making and procedures. The Management Board Rules are in line with the Code and are available on the Basic-Fit corporate website.

Certain resolutions of the Management Board are subject to prior approval by the Supervisory Board. These resolutions are also outlined in the above-mentioned Management Board Rules and in Basic-Fit's articles of association, which you will find on the Basic-Fit corporate website.

In addition to the Management Board, a Leadership team assists with the definition of the strategy and the day-to-day execution of this strategy. The Leadership team is composed of the members of the Management Board, these being the CEO and CFO, together with the COO and CCO. You will find more information on this in the Composition section. The Leadership team rules are published on the Basic-Fit corporate website.

Appointment, dismissal and suspension

The General Meeting appoints the members of the Management Board (i) pursuant to and in accordance with a proposal of the Supervisory Board, or (ii) pursuant to a binding nomination to be drawn up by the Supervisory Board. A resolution of the General Meeting to appoint a member of the Management Board pursuant to and in accordance with a proposal of the Supervisory Board can be adopted by an absolute majority of the votes cast, irrespective of the capital present or represented at the meeting.

The General Meeting may only overrule the binding nature of a nomination by the Supervisory Board by resolution of the General Meeting adopted by an absolute majority of the votes cast, provided said majority represents at least one-third of the company's issued share capital. If the General Meeting votes in favour of overruling the binding nature of the nomination by an absolute majority of the votes cast, but this majority does not represent at least one-third of the company's issued share capital, then a new meeting may be convened at which the resolution can be passed by an absolute majority of the votes cast, irrespective of the capital present or represented at the meeting. In the notice convening the new meeting, it must be stated, giving the reason therefor, that a resolution may be passed by an absolute majority of the votes cast, irrespective of the part of the capital represented at said meeting.

If the General Meeting overrules the binding nature of the nomination, the Supervisory Board shall draw up a new binding nomination to be voted upon at the next meeting. If the Supervisory Board has not drawn up a proposal or binding nomination, the General Meeting is free to appoint a member of the Management Board, provided that the appointment is subject to and in accordance with the requirements under applicable law, and further provided that said resolution of the General Meeting is adopted by an absolute majority of the votes cast, representing at least one-third of the company's issued share capital.

The Articles of Association give the General Meeting the authority to suspend or dismiss a member of the Management Board. Such a resolution of the General Meeting requires an absolute majority of the votes cast, and this majority must represent at least one-third of the issued share capital. If the General Meeting votes in favour of the suspension or dismissal by an absolute majority of the votes cast, but this majority does not represent at least one-third of the issued share capital, a new meeting may be convened at which the resolution may be passed by an absolute majority of the votes cast, irrespective of the capital present or represented at said meeting.

The Supervisory Board may also suspend a member of the Management Board at any time. The General Meeting may at any time discontinue a suspension by the Supervisory Board. Said suspension shall lapse automatically if the General Meeting does not resolve to dismiss said member of the Management Board within three months from the date of said suspension.

Composition

The Management Board of Basic-Fit consists of two or more members, and shall in any event include a CEO, who will act as chairman.

As at 31 December 2024, the composition of the Management Board was as follows:

- René Moos (1963, Dutch) is Chief Executive Officer (CEO) and chairman of the Management Board.
- Hans van der Aar (1958, Dutch) is Chief Financial Officer (CFO).

The section on the Basic-Fit Management Board contains more information on their profile.

Both statutory members of the Management Board have entered into service agreements with Basic-Fit and have been appointed for an indefinite period. As long as René Moos is a member of the Management Board of Basic-Fit, he will (i) be chairman of the Management Board and have the title of CEO; and (ii) have the power to represent Basic-Fit individually. This is in accordance with the Relationship Agreement (hereafter referred to as the 'Relationship Agreement'), originally entered into between Basic-Fit and its main shareholders, 3i Group plc and funds managed by 3i's aggregate shareholding, previously named Mito Holdings S.a.r.l (hereafter 3i Group), and AM Holding BV (referred to hereafter as AM Holding) on 27 May 2016. If the Management Board consists of two members and the CEO has been suspended, the Management Board can only adopt valid resolutions to the extent required to continue the normal business operations of Basic-Fit, or to the extent required to safeguard the continuity of the business.

The Leadership team, in addition to the members of the Management Board, consists of the COO and CCO. Redouane Zekkri is a key employee and part of Basic-Fit's leadership team in the role of Chief Operations Officer (COO) and Erica van Vonderen - Hahn is as a key employee and part of Basic-Fit's leadership team in the role of Chief Commercial Officer (CCO).

On 15 October 2024, the Extraordinary General Meeting approved the nomination of Maurice de Kleer as the successor to Hans van der Aar as CFO effective 1 January 2025.
Hans van der Aar will retire as per that date, after 13 years of service for the company.
The CEO and the Supervisory Board are grateful for his valuable contributions. Hans played an important role in the listing of the company and navigated Basic-Fit through the financial challenges of COVID-19. Under his leadership, Basic-Fit built the foundations for the current financial, risk and control strategy.

Remuneration

Information on the remuneration of the Management Board, Supervisory Board and Basic-Fit's key employees can be found in the Remuneration Report.

Supervisory Board

Duties

The Supervisory Board is responsible for supervising and advising the Management Board, and for overseeing the general direction of Basic-Fit's operations and strategy. In the performance of its duties, the Supervisory Board is guided by the interests of Basic-Fit and its affiliated business, taking into consideration the interests of all Basic-Fit stakeholders.

The Supervisory Board is responsible for the quality of its own performance. The Supervisory Board has adopted rules (Supervisory Board Rules) describing its duties, responsibilities, composition, decision-making and procedures. The Supervisory Board Rules are available on Basic-Fit's corporate website.

Appointment, removal and suspension

The General Meeting appoints the members of the Supervisory Board pursuant to a binding nomination to be drawn up by the Supervisory Board, with due observance of the profile for the size and the composition of the Supervisory Board as adopted by the Supervisory Board from time to time.

The General Meeting may only overrule the binding nature of such nominations by the Supervisory Board by resolution of the General Meeting adopted by an absolute majority of the votes cast, provided such majority represents at least one-third of the issued share capital.

If the General Meeting votes in favour of overruling the binding nature of the nomination by an absolute majority of the votes cast, but this majority does not represent at least one-third of the company's issued share capital, then a new meeting may be convened at which the resolution may be passed by an absolute majority of the votes cast, irrespective of the capital present or represented at said meeting. In the notice convening the new meeting, it must be stated, giving the reason therefor, that a resolution may be passed by an absolute majority of the votes cast, irrespective of the part of the capital represented at the meeting.

If the General Meeting overrules the binding nature of the nomination, the Supervisory Board shall draw up a new binding nomination to be voted upon at the next meeting. If the General Meeting does not overrule the binding nature of a nomination and the nomination for a vacancy to be filled consists of one person, the person nominated by the Supervisory Board is considered appointed by the General Meeting. If the Supervisory Board has not drawn up a binding nomination, the General Meeting is free to make such an appointment, provided that the appointment is subject to and in accordance with the requirements under applicable law, and further provided that such resolution of the General Meeting is adopted by an absolute majority of the votes cast, representing at least one-third of the company's issued capital.

Each member of the Supervisory Board is appointed for a maximum period of four years, with reappointment options in line with BPP 2.2.2 of the Code. A rotation schedule has been put in place to avoid, as far as possible, a situation in which multiple members of the Supervisory Board are due for reappointment in the same year.

The Articles of Association give the General Meeting the authority to suspend or dismiss a member of the Supervisory Board. Under the Articles of Association, a resolution of the General Meeting to suspend or dismiss a member of the Supervisory Board pursuant to and in accordance with a proposal thereto by the Supervisory Board requires an absolute majority of the votes cast. However, such a resolution of the General Meeting other than one pursuant to and in accordance with a proposal thereto by the Supervisory Board requires an absolute majority of the votes cast, which majority must represent at least one-third of the company's issued share capital.

If the General Meeting votes in favour of the suspension or dismissal by an absolute majority of the votes cast, but this majority does not represent at least one-third of the company's issued share capital, a new meeting may be convened at which the resolution may be passed by an absolute majority of the votes cast, irrespective of the part of the capital represented at said meeting. In the notice convening the new meeting it must be stated, giving the reason therefor, that a resolution may be passed by an absolute majority of the votes cast, irrespective of the part of the capital represented at the meeting.

Composition

The Supervisory Board must consist of a minimum of three members. The number of members is to be determined by the Supervisory Board. The profile of the Supervisory Board is available on Basic-Fit's corporate website. On 31 December 2024, the Supervisory Board consisted of six members. In accordance with the Relationship Agreement, one Supervisory Board member is appointed upon nomination by AM Holding. Hans Willemse has been designated for nomination by AM Holding. As AM Holding holds more than 10% of the shares in Basic-Fit, Hans Willemse is deemed not to be independent within the meaning of best practice provision 2.1.8. vii of the Code.

Herman Rutgers is the Supervisory Board member who serves as an industry expert. Pursuant to the Relationship Agreement, the proposal for appointment by the Supervisory Board of the industry expert requires the consent of the member of the Supervisory Board designated for appointment by AM Holding.

The right of AM Holding to designate one member for nomination and replacement will lapse if AM Holding ceases to own or control, directly or indirectly, at least 12.5% of the outstanding share capital of Basic-Fit.

As at 31 December 2024, the composition of the Supervisory Board was as follows:

Name	Position
Jan van Nieuwenhuizen	Chair
Carin Gorter	Vice-chair and Chair of the Audit & Risk Committee
Herman Rutgers	Chair of the Selection, Appointment & Remuneration Committee
Hans Willemse	Member of the Selection, Appointment & Remuneration Committee and the Audit & Risk Committee
Rob van der Heijden	Member of the Selection, Appointment & Remuneration Committee and the Audit & Risk Committee
Joëlle Frijters	Member

The Supervisory Board Profile contains additional information. Information on the remuneration of the members of the Supervisory Board can be found in the Remuneration Report.

Committees of the Supervisory Board

The Supervisory Board has established two committees: the Audit & Risk Committee and the Selection, Appointment & Remuneration Committee. The function of these committees is to support the decision-making process of the Supervisory Board. The roles and responsibilities of each committee, as well as its composition and how it performs its duties, are set out in the respective charters of the committees, which have been published on Basic-Fit's corporate website.

Audit & Risk Committee

The Audit & Risk Committee assists the Supervisory Board in monitoring Basic-Fit's system of internal controls, the quality and integrity of its financial and sustainability reporting process, the content of the financial and sustainability statements, and the assessment and mitigation of Basic-Fit's business and financial and sustainability reporting risks. In addition, the Audit & Risk Committee assists the Supervisory Board by advising it on matters such as the company's policy on tax planning; the financing of the company; the company's compliance with applicable laws and regulations; the company's integrity policy; the company's disclosure of financial information, including the company's accounting principles; the recommendation for the appointment of the company's external auditor to the General Meeting, as well as assessing the independence of the external auditor; compliance with recommendations from the company's external auditor; plus the review of the internal risk management and control systems, and IT and business continuity safeguards. The Audit & Risk Committee will meet as often as circumstances dictate, but in any event no less than four times a year.

Selection, Appointment & Remuneration Committee

The Selection, Appointment & Remuneration Committee advises the Supervisory Board on the remuneration of individual members of the Management Board; monitors Basic-Fit's remuneration policy; and reviews and recommends policies relating to the compensation of the members of the Management Board. In addition, the Selection, Appointment & Remuneration Committee monitors the succession plans for the Management Board and the Supervisory Board and advises the Supervisory Board on the selection criteria and appointment procedures for members of the Management Board and the Supervisory Board, as well as on proposals for appointments and reappointments.

Conflicts of interest

Basic-Fit's Management Board and Supervisory Board rules include provisions on the procedures to be followed in the event of a conflict of interest. Basic-Fit applies a related party policy to set out the internal rules for related party transactions in line with all applicable legislation and the Code.

A member of the Supervisory or Management Board is not deemed to have a conflict of interest solely by reason of their affiliation with a direct or indirect shareholder. Any potential conflict of interest must be reported immediately to the other Supervisory Board members and/or the chairman of the Supervisory Board.

Basic-Fit leases a number of premises for its clubs, as well as its international head office, from companies that are directly or indirectly owned by the CEO, René Moos.

All transactions as stipulated above between Basic-Fit and the holders of at least 10% of the shares are listed in note 8.3 Related party transactions to the consolidated financial statements. All these transactions are related to board members and are agreed on terms that are customary in the sector concerned. In entering into these transactions, Basic-Fit complied with the best practice provisions 2.7.3, 2.7.4 and 2.7.5 of the Dutch Corporate Governance Code. There have been no material related party transactions that do not follow normal business dealings or that are not entered into under normal market conditions with related parties as defined in article 2:167 of the Dutch Civil Code.

Insider trading

The Management Board adopted insider trading regulations at the moment of listing. It is Basic-Fit's policy that all employees, and anyone else with any other type of relationship of authority with Basic-Fit, will adhere to these regulations, which can be found on Basic-Fit's corporate website.

Diversity in profiles and composition

Basic-Fit values diversity within the company and believes that diversity, in a broad sense such as gender, age, nationality, education and otherwise, is essential to the pursuance of its sustainable long-term strategy. In this respect, Basic-Fit aims to have an adequate and balanced composition of all its corporate bodies in line with Dutch legislation and our D&I policy. Diversity and inclusiveness are part of the core values of Basic-Fit, as reflected in our strategy towards members, employees and other stakeholders. You will find more information on Basic-Fit's core values in the Governance section of this annual report.

The Dutch Diversity Act (Diversiteitswet) enacted in 2022, aims to balance the ratio of men and women in management and on supervisory boards. This law provides for a statutory growth quota for the supervisory boards of NVs listed in the Netherlands and an appropriate and ambitious target, to be set by the company itself, for the Management Board and the senior management (to be defined by the company itself) of large NVs and BVs to promote gender diversity. The law re-enacted the statutory regulation of article 2:166/267 of the Dutch Civil Code for large NVs and BVs that expired on 1 January 2020. The law applies to Basic-Fit and entered into force on 1 January 2022.

Firstly, the law includes a quota of at least one-third male and one-third female for Supervisory Boards. An appointment that does not make the composition more balanced in line with this law is void. Exceptions apply to reappointments within eight years from the year of appointment and appointments in the event of exceptional circumstances.

In addition, Basic-Fit should establish an appropriate and ambitious target to promote gender diversity on the Management Board and in categories of employees in management positions to be determined by the company itself. In doing so, Basic-Fit should take into account the size of the board or committee and the existing divisions, plus the target should be aimed at making the existing situation more balanced. For this purpose, Basic-Fit has drawn up a plan with targets and measures to achieve these targets. This plan has been approved by the Management Board and the Supervisory Board.

Basic-Fit has, for the first time in 2023, and subsequently also in 2024, informed the SER about the plan, the progress, the number of men and women in middle and senior management positions, the plan to achieve the target figure and the extent to which the goals set in the previous financial year have been achieved, and if one or more goals have not been achieved, the reasons why. The information that has been reported to the SER is also included in the management report. The SER will monitor progress and whether companies are complying with their commitments and make the results public.

The Supervisory Board has formulated a profile defining its size and composition, taking into account the nature of Basic-Fit and its activities. The composition of the Supervisory Board and the combined diverse mix of knowledge, skills, experience and expertise should be such that it fits the profile and the strategy of Basic-Fit.

Basic-Fit has a diversity policy approved by the Supervisory Board to promote diversity within its main corporate bodies, these being the Management Board and the Supervisory Board. The preferred composition of the Supervisory Board and the Management Board shall be such that the combination of experience, expertise, independence and the diversity of its members meets the qualifications as stipulated in the profile and the diversity policy, and enables both the Management Board and the Supervisory Board to carry out their duties and responsibilities in the best possible way. In the event of a new appointment, both bodies will take into account the most relevant profile aspects that should be added for a balanced composition.

In addition to this, the company has implemented an extended D&I policy. Diversity and inclusion are deeply rooted in our values and strategic pillars. Our behaviour ensures that we not only continuously promote an inclusive environment, but also leads to a future in which fitness is accessible to all. On the D&I front, we do this by: 1) Empowering everyone to be heard, 2) Removing barriers to entry and 3) Setting clear ambitions and committing to them. Basic-Fit adapted the diversity policy in 2023, making it an updated and more comprehensive D&I policy that takes into account new legislation. The company will also continuously collect feedback and use it to further strengthen its approach to diversity and inclusion.

At Basic-Fit, we believe that differences make us stronger and better and we stand for equal opportunities for everyone. We strive for an inclusive culture, in which differences are recognised, valued and exploited. This applies to our members, our employees and our partners. It is important that employees are competent, but also that they differ from each other and we create the space for them to express these differences. Different perspectives, backgrounds, knowledge and experiences contribute to the realisation of Basic-Fit's objectives when they are used in a positive way and used in innovative, sustainable solutions that connect with our customers, who are a reflection of society.

Gender diversity within Basic-Fit

Basic-Fit as a whole

Basic-Fit empowers both male and female talent to develop and grow. For the Basic-Fit employee group as a whole, the gender diversity ratio is currently as follows: at the end of 2024, the entire Basic-Fit workforce consisted of 49% women and 51% men, the same as the start of the year. Of all leadership positions in the organisation at every level combined, 44% of leadership positions were filled by women. This follows a trend that has been established at Basic-Fit for years and to which Basic-Fit attaches great importance. Basic-Fit is keen to maintain this strong balance.

Supervisory Board

There are currently six Supervisory Board members, four of whom are male and two of whom are female. Basic-Fit therefore meets the gender diversity targets stipulated for the Supervisory Board of 33.3% female and male presence.

Management Board and Leadership Team

The statutory Management Board consisted until 31 December 2024 of two members, René Moos the CEO, and Hans van der Aar the CFO, both men, whereas Hans van der Aar has stepped down and is succeeded by Maurice de Kleer since 1 January 2025. There have been no other (new) vacancies in the Management Board in recent years. In addition to the two statutory directors, the leadership team also consists of two non-statutory directors, Erica van Vonderen - Hahn, the CCO, and Redouane Zekkri, the COO. Together they represent the daily management of Basic-Fit. The leadership team currently consists of three men and one woman, making the female representation 25%.

The succession of Hans van der Aar by Maurice de Kleer, does not affect the ratio within the Leadership Team.

Middle management
For the determination of the middle management level at Basic-Fit, all persons from scale 18 in the Basic-Fit job classification system, which only includes managerial positions, are taken into account. In 2024, the middle management consisted of 36% women and 64% men. This remained unchanged compared with 2023.

When considering vacancies, finding a person with the required skills, expertise, experience and independence and all other aspects of diversity, such as gender, age and nationality, will remain an important consideration in the selection process for the (re)appointment of members of the Supervisory Board, Management Board and other senior directors and managers. The size and composition of the Supervisory Board and Management Board, and their combined experience and expertise, should be such that they best fit the profile and strategy of Basic-Fit.

All gender diversity targets as set in the plan for 2024 have therefore been met.

Gender diversity targets

Basic-Fit formulates appropriate and ambitious targets for the m/f ratio in its Leadership team, the Supervisory Board and its middle management level. In the field of diversity, equality and inclusion, Basic-Fit has defined the following objectives:
- Promote diversity in the composition of our workforce through inflow and advancement to make it a representative reflection of society and our membership base.
- For the entire workforce, the percentage of both men and women always remains between 45% and 55%.
- At least one-third of our Supervisory Board, Leadership team and middle management (from level 18) is female and at least one-third male.
- Basic-Fit rewards equally for equal work.
- A working environment that is safe and free from discrimination.
- Fair and equal access to opportunities.
- Leadership with an eye for diversity values.

In order to continue to achieve our objectives, we continuously develop our policies and measures, partly on the basis of the feedback from our employees. At the moment, Basic-Fit has been able to achieve many of these objectives. Even so, we will continue to look at how we can do even better. In the coming years, we will devote attention to the further development of (gender) diversity in the leadership team, which does not yet meet these objectives. The leadership team is small. Last year was the first full year in which the leadership team functioned with four rather than three people, which in addition to giving us a more complete leadership team took the step towards a representation of 25% women. We do not foresee a change in this in the short term, but if there is a change in the current composition, or an expansion of the leadership team, then the focus will be on the further promotion of diversity in the team on all fronts, including an increase in female representation.

Specific gender diversity targets for 2025 and developments in 2024

	m/f ratio per 1/1/2025	m/f ratio per 1/1/2024	m/f target 2024	m/f target 2025	Explanation
Total employee group	51% /49%	51% / 49%	The m/f ratio in the entire group is between 45% and 55% for both m/f	The m/f ratio in the entire group is between 45% and 55% for both m/f	Basic-Fit is satisfied with the gender diversity ratio. The aim is to keep the m/f ratio in the range of 45% to 55%. The ratio per the end of 2024 was the same as at year-end 2023, and stayed within the bandwidth defined by Basic-Fit.
Supervisory Board	67% / 33%	67% / 33%	67% / 33%	67% / 33%	At the AGM in April 2023, a sixth SB member was appointed: Joëlle Frijters. Basic-Fit therefore meets the minimum requirement of 1/3rd men and 1/3rd women on the Supervisory Board, which was the target for 2023 and remains in 2024. A balanced diversity within the Supervisory Board will always be on the agenda.
Leadership Team	75% / 25%	75% / 25%	75% / 25%	75% / 25%	The LT consists of the members of the MB and the CCO and COO. At the end of 2021, a CCO was added to the LT, who is a woman, resulting in a female representation of 25% in 2023. Per 1/1/2025 a new CFO has been appointed, also being a man. Therefore this does not effect the gender diversity in the Leadership team. The size of the MB and LT is small. No change in balance took place in 2024 and no change is in division is foreseen in 2025 either. If there is a change in the current MB or LT or an expansion of the MB or LT in the coming years, a well balanced diversity in all aspects, including gender, will be taken into account.
Middle management	64% / 36%	64% / 36%	minimum 67% / 33%, with a target of 63% / 37% at the end of 2024	minimum 67% / 33%, with a target of 63% / 37% at the end of 2025	Basic-Fit is quite satisfied with the current gender diversity balance in its middle management. At the middle management level, diversity is pursued in a broad perspective, including gender. The overall presence of female leadership in the entire group is 44% of all management roles. With a growing or changing middle management, the aim is to achieve an even more balanced composition between men and women at this level. Due to the rather small size of the middle management group and the fact that small changes have a rapid quick impact, an exact percentage is difficult to name. The minimum target is 1/3 female and 1/3 male in this group. The aim is to further shift the balance to 63% male and 37% female in 2025. At year-end 2024, the balance was 64% male and 36% female, exactly the same as the year before. The wish is to make this even more balanced, but it is difficult to predict the changes within this group and the impact this change will have. Where possible, Basic-Fit will strive to maintain or increase this balance, but to at least maintain a 33% female presence.

Policies and measures to achieve the objectives

Commitment of senior management

It is important that the senior management of the organisation feels the necessity and urgency of the diversity policy and propagates it from the top of the organisation. Diversity and inclusion are an integral part of Basic-Fit's vision and mission and the composition of its total workforce reflects Basic-Fit's diverse membership group. Across the entire employee group, there has been a healthy and equal balance between men and women for years. At Basic-Fit, we attach great importance to the development of talent and the preparation for managerial roles from within. We also devote a great deal of attention specifically to the role of women, thanks to which there is already a high representation of women in Basic-Fit's middle management. The management devotes constant attention to succession in the daily management and finds it extremely important to give space to a diverse composition of people in terms of talent, expertise and background, with equal opportunities for everyone, also taking into account female talent.

The D&I Policy and gender diversity is deeply embedded in the organisation and is propagated by the leadership team in the implementation of strategy and policies. The HR department also plays an active role in ensuring that active D&I policies and measures are embedded and followed up in the organisation at every level of the employee cycle described below. The leadership team is supported by the directors' layer, which includes the people responsible for all operational units and all staff departments. In their periodic meetings, these directors are closely involved in the implementation of the D&I policy and bear joint responsibility.

All Basic-Fit managers, including senior and middle management, receive regular training and education in the field of leadership, strategy and values, with the focus on realising all the elements of the Basic-Fit strategy and objectives. Development in the field of inclusive leadership, unconscious biases and objective interviewing will be a regular part of this programme.

- As part of the D&I working group, Basic-Fit has appointed D&I ambassadors in the organisation.
- Basic-Fit conducts an annual employee satisfaction survey among the entire workforce, which also includes the topics of safety, culture, diversity and inclusion. The results are analysed and these also determine any measures to promote diversity.
- Basic-Fit formulates SMART objectives in the field of D&I and more specifically gender diversity;
- D&I is included in the profile for the Supervisory Board and the Management Board, and must be guaranteed in the longlist and shortlist of candidates for appointments.
- Basic-Fit has a mentoring programme for talented employees to stimulate succession and advancement from within. The company also has a specific mentoring programme for female talent.
- All employees can participate in dialogue sessions or workshops on diversity, equality and inclusion in employee resource groups. We take the position that we have never finished learning and continue to innovate. We invite employees to share initiatives with the D&I working group. This can also be done in the Lunch & Learn sessions we organise on a regular basis for employees in Basic-Fit's middle management and leadership team. This also includes specific attention to D&I and female leadership.
- If necessary and relevant, Basic-Fit invites an external D&I expert to further explore topics, investigate or shape measures.
- Basic-Fit constantly evaluates and monitors inclusive policies for employees and takes into account the findings of the employee resource groups related to the likes of long-term or care leave, parental leave, etc.

Basic-Fit culture

Basic-Fit attaches great importance to providing a safe and pleasant working environment. We expect employees to contribute to a working environment without any form of undesirable behaviour, such as sexual harassment, aggression and violence, discrimination, stalking, bullying, abuse of power, insults, and verbal defamation. This means that we offer a safe and open culture, where people dare to address each other about any form of undesirable behaviour. This means that all employees know that such behaviour is not accepted and that it is associated with appropriate actions. The Basic-Fit code of conduct is the guideline for our actions and decisions and helps us to do our work well, carefully and with integrity. The code of conduct devotes explicit attention to a safe and pleasant working environment, discrimination and exclusion. In the event of experiences with undesirable behaviour, such as bullying or discrimination, employees can contact a confidential advisor. The function of confidential advisor is fulfilled by various people in the organisation and in HR. In addition, Basic-Fit has a Speak-Up policy, on the basis of which employees can report any violation of Basic-Fit's integrity policy.

Basic-Fit is developing various initiatives to stimulate and increase dialogue and awareness about diversity and inclusion in the workplace. Inclusive communication is crucial for success. Basic-Fit actively communicates internally and externally about the organisation's diversity vision and the associated objectives and measures. Basic-Fit also pays attention in word and image to role models within the organisation, for example at Orange Connect (the internal employee communication platform or intranet) or in seminars, to bring Basic-Fit to the attention of potential new colleagues. We also show that we strive to be a diverse organisation in our labour market communications and via our social media channels. We have experience stories from colleagues in various labour market positions, different ages, sexual and gender identities, cultural backgrounds, education, job levels and areas of work, so that many different candidates find recognition and connection. Basic-Fit regularly checks this to ensure objectivity. Recruiters are also trained in the writing of inclusive recruitment texts.

D&I goals in the employee lifecycle

Basic-Fit used and adapted Steven AJ Cox's 'Employee Lifecycle' (2019) Diversity and Inclusion framework' to identify D&I goals in the employee lifecycle.

Attract: Being an attractive inclusive employer

We want to offer everyone equal opportunities to work at Basic-Fit. We do this by:

- Gender-neutral and inclusive language in all our communications. By training our communications and HR teams in tone of voice, in line with the Basic-Fit values that are embedded in our D&I policy. This ensures that our language is inclusive and does not exclude anyone.
- The use of inclusive and gender-diverse storytelling on our recruitment channels, such as LinkedIn and Career websites. The goal is to make two of these posts on these channels and on our intranet Orange Connect intranet every quarter, with (gender) diverse profiles that show what it is like to work at Basic-Fit.
- On our corporate website, we communicate about our D&I policy, our objectives and what we achieve in the field of D&I (including gender diversity). This promotes transparency in the field of (gender) diversity and the objectives of Basic-Fit.

Recruitment and Selection: Everyone should be enabled to make a successful application

We strive for a process that is free of bias, clearly identifies our interest in diverse candidates, supports applications from diverse candidates, and sets expectations for hiring managers/external recruitment agencies. In order to offer everyone equal opportunities, we work as objectively as possible in our recruitment, selection, internal transfer and promotion processes. For example, we use an assessment that makes selection objective and suitable for a wide variety of candidates. We strive to ensure that no one feels discriminated against and we are guided by relevant and objective criteria in recruitment and selection.

Onboarding: Making sure everyone knows the company and strategy, understands the values and what is expected.

New employees understand our expectations and know what support there is and what opportunities are available, for everyone equally. Everyone feels comfortable being themselves at work. Basic-Fit has a central and inclusive introduction programme that is constantly evolving. This contributes to the smooth introduction of new colleagues within Basic-Fit and a feeling of being welcome.

Learning and development: everyone gets equal opportunities in training and education programmes

At Basic-Fit, we offer everyone the space and equal opportunities for personal development. Through the training courses we offer and the focus on personal development, we strive to create as many equal opportunities as possible for everyone. In addition, we believe that everyone has talents and our design for talent development takes an inclusive approach. Where necessary, we offer specific learning and development opportunities to specific target groups to promote diversity. As part of Basic-Fit's Learning Management System (LMS), we developed a D&I track in 2023. We launched LinkedIn Learning in 2023, with a high-quality D&I challenge, to promote knowledge of D&I and gender diversity. Throughout the year, Basic-Fit draws attention to D&I, including gender diversity, in a variety of ways. Basic-Fit makes podcasts with guest speakers on this topic and we host Lunch and Learn meetings on this topic. At least one session per year will be devoted to female leadership. Female executives will share their experience of leadership at Basic-Fit. In the leadership training for middle management, the focus is on the development of all facets of leadership, including (gender) diversity training and awareness. This ensures inclusive leadership and involvement in the implementation of the D&I policy and the role of female managers.

Reward, recognition and benefits: Everyone is treated fairly

An equal pay policy is important. In 2022, Basic-Fit conducted a benchmark study into the market conformity of the salaries within Basic-Fit and all positions and profiles classified in a job classification system with the corresponding salary scales. This has already largely mapped out deviations between people in similar roles with similar circumstances, and we have taken further measures on this front. We will conduct regular investigations into whether there are differences in pay between men and women in equal roles under the same conditions. This will help us to ensure equal inclusive pay.

Progression and performance:

Basic-Fit conducts and records performance assessments consistently, inclusively, objectively and transparently, in line with D&I policy. In addition, we are setting up an inclusive talent identification and succession planning programme in Workday for the development and advancement of talent, with equal opportunities for all. Managers are trained in honest and objective assessment. We have set up a mentoring programme to promote female leadership, in which managers can seek cooperation with external mentoring programmes, but in which internal female leadership also plays an exemplary role.

Exit: Using and learning from feedback from people leaving and preventing employees from leaving due to a lack of inclusion.

Diverse talent must want to stay with the company. We act on feedback and use inclusion programmes in the workplace. We learn from people who leave and investigate whether there is a lack of inclusion. We process the data from the exit interviews and surveys objectively and transparently in Workday, the HR management system used by Basic-Fit. We use the input to assess the policy and, where necessary, to improve it.

Furthermore, you will find additional information on age, gender, nationality and background in the Sustainability Statement section. Basic-Fit is proud that our workforce clearly reflects the diversity of people in our society and our member base.

General Meeting of Shareholders

The Annual General Meeting of Shareholders (hereinafter referred to as the 'General Meeting') must be held within six months of the end of each financial year. An Extraordinary General Meeting (EGM) may be convened whenever the Supervisory Board or Management Board deem this to be in the interests of Basic-Fit. Shareholders who, individually or jointly, hold at least 10% of the issued and outstanding share capital may request that a General Meeting be convened. If no General Meeting has been held within eight weeks of the shareholders' request, the shareholders may, upon request, be authorised by a District Court in summary proceedings to convene a General Meeting.

Notice of a General Meeting must be given 42 days prior to the day of the meeting. The notice must include, among other items: an agenda indicating the place and time of the meeting; the items for discussion and voting; the proceedings for registration, including the registration date; and any proposals for the agenda. Shareholders who, individually or jointly, represent at least 3% of the issued and outstanding share capital may request that an item be added to the agenda. Such requests must be made in writing, have to be either substantiated or include a proposal for a resolution, and must be received by Basic-Fit at least 60 days prior to the day of the General Meeting.

Admission to General Meetings

The General Meeting is chaired by the chairman of the Supervisory Board. Members of the Management Board and Supervisory Board may attend the General Meeting and shall have an advisory vote. The chairman of the General Meeting may decide at their discretion to admit other persons to the General Meeting. Each shareholder, as well as other persons with voting or meeting rights, may attend the General Meeting, address the General Meeting and (insofar as they have such a right) exercise voting rights pro rata to their shareholding, either in person or by proxy. Shareholders may exercise these rights if they are the holders of ordinary shares on the registration date (currently the 28th day before the day of the meeting) and if they or their proxy have notified Basic-Fit of their intention to attend the meeting, in writing to the address and by the date specified in the notice of the meeting.

Voting rights

Each shareholder may cast one vote in a General Meeting for each ordinary share held. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of ordinary shares held by the company. Resolutions are adopted by absolute majority, except where Dutch law or the Articles of Association provide for a qualified majority.

Powers of the General Meeting

The most important matters requiring the approval of the General Meeting include:

- Adoption of the financial statements
- Resolution on the reservation or distribution of the profits
- Adoption of the remuneration policy for the Management Board and the Supervisory Board
- Appointment of the external auditor
- Authorisation for the Management Board to issue shares, to restrict or exclude the pre-emptive rights of shareholders, and to repurchase shares
- Appointment, suspension or dismissal of members of the Management Board
- Appointment, suspension or dismissal of members of the Supervisory Board
- Amendment of the company's Articles of Association

Furthermore, the General Meeting is asked to provide the company with an advisory vote on the remuneration report, in line with the requirements of article 2:135b Dutch Civil Code. You will find further details in the Articles of Association, which are published on Basic-Fit's corporate website.

Share capital

Basic-Fit's authorised share capital consists of 150,000,000 ordinary shares, each with a nominal value of €0.06. On 31 December 2024, a total of 66,000,000 shares had been issued. The authorised share capital of the company consists solely of ordinary shares. All issued shares are fully paid up and each share confers the right to cast a single vote in the General Meeting. The General Meeting may resolve to issue shares, or grant rights to subscribe for ordinary shares, if this is proposed by the Management Board and the proposal has been approved by the Supervisory Board.

Issuance of shares

The Articles of Association provide that the General Meeting may designate the Management Board as the competent body authorised to resolve to issue ordinary shares or grant rights to subscribe for ordinary shares.

Pursuant to the Corporate Governance Code 2022 (the Code) and the Articles of Association, the period of such designation may not exceed five years. The number of ordinary shares to be issued by the Management Board must be determined at the designation,. If the Management Board has been designated as the competent body authorised to issue ordinary shares, the resolution to issue ordinary shares is subject to the prior approval of the Supervisory Board.

The General Meeting designated the Management Board for a new period of five years from 26 April 2024 (i.e. until 25 April 2029), subject to the approval of the Supervisory Board, as the competent body to (i) resolve to issue shares, and (ii) grant rights to subscribe for shares, up to a maximum of 1% of the fully diluted outstanding share capital, either at the time of issue or at the time of granting rights to subscribe for shares, and (iii) to exclude or limit pre-emptive rights to subscribe for shares in the event that the issue of granting of rights to subscribe for shares takes place in connection with the Performance Share Plan or any other employee participation plan.

Furthermore, the General Meeting designated the Management Board for a period of 18 months from 26 April 2024 (i.e. until 25 October 2025), subject to the approval of the Supervisory Board, as the competent body to (i) resolve to issue shares, and (ii) grant rights to subscribe for shares up to a maximum of 10% of the issued share capital, at the time of the issue or at the time of granting rights to subscribe for shares; and (iii) to exclude or limit pre-emptive rights thereto.

Pre-emptive rights

Each shareholder has a pre-emptive right to subscribe, on a pro-rata basis, to any issuance of new ordinary shares, or, upon the granting of rights, to subscribe for ordinary shares. Pre-emptive rights can be limited or excluded. Exceptions to these pre-emptive rights include the issuance of ordinary shares and the granting of rights to subscribe for ordinary shares (i) to Basic-Fit's employees, (ii) in return for non-cash consideration or (iii) to persons exercising a previously granted right to subscribe for ordinary shares.

Acquisition of own shares

Basic-Fit may repurchase fully paid-up ordinary shares at any time for no consideration ('om niet'); or for consideration, subject to the approval of the General Meeting, certain provisions of Dutch law and the Articles of Association, and the prior approval of the Supervisory Board. Basic-Fit may not cast votes on ordinary shares it holds itself, nor is it entitled to dividends paid on those ordinary shares, nor will such shares be counted for the purpose of calculating a voting quorum. The ordinary shares held by Basic-Fit will not be included in the calculation of the profit distribution. On 26 April 2024, the General Meeting authorised the Management Board to repurchase shares in the share capital of Basic-Fit for a period of 18 months (i.e. until 25 October 2025), up to a maximum of 10% of the issued share capital.

Transfer of shares and transfer restrictions

The transfer of ordinary shares in the share capital of Basic-Fit included in the Statutory Giro System must take place in accordance with the provisions of the Dutch Securities Giro Act ('Wet giraal effectenverkeer'). The Articles of Association do not restrict the transfer of ordinary shares in the capital of Basic-Fit. Basic-Fit is not aware of any agreement pursuant to which the transfer of ordinary shares in the share capital of the company is restricted, other than lock-up arrangements for the Management Board in line with the long-term share incentive plan described in the Remuneration Report.

Dividend policy

It is laid down in the Basic-Fit Articles of Association that if profits are made, the Basic-Fit Management Board can define which part of these profits will be reserved. Profits that are not reserved in this context are available to the General Meeting, which can decide to pay out dividends based on a proposal of the Management Board that has been approved by the Supervisory Board.

Basic-Fit has published its dividend policy in the Shareholder Information section of its corporate website. This states that given the strong return profile of new club openings, the primary use of cash for the short to medium term will be for investments in the rollout of new clubs. As a result, Basic-Fit does not anticipate paying out any dividends in the short to medium term. Capital will be invested with strict financial discipline and applying the targeted return thresholds. Basic-Fit expects to introduce dividend payments in the future, although any dividend proposals will be carefully assessed against other uses of cash, including an acceleration of the club rollout, repayment of debt, share buybacks and acquisitions.

External auditor

The General Meeting appoints the external auditor. For the 2024 and 2025 financial years, the General Meeting appointed EY Accountants B.V. (EY) as Basic-Fit's external auditor. The external auditor may be questioned at the General Meeting regarding its audit opinion on the financial statements. The external auditor is therefore invited to attend, and is entitled to address, the General Meeting. At the AGM of April 2024, PwC was appointed the successor of EY, commencing at the start of the 2026 financial year.

Internal risk management and control systems

For more information on Basic-Fit's risk and control framework, please see the Risk Management chapter.

Change of control arrangements

Change of control arrangements have been included in Basic-Fit's financing facilities, as well as some of Basic-Fit's lease agreements. These arrangements could result in the termination of these agreements in the event of a change of control.

Corporate governance declaration

The Management Board and Supervisory Board, who are jointly responsible for Basic-Fit's corporate governance structure, recognise the importance of good corporate governance. We fully endorse the core principles of the Code and are committed to adhering to the best practices set out in the Code as much as possible. We believe that we are applying almost all of the principles and best practice provisions of the Code. However, in the interest of Basic-Fit and its stakeholders, Basic-Fit deviates from the following best practice provisions:

Best practice provision 2.2.1 Appointment and reappointment periods – Management Board members:

'A management Board member is appointed for a maximum period of four years. A member may be reappointed for a term of not more than four years at a time, which reappointment should be prepared in a timely fashion. The diversity objectives from best practice provision 2.1.5 should be considered in the preparation of the appointment or reappointment.'

This provision provides that a member of the Management Board may be appointed for a maximum period of four years. Both members of the Management Board, René Moos and Hans van der Aar (until 31 December 2024), were appointed for an indefinite period of time, given their positions as CEO/co-founder and CFO before listing, The service agreements for the CEO and CFO are for an indefinite period of time, thereby maintaining the same term included in their employment agreements with Basic-Fit before its conversion into a public limited liability company. Currently, there are no women present in the Management Board; however, there is one woman in the extended leadership team. The other principles in the diversity policy are respected and well represented within this Management Board. Hans van der Aar retired per 31 December 2024. At the EGM of 15 October 2024, Maurice de Kleer was appointed as his successor in the role of CFO effective 1 January 2025. Maurice has been appointed for four years in line with the guidance in the Code.

Best practice provision 2.3.2 Establishment of committees:

'If the Supervisory Board consists of more than four members, it should appoint from among its members an audit committee, a remuneration committee and a selection & appointment committee.'

The Supervisory Board has combined the functions and responsibilities of the Remuneration Committee and the Selection & Appointment Committee in one committee: the Selection, Appointment & Remuneration Committee.

Best practice provision 4.2.3 Meetings and presentations:

'Analyst meetings, analyst presentations, presentations to institutional or other investors and press conferences should be announced in advance on the company's website and by means of press releases. Analysts' meetings and presentations to investors should not take place shortly before the publication of the regular financial releases. All shareholders should be able to follow these meetings and presentations in real-time, by means of webcasting or telephone or otherwise. After the meetings, the presentations shall be posted on the company's website.'

This provision provides that all shareholders should be able to follow all Basic-Fit meetings with and presentations to analysts and investors, as well as presentations related to press releases in real time. Basic-Fit does not offer this possibility for all presentations and therefore does not comply with this provision. However, the presentations are made available on Basic-Fit's website after the meetings.

Corporate governance statement

The Code requires companies to publish a statement regarding their approach to corporate governance and compliance with the Code. This is referred to in Article 2a of the Decree on the contents of the management report ('Besluit inhoud bestuursverslag') as last amended in 2022. The information required to be included in this corporate governance statement as described in articles 3, 3a and 3b of the Decree, which are incorporated and repeated here by reference, can be found in the Corporate governance section. Major shareholders are obliged to give notice of interests exceeding certain thresholds to the Dutch Financial Markets Authority (AFM).

Shareholders holding more than 3%[1]	
René Moos, our CEO (directly and indirectly via AM Holding B.V.)	11,74%
Impactive Capital LP	10.09%
North Peak Capital Management, LLC	9,99%
3i Investments plc	6.62%
Abrams Bison Investments, LLC	3.37%
CAS Investment Partners, LLC	3.01%

1 These are the interests reported to the AFM's register of substantial interests per 31 December 2024. These figures do not necessarily reflect the actual shareholding in the company due to the requirements to notify the AFM. In the table, the interest of 'R.M. Moos' refers to the direct and indirect interests of AM Holding in the company. The register of Director's interests also shows other direct or indirect shareholdings of R.M. Moos.

Special rights of control and limitation on voting rights

Basic-Fit has not issued shares to which special rights of control are attached, and there are no limitations on the voting rights attached to the shares in Basic-Fit.

MANAGEMENT STATEMENTS

In control statement

The Management Board manages the company and is responsible for achieving the company's strategy, objectives, goals and results, and for taking appropriate measures in relation to the design and operation of the risk management and control systems in a manner that is consistent with Basic-Fit's business. In 2024, the priority of the Management Board was to mitigate the risks of the geopolitical and societal developments such as the wars in Ukraine and the Middle East, the energy market volatility, and inflation and its impact on Basic-Fit, and to continue the execution of its growth strategy, while pursuing its sustainability goals. While doing this, Basic-Fit relied on, reviewed and continuously enhanced the company's risk management and control processes with regard to its strategic, operational, compliance, and financial risks, including risks related to financial reporting. Basic-Fit has implemented continuous improvements in the registration, documentation and formalisation of processes and controls in line with the development of the strategy and the growth of the company. The risk management and control systems have been designed to: identify opportunities and risks in a timely manner; manage key risks; facilitate the realisation of the company's strategic, operational and financial objectives, while safeguarding the reliability of the company's financial reporting; and complying with applicable laws and regulations. The reviews and enhancements, including changes and planned improvements, were discussed with the Audit & Risk Committee and the Supervisory Board.

It should be noted that the above does not imply that these systems and procedures, however well-designed and however much intended to control risks optimally, provide absolute certainty as to the realisation of operational and strategic objectives. Nor that they can prevent all misstatements, inaccuracies, errors, fraud and non-compliance with legislation, rules and regulations. Based on the approach described above, the Management Board believes that the internal risk management and control systems performed satisfactorily in the year 2024, and provided reasonable assurance that the financial reporting does not contain any material inaccuracies.

Responsibility statement

The Management Board confirms that, to the best of its knowledge:

- The financial statements for 2024 give a true and fair view of Basic-Fit's assets, liabilities, financial position and comprehensive income and those of the companies included in the consolidation taken as a whole.
- The Management Board report provides a true and fair view of Basic-Fit's position as of 31 December 2024, and of Basic-Fit's development and performance in 2024 and of its affiliated companies whose information has been included in its financial statements and describes the key risks Basic-Fit faces.
- The Management Board concluded that it is justified that the financial reporting is prepared on a going concern basis and sustainability statements have been prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and compliant with the double materiality assessment process carried out by Basic-Fit to identify the information reported pursuant to the ESRS; and compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).
- The Management Board report discloses all material risks and uncertainties that are relevant regarding the expectations as to the continuity of Basic-Fit for the 12-month period after the date this Management Board report was prepared.

Hoofddorp, 11 March 2025

Basic-Fit Management Board

René Moos, CEO

Maurice de Kleer, CFO

MANAGEMENT BOARD

Maurice de Kleer, CFO
(as from 1 January 2025)

René Moos, CEO

Hans van der Aar, CFO
(until 31 December 2024)

René Moos

Chief Executive Officer and chairman of the Management Board

Year of birth: 1963
Nationality: Dutch
Other positions: None

René has over 30 years of fitness sector experience. In 1984, after ending his professional tennis career, René started to manage and invest in tennis parks, to which he added fitness facilities. He co-founded HealthCity, a mid-to-premium health and fitness club operator, and was appointed CEO in 2004. In 2013, following the demerger of Basic-Fit from HealthCity, René was appointed CEO of Basic-Fit. René studied at the University of Tennessee in Knoxville, Tennessee, USA.

Maurice de Kleer

Chief Financial Officer and member of the Management Board (as from 1 January 2025)

Year of birth: 1971
Nationality: Dutch
Other positions: None

Maurice de Kleer started his career in 1995 as tax advisor for EY. In the subsequent years, he gained relevant executive and finance experience in various roles. In his last role before joining Basic-Fit he was Member of the Management Board of BDO Nederland. As a part of the global BDO network, BDO Nederland delivers a wide variety of assurance, accounting, tax and advisory services to its clients. Maurice De Kleer joined BDO as an equity partner in 2008 and has been active in successive leadership roles inside and outside the organisation. Maurice holds an LLM in (Tax) law from the University of Tilburg and followed a post-master in International and European tax law at Erasmus University Rotterdam. Over the years, he has participated in various strategic leadership courses at Harvard Business School and INSEAD.

Hans van der Aar

Chief Financial Officer and member of the Management Board (until 31 December 2024)

Year of birth: 1958
Nationality: Dutch
Other positions: None

Hans has over 30 years of experience in accounting. He started his career as an auditor in the audit practice of BDO Accountants Advisors, where he was audit partner from 2000 to 2011. From 2004 to 2011, Hans also served as general manager for the BDO office in The Hague. In 2012, Hans was appointed CFO of Basic-Fit. Hans holds a Bachelor's degree in Slavic Languages & Literature from the University of Amsterdam and qualified as a chartered accountant (RA) at the RSM Erasmus University in Rotterdam.

SUPERVISORY BOARD REPORT

Jan van Nieuwenhuizen

Chairman of the Supervisory Board (as of 24 April 2023)

Previously

Member of the Management Board of Rabobank
Member of the Management Board of NIBC
Several roles and boardroom positions with JP Morgan and Morgan Stanley

Currently

Chairman of the Supervisory Board of ForFarmers N.V. (until 17 April 2025).
Chairman of the Supervisory Board of Wealth Management Partners
Member of the Board of Trustees of Leids Universiteits Fonds
Member of the Board of Trustees of the Hartstichting
Member of the Supervisory Board of CED Europe

Education

Master's degree in Politics, Business and Managerial Economics from the University of Fribourg, Switzerland

Carin Gorter

Vice-chairman and Chairman of the Audit & Risk Committee

Previously

Senior Executive Vice President Group Compliance, Legal & Security at ABN AMRO
Member of several supervisory boards

Currently

Member of the Supervisory Board Coöperatie TVM U.A (until 11 April 2024)
Member of the Supervisory Board of TKH Group N.V.
Member of the Supervisory Board of DAS Holding N.V.
Member of the Supervisory Board of Nederlandse Transplantatie Stichting
Member of the Supervisory Board of Ebusco Holding N.V.

Education

Chartered Accountant.
Master's degree in Business Economics from the University of Groningen, the Netherlands

Herman Rutgers

Chairman of the Selection, Appointment & Remuneration Committee

Previously

Extensive international executive experience (Quaker Oats, AkzoOrganon, Sheaffer Pen, Prince/Benetton Sports Group, Life Fitness and Octane Fitness), with over 25 years in the fitness industry
Supervisory Board member of SATS and Activage in Sweden
Co-Founder and board member EuropeActive in Brussels, Belgium

Currently

Ambassador of EuropeActive (European trade association for the health & fitness industry)
International Ambassador for Reed Exhibitions/FIBO in Germany
Advisor Wellness Foundation, Italy
Co-author of the European Health & Fitness Market Report; contributor to several books on the fitness sector

Education

Bachelor's degree in Business Administration from Hogere Textielschool, Enschede, the Netherlands.

Hans Willemse

Member of the Audit & Risk Committee; member of the Selection, Appointment & Remuneration Committee

Previously

Several positions at ABN AMRO, mainly in the financial restructuring and recovery department
Member of the management team and credit committee at Hollandsche Bank Unie (a former ABN AMRO subsidiary)

Currently

Managing partner at Craic Capital, a corporate finance and investment boutique founded and owned by Hans Willemse in 2008
Supervisory Board member at Mepal BV

Education

Master's degree in Dutch Civil Law from Leiden University, the Netherlands

Rob van der Heijden

Member of the Audit & Risk Committee; member of the Selection, Appointment & Remuneration Committee

Previously

Director Corporate Banking and first Vice-President of Commerzbank Nederland N.V.

Currently

Owner and Managing director of Citadel International B.V.
Managing director of Harvill Group Holding B.V.
Member of the Board of Fused Information Technology B.V.
Chairman of the Supervisory Board of Autobedrijf van den Udenhout B.V.
President of the Board of foundation Hamarpa (MBI Group)

Education

Bachelor's degree in Business Administration SVM
Real Estate Broker

Joëlle Frijters

Member of the Supervisory Board

Previously

Co-Founder and CEO at advertising technology company Improve Digital
Director's role EMEA at Microsoft
Co-founder of NGO Inspiring Fifty

Currently

Member of the Supervisory Board at CM.com NV
Member of the Supervisory Board and Remuneration Committee at Timber and Building Supplies
Member of the Supervisory Board of deeptech venture builder HighTechXL
Advisory Board member at The Cronos Group
Advisory board member at Netherlands Enterprise Agency (Ministry of Economic affairs)

Education

MBA at IESE Business School
Bachelor's degree in Business Administration from Hotelschool The Hague

REPORT OF THE SUPERVISORY BOARD AND ITS COMMITTEES

General introduction

The year 2024 brought many opportunities, but also challenges. The company is steadily continuing its growth plan following a period of recovery. The geopolitical and economic challenges shifted but remained intense, with the ongoing wars in the Ukraine and in the Middle-East, and changing governments and leadership across the globe. The impact of the increase in salaries and the cost of living continued. Despite all of this, Basic-Fit was able to expand its club count by 173 clubs to 1,575 clubs by the end of the year and expand its member base to 4.25 million members. In the meantime, the company continued with a strict approach to cost control and maintained its focus on innovation, expansion and the continued professionalisation of processes, with a focus on the company's future long-term growth and development.

This report gives an overview of the approach and activities undertaken by the Supervisory Board in the year under review. In addition to supervising the general course of affairs, a significant part of the Board's activities in 2024 focused on supervising the approach to cost controls, the adjustments in the membership structure, the company's sustainability strategy and the preparations for ESG reporting, the operational excellence and enhancement of processes for the French market, and the strengthening of Basic-Fit's presence in the Spanish market with the acquisition of RSG Group in Spain with 47 McFIT and Holmes Place clubs. Of those 47 clubs, the 5 Holmes Place clubs were subsequently sold, as a result of which 42 clubs were fully integrated throughout the year 2024. Continuous points of attention were the supervision of the financial situation, the expansion and innovation plans, and continued enhancement of the company's internal control frameworks, IT security, risk management and compliance. In carrying out its duties, the Supervisory Board is guided by the Dutch Civil Code, the Dutch Corporate Governance Code (the Code), the renewed version of which came into force on 1 January 2023, the company's Articles of Association, and the overall interests of Basic-Fit, our business and our stakeholders.

Composition, independence and education

The Supervisory Board Profile is aligned with Basic-Fit's profile and strategy, with a balanced distribution of specific expertise in relation to the business activities, strategy and long-term goals. At the General Meeting held on 26 April 2024, the composition of the Supervisory Board remained unchanged. Carin Gorter was reappointed for a new period of two years. Her expertise and knowledge of the company, in a phase with many financial and risk-related challenges, combined with the selection and appointment process for a new auditor that took place in 2024, leading to the replacement of EY by PWC per the year 2026, made it desirable to keep her in her position as chair of the Audit & Risk committee. Furthermore, the CFO Hans van der Aar informed the Supervisory Board that he would retire as per the end of the year. As a result, the Supervisory Board proposed that the General Meeting appoint Maurice de Kleer as new CFO as per 1 January 2025, which was approved. The Supervisory Board and Management Board wish to thank Hans very much for his valuable contribution and outstanding commitment during his 13 years as CFO of the company.

The Supervisory Board currently consists of six members. The current composition of the Supervisory Board is as follows: Jan van Nieuwenhuizen (chairman), Carin Gorter (vice-chair), Hans Willemse, Herman Rutgers, Rob van der Heijden and Joëlle Frijters.

Herman Rutgers announced the intent to not be available for reappointment at the AGM to be held 6 May 2025, Therefore the Supervisory Board initiated the preparations and search for a successor, and if a suitable candidate is found before this years convocation for the AGM, will propose to approve the nomination of that candidate.

Basic-Fit meets the gender diversity requirements for the Supervisory Board as defined in the Diversity law. Diversity, including gender, is an important consideration in the selection process for the (re)appointment of members of the Supervisory Board. As explained in the corporate governance section, when considering new vacancies, all elements of the Supervisory Board profile will be looked at to maintain and further stimulate a diverse Supervisory Board with a balanced male-female ratio. More information on the company's Plan of Approach and targets for gender diversity can be found in the Corporate Governance section of this annual report.

Members of the Supervisory Board visited Basic-Fit operational sites to maintain their understanding of the company's operations, opportunities and challenges, and they were continuously updated on market and industry developments. Furthermore, the Supervisory Board was briefed extensively about cyber risk developments by the IT director and IT security officer. The Supervisory Board was also specifically informed about the ESG developments, double materiality assessments and CSRD reporting requirements and how this impacts Basic-Fit.

Supervisory Board composition

Name	Gender and year of birth	Nationality	International experience	Financial expertise	Specific experience
Jan van Nieuwenhuizen	(male, 1961)	Dutch	Yes	Yes	Banking & Finance, International business
Carin Gorter	(female, 1963)	Dutch	Yes	Yes	Finance & Accounting, Risk & Compliance
Hans Willemse	(male, 1968)	Dutch		Yes	Finance
Herman Rutgers	(male, 1949)	Dutch	Yes		Fitness Industry expert
Rob van der Heijden	(male, 1965)	Dutch	Yes	Yes	Finance and entrepreneurship
Joëlle Frijters	(female, 1974)	Dutch		Yes	Media, Advertising, Communication, Digital

Name	Position	Year of possible reappointment[1]	Expiration date in event of reappointment	Supervisory Board positions incl. Basic-Fit[2]	Committee
Jan van Nieuwenhuizen	(Chair, since 2023)	2027	2031	3 (of which 2 chair)[3]	N/A
Carin Gorter	(Vice-chair, since 2016)	2026	2028[4]	4[3]	Chair Audit & Risk Committee
Hans Willemse	(Member, since 2016)	2025	2027[4]	2	Audit & Risk Committee and Selection, Appointment & Remuneration Committee
Herman Rutgers	(Member, since 2016)	2025	2027[4]	1	Chair Selection, Appointment & Remuneration Committee
Rob van der Heijden	(Member, since 2017)	2025	2027[4]	2 (1 chair)	Audit & Risk Committee and Selection, Appointment & Remuneration Committee (as from AGM 21 April 2022)
Joëlle Frijters	(Member, since 2023)	2027	2031	5	N/A

1 Based on rotation schedule
2 Number of positions are based on article 2:142a of the Dutch Civil Code. All members comply with the relevant regulations.
3 As from 17 April 2025, the number of positions of the Chair will change to two (of which one chair). As from 11 April 2024, the number of positions of the Vice-Chair changed from five to four.
4 Carin Gorter was reappointed in 2020 (after four years) and in 2024 (total eight years), while Jan van Nieuwenhuizen and Joëlle Frijters were appointed in 2023. Rob van der Heijden was reappointed in 2021, Herman Rutgers was reappointed in 2019, and Hans Willemse was reappointed in 2017 (after one year), 2021 (total five years) and 2023 (total seven years). They are currently in their second or third terms (Hans Willemse and Carin Gorter). Based on best practice provision 2.2.2, appointment for a third or fourth term can be for a maximum of two years, for which reasons have to be given in the Corporate Governance Statement.

The Supervisory Board believes that the independence requirements referred to in best practice provisions 2.1.7 to 2.1.9 have been fulfilled. However, Supervisory Board member Hans Willemse is considered a non-independent member of the Supervisory Board, as defined in best practice provision 2.1.8. vii of the Code, leading to a presence of 83,3% independent members. Hans Willemse was designated for appointment by AM Holding. The Supervisory Board firmly believes that the overriding principle for its composition is that its members make a valuable contribution in terms of experience and knowledge of Basic-Fit's business. In the opinion of the Supervisory Board, its size and composition meet the specifications laid down in the Supervisory Board profile, notwithstanding the above factors.

The members of the Supervisory Board who hold shares in the company are Herman Rutgers, who personally held 3,000 shares, and Hans Willemse, who personally held 40,029 shares in Basic-Fit as at 31 December 2024. They own their shares with a long-term perspective. None of the other Supervisory Board members were granted, nor do they possess, any Basic-Fit options or shares.

Supervisory Board meetings in 2024

The Supervisory Board met nine times in regular meetings in 2024. All the members of the Management Board were present at all meetings, except for the part of the meeting dealing with the self-assessment of the Supervisory Board and the assessment of the Management Board, and the start of the meetings, which are held only with Supervisory Board members. Four meetings out of these seven were (partly) combined with the Audit & Risk Committee meeting. All Supervisory Board members were present during all of the meetings.

Furthermore, the members of the Supervisory Board consulted regularly with each other and with the Management Board by telephone and by email. Between meetings, the chairman maintained regular and informal contact with the CEO and CFO. The meetings held in March, April, July and October 2024 were attended by the external auditor, as well as the extra ARC meetings of March, April and July 2024, where they presented their audit findings for 2024, evaluations were made and specific topics such as ESG, VOR and Cyber were discussed. The meetings took place digitally or physically at the Basic-Fit head office in Hoofddorp, with one two-day strategy meeting held at an offsite location in June.

All members were able to devote sufficient time, including between meetings, to the affairs of Basic-Fit.

Recurring topics at the Supervisory Board meetings included:
- CEO and CFO updates
- Monthly results
- Market and business updates
- Impact of economic and geopolitical developments (e.g. Impact of wars in Ukraine and Gaza, inflation, energy prices)
- Legal updates, including compliance and governance-related matters
- Investor relations activities

Topics that were discussed in more detail during these meetings included:
- Group strategy and sustainable long-term value creation
- Expansion strategy
- Quarterly results, H1 2024 results and related reports
- Full-year financial statements and approval of the board report
- Press releases for the H1 results and Q1 and Q3 trading updates
- Scenario analyses and budget 2025
- Capital management and financing strategies
- Liquidity position and scenario analyses
- Compliance with debt covenants
- Current and expected profitability and cash flows
- Management performance and succession planning
- Supervisory Board performance and succession planning
- Other positions of Supervisory Board and Management Board members
- Remuneration of the Management Board and the Supervisory Board
- Outlook and strategy 2024 - 2030
- Innovations in fitness and service
- Corporate story, values and culture
- Sustainability strategy and ESG reporting
- D&I Policy
- Governance and compliance model

- Internal audit plan
- Management letter
- Risk and control framework
- Integrity and fraud
- Pricing and membership model
- Acquisition RSG Group Spain
- Club visits

The meetings addressed routine commercial, financial and operational matters, and focused on strategy implementation, the further maturation of the organisational (risk and control) structures required for future growth, and the implementation and reporting of the sustainability, corporate and social responsibility framework for the organisation.

In 2024, the geopolitical and economic developments, also impacting Basic-Fit, were recurring topics at the meetings. The Management Board informed the Supervisory Board about the potential impact on the operation and results and ways to mitigate potential risks. Furthermore, the meetings devoted ample attention to the financial strategy and liquidity and the rollout of the long-term strategy for the period to 2030.

The company focused strongly on the development of a corporate strategy that is fit for the long-term future and creates sustainable long-term value for all stakeholders, including members, communities, employees, partners and shareholders. Basic-Fit's strategy focuses on promoting our fitness concept as something that is available to all, anytime and anywhere and on helping people make fitness a habit. As described in the CEO message and the strategy section, the Management Board and the company have been working constantly and with confidence on the rollout of a solid and future-oriented strategy, despite last year's challenges. The Supervisory Board was closely involved in defining and fine-tuning the strategy.

The expansion and growth strategy remains ambitious but supports the company's mission to make fitness a habit and available to all. The company adjusted the membership structure last year and continued to devote a great deal of time and attention to enhancing its strategy and fundamental processes to make it future proof. The continued automation and streamlining of processes is high on the Management Board's agenda.

Given the company's cluster strategy, the potential to increase fitness penetration, a well-thought-out marketing approach, processes and systems to support operational excellence, and the assurance that each club will deliver a minimum return on invested capital (ROIC) threshold of 30% at maturity, the Supervisory Board feels comfortable with the company's long-term growth trajectory.

The Management Board made sure the Supervisory Board was closely involved in its approach to defining the company's overall strategy and, more specifically, with respect to the following topics throughout the year:
- The impact of external developments and factors potentially influencing the company's operations and results, such as the wars in Ukraine and Gaza, inflation and the increase in energy prices, together with the company's measures to mitigate this impact.
- The Supervisory Board reviewed all new innovations and ideas and these were backed by pilots, extensive research and solid business cases. The company made further adjustments to its pricing and membership model, worked on further cost controls and mitigating measures to reduce energy consumption, as well as a further enhancement of the facility processes, with an initial focus on France this year, and continued development of the German expansion. The innovation strategy is crucial to the company's future growth and profitability and always supports the strategy of operating the clubs effectively and efficiently with a limited number of employees and with a strong focus on quality, service and retention.
- The financial resources needed to support the strategy and to keep the company financially healthy for the long term. The company reinvests the cash it generates, and the company has a solid credit facility to support its budget and strategy.
- The company continued to enhance its sustainability strategy, which can further strengthen and support Basic-Fit's long-term strategy and mission. Every decision the company makes focuses on getting as many people as possible to exercise and work on their health. A critical analysis showed that how the company works, builds and operates continues to raise

environmental awareness and limit environmental impact. The company contributes to society by helping people to improve their health and fitness, by reducing its environmental impact and by promoting strong and cohesive communities. The company made solid progress on the implementation of standards and processes for CSRD reporting. This was discussed extensively with the Supervisory Board.
- The Supervisory Board closely monitors and follows the company's growth strategy in the various countries, which is tailored to the characteristics and demographics of each country. More specifically the Supervisory Board monitored the acquisition and integration of RSG Spain, adding 42 McFIT clubs in Spain to the club portfolio in 2024.
- The Supervisory Board also focused on ensuring that the remuneration policy and the targets set for short-term and long-term bonus schemes reflect the company's sustainable long-term strategy. The targets focus on the growth strategy, the development of clubs and members, sustainability and the implementation of innovation projects in the field of HR, D&I, IT and operational excellence. The successful implementation of these innovations contributes directly to the recruitment of new members and members staying longer, and supports the company's long-term vision, which is why they are part of the target setting in the bonus and performance share plans of the Management Board and senior management. The Supervisory Board performed a benchmark assessment to assess the current remuneration policy and to define a new remuneration policy which was approved at the AGM in April 2024.
- In the year under review, the company continued to develop its employee profiles and job classification system and structure. Furthermore, the company devoted a great deal of attention to succession planning right across the organisation, as well as the training, development, motivation and engagement of staff. The company also further embedded its focus on Diversity and Inclusion with the implementation of a D&I policy and ambassadors.
- The Supervisory Board also monitors sound succession planning and the management structure within Basic-Fit.

The Supervisory Board was also involved in the discussion of how to implement targets and goals, objectives and values in the Basic-Fit culture and the company's code of conduct. The organisational structure, management structure and culture of the company have to support the strategy, and the company adjusted these where necessary to make them more efficient and effective. The Basic-Fit values are Be (who you want to be), Accessible (affordable price, wherever, whenever you want), Smart (innovative, new, focused), Inclusive (for everyone) and Committed (customer-focused and engaged). These values are communicated and embedded in the recruitment and onboarding processes and in the overall internal and external communications, as well as in the cooperation with colleagues, partners, members and everyone related to Basic-Fit. This could well be observed in the Boost your Mood campaign which was not only focused on our members but also on the physical and mental well-being of our staff.

The Supervisory Board received training on its governance responsibilities, compliance, fitness industry developments, customer and employee motivation, sustainability, ESG, CSRD reporting, double materiality and the EU Taxonomy and cybersecurity. This training was given by industry experts, the CFO, the internal auditor, Staff department directors and the general counsel.

One of the meetings of the Supervisory Board was dedicated to assessing its own functioning and the functioning of the Management Board, and was held in the absence of the members of the Management Board. The Supervisory Board reviewed both strengths and opportunities for improvement. The 'Functioning of the Management and Supervisory Board' section in this Supervisory Board Report describes this assessment in more detail.

Activities of the Supervisory Board committees

The Supervisory Board has two committees: the Audit & Risk Committee and the Selection, Appointment & Remuneration Committee. The committees prepare the relevant items ahead of Supervisory Board meetings and the chairs of the committees report to the Supervisory Board on the discussions of the committees and their main recommendations.

Audit and Risk Committee

The Audit & Risk Committee consists of three members: Carin Gorter (chair), Hans Willemse and Rob van der Heijden. Collectively, the Audit & Risk Committee has the appropriate level of knowledge and experience in terms of financial accounting and risk management. The committee's main role is to assist the Supervisory Board in monitoring the internal control systems, the quality and integrity of the financial and sustainability reporting process, and the content of the financial and sustainability statements; and in assessing and mitigating the business, financial and sustainability reporting risks. The charter of the Audit & Risk Committee is available on Basic-Fit's corporate website.

In the year under review, the Audit & Risk Committee met nine times, including five meetings in February, March, April and July and December that were (partly) combined with the Supervisory Board meetings, and two additional meetings with the external auditor dedicated to ESG, VOR, Evaluation and Cyber security. All meetings were attended by all members of the Committee and all members of the Management Board, except for the self-assessment preparation and one meeting with the external auditor that was held in the absence of the Management Board. All meetings, were attended in full or in part by the external auditor and the internal auditor, except for the meeting in February. Furthermore, there was a meeting in March 2024, at which the external auditor presented its audit findings.

The chair of the Audit & Risk Committee was in regular contact with the CFO, mainly to prepare the Audit & Risk Committee meetings.

The items and topics on the agenda of the Audit & Risk Committee included:
- Monthly reports
- H1 2024 results and Q1 and Q3 trading updates
- Press releases
- Accounting policies
- The external auditor's 2024 audit plan, including engagement conditions and audit policy for non-audit services and auditor independence
- Cash and treasury management
- IT strategy, risk and (data) governance
- Cybersecurity
- Capital management and financing strategies
- Liquidity position and scenario analyses
- Compliance with debt covenants
- Current and expected profitability and cashflows
- ESG reporting and double materiality
- Integrity, fraud and risk assessments
- Pensions
- Tax-related topics
- Scenario analyses and 2024 Budget
- Risk and control framework
- Compliance framework and compliance plan
- Internal audit plan and internal audit reports
- All communications with the external auditor (e.g. Auditor's report/ Management letter)
- Selection and appointment process for new auditor as per full-year 2026
- VOR implementation and integration

The Management Board and the Audit & Risk Committee consult the external auditor before the publication of press releases containing financial information.

The Audit & Risk committee also discussed key audit matters. The Audit & Risk committee established that the external auditor is independent.

The committee evaluated the functioning of the external auditor in terms of quality, content and adequacy of the audit, and the additional work of the auditor and is satisfied with the audit performed and the process between auditor and Basic-Fit is transparent and co-operative. The committee discussed the audit findings with the external auditor, the Supervisory Board and the Management Board. The Audit & Risk Committee also advised the Supervisory Board regarding the appointment of a new external auditor as per the full year 2026, which selection was made and approved by the General Meeting in April 2024. The committee had a meeting with the auditor in the absence of the Management Board in line with the Code.

Risk and control framework

The Supervisory Board oversees the management's monitoring of compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in terms of risks faced by the company.

In 2024, Basic-Fit continued to apply and adapt its internal control framework to the development and growth of the company, as well as to the upcoming VOR regulation. Internal Audit presented the internal audit plan, which was assessed by the Audit & Risk Committee and approved by the Supervisory Board.

Selection, Appointment and Remuneration Committee

The Selection, Appointment & Remuneration Committee consists of three members: Herman Rutgers (chair), Hans Willemse and Rob van der Heijden. The Committee's main responsibilities are to assist the Supervisory Board in supervising the Management Board with respect to the determination of the remuneration policy, compensation programmes and compensation for Basic-Fit's managers and executive officers; to make proposals for the remuneration of the individual members of the Management Board and Supervisory Board; and to assist in the selection and appointment procedures for members of the Management Board. The chairman of the Selection, Appointment & Remuneration Committee has regular update meetings with the HR Director and the Management Board.

In the year under review, the Selection, Appointment & Remuneration Committee met five times. All members were present at all meetings, resulting in full attendance.

The main topics of discussion were:
- Performance and individual remuneration of the members of the Management Board
- Sustainable long-term incentive target setting for the members of the Management Board and key managers
- Target setting for the 2025 incentive plan
- Performance of the Management Board and key senior management
- Succession planning for the Management Board, Supervisory Board and senior management
- Organisational structure and development
- HR strategy
- Development employee profile and culture
- D&I policy
- Plan of approach and targets to stimulate further gender diversity
- Benchmark assessment remuneration and approval of new remuneration policy at the AGM of April 2024

Functioning of the Management Board and the Supervisory Board

The Supervisory Board assesses its own functioning, and that of its committees, on an annual basis. In addition, the Supervisory Board assessed the functioning of the Management Board and discussed this with the members of the Management Board.

The Supervisory Board evaluated the performance of the Management Board and its individual members. Following this, the chairman of the Supervisory Board and the chairman of the Selection, Appointment & Remuneration Committee together held meetings with each member of the Management Board and gave feedback on their respective performances. The Supervisory Board also evaluated the functioning of the Management Board as a team. The conclusions were discussed in a closed meeting of the Supervisory Board. Overall, the Supervisory Board praises the flexibility, strength and perseverance of the Management Board for its continuous guidance of the company through challenging times, strengthening the position of the company, and its focus on the expansion and long-term strategy of the company. During this period, with many challenging decisions to make, the exchange of information and cooperation between the Management Board and the Supervisory Board was frequent and effective.

In early 2025, the Supervisory Board also reviewed its composition and its own performance and that of its two committees. The board evaluation was performed by a top-tier international consultancy firm to guide the self evaluation in accordance with the corporate governance guidelines on this topic. The external advisor rolled out the process for the evaluation with the Chair of the Supervisory Board and the Company Secretary. The process covered engagement with all relevant stakeholders. The project was planned and delivered to ensure that board members were able to express their views confidentially. The phases of the process were the following:
1. Assessment questionnaire covering all important board performance areas
2. One-on-one interviews with all the Supervisory Board and leadership team

members plus the Company Secretary
3. Sharing and acknowledgement of results with all participants

The evaluation covered the following considerations:
a. Structure and composition of the board and committees, including diversity, expertise and mix of skills.
b. Efficiency and transparency of operations.
c. Processes and routines, including the quality of the decision-making process, dynamics, teamwork and collaboration, the display of ethical values, independence, autonomy and objectivity.
d. Board contribution to key areas such as strategy, performance, monitoring, evaluation, compensation and succession, corporate governance and risk management.

The board and committees' activities were evaluated as rigorous, valuable and aligned with their mandate, the committee charters and corporate governance framework. The relationship with the Management Board continues to foster open and in-depth discussions, Some improvement or attention areas were noted and will be put on the agenda of future board meetings, such as the consideration of more enhanced reporting methods on KPIs, the continuous succession planning of the Board and its composition to stay in line with the development of the organisation, the timely distribution of board materials to enable board members to come well prepared to board meetings and to make sure conversations during the board meetings are well balanced and re-assess which topics should be on the agenda of the Board or of its committees, as well as ensuring solid reporting from the committees to the entire Board.

Management Board remuneration

Basic-Fit's remuneration policy aims to attract, retain and reward highly qualified executives with the required background, skills and experience. It is transparent and aligned with the medium and long-term interests of Basic-Fit, its shareholders and other stakeholders, with the aim of delivering a strong and sustainable performance in line with Basic-Fit's strategy. Additional details can be found in the remuneration policy on Basic-Fit's corporate website and in the remuneration report section of this report. In accordance with the Selection, Appointment & Remuneration charter, the Supervisory Board determined the individual remuneration of Management Board members, as well as the performance conditions and metrics for the short-term and long-term incentive plans for 2024.

Information on the amounts of the actual remuneration of the Management Board and Supervisory Board can be found in the Remuneration report and in notes 8.1 Remunerations of key management personnel and 8.2 Remunerations of members of the Supervisory Board of the consolidated financial statements.

Financial and sustainability statements 2024

The Audit & Risk Committee reviewed and discussed the Management Board report and financial and sustainability statements for the 2024 financial year.

The financial statements for 2024 have been audited and provided with an unqualified independent auditor's report by EY Accountants B.V. (see the independent auditor's report in the 'Other information' section of this board report), and were discussed extensively by the Audit & Risk Committee in the presence of the Management Board in March 2025. The sustainability statements for 2024 have been provided with a limited assurance report by EY Accountants B.V.

Following this discussion, the full Supervisory Board discussed the financial and sustainability statements with the Management Board in the presence of the auditors. The Supervisory Board believes that the 2024 financial and sustainability statements meet all the requirements for correctness and transparency, based on established levels of assurance for financial reporting and on requirements contained in the European Sustainability Reporting Standards, for sustainability reporting. Please see the In control and Responsibility statements in the Management Statements section). The 2024 financial and sustainability statements are endorsed by all members of the Management Board and Supervisory Board, and are included in this board report.

The Supervisory Board recommends that the General Meeting, to be held on 6 May 2025, adopts the 2024 financial statements. In addition, it recommends that the meeting discharge the members of the Management

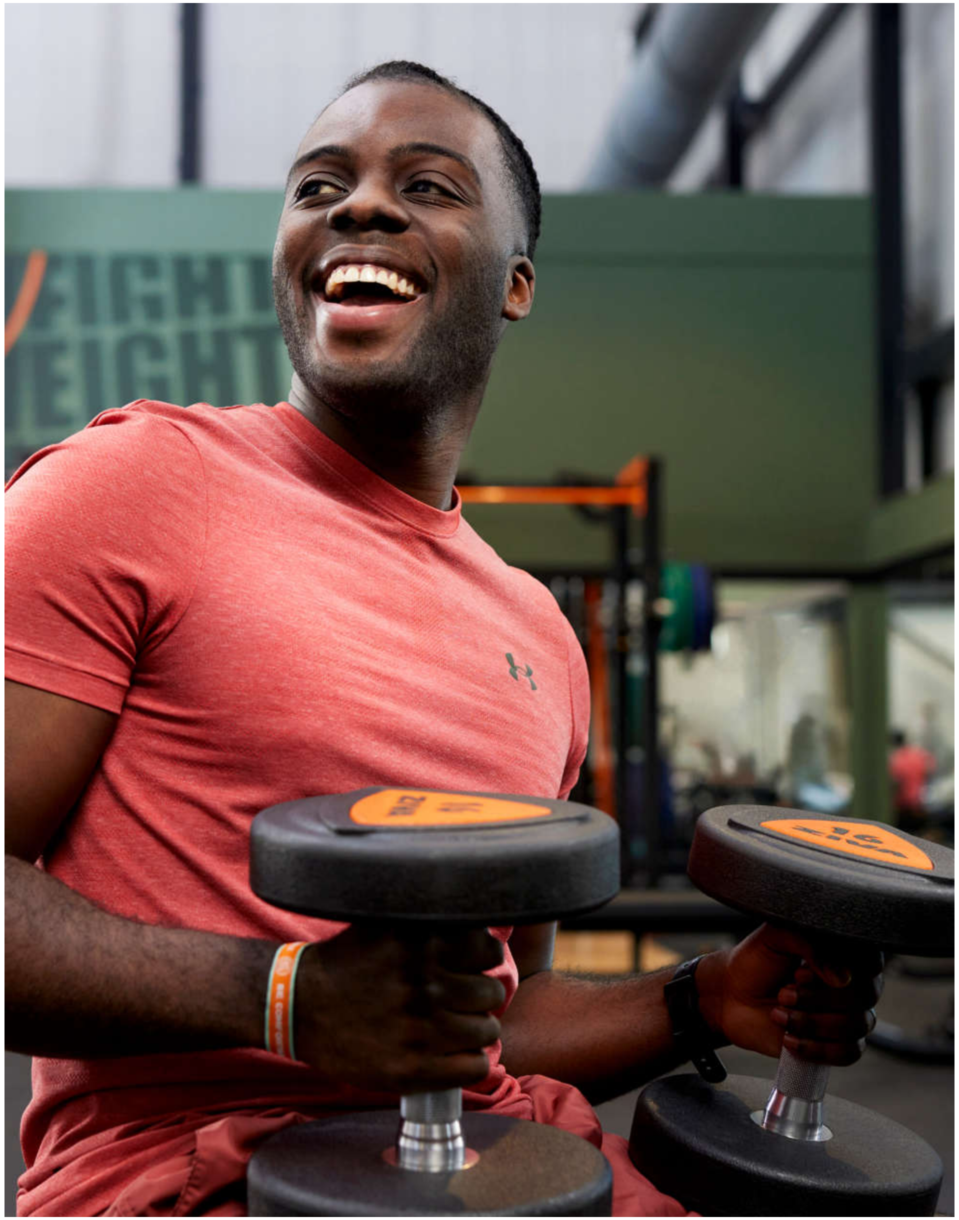
Board and Supervisory Board from liability for their respective management and supervisory activities performed in 2024.

Gratitude

Last year was again an interesting, challenging but promising year. It required the company to constantly adapt to changes, always striving for the best solution for all Basic-Fit stakeholders. With great resilience and strength, management protected and secured the company's long-term strategy and managed to add 173 clubs to its portfolio. This resulted in a total of 1,575 clubs and 4.25 million members at year-end. All in all, this resulted in a promising and ambitious outlook for the strategy in the period to 2030. Basic-Fit is continuously consolidating its leading position throughout Europe in the value-for-money segment of the fitness market. Moreover, the company is maturing its corporate values and integrating them in a dynamic, flexible and entrepreneurial culture with talented, engaged and highly motivated people, making fitness accessible to everyone. The Supervisory Board wishes to thank the members of Basic-Fit for being part of the Basic-Fit community, the members of the Leadership team for their continuous efforts to build on a strong and solid company with an impressive perspective for the long term. Finally, the Supervisory Board would like to thank all Basic-Fit employees, under the strong leadership of the Management Board, for their enormous commitment and dedication to making Basic-Fit the success that it is.

Hoofddorp, 11 March 2025

Jan van Nieuwenhuizen
on behalf of the Supervisory Board



REMUNERATION REPORT

This report was prepared by the Management Board and the Selection, Appointment & Remuneration Committee of the Supervisory Board. The Selection, Appointment & Remuneration Committee makes recommendations to the Supervisory Board regarding the remuneration policy, as adopted by the General Meeting, for the Management Board and how to apply the remuneration policy to the remuneration of the individual Management Board members.

This remuneration report combines both the requirements for the Selection, Appointment & Remuneration Committee to prepare a remuneration report in line with the Code, as well as the requirements for the Management Board to prepare a remuneration report in line with Book 2 of the Dutch Civil Code.

This remuneration report is published on the Basic-Fit corporate website as part of the board report.

The remuneration report will be submitted to the General Meeting of 6 May 2025 for an advisory vote.

Remuneration policy

The Remuneration policy in place was approved by the General Meeting on 26 April 2024, and became effective on the same date with retroactive effect to the start of the year. Any subsequent amendments are subject to the approval of the General Meeting.

In the formulation of the remuneration policy, the company took into account previous comments and suggestions from shareholders. In previous General Meetings, no comments were made regarding the remuneration policy or the remuneration report. Ahead of the General Meeting, there was extensive communication with stakeholders on the remuneration report and the chosen approach. At the General Meeting of 26 April 2024, the shareholders were asked to give an advisory vote on the remuneration report over the year 2023. Of the represented share capital, 96.46% voted in favour of the remuneration report. Furthermore, the revised remuneration policy for the Management Board and Supervisory Board were adopted by 94.63% and 97.58% respectively of the represented capital. The size of these votes gave sufficient comfort that the proposed remuneration package for 2024 for the Management Board and the

Supervisory Board and the approach to the variable remuneration elements were in line with the remuneration policy, and enjoyed the consent and support of the General Meeting. Therefore, the advice was taken into account and the remuneration package for 2024 was implemented as proposed.

In the year 2024, after two years without the PSP plan vesting for the Management Board due to COVID-19, the PSP plan 2021-2023 due to vest in 2024, vested with an outperformance on the Revenue target and an at target performance for the EBITDA target, leading to a vesting of 125% of the granted shares. This plan was already granted pro-rata in 2021, excluding the opportunity to obtain shares for the year 2021. This pro rata approach to mitigate the COVID-19 impact on the share plans, was approved by the AGM of April 2021. This led to a vesting of a gross number of 9,543 shares for the CEO and of 6,129 shares for the CFO.
Furthermore, once again the CEO's salary was not increased in 2024 for the fourth year in a row, the last increase of 2.5% being in January 2020. Nor was the base salary of the CFO increased in 2024, as announced in last year's remuneration report. For 2025, the base salaries for the CEO and CFO will not be increased either. Per 1 January 2025, Maurice de Kleer replaced Hans van der Aar as CFO of the company, as approved by the shareholders in an extraordinary General Meeting held on 15 October 2024. This approach reflects the spirit of the remuneration policy, sensible and responsible business behaviour, and addresses the interests of the shareholders.

The remuneration policy aims to attract, retain and reward highly qualified executives with the required background, skills and experience needed for a company the size and complexity of Basic-Fit. The policy is transparent and aligns the interests of the company, shareholders and other stakeholders. Variable compensation is an important part of the total package. The policy focuses on the medium and long term and aims to deliver long-term value creation and sustainable performance in line with Basic-Fit's strategy.

Consistent with the best practice principles of the Code, the first part of this remuneration report describes the remuneration policy for the members of the Management Board, while the second part sets out how the remuneration policy was implemented in 2024. The report concludes with the details of the remuneration policy for the Supervisory Board and how this remuneration policy was implemented in 2024.

Benchmark assessment

The level of remuneration of the members of the Management Board is determined on the basis of a range of factors, including a periodic benchmark assessment performed every three years to assess the market comparability of the remuneration package. At the end of 2022, an independent audit firm performed a new benchmark assessment, which affected the decision on the remuneration of the Management Board from 2023 onwards. At the end of 2023, the audit firm in question was asked to provide a refreshment update on the benchmark assessment and to provide guidance for the revised remuneration policy that was approved by the General Meeting on 26 April 2024. The total package of remuneration components, were taken into account and benchmarked against a selected peer group.

The benchmark peer group remains unchanged going forward. The comparability guidance also remained unchanged, taking into account industry, geography, ownership structure and size parameters. To capture the various market dynamics and competitive perspectives, both international sector-specific companies and Dutch general market companies were included in the remuneration peer group, based on comparability to Basic-Fit. To determine the peer group, the audit firm advising Basic-Fit applied a range of size parameters, from 2.5 times smaller to 2.5 times larger than Basic-Fit in terms of employees, net revenue and total assets. For market capitalisation, they applied a range of between 0.25 and 4.0 times Basic-Fit's market capitalisation.

As from the year 2024, the updated peer group therefore remains as defined in 2023 and was as follows:

Remuneration reference group per 2024

Aalberts N.V.	Peloton Interactive Inc.
AMG Advanced Metallurgical Group N.V.	Planet Fitness, Inc.
ASM International N.V.	Sligro Food Group N.V.
BE Semiconductor Industries N.V.	Societé des Bains de Mer
Compagnie des Alpes SA	Technogym SpA
Corbion N.V.	TKH Group N.V.
Fugro N.V.	TomTom N.V.
Inpost SA	Warehouses de Pauw N.V.
Just Eat Takeaway.com N.V.	Weight Watchers International, Inc.

Pursuant to the remuneration policy, the remuneration packages of the members of the Management Board consist of fixed and variable components. The variable remuneration is linked to predetermined, assessable and influenceable targets, which are predominantly of a long-term nature. It should be taken into account that the CEO has a considerable stake in the company (11.7% at the end of 2024), which strengthens the vision of a sustainable long-term value creation strategy for the company and which is also reflected in the short-term and long-term performance targets for the Management Board.

The principle to be applied according to the remuneration policy is that the remuneration of the Management Board should be aimed around the median of the peer group. In the updated benchmark assessment, the average positioning of Basic-Fit within the remuneration peer group based on 2023 figures was in the 58th percentile of the total peer group and just above median in the Dutch peer group, based on the size parameters market capitalisation, net revenues, total assets and number of employees.

In the remuneration policy, the Supervisory Board took into account possible outcomes of the variable remuneration elements and how they may affect the remuneration of the members of the Management Board. In addition to this, the development of the share price is taken into account in the structure of the policy and the annual assessment of the application of the policy to the remuneration of the Management Board. Each year, the Selection, Appointment & Remuneration committee discusses whether the remuneration policy is still suitable for the level and size of the company. For the years 2021, 2022, 2023 and 2024, taking into account the uncertain situation, the focus on recovery and the share price development that reflected this uncertainty, the CEO waived all increases of salary. The CFO also waived an increase in 2021, but in 2022 it was decided to increase the CFO's base salary by 7% and to increase the CFO's base salary by 8.3% in 2023. In 2024 the CFO once again waived an increase.

The 2023 updated benchmark assessment shows that the base salary of the CEO remains between the median and upper quartile market level of the remuneration peer group. The base salary of the CFO is currently set above 90th percentile levels within the peer group. The reason behind this is that the Management Board responsibilities in the current combination of CEO and CFO are shared equally, which led to the decision in 2023 to bring the base salary of the CFO for 2023 more in line with market practice and closer to the CEO's salary, although still within the guidance of the remuneration policy, However, the salary of the CFO was not increased in 2024, and this will be the same for 2025.

In the updated benchmark assessment, for the CEO and the CFO, both the STI and LTI as a percentage of base salary are positioned below the 25th percentile of the peer group. The base salary together with the STI and LTI (TDC, Total Direct Compensation) are also positioned below the 25th percentile of the peer group.

Compared to the remuneration peer group, Basic-Fit had a relatively larger focus on fixed pay compared to variable pay. In addition, within the variable remuneration, the companies included in the remuneration peer group typically place more weight on the LTI than the STI. As a result, in the revised remuneration policy as approved by the General Meeting, both STI and LTI as percentage of base salary have been increased for the CEO and the CFO of Basic-Fit in order to gear the desired position in the remuneration peer group of the TDC towards median level, which is the guiding principles defined in the remuneration policy.

By doing this, the Supervisory Board and Management Board brought the remuneration package more in line with the entrepreneurial culture of Basic-Fit, with a good balance between fixed and variable income, with more emphasis on the variable part of the remuneration.
In the revised remuneration policy, the comments and suggestions from investors, external audit firms and investor consultancy institutions were taken into account, which is reflected in the high adoption percentage at the General Meeting of 94,63%. The suggestions were mainly related to comments on the peer group, the division of variable and fixed remuneration, and the type of targets that would best suit a company such as Basic-Fit and its shareholders' interests.

The revised remuneration policy reflects the following principles:

- TDC remains around median level of the peer group
- The LTI level is subject to a higher increase compared with the STI level to be more consistent with the pay mix of the remuneration peer group
- The STI for the CEO and the CFO was adjusted from 40% to 50% of base salary
- The LTI for the CEO was increased from 60% to 75% and for the CFO from 50% to 60%.
- The remaining principles, for example the targets, remained unchanged.

Pay Ratio
In determining the remuneration of the Management Board, the Supervisory Board also considers the impact of the overall remuneration of the Management Board on the pay differential within Basic-Fit. In line with the Code, Basic-Fit takes into account the internal pay ratios within the organisation when formulating the remuneration policy and determining the remuneration of individual members of the Management Board. With a view to transparency and clarity, Basic-Fit has calculated the internal pay ratios based on the notes to the consolidated financial statements.

Basic-Fit's internal pay ratio is calculated as the total CEO remuneration divided by the employee average remuneration. For the purposes of this calculation:
- Total CEO remuneration consists of the following components for the full-year 2024:
  - base salary €729,063 (2023: €729,063); plus
  - short-term incentives of €218,719 (2023: €262,463); plus
  - long-term incentives (PSP) at fair value at grant of €546,800 (2023: €437,453): plus
  - pension allowance of €109,359 (2023: €109,359); plus
  - social security costs of €18,965 (2023: €18,018); plus
  - other personnel costs (company car) of €38,113 (2023: €39,097).

  All figures are full-year, based on the information provided in note 8.1 Remunerations of key management personnel.

- Employee average remuneration based on total employee benefit expenses as disclosed in note 3.4 Employee benefits expense, and 3.8 Other personnel expenses and total average number of employees expressed in FTEs as disclosed in the same note.

Consequently, Basic-Fit's calculated pay ratio in 2024 was 40.3 (2023: 39.9 and 2019 pre-COVID: 40.2), implying that CEO remuneration is 40.3 (2023: 39.9 / 2019: 40.2) times the average pay of an employee. If the pay ratio is calculated between CEO and CFO, this leads to a pay ratio of 1.2 (compared with 1.2 in 2023). The pay ratio of the CEO compared with the next senior management level was 5.2 in 2024 (compared with 5.1 in 2023).

These internal pay ratios were taken into account in the compensation discussions within the company. In 2024, the average increase of salaries for Basic-Fit employees was around 6.1% (and 7.2 corrected per FTE). In the determination of the remuneration of senior management and the definition and implementation of the new salary structure for the head office and clubs, the focus was on bringing salaries further in line with each other and with the market. In its salary assessment, Basic-Fit is taking into account the continuing pressure on the labour market and the higher salaries that come with that, in order to retain employees and talent. All these elements were taken into account in the decision on the salary increase for Basic-Fit's overall employee base in all countries.

In addition to the internal pay ratios, the company takes the development of its performance into account in the development of the remuneration of the members of the Management Board. The years 2020 and 2021 were impacted by COVID-19 and therefore difficult to compare in terms of remuneration development. In the years 2019, 2020, 2021, deviating standards for the remuneration package were applied, since discounts on salaries were applied and short-term and long-term variable remuneration was cancelled, limited or postponed. It is therefore difficult to compare year on year. Although the remuneration in 2023 seemed to show an upward trend, this was actually a more normalised remuneration, with normalised PSP grant, but no PSP vesting in 2023 due to COVID-19 still having a downward impact. In 2024, the approach was the same as in 2023, with COVID-19 still impacting the PSP, although the impact of COVID-19 was once again smaller. After this year the impact of COVID-19 should have disappeared.

	2024	2023	2022	2021	2020	2019
Pay ratio CEO - all employees	40.33	39,88	40,05	33,99	27,94	40,24
Pay ratio CEO - CFO	1.20	1,16	1,21	1,32	1,28	1,34
Pay ratio CEO - next level management-top	5.16	5,05	5,05	4,97	4,88	6,46

Management Board remuneration

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Director's remuneration					
Rene Moos	929,334	1,180,405	1,506,283	1,595,453	1,661,019
Hans van der Aar	727,852	891,146	1,245,333	1,375,149	1,380,045
Supervisory Board remuneration	294,104	341,000	306,944	323,404	414,000
Company Performance					
Total Revenue	376,810,891	340,746,009	794,570,779	1,047,247,169	1,215,150,709
Underlying EBITDA less rent (until 2019: Adjusted EBITDA)	93,765,645	31,629,908	203,779,706	260,517,028	312,871,281
No. of clubs	905	1,015	1,200	1,402	1,575
Average remuneration of a FT equivalent basis of employees					
Employees of the group	36,524	34,728	37,609	40,061	41,183

Annual Change	FY 2019 – FY 2020	FY 2020 – FY 2021	FY 2021 – FY 2022	FY 2022 – FY 2023	FY 2023 – FY 2024
Director's remuneration					
Rene Moos	-43.0%	27.0%	27.6%	5.9%	4.1%
Hans van der Aar	-40.1%	22.4%	39.7%	10.4%	0.4%
Supervisory Board remuneration	-1.6%	15.9%	-10.0%	5.4%	28.0%
Company Performance					
Total Revenue	-26.9%	-9.6%	133.2%	31.8%	16.0%
Underlying EBITDA less rent (until 2019: Adjusted EBITDA)	-39.6%	-66.3%	544.3%	27.8%	20.1%
No. of clubs	15.4%	12.2%	18.2%	16.8%	12.3%
Average remuneration of a FT equivalent basis of employees					
Employees of the group	-9.9%	-4.9%	8.3%	6.5%	2.8%

The Supervisory Board has the authority to make discretionary adjustments to the outcome of variable remuneration if the outcome is deemed to be unfair. In that case, the Supervisory Board can deviate from the policies outlined above, when the members of the Supervisory Board consider this necessary or desirable in specific individual cases.

The remuneration of the Management Board consists of five elements:
- Fixed compensation - annual base salary
- Short-term incentive - annual cash bonus plan (STI)
- Long-term incentive - annual performance share plan (PSP)
- Pension allowance and other benefits
- Severance payments

Fixed compensation

The annual base salary of the members of the Management Board is a fixed compensation and is set by the Supervisory Board, taking into account a variety of factors, such as the level compared to other Dutch and international listed companies, also taking into account the size and complexity of those companies and the broadness of the responsibility of the Management Board members. Although there would have been room for an increase based on the 2023 benchmark due diligence exercise, the fixed compensation for the CEO was not adjusted as per 1 January 2024 due to the continuing unrest and the year of recovery ahead. The same applied for the CFO. As a result, as of 1 January 2024, the annual base salary for René Moos (CEO) remained €729,063, while the annual base salary for Hans van der Aar (CFO) remained €651,209, which is considered to be in line with the remuneration policy.

The Supervisory Board took note of the views of the Management Board on their own remuneration, as a result of which the base salaries of neither the CEO and CFO were increased in 2024 and will also not be increased in 2025. For the time being, the Management Board deems this fitting, given the ongoing recovery and development of the company and the accompanying responsibilities. The Supervisory Board adopted the proposal and arguments when approving the remuneration package for 2025.

Short-term incentive (STI)

The STI is an annual cash bonus. The objective is to incentivise strong financial and personal performances, in line with Basic-Fit's strategy and annually defined targets. The bonus for both members of the Management Board may vary from 0% to 75% of the annual fixed base salary, with 50% being applicable when both financial and non-financial personal targets are achieved. The pay-out at threshold level will be 25%, at target 50% and in the event of outperformance 75%, to be determined for each separate target.

The Supervisory Board sets targets annually based on the budget, taking into account the company's strategic ambitions. Financial targets such as total revenue and EBITDA determine 70% of the bonus, while non-financial or personal targets determine the remaining 30%. These personal targets are related to the definition and implementation of new strategic projects or products in the company, with a focus on achieving the company's goals of sustainable long-term business, strengthening the company's presence in its markets and making fitness accessible for everyone, within existing and new target groups, and with existing and new products.

A performance zone is set for each of the financial targets, with no bonus below the threshold level and the maximum bonus when the performance exceeds the upper end of the performance zone. The Supervisory Board may change the exact percentages and targets from time to time.

For 2024, the defined targets and achieved results are as set within this table:

Name of Director	Objective	Weight	Year	Condition	Threshold 1/3 of target	Target 2/3 of target	Max 3/3 target	Outcome	Performance	Results
					25%	**50%**	**75%**			
René Moos, CEO	Financial	35%	2024	Total revenue	**Budget - 6%**	Budget	Budget + 3%	€1.215m (vs €1.262m Budget)	25%	8,75%
	Financial	35%	2024	Underlying EBITDA less rent	**Budget – 4%**	Budget	Budget + 2%	€ 313m (vs € 320m Budget)	25%	8,75%
	Personal	10%	2024	Operational Leverage: Overhead costs as % of Revenue (ex Marketing costs)	Budget + 0.2%	Budget	**Budget - 0.2%**	Budget - 0.6%	75%	7,5%
	Personal	10%	2024	EBITDA Spain	Budget - 4%	Budget	Budget + 2%	Budget - 16%	0%	0%
	Personal	10%	2024	Decrease the energy consumption on average per club	-8%	**>-9%**	>-11%	-10%	50%	5%
		100%					**Total CEO**		STIP leads to a bonus of 30% of base salary)	**30%**
Hans van der Aar, CFO	Financial	35%	2024	Total revenue	**Budget - 6%**	Budget	Budget + 3%	€1.215m (vs €1.262m Budget)	25%	8,75%
	Financial	35%	2024	Underlying EBITDA less rent	**Budget – 4%**	Budget	Budget + 2%	€ 307m (vs € 320m Budget)	25%	8,75%
	Personal	10%	2024	Limited assurance auditor on CSRD reporting		**Obtained**		Obtained	50%	5%
	Personal	10%	2024	Maintain average sound liquidity levels	**Budget**	Budget + 10%	Budget + 20%	Budget	25%	2,5%
	Personal	10%	2024	Decrease the energy consumption on average per club	-8%	**>-9%**	>-11%	-10%	50%	5%
							Total CFO		STIP leads to a bonus of 30% of base salary)	**30%**

Long-term incentive: performance share plan (LTI or PSP)

As part of the remuneration policy, Basic-Fit has introduced a performance share plan (PSP). The purpose of the PSP is to align the interests of the company, shareholders and Management Board over the long term; to foster and reward sustainable performances; and to retain and incentivise members of the Management Board to make long-term commitments. A PSP award is a long-term incentive and consists of an annual grant of conditional performance shares. Vesting is subject to continued employment and performance testing after three years.

The number of conditionally granted shares is set for a period of three years. Shares under this plan were granted for the first time in 2017 and each subsequent year, with the exception of deviations due to the COVID-19 pandemic.

Any award of performance shares will in principle vest at the end of a three-year performance period, subject to (i) the achievement of two predetermined group financial targets that appropriately reflect Basic-Fit's long-term strategy, these being average revenue growth and net debt / EBITDA ratio, both reflecting 50% of the total target, (ii) continued service as a member of the Management Board, and (iii) no legislation or guidelines in grants are applicable that prevent (part of the) grant from vesting, for example as a result of the use of NOW regulations during the COVID-19 pandemic.

When considered appropriate, the Supervisory Board may apply at its discretion a performance incentive zone of between 0% and 150%. When such a zone is applied, the Supervisory Board may reduce or increase the target and threshold percentages to ensure awards are an appropriate reflection of performance. Shares acquired at the end of the performance period by members of the Management Board must be held for an additional period of two years, in accordance with best practice provision 3.1.2 of the Code, with the exception of a sale of said shares to cover the tax obligations of the members of the Management Board related to the awarded shares.

PSP for 2024

The PSP 2021-2023, with vesting date in 2024, was a pro rata grant in 2021 due to the NOW 3 regulations that contained conditions for the use and pay-out of remuneration, limiting the company's ability to grant bonuses in any form or shares in the company for the year 2021 (NOW3), because of which no grant could be made for the year 2021 for this plan. This approach was announced to and approved by the AGM in April 2021. The actual performance period for this plan is considered to be 2022 and 2023. The 2022-2024 grant will be the first PSP plan with the ability to vest on normal conditions again. In 2024, a new grant was awarded under the PSP, with a planned vesting in 2027.

Retirement CFO

For Hans van der Aar, the management agreement ended 31 December 2024. As part of the retirement, based on the grants made already and in line with the LTI Plan and the remuneration Policy, which is in line with the general Remuneration principles of the Code, the Supervisory Board used its discretionary powers to decide on accelerated vesting for all running LTIP plans, directly after the approval of the 2024 financial statements at the general meeting of shareholders, and therefore in the year 2025. For the grant 2022 - 2024 this will lead to the vesting of 9,994 shares, while for the grant 2023 - 2025 this will lead to the vesting of 11,121 shares and for the grant 2024 - 2026 this will lead to the vesting of 20,996 shares in 2025. This will lead to vesting of a total of 42,111 shares. All costs related to the early vesting of these plans are fully recognised in the Consolidated statement of profit or loss 2024 (€354 thousand). The holding periods remains applicable in line with the Code and the remuneration policy.

Management Board remuneration

	Base Salary	Short-term incentive	Social charges	Pension	Other	Total 2024 (cash)	Total 2023 (cash)	LTIP 2021 vesting[1]	LTIP 2024 award[2]	Proportion of fixed and variable remuneration in 2024[3]
René Moos	€ 729.063	€ 218.719	€ 18.965	€ 109.359	€ 38.113	€ 1.114.219	€ 1.158.000	€ 291.618	€546.800	54% / 46%
Hans van der Aar[4]	€ 651.209	€ 195.363	€ 15.586	€ 97.681	€ 29.485	€ 989.324	€ 1.049.536	€ 187.294	€390.721	58% / 42%
	€ 1.380.272	€ 414.082	€ 34.551	€ 207.040	€ 67.598	€ 2.103.543	€ 2.207.536	€ 478.913	€937.521	56% / 44%

1 In 2021, René Moos and Hans van der Aar were granted 7,634 and 4,903 shares respectively under the Long-term Incentive Plan (LTIP) for the performance period 2022 - 2023. Under this plan, 9,543 and 6,129 shares respectively vested in 2024 related to the performance period 2022-2023 (including outperformance adjustment). The amounts in the table are based on the share price on the grant date (€38.20) of the granted shares. The share price on the date of vesting in 2024 was €20.12. For more information we refer to section 8.1 in the financial statements, Remuneration of members of the Management Board.
2 In June 2024, René Moos and Hans van der Aar were granted 27,123 and 19,381 shares respectively under the long-term incentive plan (LTIP), with a share price on the grant date of €20.16. For René Moos, the number of shares can increase to 33,904 in the event of outperformance. The shares will vest in 2027, fully conditional on him being employed at Basic-Fit and the achievement of targets. For the P&L impact of these plans for both René Moos and Hans van der Aar, we refer to section 8.1 in the financial statements, Remuneration of members of the Management Board.
3 Variable remuneration 2024 calculated based on LTIP 2024 award.
4 In addition to the remuneration included in the table, the Company has recognised €165 thousand as an expense in 2024 for the estimated tax levy payable by the Company pursuant to article 32bb of the Dutch Wage Tax Act.

Pension allowance and other benefits

The members of the Management Board do not participate in Basic-Fit's collective pension scheme and instead receive a comparable payment of a pension allowance of 15% of their base salary. They are entitled to customary fringe benefits, such as a company car and other benefits.

Severance pay

The service agreements with the Management Board include a severance payment in the event of involuntary termination of six months fixed salary and a notice period of six months. No severance payment will be made in the event of serious imputable or negligent behaviour. This is in compliance with the best practice provision of the Code on severance payments.

Claw-back and ultimum remedium

Variable remuneration may be adjusted or recovered from a member of the Management Board, in accordance with the relevant provisions in the Dutch Civil Code, as amended from time to time.

Supervisory Board remuneration

The Supervisory Board remuneration is based on the remuneration policy for the Supervisory Board as approved by the General Meeting in 2024. The Supervisory Board compensation was unchanged since April 2020. The last benchmark assessment for the Supervisory Board was also performed in 2020. A benchmark assessment for the Supervisory Board remuneration, performed together with the benchmark assessment update for the Management Board in 2023, showed that the Chair and member compensation levels were below market levels, compared to the peer group. In the new 2024 remuneration policy, approved at the AGM in April 2024, the Supervisory Board remuneration per 2024 is defined as follows below, to bring this compensation in line with the median of the peer group.

The chair, vice-chair and members of both the Audit & Risk Committee and the Selection, Appointment & Remuneration Committee receive a fixed annual fee for these roles. Members of the committees receive additional compensation.

Basic-Fit does not grant variable remuneration, shares or options to members of the Supervisory Board. As of 31 December 2024, the members of the Supervisory

Board had no loans outstanding with Basic-Fit, and no guarantees or advance payments had been granted to members of the Supervisory Board. Basic-Fit pays company-related travel and accommodation expenses related to meetings.

Annual base fees per function in the Supervisory Board	
Chair	€80,000
Vice-Chair	€60,000
Member	€55,000

Annual additional fees per function in Supervisory Board committees	
Chair Audit & Risk Committee	€15,000
Chair Selection, Appointment & Remuneration Committee	€10,000
Member Audit & Risk Committee	€8,000
Member Selection, Appointment & Remuneration Committee	€6,500

	Total annual fees 2024	Total annual fees 2023	Total annual fees 2022	Total annual fees 2021	Total annual fees 2020	Total annual fees 2019
Kees van der Graaf (until 26 April 2023)	-	€ 16,250	€ 65,000	€ 65,000	€ 55,521	€ 55,000
Jan van Nieuwenhuizen (as of 26 April 2023)	€ 80,000	€ 45,000	-	-	-	-
Hans Willemse	€ 69,500	€ 58,000	€ 58,000	€ 58,000	€ 50,604	€ 53,000
Carin Gorter	€ 75,000	€ 60,000	€ 60,000	€ 60,000	€ 51,042	€ 50,000
Pieter de Jong (until 21 April 2022)	-	-	€ 12,625	€ 50,500	€ 43,885	€ 45,500
Herman Rutgers	€ 65,000	€ 55,000	€ 55,000	€ 55,000	€ 47,375	€ 48,000
Rob van der Heijden	€ 69,500	€ 58,000	€ 56,319	€ 52,500	€ 45,677	€ 47,500
Joëlle Frijters (as of 26 April 2023)	€ 55,000	€ 31,154	-	-	-	-
Total	€ 414,000	€ 323,404	€ 306,944	€ 341,000	€ 294,104	€ 299,000
Year-on-year % change	28,0%[1]	5.4%	(10.0)%	15.9%	(1.6)%	0.0%

1 The increase is due to the renewed remuneration policy as per 1 January 2024 for the Supervisory Board as approved by the AGM in April 2024.

FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of comprehensive income

Consolidated statement of profit or loss

For the year ended 31 December	Note	2024	2023
		€ million	€ million
Revenue	3.2	1,215.2	1,047.2
		1,215.2	**1,047.2**
Costs of consumables used	3.3	(35.3)	(31.6)
Employee benefits expense	3.4	(212.5)	(181.1)
Depreciation, amortisation and impairment charges	3.6	(448.4)	(390.9)
Other operating income	3.7	20.5	6.9
Other operating expenses	3.8	(415.9)	(359.8)
Operating profit		**123.6**	**90.7**
Finance income	6.7	0.1	-
Finance costs	6.7	(111.2)	(92.4)
Share of profit of an associate	4.6	1.0	-
Profit/(loss) before income tax		**13.5**	**(1.7)**
Income tax	3.9	(5.5)	(1.0)
Profit/(loss) for the year		**8.0**	**(2.7)**
Attributable to equity holders of the parent:			
Basic earnings per share (in €)	6.2	0.12	(0.04)
Diluted earnings per share (in €)	6.2	0.12	(0.04)

Consolidated statement of other comprehensive income

For the year ended 31 December	Note	2024	2023
		€ million	€ million
Profit/(loss) for the year		**8.0**	**(2.7)**
Other comprehensive income for the year net of tax		-	-
Total comprehensive income/(loss) for the year		8.0	(2.7)

Consolidated statement of financial position

As at 31 December	Note	2024	2023
		€ million	€ million
Assets			
Non-current assets			
Goodwill	4.1	215.8	204.8
Other intangible assets	4.2	45.1	43.9
Property, plant and equipment	4.3	1,272.4	1,172.2
Right-of-use assets	4.4	1,721.7	1,543.9
Investment in associates	4.6	1.8	0.8
Deferred tax assets	3.9	82.7	82.0
Receivables	5.2	17.1	10.1
Total non-current assets		**3,356.6**	**3,057.7**
Current assets			
Inventories	5.1	29.2	23.8
Income tax receivable	3.9	1.3	0.1
Trade and other receivables	5.2	96.4	80.3
Derivative financial instruments	6.5	-	1.8
Cash and cash equivalents	5.3	56.7	70.9
Total current assets		**183.6**	**176.9**
Total assets		**3,540.2**	**3,234.6**

As at 31 December	Note	2024	2023
		€ million	€ million
Equity			
Share capital		4.0	4.0
Share premium		690.5	690.5
Reserves		50.2	51.5
Retained earnings		(333.2)	(342.0)
Total equity	6.1	**411.5**	**404.0**
Liabilities			
Non-current liabilities			
Lease liabilities	4.4	1,557.0	1,405.3
Borrowings	6.3	993.2	857.2
Derivative financial instruments	6.5	4.8	6.3
Deferred tax liabilities	3.9	1.0	0.3
Provisions	7.1	2.6	0.8
Total non-current liabilities		**2,558.6**	**2,269.9**
Current liabilities			
Trade and other payables	5.4	288.4	288.2
Lease liabilities	4.4	272.2	254.0
Borrowings	6.3	1.6	18.0
Current income tax liabilities	3.9	3.4	0.5
Derivative financial instruments	6.5	1.1	-
Provisions	7.1	3.4	-
Total current liabilities		**570.1**	**560.7**
Total liabilities		**3,128.7**	**2,830.6**
Total equity and liabilities		**3,540.2**	**3,234.6**

Consolidated statement of changes in equity

For the year ended 31 December 2024 (in € million)

	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	**4.0**	**690.5**	**-**	**2.8**	**48.7**	**(342.0)**	**404.0**
Comprehensive income:							
Profit for the period	-	-	-	-	-	8.0	8.0
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**8.0**	**8.0**
Purchase of treasury shares[1]	-	-	(3.2)	-	-	-	(3.2)
Exercised share-based payments[2]	-	-	0.5	(1.8)	-	0.8	(0.5)
Equity-settled share-based payments[2]	-	-	-	3.2	-	-	3.2
Transactions with owners recognised directly in equity	**-**	**-**	**(2.7)**	**1.4**	**-**	**0.8**	**(0.5)**
As at 31 December 2024	**4.0**	**690.5**	**(2.7)**	**4.2**	**48.7**	**(333.2)**	**411.5**

1 Note 6.1 Equity
2 Note 3.5 Share-based payments

For the year ended 31 December 2023 (in € million)

	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	**4.0**	**690.5**	**-**	**0.9**	**48.7**	**(338.7)**	**405.4**
Comprehensive income:							
Profit (loss) for the period	-	-	-	-	-	(2.7)	(2.7)
Total comprehensive income for the period	-	-	-	-	-	(2.7)	(2.7)
Acquisition of non-controlling interests	-	-	-	-	-	(0.3)	(0.3)
Purchase of treasury shares[1]	-	-	(0.2)	-	-	-	(0.2)
Exercised share-based payments[2]	-	-	0.2	(0.2)	-	(0.3)	(0.3)
Equity-settled share-based payments[2]	-	-	-	2.1	-	-	2.1
Transactions with owners recognised directly in equity	**-**	**-**	**-**	**1.9**	**-**	**(0.6)**	**1.3**
As at 31 December 2023	**4.0**	**690.5**	**-**	**2.8**	**48.7**	**(342.0)**	**404.0**

1 Note 6.1 Equity
2 Note 3.5 Share-based payments

Consolidated statement of cash flows

For the year ended 31 December	Note	2024	2023
		€ million	€ million
Operating activities			
Profit/(loss) before income tax		13.5	(1.7)
Non-cash adjustments to reconcile profit before income tax to net cash flows:			
Depreciation and impairment of property, plant and equipment and right-of-use assets	3.6	436.6	381.2
Amortisation and impairment of intangible assets	3.6	11.8	9.7
COVID-19 rent credits	4.4	-	(0.5)
Share-based payment expense	3.5	3.2	2.1
Gain on disposal of property, plant and equipment	3.7	(2.7)	(0.7)
Adjustments for finance income	6.7	(0.1)	-
Adjustments for finance costs	6.7	111.2	92.4
Adjustments for result from associates	4.6	(1.0)	-
Movements in provisions	7.1	4.7	(0.9)
Working capital adjustments:			
Change in inventories[1]	5.1	(5.3)	(3.7)
Change in trade and other receivables[2]	5.2	(10.8)	13.5
Change in trade and other payables[3]	5.4	24.4	4.3
Cash generated from operations		**585.5**	**495.7**
Income tax paid		(3.7)	(5.3)
Net cash flows from operating activities		**581.8**	**490.4**

For the year ended 31 December	Note	2024	2023
Investing activities			
Proceeds from sale of property, plant and equipment	4.3	7.9	4.0
Proceeds from assets held for sale, net of cash disposed	4.5	5.0	-
Purchase of property, plant and equipment	4.3	(328.2)	(322.3)
Purchase of other intangible assets	4.2	(6.7)	(10.3)
Acquisition of business combinations, net of cash acquired	4.5	(31.3)	-
Investment in associates	4.6	-	(1.5)
Dividends from associates	4.6	-	0.7
Interest received		0.1	-
Investments in other financial fixed assets (security deposits and other long term receivables)[1]	5.2	(5.3)	(1.1)
Net cash flows used in investing activities		**(358.5)**	**(330.5)**
Financing activities			
Proceeds from borrowings	6.3	155.0	145.0
Repayments of borrowings	6.3	(50.2)	(13.3)
Repayment of lease liability principal	4.4	(237.6)	(188.1)
Lease liabilities interest paid	4.4	(53.9)	(40.1)
Interest paid (excluding lease liabilities interest)		(46.4)	(31.7)
Transaction costs related to loans and borrowings	6.3	(0.8)	(3.5)
Acquisition of non-controlling interest		-	(0.3)
Purchase less sale treasury shares and exercised share-based payments		(3.6)	(0.5)
Net cash flows used in financing activities		**(237.5)**	**(132.5)**
Net (decrease)/increase in cash and cash equivalents		**(14.2)**	**27.4**
Cash and cash equivalents 1 January	5.3	70.9	43.5
Cash and cash equivalents 31 December	5.3	**56.7**	**70.9**

1 Excluding changes as a result of acquisition of business combinations (as these do not represent cash flows)
2 Same as previous footnote and excluding changes as a result of netting trade payables and trade receivables
3 Same as previous footnote and excluding changes in payables related to investing activities (which are included in purchase of property, plant and equipment and of other intangible assets)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Section 1: Corporate and Group information

This section provides corporate and group information about Basic-Fit N.V. (the 'Company') and its subsidiaries (together with the Company referred to as the 'Group' and individually as 'Group entities').

1.1 Corporate information

Basic-Fit N.V. 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.

The Group is active in six countries: the Netherlands, Belgium, Luxembourg, France, Spain and Germany.

With 1,575 clubs and more than 4,200,000 memberships as at 31 December 2024, Basic-Fit employs a straightforward membership model and provides a high-quality, cost effective fitness experience that caters to the health and fitness needs of individuals who prioritise their personal well-being.

The Group's consolidated financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Management Board on 11 March 2025.

1.2 Group information

Subsidiaries

These consolidated financial statements reflect all of the assets, liabilities, revenue, expenses and cash flows of the Group. The Group consists of the following legal entities:

The Netherlands:

- Basic-Fit N.V.
- Basic Fit International B.V., 100% interest of Basic-Fit N.V.
- Basic Fit Nederland B.V., 100% interest of Basic Fit International B.V.
- BF Developments B.V., 100% interest of Basic Fit International B.V.
- B-Securité B.V., 100% interest of BF Developments B.V.

Basic Fit International B.V. is an intermediate holding company and operates as international headquarters of the Group. BF Developments B.V. Is a holding company and does not run fitness clubs or undertake other operations. B-Securité B.V. is involved in the remote surveillance of the vast majority of the fitness clubs that are operated by the Group.

Belgium:

- Basic-Fit Belgium B.V., 99.6% interest of Basic Fit International B.V. and 0.4% interest of Basic Fit Nederland B.V.
- HealthCity België N.V., 100% interest of Basic-Fit Belgium B.V.

Luxembourg:

- Basic-Fit Luxembourg S.A., 100% interest of Basic Fit International B.V.

France:

- Basic-Fit France S.A., 100% interest of Basic Fit International B.V.

In April 2024, Basic Fit II S.A. was renamed as Basic-Fit France S.A.

Spain:

- Basic Fit Spain S.A., 100% interest of Basic Fit International B.V.

On 27 March 2024, Basic Fit Spain S.A. completed the acquisition of the following Spanish entities (note 4.5 Business combinations):

- RSG Group España S.L.U.
- RSG Group Madrid Moncloa S.L.U. (100% interest of RSG Group España S.L.U.)

In November 2024, Basic-Fit successfully completed the merger of Basic Fit Spain S.A. and the two newly acquired entities. For corporate income tax purposes, the merger applies retroactively to the acquisition date.

Germany:

- Basic-Fit Germany GmbH, 100% interest of Basic Fit International B.V.

Associates

Since the end of November 2023, the Group has a 25% interest in HKNA Participaties B.V. (note 4.6 Investment in an associate). HKNA Participaties B.V. and its subsidiaries are involved in maintenance, repair and cleaning activities in commercial buildings in the countries where Basic-Fit operates fitness clubs.

1.3 Shareholder structure

On 31 December 2024, Basic-Fit's main shareholders[1] were, as reported to the Dutch Financial Markets Authority (AFM):

- René Moos (AM Holding B.V.): 11.7%
- Impactive Capital LLC: 10.1%
- North Peak Capital Management LLC: 10.0%
- 3i Group plc ('3i') and funds managed by 3i: 6.6%
- Abrams Bison Investments LLC: 3.4%
- CAS Investment Partners LLC: 3.0%

[1] 3% or more of the share capital of Basic-Fit N.V.

Section 2: Basis of preparation and other material accounting policies

This section provides additional information about the overall basis of preparation that the Management Board consider is useful and relevant in understanding these financial statements, including the following:

- Summary of other material accounting policies affecting the results and financial position of the Group, including (if applicable) changes in accounting policies and disclosures during the year
- Summary of areas that involve significant judgements and estimates
- Standards that have been issued but not yet adopted by the Group

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and with Part 9 of Book 2 of the Dutch Civil Code. The consolidated financial statements have been prepared on the historical cost basis, except for the financial assets and liabilities (including derivative instruments), which are measured at fair value.

The consolidated financial statements are prepared and presented in euros and all values are rounded to the nearest million (€ x 1,000,000) with one decimal, except when otherwise indicated. Values in the consolidated financial statements 2023 were rounded to the nearest thousand (€ x 1,000).

Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (and the accompanying disclosures), and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made various judgements. Those judgements that management has assessed to have the most significant impact on the amounts recognised in the consolidated financial statements are discussed in the individual notes to the related financial statement line items or below.

The key assumptions related to the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are also described in the individual notes to the related financial statement line items below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances that are beyond the Group's control. Such changes are reflected in the assumptions when they occur.

The table below presents the areas that involve a higher degree of judgement or areas where assumptions and estimates are significant to the financial statements:

	Note
Revenue recognition	3.2 Revenue
Deferred tax assets	3.9 Income tax and deferred income tax
Impairment testing of goodwill	4.1 Goodwill
Impairment testing of non-current assets	4.2 Other intangible assets
Useful lives	4.2 Other intangible assets
Useful lives fitness equipment - change in estimates[1]	4.3 Property, plant and equipment
Determining the lease term of contracts with renewal and termination options	4.4 Right-of-use assets and lease liabilities
Leases - estimating the incremental borrowing rate	4.4 Right-of-use assets and lease liabilities
Business combinations - Purchase price allocation	4.5 Business combinations
Borrowings - convertible bonds	6.3 Borrowings
Provision for expected credit losses	6.5 Financial instruments

1 Under the 'Smart Refurbishing initiative', launched in January 2024, the useful life of applicable fitness equipment was extended from between six and eight years to 12 years. This is disclosed in more detail in note 4.3 Property, plant and equipment

Detailed explanations of the degree of judgement and assumptions used are included under each of the respective sections in the notes to the financial statements as referenced above.

When making judgement and assumptions, management considered climate-related matters and concluded that such matters have no material impact on the business and the assumptions impacting the financial statements.

In the process of applying the Group's accounting policies, management made the following judgements that have a significant impact on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are described above):

Recognition of provisions
The Group is subject to a number of factors that could lead to an outflow of economic benefits. When assessing whether such factors require either provision or disclosure, management is required to consider, among other factors, whether a legal or constructive obligation exists at the reporting date and whether the resulting risk of an outflow of economic benefits is probable (requiring a provision), less than probable but more than remote (requiring disclosure), or remote (requiring neither provision nor disclosure).

Decommissioning liabilities
For certain fitness club locations, the Group has a contractual obligation to restore locations to an agreed upon state. The Group has not recorded a decommissioning liability for such obligations. Management judges that, based on historical experience, the likelihood that the Group will be required to restore a location to its original state is remote. Fitness club locations are often renovated to a better state than their original state and, moreover, the duration of a lease contract is usually longer than 10 years. Consequently, lessors have made very few requests for the restoration of locations over the years when leases have been terminated. The Group has therefore not recognised any decommissioning liabilities.

2.2 Going concern basis of accounting

Based on the liquidity at 31 December 2024 (€120.4 million) and the available liquidity on the date of publication of these financial statements, the Management Board expects to meet its liabilities as they fall due in the next twelve months after the publication of these financial statements.

Basic-Fit has €304 million in senior unsecured convertible bonds maturing in June 2028, with a put option for the bondholders in June 2026. Basic-Fit is confident in the breadth of suitable options available to it to meet redemption requests while maintaining comfortable liquidity in case bondholders will exercise this option.

Based on the above, the Management Board prepares these financial statements on a going concern basis and concludes that there are no material uncertainties that may cast significant doubt about the Group's ability to continue as a going concern. In making such an assessment, management has considered the current environment in which the Group operates and the expectations regarding the company's future performance.

2.3 Climate-related matters and economic uncertainty

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that could most directly be impacted by climate-related matters are:

- Impairment of non-financial assets. The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations
- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures

Basic-Fit's energy department was established to help further reduce the company's energy consumption. The department also assists in the monitoring and reporting on energy usage and carbon emissions in the context of European CSRD legislation. In alignment with the aim to reduce emissions, Basic-Fit has started to replace all natural gas heating systems with more efficient electric systems in the clubs that are not yet natural gas free. In these new systems heating, cooling and ventilation are integrated to minimise energy waste. In addition, Basic-Fit will install solar panels on its clubs and head offices to produce green energy when possible. The sustainability related investments amounted to €6.3 million in 2024 (2023: €2.4 million) and are mainly related to the energy transition, changing gas-based warm water and heating systems with fully electric systems, and the installation of solar panels.

The number of clubs that transitioned from using gas for heating and warm water to all electric systems in 2024 was 25 in the Netherlands, 21 in Belgium, 18 in France and 16 in Spain. Transitioning to all-electric systems, leads to significant savings on overall gas consumption and leads to more efficient electricity consumption. The replaced gas systems had no remaining carrying amount that had to be written off. In addition, Basic-Fit installed solar panels on 43 clubs in 2024.

Price risk related to energy contracts is disclosed in note 6.4 Financial risk management(c).

2.4 Summary of other material accounting policies

The general accounting policies applied to the consolidated financial statements as a whole are described below, while other material accounting policies related to specific items are described in the relevant notes. The description of accounting policies in the notes forms an integral part of the description of the accounting policies in this section. Unless otherwise stated, these policies have been consistently applied to all the years presented.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled either directly, or indirectly, by the Company.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been aligned with the Group's accounting policies where necessary to ensure consistency with the policies adopted by the Group.

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Foreign currency translation

The Group's consolidated financial statements are presented in euros, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. The Group rarely has transactions in foreign currencies, and gains and losses resulting from the settlement of such transactions are generally recognised in profit or loss.

Statement of cash flows
The statement of cash flows has been prepared using the indirect method, whereby profit or loss before income tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Interest paid is classified as financing cash flows, while interest received is classified as investing cash flows. Dividends paid (if applicable) are classified as financing cash flows. Dividends received are classified as investing cash flows.

2.5 Changes in accounting policies and disclosures

New and amended standards and interpretations
The Group applied for the first time certain standards and amendments that are effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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 amendments had no impact on the Group's financial statements as the Group does not participate in supplier finance agreements.

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 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, the amendments introduced a requirement 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 financial statements.

2.6 Standards and interpretations issued but not yet effective
The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Lack of exchangeability – Amendments to IAS 21
In August 2023, the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments were endorsed by the EU in November 2024 and will be effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have an impact on the Group's financial statements.

Annual Improvements Volume 11

The IASB issued *Annual Improvements to IFRS Accounting Standards — Volume 11* on 18 July 2024. It contains amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The IASB's annual improvements are limited to amendments that either clarify the wording of an IFRS standard or correct relatively minor unintended consequences, oversights or conflicts between requirements in the standards.

The amendments will become effective for reporting periods beginning on or after 1 January 2026 and are expected to have no or limited impact on the Group's financial statements.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The IASB issued *Amendments to the Classification and Measurement of Financial Instruments* on 30 May 2024. These amendments respond to feedback from the 2022 Post-implementation Review of the Accounting Standard and clarify the requirements in areas where stakeholders have raised concerns, or where new issues have emerged since IFRS 9 was issued. These include:

- Clarifying the classification of financial assets with environmental, social and corporate governance (ESG) and similar features
- Settlement of liabilities through electronic payment systems

The amendments will become effective for reporting periods beginning on or after 1 January 2026 and are expected to have no or limited impact on the Group's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

IFRS 18 also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The IASB issued *Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7* on 18 December 2024. The amendments are to the own-use requirements, and hedge accounting requirements, together with related disclosures. The scope of the amendments is narrow, and contracts will only be in the scope of the amendments if they meet the specified scoping characteristics.

The amendments will become effective for reporting periods beginning on or after 1 January 2026 and are expected to have no or limited impact on the Group's financial statements.

Section 3: Results for the year

This section presents the disclosure of operating segments and the notes related to items in the statement of profit or loss (except for finance income and costs). If applicable, relevant notes on balance sheet items, which also relate to items in the statement of profit or loss, are also presented in this section. A detailed description of the results for the year is provided in the business and financial review section in the Management Board report.

3.1 Segment information

Basis for segmentation

The chief operating decision-maker ('CODM'), who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Company's CEO, CFO, COO and CCO ('Leadership team'). The CODM examines the Group's performance, firstly from a group perspective and secondly from a geographical perspective. Basic-Fit has identified five operating segments: the Netherlands, 'Belux' (Belgium and Luxembourg)[1], France, Spain and Germany.

The Basic-Fit CODM primarily uses underlying EBITDA less rent as the segment performance measure to monitor operating segment results and performance. The underlying EBITDA less rent is mainly impacted by the VAT rate applicable to fitness in the country, and the mature/immature club distribution in the country. The gross membership fees in all countries are the same, so the revenue recognised is determined by the VAT rate. Mature clubs are more stable in terms of revenue, number of memberships and profitability.

The Benelux countries (operating segment the Netherlands and operating segment 'Belux') generated similar profit margins (underlying EBITDA less rent as a percentage of revenue) in the pre- and post-COVID-19 period (2020 to 2022) and this is also expected for future performance. These countries have a lower VAT rate applicable to fitness and a higher percentage of mature clubs. However, the profit margins in the Benelux differ from those in operating segments France, Spain and Germany, which are the countries where the fastest growth has been realised in recent years and which is also expected for the coming years. France and Spain generated similar profit margins in the pre-COVID and post-COVID-19 period (2020 to 2022) and this is also expected for future performance. These countries have a higher VAT rate applicable to fitness and a lower percentage of mature clubs. Germany is a new operating segment, entered in 2022, and is still in the early stages of development and will be comparable to France and Spain, as a higher VAT rate is applicable to fitness and fast growth in clubs and profit margins is expected in the coming years.

The business activity of all of these operating segments is the operation of value-for-money fitness clubs under the same Basic-Fit label. The formula for the operation of these clubs is the same in all countries: memberships and membership fees are similar, and the cost structure is similar. Furthermore, all operating segments and their business activities are located in EU-member countries. The political and economic environment of these countries is similar, and the euro is used in all countries.

Given the similar economic characteristics (long-term financial performance) and ignoring the impact of temporary club closures on profit margins in the period 2020 to 2022 due to COVID-19, as well as the fact that the nature of the services, the types of members, the methods for distribution and the regulatory environments are similar, the operating segments the Netherlands and 'Belux' have been aggregated into one reportable segment (Benelux) and the operating segments France, Spain and Germany have also been aggregated into one reportable segment (France, Spain & Germany). In preparing the segment disclosures, management is required to use judgement in applying the aggregation criteria as set out in IFRS 8.22/BC30A.

[1] Belgium and Luxembourg are combined in internal management reporting

Information about reportable segments

Segment underlying EBITDA less rent is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industry.

Information related to each reportable segment is set out below.

For the year ended 31 December 2024	Segment Benelux	Segment France, Spain & Germany	Other reconciling items	Total
Revenues from external customers	522.1	693.1	-	1,215.2
Underlying EBITDA less rent	245.7	125.6	(58.4)	312.9

For the year ended 31 December 2023	Segment Benelux	Segment France, Spain & Germany	Other reconciling items	Total
Revenues from external customers	479.0	568.2	-	1,047.2
Underlying EBITDA less rent	220.9	97.1	(57.5)	260.5

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.

Reconciliation of underlying EBITDA less rent to profit/(loss)

	2024	2023
Underlying EBITDA less rent	312.9	260.5
Depreciation, amortisation and impairment charges	(448.4)	(390.9)
Finance costs – net	(111.1)	(92.4)
Rent costs clubs and overhead, including car leases	271.4	227.5
Exceptional items	(12.3)	(6.9)
COVID-19 rent credits	-	0.5
Income from associates	1.0	-
Profit/(loss) before tax	**13.5**	**(1.7)**

Exceptional items in 2024 and 2023 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. Exceptional items can be allocated to the segments as follows: Benelux segment €1.4 million (2023: €1.2 million), France, Spain and Germany segment €9.3 million (2023: €3.3 million) and other reconciling items €1.6 million (2023: €2.4 million). The increase in exceptional items is mainly related to legal provisions in France as disclosed in note 7.1 Provisions.

Entity-wide information

The Group operates in six countries. Note 3.2 Revenue contains a breakdown of the revenues of these countries. Furthermore, there are no customers that account for 10% or more of revenue in any year presented.

A breakdown of the non-current assets is as follows:

	2024	2023
The Netherlands (country of domicile)	646.3	643.5
Belgium	440.3	438.1
Luxembourg	36.0	36.3
France	1,543.7	1,457.0
Spain	484.1	328.5
Germany	104.6	61.4
Total	**3,255.0**	**2,964.8**

For this purpose, non-current assets consist of property, plant and equipment, right-of-use assets, goodwill and other intangible assets. The additions to non-current assets (the Benelux segment €92 million (2023: €91 million), the France, Spain & Germany segment €611 million (2023: €506 million) are mainly directly related to the investments in new club openings in 2024 (and 2023 respectively), as well as the acquisition of RSG Spain in 2024.

3.2 Revenue

Disaggregation of revenue

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

	2024	2023
Type of goods or service		
Fitness membership revenue	1,171.5	1,009.9
Other club revenue	32.8	29.5
Other non-club revenue	10.9	7.8
Total	**1,215.2**	**1,047.2**
Geographical markets		
The Netherlands	273.0	250.1
Belgium	231.6	212.7
Luxembourg	17.5	16.2
France	559.7	507.5
Spain	128.1	59.6
Germany	5.3	1.1
Total	**1,215.2**	**1,047.2**
Timing of revenue recognition		
Products and services recognised over time	1,126.9	967.3
Products recognised at a point in time	88.3	79.9
Total	**1,215.2**	**1,047.2**

The increase in revenues is directly related to the opening of new clubs and the acquisition of RSG Spain (Basic-Fit added 173 clubs to its network in 2024), more members per club and on average more revenue per member.

Other club revenue includes revenue from personal trainer services, day passes, promotional revenue and rental income from physiotherapists and other third parties. Furthermore this includes other club related revenues, such as revenue from sales via vending machines. The increase in other club revenues is directly related to the increase in clubs and members in 2024, as well as an increase in promotional revenue.

Other non-club revenue relates to revenue from sales via the online stores (Basic-Fit and NXT level), as well as NXT Level B2B- revenues.

Contract balances and remaining performance period

Basic-Fit receives considerations before revenues are recognised (e.g. membership fees collected 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 the event that 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:

	31 December 2024	31 December 2023	1 January 2023
Receivables, included in 'Trade and other receivables'	45.1	41.4	35.6
Deferred revenues, included in 'Trade and other payables'	33.2	29.9	17.4

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 differences between the amounts on 31 December 2024 compared to 31 December 2023, as well as on 31 December 2023 compared to 1 January 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 in combination with an increase in memberships.

All remaining performance obligations are expected to be recognised within one year.

Accounting policy

The Group's principal sources of revenue are membership services, principally fitness club memberships, including joining fees and add-ons for drinks and/or live group lessons. In addition, in the Basic-Fit clubs, additional services are provided by external parties (e.g. personal trainers, physiotherapists), who pay a monthly fee to obtain access to the club and the members, and these are accounted for under other revenues.

Other club revenues also include revenues related to the sale of day passes and revenues related to the sale of nutritional products and drinks in the clubs by third parties. Under this full-service vending construction, the Group receives a percentage of the revenue generated by the vending machines. These amounts are shown as revenues for the Group in its statement of profit or loss. Revenues are measured at the fair value of the consideration received or receivable and represent amounts receivable for goods supplied and services rendered, stated net of discounts, returns and value added taxes. The Group recognises revenues when the amount of revenues can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

Sales of services

The Group provides fitness club services for its members. Revenue from the sales of services is recognised in the accounting period in which the services are rendered (over the contract term). Delivery of fitness club services extends throughout the term of membership. Joining fees are recognised over the contract period for one-year contracts and over the expected duration of the membership ('average length of stay') for 'Flex contracts' (contracts that can be cancelled every month).

Membership fees collected but not earned are included in deferred revenue. The Group's promotional offers often include a discount granting a free period (e.g. current month free or next month free), the waiving of the joining fee (fully or partially), the granting of a promotional item or discount voucher for the online store, or a combination of these. A member's payment will be based on the applicable promotion, but the monthly revenue is determined for the entire contract period by taking into consideration the discounts granted that are allocated using relative amounts.

In addition to the performance obligations as described above (access to fitness clubs, joining fees, promotional items/vouchers and add-ons), there are multiple other performance obligations such as access to the Basic-Fit app, use of massage chairs and discounts on the add-on for drinks. These performance obligations have the same revenue recognition pattern as the access to the fitness club, together considered as providing fitness club services for members. In addition, Basic-Fit may recognise revenue related to access to the Basic-Fit app during a freeze period[1] before membership fees are collected. A combination per member of timing differences between receipt and revenue recognition is possible. The deferred revenues represent the net effect of these timing differences.

Basic-Fit sells 'Basic', 'Comfort', 'Premium' and 'All-In' membership contracts. Furthermore, as an add-on, members can opt for a sports water subscription, a discounted personal trainer introduction session, a 12-week online certified personal coach subscription, or a flex option that gives members the option to cancel their membership within the first contract year.

With a 'Basic' contract, members can work out in one specific club. This contract is only available for a selection of clubs. Live group lessons and use of the Basic-Fit app are included in the membership fee. With a 'Comfort' contract, in addition to the privileges of a 'Basic' contract, members can work out in all clubs in the relevant country rather than just in one specific club. With a 'Premium' contract, in addition to the privileges of a 'Comfort' contract, members can bring someone with them and train together. Furthermore, with a 'Premium' contract, members can use massage chairs in the clubs for free, get a 50% discount on the sports water add-on, and they receive a €20 NXT Level voucher when they join[2]. The 'All-In' contract is a combination of a 'Premium' one-year membership and the one-year rental of a bike and free access to the special Basic-Fit Home App with more than three hundred bike workouts. As of October 2024, Basic-Fit stopped selling new 'All-in contracts'. In December 2024, Basic-Fit introduced a new contract type 'Ultimate'. With an 'Ultimate' contract, in addition to the privileges of a 'Premium' contract, members can always bring someone with them and train together (instead of once a week with as with a 'Premium' contract) and members have the option to freeze their membership for up to four weeks at a time, twice a year. This 'Freeze option' is also sold as an add-on to the other contract types.

Members have the option[3] to upgrade or downgrade their contract. In the event that a member opts to upgrade or downgrade their contract, the original contract is ended at the date of modification and the member enters into a new membership with a duration of one year. An upgrade or downgrade should be recognised as a contract modification. In the event of an upgrade, the new services are accounted for as a separate contract. Any remaining discount on the original contract continues to be spread over the original contract term. In the event of a downgrade, revenue recognised to date on

[1] During a freeze period, a membership is put on hold and no membership fees are charged
[2] Since December 2024, new 'Premium' joiners no longer receive 50% discount on the sports water add-on and a NXT Level voucher. Furthermore, these joiners can bring someone with them and train together only once a week, instead of always
[3] This is not possible for members who have chosen the 'Flex' option

the original contract is not adjusted. Instead, the remaining portion of the original contracts and the modification are accounted for, together, on a prospective basis by allocating the remaining considerations to the remaining performance obligations, including those added in the modification. As a result, the (remaining) discount on the original contract is spread over the contract term of the new modified contract.

Sales of goods
The Group sells nutritional and other fitness-related products in its fitness clubs via third party operated vending machines, as well as via its online store. Sales of these products are recognised when the products are sold to the customer.

Significant estimates
Significant revenue recognition estimates relate to the identification of performance obligations and the revenue allocation as a result of the performance obligations identified.

3.3 Cost of consumables used

	2024	2023
Cost of food and drinks	(12.6)	(12.6)
Other cost of sales	(22.7)	(19.0)
Total	**(35.3)**	**(31.6)**

'Other cost of sales' consists primarily of sports apparel and other goods that are sold to members and/or via the online store.

The increase in other cost of sales is directly related to the increase in revenues as disclosed in note 3.2 Revenue.

Accounting policy
Cost of consumables used is accounted for in the year incurred.

3.4 Employee benefits expense
Employee benefits expense can be broken down as follows:

	2024	2023
Salaries and wages (including share-based payments)[1]	(171.0)	(149.0)
Social security contributions	(38.2)	(29.4)
Pension costs – defined contribution plans	(3.3)	(2.7)
Total	**(212.5)**	**(181.1)**

1 Share-based payments of €3.2 million (2023: €2.1 million) are disclosed in note 3.5 Share-based payments. See also note 8.1 Remunerations of key management personnel for long-term share-based payments for key management personnel

The increase in employee benefits expense is directly related to the higher number of FTEs, following the increase in the number of clubs, and annual salary increases.

In the year under review, the average number of employees calculated on a full-time equivalent ('FTE') basis was 5,435 (2023: 4,795).

Average number of FTEs during the year	2024	2023
Benelux	1,951	1,968
France, Spain & Germany	3,484	2,827
Total	**5,435**	**4,795**
Club	4,689	4,083
Headquarters	746	712
Total	**5,435**	**4,795**

Accounting policy

Salaries, wages and social security contributions are charged to the statement of profit or loss based on the terms of employment, where they are due to employees and the tax authorities respectively.

The Group operates a number of defined contribution pension plans. A defined contribution plan is a pension plan under which the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.5 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 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 authority 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, who were not part of the Leadership team. This led to a vesting of 11,932 shares in 2023 which was accounted for as a modification (€0.2 million).

The performance shares awarded in 2021 vested in July 2024. This led to a vesting of 42,946 shares in 2024. Furthermore, for certain employees, 4,152 shares as part of LTIP 2022, LTIP 2023 and LTIP 2024 vested in 2024 based on a Management Board decision. As a result, in total 47,098 shares vested in 2024 (2023: 11.932 shares).

Following the retirement of CFO Hans van der Aar, the Supervisory Board used its authority to decide that all running LTIP plans awarded to him will vest directly after the approval of the 2024 financial statements at the general meeting of shareholders in 2025. For LTIP 2022, this will lead to the vesting of 9,994 shares, for LTIP 2023 this will lead to the vesting of 11,121 shares and for the LTIP 2024 this will lead to the vesting of 20,996 shares in 2025. These numbers of shares are based on the original awards and take into account performance adjustments related to the achievement of targets for the years up to and including 2024. For the years 2025 (as part of LTIP 2023 and LTIP 2024) and 2026 (as part of LTIP 2024), it was decided that these years will be taken into account based on the assumptions that targets are achieved 'on target' (100%), without overperformance. All costs related to the early vesting of these plans (€0.4 million) are fully recognised in 2024.

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

Ordinary shares released to the members of the Management Board after the 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:

Year of grant	2020	2021	2022	2023	2024	Total
Outstanding at 1 January 2023	**112,940**	**34,809**	**53,370**	**-**	**-**	**201,119**
Number of shares awarded in 2023	-	-	-	65,886	-	65,886
Vested in 2023	(11,932)	-	-	-	-	(11,932)
Forfeited in 2023	(101,008)	-	-	(146)	-	(101,154)
Outstanding at 31 December 2023	**-**	**34,809**	**53,370**	**65,740**	**-**	**153,919**
Number of shares awarded in 2024	-	811[1]	798[1]	-	126,372	127,981
Performance adjustment	-	8,253	1,999	1,589	1,615	13,456
Vested in 2024	-	(42,946)	(1,587)	(2,069)	(496)	(47,098)
Forfeited in 2024	-	(927)	(1,114)	(1,581)	(992)	(4,614)
Outstanding at 31 December 2024	**-**	**-**	**53,466**	**63,679**	**126,499**	**243,644**
Fair value at grant date	€15.33	€38.20	€37.60	€34.16	€20.16	

1 Correction award previous years

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

The share-based payment expenses recognised in 2024, with a corresponding entry directly in equity, amounted to €3.2 million in 2024 (2023: €2.1 million). Exercised share-based payments amounted to €1.8 million (2023: €0.2 million).

The Company settles the share-based payment plans on a net basis by withholding the number of shares with a fair value equal to the monetary value of the employee's tax obligation and only issues the remaining shares on completion of the vesting period. The Group expects to withhold an amount of €1.6 million for 2024 (2023: €2.7 million) and pay this to the relevant tax authorities with respect to the vesting of outstanding share-based payment awards, with €0.7 million (2023: €0.6 million) of this within one year.

Accounting policy

The Group has a number of equity-settled share-based payment plans, under which the Management Board members and selected eligible employees perform services in exchange for equity instruments of the Company.

The total amount to be expensed for services performed is determined by reference to the grant date fair value of the share-based payment awards made, including the impact of any non-vesting conditions and market conditions. The fair value determined at the grant date is expensed on a straight-line basis over the three-year vesting period, based on the Group's estimate of the number of awards that will eventually vest, with a corresponding credit to equity.

If applicable, the difference between the amount based on the estimated number of shares awarded and the amount based on the actual number of shares awarded that vest is recognised in the consolidated statement of profit or loss in the financial year in which the shares awarded vest.

Service conditions and non-market performance conditions are taken into account in the number of awards expected to vest. At each reporting date, the Group revises its estimates of the number of awards that are expected to vest. The impact of the revision of vesting estimates, if any, is recognised in the consolidated statement of profit or loss for the period.

3.6 Depreciation, amortisation and impairment charges

	2024	2023
Depreciation of property, plant and equipment	(195.9)	(179.0)
Depreciation of right-of-use assets	(232.7)	(200.9)
Amortisation of other intangible assets	(11.8)	(9.7)
Impairment of property, plant and equipment	(8.0)	(1.3)
Total	**(448.4)**	**(390.9)**

The increase in depreciation charges is directly related to the higher number of clubs.

Starting in 2024, Basic-Fit changed the useful live of fitness equipment when calculating depreciation costs. This is disclosed in more detail in 'Significant estimates' in note 4.3 Property, plant and equipment.

The impairment losses in 2024 and 2023 represented the write-down of fitness equipment to the extend that the carrying amount exceeded the recoverable amount. This is disclosed in more detail in note 4.3 Property, plant and equipment.

Accounting policy

See note 4.2 Other intangible assets, note 4.3 Property, plant and equipment and note 4.4 Right-of-use assets and lease liabilities.

3.7 Other operating income

	2024	2023
Insurance reimbursements and indemnity payments	16.7	4.1
Government grants	-	1.5
Net gain on disposal of property, plant and equipment and right-of-use assets	2.7	0.7
COVID-19 rent credits	-	0.5
Other operating income	1.1	0.1
Total	**20.5**	**6.9**

Insurance reimbursements and indemnity payments are related to amounts received with respect to damage claims (if applicable: as far as the amounts received exceed the carrying amounts of underlying assets or directly incurred costs), and increased due to an increasing number of claims. The gain on the disposal of property, plant and equipment was primarily related to disposal of fitness equipment.

Government grants

Other operating income includes no government grants (2023: €1.5 million related to COVID-19 cost compensation programmes offered by the Dutch and German governments).

Accounting policy

Operating income that cannot be allocated to revenues as described in note 3.2 Revenue is recognised as other operating income.

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Government grants that are receivable as compensation for expenses or losses that have already been incurred, or for the purpose of giving immediate financial support to the Group with no related future costs, are recognised as other operating income in the period in which the grants become receivable.

3.8 Other operating expenses

	2024	2023
Other personnel expenses	(39.5)	(31.2)
Housing expenses	(214.2)	(187.2)
Net marketing expenses	(60.8)	(56.7)
Write-off of bad debts, incl. collection agency costs	(41.4)	(34.8)
Short-term and low-value lease expenses and other lease adjustments[1]	(2.5)	(2.9)
Other car expenses	(2.3)	(2.0)
Overhead and administrative expenses	(55.2)	(45.0)
Total	**(415.9)**	**(359.8)**

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 maintenance and cleaning charges, service charges, insurance charges and local tax charges. Marketing expenses increased in line with marketing efforts. The increase in the write-off of bad debts is due to the increase in revenue.

Accounting policy

Expenses arising from the Group's business operations are accounted for in the year incurred. Marketing expenses arising from the Group's business operations are accounted for in the year incurred.

3.9 Income tax and deferred income tax

Income tax

The major components of income tax expense for the years 2024 and 2023 are as follows:

	2024	2023
Current income tax:		
Current income tax charge current year	(5.5)	(3.9)
Adjustments in respect of current income tax of previous year(s)	-	(0.1)
	(5.5)	**(4.0)**
Deferred income tax:		
Change in deferred tax asset for carry-forward losses available for offsetting against future taxable income	(5.8)	(2.8)
Changes in other deferred tax assets and liabilities	5.8	5.8
	-	**3.0**
Total income tax	**(5.5)**	**(1.0)**

Amounts recognised directly in equity

In 2024 and 2023, all aggregate current and deferred taxes arising in the reporting period have been recognised in the consolidated statement of profit or loss and no amounts have been recognised directly in equity.

Effective income tax reconciliation

The effective income tax amount on the Group's profit before tax differs from the statutory income tax amount that would arise using the applicable statutory income tax rate. This difference is reconciled below.

	2024	%	2023	%
Profit (loss) before income tax	**13.5**		**(1.7)**	
Income tax based on Basic-Fit's domestic rate	**(3.5)**	**25.8%**	**0.4**	**25.8%**
Effects of tax rates in foreign jurisdictions	0.1	(0.4)%	-	4.3%
Adjustments in respect of prior years' current and deferred taxes	0.2	(1.4)%	(0.2)	(9.1)%
Impact CVAE tax France	(0.9)	6.4%	(1.0)	(62.7)%
Impact of tax incentives	0.5	(3.5)%	0.3	15.4%
Impact of non-taxable government grants	-	0.0%	0.3	0.18
Impact of share of profit of equity accounted associates	0.3	(1.9)%	-	-
Non-deductible expenses for tax purposes:				
Share-based payments	(0.9)	6.2%	(0.5)	(30.8)%
Other non-deductible expenses	(1.3)	9.5%	(0.3)	(17.0)%
At the effective income tax rate	**(5.5)**	**40.7%**	**(1.0)**	**(56.1)%**

Income tax based on Basic-Fit's domestic rate
The income tax based on Basic-Fit's domestic rate is based on the Dutch statutory income tax rate of 25.8% (2023: 25.8%). This reflects the income tax that would have been applicable assuming that all of its results were to be taxable at the Dutch statutory tax rate and there were no permanent differences between taxable base and financial results and no Dutch tax incentives were applied.

Effects of tax rates in foreign jurisdictions
This reflects the fact that a portion of Basic-Fit's result is realised in countries other than the Netherlands, where different tax rates are applicable.

Adjustments in respect of prior years' current and deferred taxes
The movements in the adjustments in respect of prior years' current and deferred taxes for the years 2024 and 2023 relate to differences between the estimated income taxes and final corporate income tax returns.

Impact CVAE tax France
CVAE ('Cotisation sur la Valeur Ajoutée des Entreprises') is a corporate value-added contribution in France that, based on the Group's analysis, meets the definition of an income tax as established under IAS 12. The current income tax charge includes an amount of €1.2 million (2023: €1.4 million) related to the CVAE tax in France. As the CVAE tax is deductible for French corporate income tax calculation, the net impact as reflected in the effective tax reconciliation is €0.9 million (2023: €1.0 million)

Impact of tax incentives
Adjustments in respect of tax incentives are primarily related to energy and other investment allowances in the Netherlands and Luxembourg, as well as a tax credit in France related to donations granted by Basic-Fit to an organisation of general interest accredited by the French state. Furthermore, this item includes the stepped tax that is applicable in some countries where income below a certain threshold is taxable at a lower tax rate than the remaining result.

Impact of non-taxable government grants
Adjustments in respect of non-taxable government grants in 2023 relate to government grants received in the Netherlands that are excluded from taxable income.

Impact of share of profit of equity accounted associates
Adjustments in respect of the share of profit from equity accounted associates relates to profits recognised that are excluded from taxable income.

Non-deductible expenses for tax purposes
Non-deductible expenses for tax purposes reflects the impact of permanent non-tax-deductible items, such as share-based payment expenses and other non-deductible or partly deductible expenses, such as meals and entertainment expenses.

Income tax receivable/payable
Current income tax receivable and current income tax payable per country can be broken down as follows:

	2024	2023
Luxembourg	-	0.1
France[1]	1.3	-
Total Income tax receivable	**1.3**	**0.1**

1 Including CVAE

	2024	2023
The Netherlands	3.3	0.1
Belgium	-	0.1
Luxembourg	0.1	-
France[1]	-	0.3
Total Income tax payable	**3.4**	**0.5**

1 Including CVAE

Deferred taxes

Deferred taxes are related to the following:

	Consolidated statement of financial position at 31 December		Consolidated statement of comprehensive income	
	2024	**2023**	**2024**	**2023**
Losses available for offsetting against future taxable income[1]	88.3	91.3	(5.8)	(2.8)
Tax incentives (investment allowance)	0.6	0.7	(0.1)	-
Purchase price allocation[2]	(7.5)	(5.5)	1.1	0.6
Goodwill amortisation for tax purposes	(14.8)	(14.3)	(0.5)	(1.0)
Right-of-use assets	(436.5)	(390.6)	(45.9)	(43.4)
Lease liabilities	459.4	410.1	49.3	45.9
Convertible bonds	(9.1)	(11.5)	2.4	2.2
Valuation of property, plant and equipment	(1.0)	(0.4)	(0.6)	(0.7)
Timing of expense recognition	0.8	0.7	(0.2)	0.5
Derivative financial instruments	1.5	1.2	0.3	1.7
Deferred tax benefit/(expense)			**0.0**	**3.0**
Net deferred tax assets/(liabilities)	**81.7**	**81.7**		

1 Including deferred tax asset of €3.1 million from the acquisition of the business combination RSG Spain at the acquisition date
2 Including deferred tax liability of €3.1 million from the acquisition of the business combination RSG Spain at the acquisition date

This is reflected in the statement of comprehensive income as follows:

	2024	2023
Statement of profit or loss	-	3.0
Statement of other comprehensive income	-	-
Total	**-**	**3.0**

After netting deferred tax assets and deferred tax liabilities within the same tax entity for an amount of €468.7 million (2023: €423.0 million), these positions are as follows:

	2024	2023
Deferred tax assets	82.7	82.0
Deferred tax liabilities	(1.0)	(0.3)
Net deferred tax assets (liabilities)	**81.7**	**81.7**

The following table presents the expected timing of the reversal of deferred tax assets and liabilities:

	2024	2023
To be recovered within 12 months	4.0	5.3
To be recovered after more than 12 months	77.7	76.4
Total	**81.7**	**81.7**

The gross movement on the deferred income tax account is as follows:

	2024	2023
Opening balance as at 1 January	81.7	78.7
Income tax benefit during the period recognised in profit or loss	0.0	3.0
Closing balance as at 31 December	**81.7**	**81.7**

Tax losses

As at 31 December 2024, Basic-Fit recognised €88.3 million (2023: €91.3 million) in 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 on 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. This includes the consideration that it takes time for recently opened clubs to generate positive results. As a result, tax jurisdictions with a relatively high number of recently opened clubs, or many clubs still to be opened, may suffer start-up losses in the coming years. The reason is that revenues are expected to gradually increase with the growth of the number of members, while operating costs for the clubs are mostly fixed and are incurred as soon as Basic-Fit starts operating the clubs. Once these clubs become more mature, this will have a positive impact on the taxable income and the amount of losses that can be utilised for the applicable tax jurisdiction.

The Group took into account examples of positive evidence to support an assertion that it is probable that taxable profits will be available:

- Losses occurred due to identifiable one-time/non-recurring events (COVID-19);
- A strong earnings history exclusive of the loss that created the unused tax loss carried forward;
- Convincing tax planning strategies;
- The business generates sustainable profit margins that are sufficient to enable the Group to utilise existing tax losses carried forward and which can be utilised for that purpose (e.g. in the same tax jurisdiction).

Conversely, the following 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:

- A recent history of operating losses for tax purposes;
- The taxable entity is a start-up business;
- History of significant variances of actual outcomes against business plans;
- Losses of major customers and/or of significant contracts;
- Uncertainty regarding the company's going concern status;
- History of restructuring without returning to profitability or emerging from a bankruptcy;
- The taxable entity expects losses in early future years;
- The taxable entity has a history of unused tax losses and/or credits expiring; and
- The losses relate to the core activity of the company and thus may reoccur in the future.

As at 31 December 2024, Deferred tax assets had been recognised for all loss carry-forwards in the taxable entities Basic-Fit Belgium B.V., Basic-Fit France S.A., Basic-Fit Germany GmbH and the fiscal unity in the Netherlands, consisting of Basic-Fit N.V., Basic Fit International B.V., Basic Fit Nederland B.V., BF Developments and B-Securité B.V. Based on the budget for 2025 onwards for these jurisdictions, and with reference to the assumptions and significant judgements as described above, it is considered more likely than not that these entities will be able to offset the tax loss carry-forwards in the coming eight years, taking into account temporary differences. In assessing whether it is probable that sufficient future taxable profits will be available, it has been taken into account that the entities have a track record of taxable income in past years (before COVID-19). Furthermore, it is noted that most of the losses are due to an identifiable non-recurring event, namely the COVID-19 pandemic, or due to start-up losses related to Basic-Fit Germany GmbH.

Furthermore, deferred tax assets have been recognised for part of the loss carry-forwards of Basic Fit Spain S.A. (€27.0 million). Most of Basic Fit Spain S.A.'s tax loss carry-forwards were incurred in the period before the company started operating under the Basic-Fit brand (at the end of 2013, with 17 clubs). In 2024, Basic-Fit Spain S.A. completed the acquisition of RSG Group España S.L.U. and RSG Group Madrid Moncloa S.L.U., and subsequently merged with both companies. At the acquisition date, RSG Group España S.L.U. and RSG Group Madrid Moncloa S.L.U. had €68.9 million and €4.0 million respectively of tax loss carry-forwards that can be used, in addition to the already available losses of Basic Fit Spain S.A., to set-off against future profits of Basic Fit Spain S.A.[1]. Based on the budget for 2025 onwards and with reference to the sections above, the Group expects to be able to offset at least part of the losses against taxable profits in the coming years. For Basic-Fit Spain S.A., offsetting taxable profits with carry-forward losses is limited to 25% of the taxable profits, with a minimum of €1.0 million (or to the total taxable profit if the taxable profit is lower than €1.0 million). In assessing whether it is probable that sufficient future taxable profits will be available, it has been taken into account that Basic Fit Spain S.A. has a track record of taxable income in past years (before COVID-19, but also in 2022) and that RSG Group España S.L.U. was profitable in the full year 2023 and in 2024 during the period prior to the acquisition by Basic Fit Spain S.A. Basic-Fit has recognised a deferred tax asset for the expected recovery of losses in the coming eight years. Basic-Fit will evaluate from year to year whether to recognise more of the currently unrecognised tax loss carry-forwards related to Basic Fit Spain S.A., which will result in a higher deferred tax asset. Such recognition of a deferred tax asset will result in lower (deferred) income tax in the consolidated statement of profit or loss and therefore higher profit in the year of recognition.

In total, Basic-Fit has not recognised any deferred tax assets for gross loss tax carry-forwards amounting to €104.2 million (2023: €42.3 million), all related to Basic Fit Spain S.A. (and the merged entities). There are no restrictions on the expiration of these tax loss carry-forwards.

Global minimum top-up tax

The Pillar Two model rules were adopted in the Netherlands at the end of 2023 and are applicable starting from 1 January 2024. According to these rules, the Group is considered a multinational enterprise to which the Pillar Two rules shall be applied. At the same time, Pillar Two legislation has been enacted or substantively enacted in all jurisdictions in which the Group operates effective for the financial year beginning 1 January 2024.

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 the information required by paragraphs 88A-88D of IAS 12.

[1] As a result of the merger of Basic Fit Spain S.A., RSG Group España S.L.U. and RSG Group Madrid Moncloa S.L.U. retroactively to the acquisition date for corporate income tax purposes, the taxable result of Basic Fit Spain S.A. includes the profit and loss of the three merged companies.

Accounting policy

The income tax expense or credit for the period is the tax payable or receivable on the current period's taxable result, based on the applicable income tax rate for each jurisdiction adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and amends tax assets and liabilities where appropriate.

Current tax assets and tax liabilities are offset when the entity has a legally enforceable right to offset and intends either to settle on a net basis or realise the asset and settle the liability simultaneously.

Deferred tax

Deferred income tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Nor is the deferred income tax accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and at the time of the transaction does not give rise to equal amounts of taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period, and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for unused tax losses, deductible temporary tax differences, and tax credits 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 on the likely timing and level of future taxable profits, together with future tax planning strategies.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority on either the taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

Significant estimates

The Group is subject to income taxes in the Netherlands, Belgium, Luxembourg, France, Spain and Germany. Judgement is required to determine current tax expenses, uncertain tax positions, deferred tax assets and deferred tax liabilities, plus the extent to which deferred tax assets can be recognised. Estimates are based on forecast future taxable income and tax planning strategies.

The utilisation of deferred tax assets is dependent on future taxable profit in excess of the profit arising from the reversal of existing taxable temporary differences. The recognition of deferred tax assets is based on the assessment of whether it is more likely than not that sufficient taxable profit will be available in the future to utilise the reversal of temporary differences and tax losses.

The recognition of deferred tax assets involves judgement regarding the future financial performance of the particular legal entity or tax group that has recognised the deferred tax asset.

Section 4: Non-current assets and investments

This section discloses the Group's non-current assets, including leased assets and the related lease liabilities and investments made during the year, either through separate asset acquisitions or business combinations.

4.1 Goodwill

The movement in goodwill over the years was as follows:

	2024	2023
As at 1 January	204.8	204.8
Acquired through business combinations[1]	11.0	-
As at 31 December	**215.8**	**204.8**
Accumulated impairment at 31 December	**-**	**-**

1 Note 4.5 Business combinations

Impairment testing for CGUs containing goodwill

Goodwill acquired through business combinations is allocated to and monitored on the level of the five cash-generating units (CGUs) as follows:

	2024	2023
The Netherlands	104.0	104.0
Belgium	83.4	83.4
Luxembourg	12.6	12.6
France	1.6	1.6
Spain	14.2	3.2
Total	**215.8**	**204.8**

The recoverable amount of each CGU is based on value-in-use calculations on a post IFRS 16 basis. On a post-IFRS 16 basis, lease liabilities and the associated cash flows are excluded from the determination of the carrying amount and the recoverable amount of the CGU as these are a form of financing activity. Right-of-use assets are included in the carrying amount of the CGU and cash outflows required to replace the right-of-use assets at the end of the lease term are incorporated in the value-in-use calculation. In determining the WACC discount rate, lease liabilities are included in net debt.

Based on the calculated recoverable amounts in the 2024 impairment test, there is significant headroom[1] for all CGUs (on average almost 100% of the total carrying amount[2]), varying from an average of 67% for the CGUs in the reportable segment France, Spain & Germany to 155% for all CGUs in the Benelux segment. The sensitivity analysis conducted, including a terminal growth rate of 0.0% instead of 2.0% or a 2.5% lower EBITDA margin in combination with a 1% higher WACC, does 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.
Details of the assumptions and estimates made are presented under Significant estimates below.

Accounting policy

Goodwill on the acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Goodwill is allocated to CGUs for the purpose of impairment testing. The goodwill is allocated to those CGUs, or groups of CGUs, that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes. Management monitors goodwill on a country basis. Therefore, goodwill has been allocated to the Netherlands, Belgium,

1 Headroom calculated as value-in-use minus carrying amount as a percentage of the carrying amount
2 Including goodwill

Luxembourg, France and Spain. The Group tests goodwill and other applicable assets for impairment annually in December, or whenever management identifies conditions that may indicate a risk of impairment, by comparing their recoverable amount with their carrying amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount and is recognised immediately in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. In estimating the recoverable amount, management is required to make an estimate of the expected future cash flows from the CGU in the forecast period and also to determine a suitable discount rate in order to calculate the present value of those cash flows. Such estimates are subject to a certain degree of judgement and uncertainty.

Impairments to goodwill are not subsequently reversed.

Reference is also made to note 4.5 Business combinations.

Significant estimates

Calculation of the recoverable amount

The recoverable amount as at 31 December 2024 was determined based on value-in-use calculations, using the most recent cash flow projections based on financial budgets approved by management, covering a five-year period. These budgets are prepared separately for each of the Group's CGUs to which the individual assets are allocated. The cash flow projections only include existing clubs and do not take into account any new club openings.

For both years, discount rates used are post-tax and reflect current market assessments of the time value of money and the risks specific to the asset. Management considered the effects of applying a pre-tax approach and concluded that this would not materially change the outcome of the impairment test.

The pre-tax and post-tax discount rates applied to the cash flow projections are shown in the tables below.

Post-tax WACC discount rate

	Netherlands	Belgium	Luxembourg	France	Spain	Germany
2024	8.6%	9.2%	8.6%	9.2%	10.0%	8.5%
2023	8.5%	9.1%	8.5%	9.0%	10.1%	8.4%

Pre-tax WACC discount rate

	Netherlands	Belgium	Luxembourg	France	Spain	Germany
2024	10.8%	11.5%	10.8%	11.1%	12.4%	10.5%
2023	10.6%	11.4%	10.7%	10.8%	12.2%	10.4%

The Group monitors climate-related risks, including physical risks and transition risks, when measuring the recoverable amount. The Group does not believe its operations are currently significantly exposed to physical and transition risks.

Climate related risks have been taken into account when determining the values of the key assumptions, but had no material impact on the measurement of the recoverable amount.

Key assumptions used

The value-in-use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years.

The calculations of value in use for the CGUs are most sensitive to the following assumptions:

- Terminal growth rate;
- Discount rates;
- Revenue growth; and
- EBITDA margin improvement.

Terminal growth rate – The terminal growth rate is based on management's expectations of market development, and industry expectations.

Discount rates – Discount rates represent management's market assessment of the risks specific to the CGUs regarding the time value of money and the individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its CGUs and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. CGU-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

Revenue growth – The growth rates are based on historical experience of membership developments, taking into account the maturity of existing clubs. In addition, differences in revenue growth per CGU depend on the number of clubs we expect to open per country.

The budget used for the 2024 impairment testing assumes a compound annual growth rate of revenue over the forecast budget period 2024-2028 of 2.2% (2023: 4.3%) for the Netherlands, 2.5% (2023: 4.9%) for Belgium, 1.6% (2023: 1.1%) for Luxembourg, 9.0% (2023: 5.6%) for France, 4.0% (2023: 10.4%) for Spain and 20.5% (2023: 26.5%) for Germany. The growth rates differ per country, depending on the number of mature and immature clubs per country. The growth rates differ per year, depending on updated assumptions related to the number of members and yield per member over the forecast period. After the forecast period, revenues are expected to increase by 2.0% annually, which is the lowest of the current risk-free rate and the long-term inflation forecast.

EBITDA margin improvement – The cash flow projections assume long-term EBITDA margins in line with those already realised in the currently mature clubs (before the impact of COVID-19), with an increase as a result of an increase in revenues per member and maturation of immature clubs.

4.2 Other intangible assets

The movement in other intangible assets over the years was as follows:

	Brand name	Customer relationships	Other intangible assets	Total
As at 1 January 2023				
Cost	44.9	63.8	31.5	140.2
Accumulated impairments and amortisation	(20.3)	(62.5)	(14.9)	(97.7)
Carrying amount	**24.6**	**1.3**	**16.6**	**42.5**
Year ended 31 December 2023				
Opening carrying amount	**24.6**	**1.3**	**16.6**	**42.5**
Additions	-	-	11.1	11.1
Amortisation for the year	(2.2)	(0.7)	(6.8)	(9.7)
Closing carrying amount	**22.4**	**0.6**	**20.9**	**43.9**
As at 31 December 2023				
Cost	44.9	63.8	42.6	151.3
Accumulated impairments and amortisation	(22.5)	(63.2)	(21.7)	(107.4)
Carrying amount	**22.4**	**0.6**	**20.9**	**43.9**

	Brand name	Customer relationships	Other intangible assets	Total
Year ended 31 December 2024				
Opening carrying amount	**22.4**	**0.6**	**20.9**	**43.9**
Additions	-	-	6.9	6.9
Acquired through business combinations[1]	-	6.1	-	6.1
Cost of disposals	-	-	(0.2)	(0.2)
Amortisation for the year	(2.2)	(2.0)	(7.6)	(11.8)
Accumulated depreciation of disposals	-	-	0.2	0.2
Closing carrying amount	**20.2**	**4.7**	**20.2**	**45.1**
As at 31 December 2024				
Cost	44.9	69.9	49.3	164.1
Accumulated impairments and amortisation	(24.7)	(65.2)	(29.1)	(119.0)
Carrying amount	**20.2**	**4.7**	**20.2**	**45.1**

1 Note 4.5

Additions to customer relationships in 2024 are related to the acquisition of RSG Spain (note 4.5 Business combinations). Additions to other intangible assets in 2024 and 2023 are mainly related to investments in software and development costs. Disposals are related to intangible assets that were no longer in use.

Other intangible assets include fully amortised assets that are still in use and had an initial cost of €13.7 million (2023: €5.5 million).

There were no changes in useful lives and residual values, and no impairment charge has been recorded for intangible assets in either period presented.

Accounting policy

Customer relationships and brand name
Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Separately acquired customer relationships are recognised at historical cost. The brand name is recognised at fair value. Customer relationships and the brand name have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses. The brand name is amortised on a straight-line basis over the estimated useful life of 20 years. For customer relationships, amortisation is calculated based on the pattern of economic benefits that Basic-Fit obtains from these customer relationships. If such a pattern cannot be reliably estimated, the amortisation is calculated using the straight-line method over their estimated useful lives of 7-8 years.

Other intangible assets
Other intangible assets are mostly software-related and are measured at cost on initial recognition. Following initial recognition, other intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the statement of profit or loss when incurred.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:
· it is technically feasible to complete the software product so that it will be available for use;
· management intends to complete the software product and use or sell it; · there is an ability to use or sell the software product;
· it can be demonstrated how the software product will generate probable future economic benefits;
· adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
· the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Judgement is required in evaluating whether subsequent development expenditure is to be capitalised as an internally generated intangible asset or expensed as incurred. The key elements of judgement are whether the development project will generate incremental probable future economic benefit and which projects result in substantial improvements that increase the functionality of the asset. Economic benefit is determined as either an increase in revenues or a reduction in costs. Only those projects that are a substantial improvement and that result in direct and incremental economic benefit will be capitalised.

Software-as-a-Service (SaaS) arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received, unless the criteria to recognise the expenditures as an intangible asset are satisfied.

The useful lives of intangible assets are assessed as either finite or indefinite. The Group has assessed the remaining useful life to be finite for all recognised other intangible assets.

Other intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible assets.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed five years.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Other intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Other intangible assets are tested for impairment as part of the CGUs and as disclosed in more detail in note 4.1 Goodwill.

Non-financial assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Significant estimates

Impairment testing

The Group determines whether other intangibles assets, as well as property, plant and equipment and right-of-use assets are impaired whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. This requires an estimation of the recoverable amount of the relevant CGU. The recoverable amount is the higher of fair value less costs of disposal and value in use. For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as CGUs.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying amount of assets can be supported by the net present value of future cash flows derived from such assets, using cash flow projections that have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions need to be made in respect of highly uncertain matters. Furthermore, for impairment testing, see note 4.1 Goodwill.

Useful lives

The useful lives and residual values of the Group's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. Estimated useful economic lives of property, plant and equipment and intangibles are based on management's judgement and experience. The depreciation or amortisation charge is adjusted prospectively when management ascertains that the actual useful life differs materially from the estimates used to calculate depreciation and amortisation. Due to the significance of capital investment, variations between actual and estimated useful lives could impact operating results both positively and negatively.

The useful life used to amortise intangible assets relates to the expected future performance of the assets acquired and management's judgement for the period over which economic benefit will be derived from the asset.

Determination of whether configuration and customisation services are distinct from SaaS access
Costs incurred to configure or customise a cloud provider's application software are recognised as operating expenses when the services are received. In a contract under which the cloud provider provides both the SaaS configuration and customisation, as well as the SaaS access over the contract term, the directors used their judgement to determine whether these services are distinct from each other or not, and therefore, whether the configuration and customisation costs incurred are expensed as the software is configured or customised (i.e. up front), or over the SaaS contract term.

Specifically, when the configuration and customisation activities significantly modify or customise the cloud software, these activities are not distinct from the access to the cloud software over the contract term. Judgement has been applied in determining whether the degree of customisation and modification of the cloud-based software is significant.

4.3 Property, plant and equipment

The movement in property, plant and equipment over the years was as follows:

	Land and building	Building improvement	Other fixed assets	Total
As at 1 January 2023				
Cost	2.0	1,040.0	583.8	1,625.8
Accumulated impairments and depreciation	(0.6)	(322.5)	(313.2)	(636.3)
Carrying amount	**1.4**	**717.5**	**270.6**	**989.5**
Year ended 31 December 2023				
Opening carrying amount	**1.4**	**717.5**	**270.6**	**989.5**
Additions	-	277.3	88.9	366.2
Cost of disposals	(2.0)	(7.4)	(4.7)	(14.1)
Depreciation for the year	-	(102.9)	(76.1)	(179.0)
Impairment	-	-	(1.3)	(1.3)
Accumulated depreciation of disposals	0.6	7.5	2.8	10.9
Closing carrying amount	**-**	**892.0**	**280.2**	**1,172.2**
As at 31 December 2023				
Cost	-	1,309.9	668.0	1,977.9
Accumulated impairments and depreciation	-	(417.9)	(387.8)	(805.7)
Carrying amount	**-**	**892.0**	**280.2**	**1,172.2**

	Land and building	Building improvement	Other fixed assets	Total
Year ended 31 December 2024				
Opening carrying amount	**-**	**892.0**	**280.2**	**1,172.2**
Additions	-	209.3	86.5	295.8
Acquired through business combinations[1]	-	9.9	4.1	14.0
Cost of disposals	-	(12.0)	(21.8)	(33.8)
Transfer (cost)	-	-	(19.7)	(19.7)
Depreciation for the year	-	(124.1)	(71.8)	(195.9)
Impairment	-	-	(8.0)	(8.0)
Transfer (accumulated depreciation)	-	-	16.7	16.7
Accumulated depreciation of disposals	-	12.0	19.1	31.1
Closing carrying amount	**-**	**987.1**	**285.3**	**1,272.4**
As at 31 December 2024				
Cost	-	1,573.1	741.9	2,315.0
Accumulated impairments and depreciation	-	(586.0)	(456.6)	(1,042.6)
Carrying amount	**-**	**987.1**	**285.3**	**1,272.4**

1 Note 4.5

As at 31 December 2024, the carrying amount of 'Other fixed assets' includes assets under construction of €2.0 million (2023: €5.3 million).

Disposals in 2024 and 2023 related primarily to building improvements and other fixed assets with no carrying value that were no longer in use, as well as the disposal of a building in 2023 and fitness equipment in 2023 and 2024.

The impairment loss of €8.0 million (2023: €1.3 million) represents the write-down to the recoverable amount of fitness equipment available to be leased out as part of the All-in membership in the segment Benelux, due to lower-than-expected sales. The impairment loss was recognised in the statement of profit or loss as part of depreciation, amortisation and impairment charges. Basic-Fit stopped selling the All-in membership in the fourth quarter of 2024. As a consequence, the bikes that were not leased out were transferred to inventories (€3.1 million).

Accounting policy

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical costs include expenditure that is directly attributable to the acquisition of the items and is calculated after deducting trade discounts.

Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the costs of the item can be measured reliably.

Subsequent costs that extend the useful life of the asset and give rise to future economic benefits, are capitalised as part of the asset. Subsequent costs that merely maintain the economic benefits originally expected are considered repairs and maintenance and recognised as an expense in profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their costs, net of their residual values, over their estimated useful lives as follows:
- Land: not depreciated
- Building: 30 years;
- Building improvements: 5–20 years;
- Exercise equipment: 4–12[1] years; and
- Other property, plant and equipment: 5–10 years.

In calculating the depreciation of fitness equipment as part of the 'Smart Refurbishing initiative', Basic-Fit uses a 'component approach'. The 'base fitness equipment component' will be depreciated based on a useful life of 12 years, while the 'replacement parts component' (including the directly related costs) will be depreciated based on a useful life of six to eight years. The fees charged by the fitness equipment partner attributable to major overhaul and part replacements that extend the useful life are capitalised as part of the fitness equipment. Fees related to repair and maintenance are expensed as part of Other operating costs. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

[1] See significant estimates below

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in Other operating income in the consolidated statement of profit or loss.

Fixed assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (CGUs).

Non-financial assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Significant estimates

For significant estimates related to impairment testing and useful lives, see note 4.2 Other intangible assets.

Change in estimates (useful life of fitness equipment)

Under the 'Smart Refurbishing initiative', launched in January 2024, instead of fully replacing fitness equipment at the end of its useful life (six years for cardio equipment and eight years for strength equipment), the fitness equipment partner pays regular visits to the club concerned after year six to maintain and refurbish all of its fitness equipment, including the replacement of certain components. The activities performed extends the useful life of the fitness equipment from six and eight years to 12 years.

As Basic-Fit will not replace equipment after six to eight years, but will extend the useful life, total capital expenditures (including capitalised fees for major overhaul and replaced components) will be lower under the 'Smart Refurbishing initiative' compared to the previous period. These lower investments will result in lower depreciation expenses over the period. Maintenance expenses under the 'Smart Refurbishing initiative' are expected to be higher than in the previous period. The amount of these effects in future periods is not disclosed because it is impracticable to do so due to the numbers of variables, such as frequency of visits and maintenance/refurbishment work done, to calculate the effects.

This change in accounting estimate was accounted for prospectively beginning in January 2024.

The impact of the change in the useful life on depreciation expenses in current and future years related to the carrying amount of the fitness equipment on 31 December 2023 (just before the launch of the 'Smart Refurbishing initiative' and excluding any future capital and maintenance expenditures), is as follows:

In millions of euros	2024	2025	2026	2027	2028	Later
Decrease/ (increase)	11.0	9.3	6.0	2.9	(0.2)	(29.0)

4.4 Right-of-use assets and lease liabilities

Group as a lessee

Group as a lessee (Right-of-use assets)

The Group has lease contracts for buildings, vehicles and part of the fitness equipment used in its operations. Leases for buildings generally have contractual lease terms of between nine and twenty years. Vehicles generally have contractual lease terms of between three and five years and fitness equipment leases have a contractual term of five years. In 2024, the Group entered into a number of new leases for fitness equipment. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

Multiple lease contracts include extension and termination options, which are discussed in more detail below.

The Group also has certain leases with contractual lease terms of twelve months or less and leases for low-value office equipment. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements over the years:

	Leased buildings	Leased vehicles	Fitness equipment	Total
As at 1 January 2023	1,379.6	2.7	0.1	1,382.4
Additions	219.2	-	-	219.2
Remeasurements	136.6	6.6	-	143.2
Disposals	-	-	-	-
Depreciation for the year	(198.3)	(2.6)	-	(200.9)
As at 31 December 2023	**1,537.1**	**6.7**	**0.1**	**1,543.9**
Additions	175.4	0.2	16.2	191.8
Acquired through business combinations[1]	89.6	-	-	89.6
Remeasurements	162.7	3.8	-	166.5
Disposals	(37.3)	-	-	(37.3)
Transfer	-	-	(0.1)	(0.1)
Depreciation for the year	(229.0)	(3.4)	(0.3)	(232.7)
As at 31 December 2024	**1,698.5**	**7.3**	**15.9**	**1,721.7**

1 Note 4.5 Business combinations

Group as a lessee (lease liabilities)

Set out below are the carrying amounts and the movements over the years of lease liabilities related to these right-of-use assets:

	2024	2023
As at 1 January	1,659.3	1,481.5
Additions	197.1	222.2
Acquired through business combinations[1]	83.3	-
Remeasurements	165.4	143.0
Disposals	(37.1)	-
Accretion of interest	52.7	41.3
COVID-19 rent credits	-	(0.5)
Payment of lease instalments	(291.5)	(228.2)
As at 31 December	**1,829.2**	**1,659.3**
Of which:		
Non-current lease liabilities	1,557.0	1,405.3
Current lease liabilities	272.2	254.0

1 Note 4.5 Business combinations

Remeasurements of right-of-use assets and lease liabilities are related to the (periodical) indexation of lease payments, renewals of lease contracts, as well as changes in the assumptions related to renewal options.

As a result of the deferral of lease payments and rent credits received, the lease payments in 2024 as reported in the overview above (€291.5 million) are recognised in the statement of cash flows as lease liabilities interest paid (€53.9 million) and repayment of lease liability principal (€237.6 million) respectively. Lease payments in 2023 (€228.2 million) are recognised in the statement of cash flows as lease liabilities interest paid (€40.1 million) and repayment of lease liability principal (€188.1 million) respectively.

The maturity analysis of lease liabilities is disclosed in note 6.4 Financial risk management.

As part of its response to COVID-19, Basic-Fit negotiated rent waivers with landlords for a total amount of €0.5 million in 2023 (2024: nil). This is recognised as part of other operating income in the consolidated statement of profit or loss.

The following amounts are recognised in profit or loss over the years related to right-of-use assets and lease liabilities:

	2024	2023
Depreciation expense of right-of-use assets	(232.7)	(200.9)
Interest expense on lease liabilities	(52.7)	(41.3)
COVID-19 rent credits	-	0.5
Expense relating to short-term leases[1]	(1.8)	(1.9)
Expense relating to leases of low-value assets[1]	(0.7)	(0.9)
Expense relating to lease recalculations and other lease related cost[1]	0.0	(0.1)
Total amounts recognised in profit or loss	**(287.9)**	**(244.6)**

1 Included in Other operating expenses

The Group recorded total lease-related cash outflows of €294.0 million in 2024 (2023: €231.0 million). The Group also recorded non-cash additions to right-of-use assets and lease liabilities of €445.8 million in 2024 (2023: €365.2 million). The future cash outflows relating to leases that have not yet commenced are disclosed in note 7.2 Contingencies and commitments.

Basic-Fit determines the incremental borrowing rate (IBR) per country, taking into account the term of the lease based on three ageing buckets (up to 10 years, 10-20 years and more than 20 years). The IBRs ranged from 3.3% to 5.2% in 2024 (2023: 3.3% to 5.6%).

Accounting policy

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset for acquired leases is measured at the present value of the remaining lease payments adjusted for any favourable or unfavourable lease terms recognised when compared to market terms. These favourable and unfavourable contracts are recognised at fair value on the acquisition date for contracts whose terms are respectively favourable or unfavourable compared with current market terms, and they are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method, based on the term of the lease contracts.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate (if any) are recognised as expense in the period in which the event or condition that triggers the payment occurs. When calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of whether to purchase the underlying asset.

The Group applied the practical expedient issued by the International Accounting Standards Board as a part of the Amendment to IFRS 16 (COVID-19-Related Rent Concessions) and recognises rent credits granted by lessors as profit in the Consolidated Statement of Profit or Loss and not as a lease modification resulting in the remeasurement of right-of-use assets and lease liabilities.

Lease component and non-lease components

The Company has elected to separate lease and non-lease components included in lease payments for property leases. With respect to vehicle leases, Basic-Fit applies the practical expedient not to separate non-lease components from lease components. Therefore, the full monthly lease fees will be reflected in Basic-Fit's statement of financial position. Basic-Fit applies a portfolio approach for vehicle leases to effectively account for the right-of-use assets and lease liabilities.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e. below €5,000). Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Extension options

Most of the lease contracts for buildings include extension and termination options. These options are negotiated by management to provide flexibility in terms of managing the leased asset portfolio and to align with the Group's business needs. Management exercises significant judgement in determining whether it is reasonably certain that these extension and termination options will be exercised (see below).

Extension options are included in the lease term when the Group has such an economic incentive that exercising the option is reasonably certain. Periods covered by termination options are included as part of the lease term only when it is reasonably certain that these will not be exercised.

Significant estimates

Leases - Significant judgement in determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain that this will be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain that this will not be exercised.

The Group applies judgement in evaluating whether it is reasonably certain it will or will not exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or the termination. These factors include potentially favourable terms upon extension, potential termination penalties, the relative costs associated with potential relocation or termination of the lease and the extent of leasehold improvements undertaken. Additionally, the size and the relative importance of the leased premises as well as the availability of easily substitutable assets are taken into consideration when assessing whether the Group has an economic incentive to extend a lease for which it holds an option to do so.

After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, so it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Basic-Fit's IBRs are built up of the following components:
- Base rate: risk-free rate
- Country risk premium: premium for the higher risk associated with the country where the lease is situated
- Credit rating (unsecured): premium based on Basic-Fit's credit rating per country
- Lease-specific adjustment: adjustment to the (unsecured) credit rating to reflect the secured borrowing position related to the lease

4.5 Business combinations

Acquisitions 2024

Acquiree/ Club location	Country	Deal type	Voting rights	Month
RSG Group España S.L.U.	Spain	Share deal	100%	March 2024
RSG Group Madrid Moncloa S.L.U.[1]	Spain	Share deal	100%	March 2024

1 100% subsidiary of RSG Group España S.L.U.

On 27 March 2024, Basic-Fit announced that it had completed 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. These five clubs were sold for €5.25 million (of which €5.0 million was received in 2024 and the remaining amount is receivable in 2025). Amounts received related to this sale are recognised as part of net cash flows used in investing activities in the consolidated statement of cash flows.

The total purchase price net of cash was €31.3 million, which was mostly allocated to right-of-use assets (including favourable and unfavourable lease contracts) and lease liabilities, property, plant and equipment, customer relationships and net working capital. Assets and liabilities (net value €5.25 million) related to the five Holmes Place clubs were recognised as 'held for sale' based on the expected sales proceeds. The goodwill of approximately €11.0 million represents the excess of the consideration transferred after the recognition of newly acquired net identifiable assets and liabilities totalling €27.6 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, Basic-Fit recognised a deferred tax liability for the temporary differences due to the valuation of customer relationships and the positive net amount of favourable and unfavourable leases that is not deductible for income tax purposes (total €3.1 million). Basic-Fit recognised a deferred tax asset for the same amount (€3.1 million), 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 €61.9 million.

Transaction costs of €0.4 million were 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 €34.7 million in revenue and added €1.3 million to the Group's profit before tax. If the acquisition had occurred on 1 January 2024, management estimates that the consolidated revenue would have been €1,228.8 million, and consolidated profit for the year (before tax) would have been €14.8 million. In determining these amounts, management assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

Acquisitions 2023

There were no acquisitions of business combinations in the year 2023.

The following table summarises the considerations paid for the acquisitions in 2024, the fair value of assets acquired and the liabilities assumed at the acquisition date.

Fair value recognised on acquisition	**2024**	**2023**
Assets		
Property, plant and equipment	14.0	-
Customer relationships	6.1	-
Right-of-use assets	89.6	-
Non-current financial assets	1.7	-
Inventories and receivables	0.8	-
(Net) Assets and liabilities held for sale	5.3	-
Cash and cash equivalents	7.3	-
Liabilities		
Lease liabilities	(83.3)	-
Borrowings	(4.8)	-
Other provisions	(0.5)	-
Other current liabilities	(8.6)	-
Total identifiable net assets acquired at fair value	**27.6**	**-**
Goodwill arising on acquisition	11.0	-
Purchase consideration transferred[1]	**38.6**	**-**
Analysis of cash flows on acquisition:		
Net cash acquired with the subsidiary (included in cash flows from investing activities)	**7.3**	
Cash paid	(38.6)	-
Net outflow of cash - investing activities	**(31.3)**	**-**

1 The base consideration as agreed upon with the sellers was €48 million. This is the amount disclosed in the 2023 annual report (note 8.5 events after the reporting period). After deduction of certain debts and some other adjustments to the base consideration, the final purchase price amounted to €38.6 million.

This cash outflow amounting to €31.3 million is recognised in the consolidated statement of cash flows for 2024 as part of 'Net cash flows used in investing activities'. This amount includes a temporary loan of €9.6 million from 11 January 2024 to 27 March 2024, granted to the seller, which effectively served as a prepayment. It was settled at acquisition date with the acquisition price payable.

Accounting policy

Business combinations are accounted for using the acquisition method. The costs of an acquisition are measured as the aggregate of the consideration transferred, which is measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent considerations classified as equity are not remeasured and its subsequent settlement is accounted for within equity. Contingent considerations classified as assets or liabilities that are financial instruments and within the scope of IFRS 9 Financial Instruments, are measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent considerations that are not within the scope of IFRS 9 are measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired exceeds the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in the excess fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed of in these circumstances is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Significant estimates

The acquisition of RSG Spain involved significant accounting estimates. These estimates were used to determine the fair values of assets acquired and liabilities assumed, as well as to allocate the purchase price to identifiable assets acquired and liabilities assumed.

4.6 Investment in an associate

At the end of November 2023, the Group acquired a 25% interest in HKNA Participaties B.V., which (with its 100% subsidiaries) is involved in maintenance, repair and cleaning activities in commercial buildings in the Netherlands, Belgium, Luxembourg, France, Spain and Germany. HKNA Participaties B.V. is a private entity that is not listed on any public exchange. The registered office is in Hoofddorp, the Netherlands. The Group's interest in HKNA Participaties B.V. is considered individually immaterial and accounted for using the equity method in the consolidated financial statements.

The movement over the years was as follows:

	2024	2023
As at 1 January	0.8	-
Acquisition	-	1.5
Dividends received	-	(0.7)
Result participation	1.0	-
As at 31 December	**1.8**	**0.8**

As at 31 December 2024, the Group had no contingent liabilities or commitments relating to its interest in HKNA Participaties B.V.

Accounting policy

Investments in associates are accounted for using the equity method. The aggregate of the Group's share in the profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

According to the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of profit of an associate' in the statement of profit or loss.

Section 5: Working capital

The notes in this section specify the Group's working capital, including disclosures related to cash and cash equivalents.

5.1 Inventories

The composition of the inventories was as follows:

	2024	2023
Food and drinks	4.8	4.0
Fitness equipment	1.9	-
Other goods	22.5	19.8
Total	**29.2**	**23.8**

'Food and drinks' consist primarily of sports water that members with a (paid) 'sports water add-on' can drink in the clubs.

Fitness equipment includes equipment transferred from property, plant and equipment as disclosed in more detail in note 4.3 Property, plant and equipment.

'Other goods' includes goods that are sold via the online store, vending machines and to third parties.

Accounting policy

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

5.2 Trade and other receivables

	2024	2023
Member and trade receivables	71.1	68.1
Less: allowance for expected credit losses	(26.0)	(26.7)
Receivables – net	**45.1**	**41.4**
Security deposits	12.8	10.1
Other long term receivables	4.3	-
Taxes and social charges (mainly VAT)	0.5	7.7
Prepayments	13.7	4.7
Other receivables and accrued income	37.1	26.5
Total receivables	**113.5**	**90.4**
Less: non-current portion of security deposits	12.8	10.1
Less: Other long term receivables	4.3	-
Total non-current portion	**17.1**	**10.1**
Total current portion	**96.4**	**80.3**

The lower taxes and social charges receivable is mainly related to VAT. The VAT receivable balance is mainly a result of the timing of invoices issued and received, as well as the timing of VAT declarations that are paid to or received from the tax authorities. In 2024, we asked the Spanish tax authorities to pay the VAT declarations receivable on a monthly basis, resulting in a one-off VAT receipt of €6.9 million of all outstanding VAT returns through December 2023.

The increase in prepayments is mainly related to increased prepayments for promotion bags and service charges. The increase in other receivables and accrued income is mainly related to a number of indemnity and/or compensation cases, as well as to equipment sold but not yet invoiced. This has been or will be invoiced and settled in 2025.

The fair value of the receivables approximates the carrying amount. No breakdown of the fair values of trade and other receivables has been included, as the differences between the carrying amount and the fair values are insignificant. In determining the expected credit loss allowance, the Group took into account any change in the risk profile of its members following economic uncertainty.

The carrying amounts of the Group's trade and other receivables are all denominated in euros.

Movements in the Group provision for impairment of receivables were as follows:

	2024	2023
As at 1 January	(26.7)	(18.5)
New in consolidation	(0.6)	-
Provision for impairment recognised during the year	(42.6)	(36.3)
Receivables written off during the year as uncollectable	43.9	28.1
As at 31 December	**(26.0)**	**(26.7)**

The creation and release of provisions for impaired receivables have been included in 'Other operating expenses' in the statement of profit or loss (note 3.8 Other operating expenses). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. As described in note 6.4 Financial risk management regarding credit risk, all member-related receivable balances are automatically past due. The estimated provision for impairment losses is recognised on the basis of the expected credit loss for each of the ageing buckets.

The other classes in trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, the Group expects these amounts to be received when due (the Group does not hold any collateral with respect to these receivables).

Accounting policy

Trade and other receivables include amounts due from members for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement within 30 days or less and are therefore all classified as current.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest rate method, less provision for impairment.

See note 6.5 Financial instruments for the accounting policy related to financial assets and liabilities, derivative financial instruments and fair value measurement.

5.3 Cash and cash equivalents

The composition of cash and cash equivalents was as follows:

	2024	2023
Cash in bank and on hand	55.2	68.1
Cash in transit	1.5	2.8
Total	**56.7**	**70.9**

All cash and cash equivalents are available for immediate use by the Group, except for an amount of €0.6 million (2023: €0.2 million) related to bank guarantees.

Accounting policy

In the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions and bank overdrafts (if any). In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

5.4 Trade and other payables

The composition of trade and other payables was as follows:

	2024	2023
Trade payables	123.1	120.5
Deferred revenues	33.2	29.9
Holiday allowance and vacation days accrual	13.9	12.8
VAT payable	3.9	2.2
Payroll tax payable	7.6	6.6
Interest payable	4.6	4.7
Accruals related to capital expenditure	47.9	69.5
Housing cost payable	25.3	25.2
Other liabilities and accrued expenses	28.9	16.8
Total	**288.4**	**288.2**

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the carrying amount due to their short-term nature.

Accruals related to capital expenditure are related to investments in opened or to be opened clubs, to the extent that no invoice is received while construction work has already been completed. The lower accruals is a result of the lower number of clubs that were opened in January 2025 compared with January 2024, for which all or most construction work had already been completed while no invoice had been received.

The increase in other lines in the table above are mostly directly related to the growth in members and clubs. Furthermore, the increase in Other liabilities and accrued expenses is related to a number of new initiatives in 2024, such as Smart Refurbishing, 24/7 openings in France and extended opening hours in Spain and Germany, as well as to some one-off accruals for which no invoices had been received at 31 December 2024.

Accounting policy

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid. The amounts are unsecured and are usually paid within 30-60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest rate method.

For deferred revenues, see note 3.2 Revenue.

Section 6: Financing, financial risk management and financial instruments

This section includes notes related to financing items such as equity, borrowings, financial risk management and financial instruments. Related items such as the earnings per share calculation and financial income and costs, are included in this section.

6.1 Equity

Share capital

The authorised share capital of the Company amounts to €9.0 million and is divided into 150,000,000 shares with a nominal value of €0.06. The subscribed share capital as at 31 December 2024 amounted to €3.96 million (2023: €3.96 million) and was divided into 66,000,000 shares fully paid-up with a nominal value per share of €0.06. There were no movements in authorised and subscribed share capital in the reporting periods.

Share premium

As at 31 December 2024, the share premium amounted to €690.5 million (2023: €690.5 million). There were no movements in the reporting periods.

Reserves

Treasury shares

In 2024, the Company purchased 149,476 (2023: 6.108) shares for a total amount of €3.2 million (2023: €0.2 million to meet obligations related to the equity-settled share-based compensation plans. For this purpose, 24,485 shares were reissued in 2024 (2023: 6,108 shares) with a corresponding value of €0.5 million (2023: €0.2 million). On 31 December 2024, the Company held 124,991 of the Company's shares (2023: nil).

	2024	2023
As at 1 January	-	-
Purchase of treasury shares	(3.2)	(0.2)
Exercised share-based payments[1]	0.5	0.2
As at 31 December	**(2.7)**	**-**

1 Note 3.5 Share-based payments

Equity-settled share-based payments reserve

The movement in the equity-settled share-based reserve over the past two years was as follows:

	2024	2023
As at 1 January	2.8	0.9
Share-based payments expense during the year	3.2	2.1
Exercised share-based payments during the year	(1.8)	(0.2)
As at 31 December	**4.2**	**2.8**

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. See note 3.5 Share-based payments for further details.

Equity component of convertible bonds

The equity component of the convertible bonds reserve amounted to €48.7 million, is recognised net of tax and relates to the convertible bonds issued by the Group in June 2021. There were no movements in the periods 2024 and 2023.

See note 6.3 Borrowings and note 6.5 Financial instruments for the disclosure and accounting policy for the convertible bond.

Retained earnings

The results for the years 2024 and 2023 are included in retained earnings.

Accounting policy

Ordinary shares

Ordinary shares are classified as share capital.

Share premium

The share premium represents the amount by which the fair value of the consideration received exceeds the nominal value of shares issued. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares

Treasury shares are recognised at cost and deducted from equity, including any directly attributable incremental costs (net of income taxes), until the shares are cancelled or reissued. When such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and related income tax effects, is included in equity.

See the accounting policy in note 6.5 Financial instruments related to compound financial instruments for the accounting policy related to 'equity components of convertible bonds'.

6.2 Earnings per share

The calculation of basic and diluted earnings per share is based on the following data:

	2024	2023
Earnings		
Profit (loss) for the period attributable to the ordinary equity holders of the Company	8.0	(2.7)
Interest on convertible bonds (net of tax)	10.5	10.2
Profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution	**18.5**	**7.5**
Number of shares		
Weighted average number of ordinary shares for basic earnings per share	65,929,302	66,000,000
Effect of dilutive potential ordinary shares	5,999,012	5,999,012
Weighted average number of ordinary shares for diluted earnings per share	**71,928,314**	**71,999,012**
Earnings per share (in €)		
Basic earnings per share	0.12	(0.04)
Diluted earnings per share	0.12	(0.04)

The number of potential dilutive weighted-average shares not taken into consideration above, due to their antidilutive effect, amount to 5,999,012 ordinary shares for both 2024 and 2023. These shares are related to convertible bonds.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date these financial statements were authorised.

Accounting policy

Basic earnings per share are calculated by dividing the net result for the year attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year. Treasury shares are deducted from the number of ordinary shares outstanding on a weighted basis.

Diluted earnings per share are calculated by dividing the net result for the year attributable to ordinary equity holders of the parent company adjusted for the interest on convertible bonds by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

6.3 Borrowings

The Group's interest-bearing borrowings at 31 December 2024 and 31 December 2023, including the movements during 2024 and 2023, are summarised in the following tables:

		Cash settled		Other changes (non-cash)				
2024	**Balance as at 1 January 2024**	**New loans/ Proceeds**	**Repayments**	**Amortisation**	**Additions (lease liabilities)**	**New in consolidation[1]**	**Accretion of interest**	**Balance as at 31 December 2024**
Floating rate borrowings (non-current and current)								
Bank borrowings	250.0	-	-	-	-	-	-	250.0
Drawn revolving credit facility	355.0	125.0	-	-	-	-	-	480.0
Temporary working capital facility	-	30.0	(30.0)	-	-	-	-	-
Schuldschein	10.0	-	(10.0)	-	-	-	-	-
Borrowing costs	(4.2)	(0.8)	-	1.1	-	-	-	(3.9)
	610.8	**154.2**	**(40.0)**	**1.1**	**-**	**-**	**-**	**726.1**
Fixed rate borrowings and lease liabilities (non-current and current)								
Convertible bonds – liability component	256.4	-	-	-	-	-	9.7	266.1
Schuldschein	8.0	-	(8.0)	-	-	-	-	-
Lease liabilities	1,659.3	-	(291.5)	-	326.3	82.4	52.7	1,829.2
Other bank borrowings	-	-	(2.2)	-	-	4.8	-	2.6
	1,923.7	**-**	**(301.7)**	**-**	**326.3**	**87.2**	**62.4**	**2,097.9**
	2,534.5	**154.2**	**(341.7)**	**1.1**	**326.3**	**87.2**	**62.4**	**2,824.0**
Of which:								
Non-current lease liabilities	1,405.3							1,557.0
Non-current borrowings	857.2							993.2
Current lease liabilities	254.0							272.2
Current borrowings	18.0							1.6

1 All relate to RSG Spain acquisition, note 4.5 Business combinations

2023	Balance as at 1 January 2023	Cash settled		Other changes (non-cash)				Balance as at 31 December 2023
		New loans/ Proceeds	Repayments	Amortisation	Additions (lease liabilities)	COVID-19 rent credits	Accretion of interest	
Floating rate borrowings (non-current)								
Bank borrowings	250.0	-	-	-	-	-	-	250.0
Drawn revolving credit facility	210.0	145.0	-	-	-	-	-	355.0
GO-C facility	13.3	-	(13.3)	-	-	-	-	-
Schuldschein	10.0	-	-	-	-	-	-	10.0
Borrowing costs	(1.5)	(3.5)	-	0.8	-	-	-	(4.2)
	481.8	**141.5**	**(13.3)**	**0.8**	**-**	**-**	**-**	**610.8**
Fixed rate borrowings and lease liabilities (non-current and current)								
Convertible bonds – liability component	247.3	-	-	-	-	-	9.1	256.4
Schuldschein	8.0	-	-	-	-	-	-	8.0
Lease liabilities	1,481.5	-	(228.2)	-	365.2	(0.5)	41.3	1,659.3
	1,736.8	**-**	**(228.2)**	**-**	**365.2**	**(0.5)**	**50.4**	**1,923.7**
	2,218.6	**141.5**	**(241.5)**	**0.8**	**365.2**	**(0.5)**	**50.4**	**2,534.5**
Of which:								
Non-current lease liabilities	1,265.0							1,405.3
Non-current borrowings	723.8							857.2
Current lease liabilities	216.5							254.0
Current borrowings	13.3							18.0

The revolving credit facility is presented as non-current borrowings, as the Group expects and has an unconditional right to renew the revolving credit facility every three months until the maturity date.

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, commencing on 17 December 2021. 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 can exercise a put option and are 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.

	2024	2023
Carrying amount of liability at 1 January	256.4	247.3
Accrued interest	14.2	13.6
Interest paid	(4.5)	(4.5)
Carrying amount of liability at 31 December 2024	**266.1**	**256.4**

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 a commitment from its syndicate banks to draw €130 million from the accordion facility. 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 31 December 2024, an amount of €11.3 million (2023 €11.0 million) of the revolving credit facility, including the committed part of the accordion of €530 million (2023: €510 million), had been used for bank guarantees and €480 million (2023: €355 million) had been drawn in cash.

The interest is variable and based on the three-month Euribor rate plus a margin that depends on certain leverage covenants (Euribor plus margin stood at 4.9% as at 31 December 2024 and 6.1% as at 31 December 2023). The term loan and RCF are unsecured.

Temporary working capital facility

From 5 January to 5 April 2024 the Company used a temporary working capital facility of €30 million, received from Banco Santander.

In December 2024, the Company signed a new agreement with Banco Santander for a €25 million temporary working capital facility. At 31 December 2024 no amount had been drawn. The term of this facility is three months from the time of the draw. Interest is fixed at 4.4%.

GO-C facility

In May 2020, the Company entered into a €60 million GO-C facility agreement, repayable quarterly in a straight line over two years, after an initial one-year grace period. The last repayment was made in May 2023.

Schuldschein

In October 2019, Basic-Fit completed a Schuldschein issuance in euro-denominated tranches. As at 31 December 2023, the outstanding amount was €18.0 million. For an amount of €8.0 million, the interest was fixed at 1.55% and for the remaining part, the interest was variable and based on the Euribor rate plus a margin, together 5.68% at 31 December 2023. This loan was unsecured. The outstanding amount of €18 million was repaid in October 2024.

Borrowing costs

The carrying amount of the borrowings is presented net of finance costs (2024: €3.9 million; 2023: €4.2 million). Finance costs are charged to the statement of profit or loss based on the effective interest rate method over the period to maturity of the loans.

Other bank borrowings

As part of the acquisition of RSG Spain, Basic-Fit took over six bank loans. These loans are repayable in monthly instalments. Five loans (remaining outstanding amount at 31 December 2024 €1.0 million) with fixed interest rates varying between 1.4% and 5.6% have a termination date in 2025 and are classified as short-term liabilities. One loan (remaining outstanding amount at 31 December 2024 €1.6 million) with an interest rate of 6.6% has a termination date in 2027 and is partly classified as long-term (€1.0 million) and partly as short-term (€0.6 million).

Lease liabilities

The Group recognises lease liabilities to make lease payments related to the right to use the underlying assets. See note 4.4 Right-of-use assets and lease liabilities for a more detailed disclosure.

Accounting policy
Borrowings are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. However, a revolving credit facility is classified as non-current if the Group expects, and has the discretion, to roll over for at least twelve months after the reporting period.

The Group does not have any qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use or sale. Therefore, borrowing costs are not capitalised and are expensed in the period in which they are incurred.

See note 6.5 Financial instruments for the accounting policy related to financial assets and liabilities, derivative financial instruments and fair value measurement.

Significant estimates
Related to the convertible bonds, bondholders can exercise a put option and are 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. At inception, Basic-Fit expected a maturity of the convertible bonds equal to the contractual maturity, which is 7 years (17 June 2028), which is used for the calculation of the amortised cost of the liability component. At year-end 2024, an amount of EUR 37.6 million still needs to be amortised over the remaining period to maturity. Judgement is required in estimating the expected maturity. Based on an updated assessment on 31 December 2024, management's judgement related to the expected maturity did not change. A change in this assessment in future periods may have a material impact on the amortised cost calculation and profit and loss for that period.

6.4 Financial risk management

The Group's activities expose it to a variety of financial risks. Management identifies and evaluates the financial risks based on principles for overall risk management. The Group's overall risk management programme seeks, in accordance with our Corporate Treasury Policy, to minimise potential adverse effects on the Group's financial performance.

(a) Credit risk

Credit risk arises from cash, cash equivalents and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables for membership fees or other membership services that could not be collected up front. The carrying amounts of these financial instruments as disclosed in notes 5.2 Trade and other receivables and 5.3 Cash and cash equivalents represent the Group's maximum credit exposure.

The Group's policy is that all members need to pay membership fees up front, which means that credit risk related to membership fees is limited to those fees that could not be collected up front. The first measure to limit credit risk is to deny access to the services provided by the Group to members with overdue receivables until the receivables have been fully paid. The second measure is the Group's collection policy of using debt collection agencies for all receivables due for more than 120 days. The Group does not hold collateral as security for the membership receivables. The Group evaluates the concentration of risk with respect to trade receivables as low, as its members are located in several jurisdictions.

As a result of the Group's prepayment policy, any account receivables balances are automatically past due.

An ageing analysis of the Group's trade and other receivables that are past due (including provision for expected credit losses) is as follows:

	2024	2023
Overdue <30 days	11.8	11.6
Overdue 31-60 days	4.0	3.5
Overdue 61-90 days	7.8	5.5
Overdue >90 days	21.5	20.8
Balance incl. provision	**45.1**	**41.4**

The receivables consist of member receivables and trade receivables. These receivables are assessed collectively to determine whether an impairment should be recognised. As a direct result of the ongoing economic uncertainty, the Group noticed that it was more difficult to collect the outstanding amounts. In determining the expected credit loss allowance the Group considered any change in the risk profile of its members following the ongoing economic uncertainty. For the receivables, the estimated impairment losses are recognised in a separate provision for impairment, which is based on the expected credit loss for each of the ageing buckets. As at 31 December 2024, the provision stood at €26.0 million (2023: €26.7 million). The Group avoids the concentration of credit risk on its cash and cash equivalents by spreading them over reputable banks: ABN AMRO, Rabobank, ING, KBC, BNP Paribas and Citibank. No collateral is held for the aforementioned liquid assets.

(b) Liquidity risk

The Group's funding strategy is focused on ensuring that it has continuous access to capital. On a weekly basis, management prepares a cash flow forecast to identify the cash needs for the short and medium term and on a quarterly basis for the longer term. Additionally, management monitors the intra-month cash needs on a daily basis by assessing the cash inflows and outflows. In direct response to the ongoing economic uncertainty, management intensified the monitoring of cash needs and frequently updated the forecasts based on the latest available information and expectations.

The revolving credit facility of €530 million (including committed part of the accordion facility) has a maturity date of June 2028, with the option to request further extensions of one year in 2025, to 2029 (2023: €510 million with a maturity date of June 2027). Basic-Fit can request the syndicated banks to make the remaining €20 million of the additional accordion facility available under the terms of the senior facilities agreement, but the amount is not yet committed. The facilities can only be cancelled by the lenders upon the receipt of a timely period of notice after an event of default (including non-payment, breach of (financial) covenants or breach of other obligations, in each case subject to materiality thresholds, qualifications and cure periods).

The table below provides an overview of all committed and undrawn facilities as at 31 December 2024:

(In € millions)	Facility (committed)	Undrawn	Covenant applicable
Term loan	250.0	-	Yes
Revolving credit facility[1]	530.0	38.7	Yes
Temporary working capital facility	25.0	25.0	No
	805.0	**63.7**	

1 €11.3 million used for bank guarantees.

Basic-Fit plans to add approximately 100 clubs in both 2025 and 2026 (compared to 202 clubs in 2023 and 173 clubs in 2024). Driven by this growth, Basic-Fit expects to achieve positive free cash flow in 2025.

Contractual maturities of financial liabilities

The following table is an analysis of the Group's financial liabilities in terms of relevant maturity groupings, based on their contractual maturities for all non-derivative financial liabilities, and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Contractual maturities of financial liabilities (continued)

	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	2.3	2.3	4.5	310.5	-	319.6	266.1
Borrowings[1]	19.2	18.4	36.7	802.3		876.6	732.6
Lease liabilities	130.6	146.7	292.3	765.8	766.6	2,102.0	1,829.2
Trade payables	123.1	-	-	-	-	123.1	123.1
Total non-derivatives	**275.2**	**167.4**	**333.5**	**1,878.6**	**766.6**	**3,421.3**	**2,951.0**

1 Excluding capitalised financing costs

	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	2.3	2.3	4.5	315.1	-	324.2	256.4
Borrowings[1]	19.2	37.4	38.0	662.0		756.6	623.0
Lease liabilities	130.7	127.3	254.5	686.6	676.1	1,875.2	1,659.3
Trade payables	120.5	-	-	-	-	120.5	120.5
Total non-derivatives	**272.7**	**167.0**	**297.0**	**1,663.7**	**676.1**	**3,076.5**	**2,659.2**

1 Excluding capitalised financing costs

(c) Market risk

1 *Foreign exchange risk*

The Group only operates in the Eurozone, so currency risk is limited, due to the fact that all revenues (and almost all expenses) are denominated in euros. There is therefore no significant exposure to foreign currency fluctuations.

2 *Price risk*

The Group has limited exposure to price risk. The Group's main exposure is to fluctuations in energy costs. To reduce the energy costs per club, Basic-Fit established an energy department to scrutinise the energy consumption and identify where further efficiencies can be achieved. For 2024, Basic-Fit signed more favourable energy contracts compared with the contracts in place for 2023. The fixed price contracts are executory contracts and not financial instruments/derivatives.

- In the Netherlands, Basic-Fit had fixed-price energy contacts for 100% of the gas consumption and nearly all electricity consumption in 2024. Currently, 75% of the electricity consumption is covered by a fixed-price contract for the second quarter of 2025 as the spot market is favourable.
- In Belgium, Basic-Fit had fixed-price energy contacts for 40% of the gas consumption and 100% of the electricity consumption in 2024. For 2025, 25% of the gas consumption and 100% of the electricity consumption are covered by a fixed-price energy contract.
- In France, Basic-Fit had fixed-price energy contracts for nearly 100% of its energy consumption in 2024, and has 100% fixed-price energy contracts in 2025.
- In Germany and Luxembourg, Basic-Fit had fixed-price energy contracts for 100% of its energy consumption in 2024, and has fixed-price energy contracts for 100% of the energy consumption for both 2025 and 2026.
- In Spain, Basic-Fit has no fixed-price energy contracts as the spot market has been favourable.

3 *Interest rate risk and cash flow risk*

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. In 2024, the swaps and swaptions that were recognised on 31 December 2023, were exchanged for new floating-to-fixed interest rate swaps. At the end of 2024, 51% (2023: 41%) of the variable loan principle was hedged using floating-to-fixed interest rate swaps. Including the convertible bond, 66% (2023: 61%) of the Group's interest-bearing debt has a fixed interest rate.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the fixed interest rate borrowings (including lease liabilities) at the end of the reporting period were as follows:

	2024	2023
Variable rate borrowings	730.0	615.0
Fixed interest rate borrowings (including lease liabilities)	2,097.9	1,923.7
Total	**2,827.9**	**2,538.7**

Financial instruments in use by the Group

At 31 December 2024, swaps in place cover approximately 51.4% (2023: 40.7%) of the variable loan principal outstanding.

The contracts require settlement of net interest receivable or payable every 90 days.

At the end of the reporting period, the Group had the following variable rate borrowings and interest rate swap contracts (which are disclosed under 'Derivative financial instruments and hedging activities' in note 6.5 Financial instruments) outstanding:

	31 December 2024			31 December 2023		
	Weighted average interest rate	Balance	% of the total loans	Weighted average interest rate	Balance	% of the total loans
Bank overdrafts and bank loans	5.91%	730.0	25.81%	6.11%	615.0	24.22%
Interest rate swaps (notional amount)		(375.0)			(250.0)	
Net exposure to cash flow interest rate risk		**355.0**	**12.55%**		**365.0**	**14.38%**

Amounts recognised in profit or loss and other comprehensive income
Over the past two years, the following gains/(losses) were recognised in profit or loss and other comprehensive income with respect to interest rate swaps and swaptions:

	2024	2023
Gain (loss) recognised in profit or loss	(1.4)	(6.5)
Reclassified from other comprehensive income to profit or loss	-	-

Sensitivity analysis
According to interest rate sensitivity analyses performed for the years ending 31 December 2024 and 2023, the impact on the consolidated statement of profit or loss (post-tax) due to upward or downward movements in the interest rates of 1% for the non-derivative financial instruments[1] were as follows:

	2024	2023
Increase by 100 basis points (non-derivative financial instruments)	(2.6)	(2.7)
Decrease by 100 basis points (non-derivative financial instruments)	2.6	2.7

There was no impact on components of equity due to upward or downward movements in interest rates.

The Group's receivables are carried at amortised cost. They are not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate due to changes in market interest rates.

Management did not identify any other market risks that could have a significant impact on the Group.

Accounting policy
See note 6.5 Financial instruments for the accounting policy with respect to financial assets and liabilities, derivative financial instruments and fair value measurement.

[1] The sensitivity analyses for derivative financial instruments are disclosed in note 6.5 Financial instruments

6.5 Financial instruments

Financial instruments by category comprise the following:

Assets	2024		2023	
	Derivatives at FVPL[1]	Loans and receivables	Derivatives at FVPL[1]	Loans and receivables
Derivative financial instruments (current)	-	-	1.8	-
Trade and other receivables excluding prepayments	-	45.1	-	41.4
Cash and cash equivalents	-	56.7	-	70.9
Total	**-**	**101.8**	**1.8**	**112.3**

1 Fair value through profit and loss

Liabilities	2024		2023	
	Derivatives at FVPL[1]	Other financial liabilities at amortised cost	Derivatives at FVPL[1]	Other financial liabilities at amortised cost
Borrowings (excluding lease liabilities)	-	994.8	-	875.2
Lease liabilities	-	1,829.2	-	1,659.3
Derivative financial instruments	5.9	-	6.3	-
Trade and other payables excluding non-financial liabilities	-	123.1	-	120.5
Total	**5.9**	**2,947.1**	**6.3**	**2,655.0**

1 Fair value through profit and loss

The carrying amount of the above financial instruments under '**Assets**' represents the maximum exposure to credit risk, with the exception of derivative financial instruments. The Group's maximum exposure related to financial derivative instruments is disclosed in the maturities table as part of the liquidity risk disclosure in note 6.4 Financial risk management.

For all years 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. The Group did not hold any Level 1 or Level 3 financial instruments, nor were there any transfers between levels in the year under review. 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 that 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 assign a fair value to 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).

See note 6.4 Financial risk management for a description of the credit quality of financial assets that are neither past due nor impaired.

Derivative financial instruments and hedging activities

Derivatives are classified as Level 2 valuation, in accordance with the fair value hierarchy as described in IFRS 13.

In 2023, new hedges were put in place for a total notional amount of €250 million to replace the hedges that expired in May 2023 (notional €205 million). In order to optimise the Group's interest rate structure, the company used a mix of plain vanilla swaps (€100 million) and extendible swaps, comprised of swaps and swaptions (€150 million). In 2024, the extendible swaps were exchanged for new plain vanilla swaps. Furthermore, new hedges for a total nominal amount of €125 were put in place in 2024, as a result of which the total of plain vanilla swaps at 31 December 2024 stood at €375 million.

The financial instruments are held at fair value with no hedge accounting applied. The fair value of these new financial instruments per 31 December 2024 are categorised below. The sensitivity analysis is pre-tax and based on the direct fair value movement at year end. The impact on the Group's equity, other than the profit or loss-effect, is nil.

	Notional amount	Inception	Maturity date	Weighted average fixed rate	Fair value 2024	Increase by 100 bps	Decrease by 100 bps
Interest rate swaps	175.0	Dec 2023 and Aug-Oct 2024	Aug-Dec 2027	2.366%	(1.2)	4.6	(4.8)
Interest rate swaps	100.0	Nov 2023 and Sep 2024	Jun/Dec 2028	2.738%	(2.3)	3.5	(3.6)
Interest rate swaps	100.0	Aug and Sep 2024	Jun/Aug 2029	2.682%	(2.4)	4.3	(4.5)
Total	375.0				(5.9)	12.4	(12.9)

The movements in 2024 and 2023 arising from cash flows and non-cash changes in the Group's derivative financial instruments are summarised in the following table:

		Cash flows	Non-cash changes	
	Balance as at 1 January[1]	Repayments	Fair value changes through P&L[2]	Balance as at 31 December[1]
2024	(4.5)	-	(1.4)	(5.9)
2023	2.0	-	(6.5)	(4.5)

1 Receivable / (liability) - netted
2 Profit / (loss)

Fair values, including valuation methods and assumptions

- As at 31 December 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 31 December 2024 and 31 December 2023, the fair values of other long-term financial assets (security deposits) were not materially different from the carrying amounts.
- As at 31 December 2024 and 31 December 2023, the fair values of the long-term borrowings (excluding lease liabilities) were not materially different from the carrying amounts.
- As at 31 December 2024, the fair values of the convertible bonds amounted to €262 million (carrying amount €266 million). As at 31 December 2023, the fair values of the convertible bonds amounted to €244 million (carrying amount €256 million).

Accounting policy

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Accounting policy-Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition and subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15. See the accounting policies in Note 3.2 Revenue.

For a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require the delivery of assets within a timeframe established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchasing or selling the asset.

Subsequent measurement
For the purposes of subsequent measurement, financial assets are classified into two categories:
· Financial assets at amortised cost (debt instruments)
· Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:
· The financial asset is held within a business model with the objective of holding financial assets to collect contractual cash flows
and
· The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade receivables.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Impairment of financial assets
Aside from this note, other disclosures relating to impairment of financial assets (trade receivables) are included in note 5.2 Trade and other receivables.
The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach for the calculation of ECLs. The Group does not, therefore, track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:
· The rights to receive cash flows from the asset have expired
or
· The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Accounting policy-Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below.

Financial liabilities at fair value through profit or loss
The Group has not designated any financial liabilities as at fair value through profit or loss.

Loans and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss. If the terms are not substantially different, the original liability is not derecognised and a modification gain or loss is determined based on the original effective interest rate. However, if the financing agreement has a prepayment option at par without significant penalty, the adjustment is treated as a modification with a prospective adjustment of the effective interest rate to reflect the new market rate and without recognising a gain or loss on modification.

Accounting policy-Compound financial instruments
Compound financial instruments issued by the Group comprise convertible bonds denominated in euros that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value. The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not remeasured. Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

Accounting policy-Derivative financial instruments and hedging activities
Initial recognition and subsequent measurement
The Group uses interest rate swaps and swaptions as derivative financial instruments to hedge its interest rate risks. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Group did not apply hedge accounting for the remaining financial instruments as at 31 December 2024 and 31 December 2023. Therefore, all changes related to these financial instruments will be recognised in profit or loss.

Accounting policy-Fair value measurement

The Group measures financial instruments such as derivatives at fair value at each reporting date.

Fair value is the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
· In the principal market for the asset or liability
or
· in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Significant estimates

Significant judgement is required in determining the expected credit loss allowance. For this purpose, any change in the risk profile of members following the ongoing economic uncertainty prevailing since 2022 should be considered.

6.6 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders.

In June 2023, the Group successfully completed an amendment and extension of its existing facilities agreement that had been in place since 2016 (and amended and restated for the first time in 2018). 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 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. 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. On 31 December 2024, an amount of €480 million of the accordion (including accordion facility) was drawn in cash (31 December 2023: €355 million). In December 2024, the Company signed an agreement with Banco Santander for a €25 million revolving credit facility. At 31 December 2024, no amount had been drawn.

In June 2021, Basic-Fit successfully raised €303.7 million through an offering of senior unsecured convertible bonds with a maturity of seven years. The convertible bonds, including their carrying amount, are disclosed in more detail in note 6.3 Borrowings.

The Group monitors capital on the basis of its leverage ratio and its interest cover ratio. The leverage ratio is calculated as net debt divided by the consolidated adjusted EBITDA (as defined under the bank covenants). Net debt is calculated as total borrowings (excluding capitalised finance costs) less cash and cash equivalents. Consolidated adjusted EBITDA is calculated as underlying EBITDA less rent plus permitted pro forma adjustments. The interest cover ratio is calculated as consolidated adjusted EBITDA divided by net finance costs. The calculation of these covenants is based on frozen GAAP and is therefore not influenced by the adoption of IFRS 16.

The net debt at 31 December 2024 and at 31 December 2023 was as follows (including and excluding lease liabilities related to right-of-use assets):

	2024	2023
Total borrowings (incl. capitalised finance costs)	2,824.0	2,534.5
Less: cash and cash equivalents	(56.7)	(70.9)
Net debt including lease liabilities	**2,767.3**	**2,463.6**
Lease liabilities[1]	1,829.2	1,659.3
Net debt excluding lease liabilities	**938.1**	**804.3**

1 Related to leases that would have been classified as operating leases if IFRS 16 had not been adopted

The increase in net debt is directly related to the investments in new club openings and the acquisition of RSG Spain.

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 31 December 2024, the Group complied with these covenants. The leverage ratio was 2.6 (2023: 2.6) and the interest cover ratio was 8.0 (2023: 8.9).

	2024	2023
Net debt excluding lease liabilities	938.1	804.3
Capitalised finance costs	3.9	4.2
Net debt (as defined under the bank covenants)	**942.0**	**808.5**
Operating profit	123.6	90.7
Plus: Depreciation, amortisation and impairment charges	448.4	390.9
Less: COVID-19 rent credits	-	(0.5)
Less: Rent costs clubs and overhead, incl. car and fitness equipment leases	(271.4)	(227.5)
Plus: Permitted exceptionals and pro forma adjustments	67.3	53.5
Consolidated adjusted EBITDA (as defined under the bank covenants)	**367.9**	**307.1**
Leverage ratio for bank covenants	**2.6**	**2.6**

	2024	2023
Consolidated adjusted EBITDA (see previous table)	**367.9**	**307.1**
Finance costs - net	111.1	92.4
Less: non-cash adjustments:		
- Valuation difference derivative financial instruments	(1.4)	(6.5)
- Lease liabilities interest	(52.7)	(41.3)
- Amortisation capitalised finance costs	(1.1)	(0.8)
- Accrued non-cash interest convertible bond	(9.7)	(9.1)
Cash interest (as defined under the bank covenants)	**46.2**	**34.7**
Interest cover ratio for bank covenants	**8.0**	**8.9**

The Group aims to ensure that it meets financial covenants attached to the interest-bearing debt. Breaches in meeting the financial covenants would permit the banks to immediately call the loans. There were no breaches of the financial covenants of any interest-bearing loans and borrowings in 2024 and 2023.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

6.7 Finance income and finance costs

	2024	2023
Finance income:		
Other interest income	0.1	-
Total finance income	**0.1**	**-**
Finance costs:		
Interest on convertible bonds	(14.2)	(13.7)
Interest on external debt and borrowings	(41.6)	(30.1)
Lease liabilities interest	(52.7)	(41.3)
Valuation difference derivative financial instruments	(1.4)	(6.5)
Other finance costs	(1.3)	(0.8)
Total finance costs	**(111.2)**	**(92.4)**
Total finance costs - net	**(111.1)**	**(92.4)**

Valuation differences of derivative financial instruments are the result of changing interest rates in 2023 and 2024 and changes in the expected interest rate developments on 31 December 2024 compared to 31 December 2023.

Accounting policy

See note 6.5 Financial instruments for the accounting policy related to financial assets and liabilities, derivative financial instruments and fair value measurement.

Section 7: Provisions, contingencies and commitments

This section includes notes related to provisions, contingencies and commitments.

7.1 Provisions

Provisions consist of:

- expected outflows of resources (costs) related to potential legal and other risks;
- expected costs associated with the restructuring of operations;
- specific legal provisions in France related to retirement benefits ('IDR'), a social security inspection ('URSSAF'), and an inspection by the Regional Directorates for the Economy, Employment, Labour and Solidarity ('DREETS') as part of their task to control of the proper functioning of markets, trade relations, and the protection of consumers; and
- other expected outflows of resources (costs) as a result of past events

The movement in provisions over the past two years was as follows:

	2024	2023
As at 1 January	0.8	1.6
Charged to profit or loss	5.0	0.5
New in consolidation[1]	0.5	-
Utilised	(0.2)	-
Unused amounts reversed	(0.1)	(1.3)
As at 31 December	**6.0**	**0.8**
Of which:		
Non-current portion of provisions (> 1 year)	2.6	0.8
Current portion of provisions (< 1 year)	3.4	-

1 Note 4.5 Business combinations

Management is of the opinion that the provisions are adequate to resolve all the claims.

Accounting policy

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Restructuring provisions are recognised only when the Group has a constructive obligation, which is when:
(i) there is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline; and
(ii) the employees affected have been notified of the plan's main features.

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the obligation, the carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions are not recognised for future operating losses. When the Group expects some or all of a provision to be reimbursed, for example, pursuant to an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

The cases and claims against the Group often raise difficult and complex factual and legal issues which are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction in which each suit is brought, and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to such claims and litigation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

7.2 Contingencies and commitments

Capital commitments

Significant capital expenditure contracted or planned, based on lease commitments for new clubs to be opened after the reporting date, before the end of the reporting period but not recognised as a liability, were as follows:

	2024	2023
Property, plant and equipment	**97.7**	**68.3**

(Long-term) financial obligations

The Group entered into several lease agreements for which it uses the low-value or short-term exemption option of IFRS 16 and entered into several agreements that do not (or do not yet) meet the definition of a lease.

Future payment obligations under these agreements are as follows:

	2024	2023
Within one year	5.2	9.0
After one year but not more than five years	77.3	96.4
More than five years	150.3	149.1
Total	**232.8**	**254.5**

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

No discount factor is used in determining these commitments.

Sub-lease payments

	2024	2023
Future minimum lease payments expected to be received in relation to non-cancellable sub-leases of operating leases	**7.1**	**7.9**

The Group does not have any contingent rentals or sub-lease expenses.

Other commitments

As at 31 December 2024, €11.3 million had been issued in bank guarantees (31 December 2023: €11.0 million) as part of the revolving credit facility. Furthermore, as at 31 December 2024, the Company makes use of bank guarantee facilities of €1.4 million related to the acquired RSG clubs.

Claims

The Group is involved in a number of legal proceedings that arose in the ordinary course of business. Although it is not possible to predict the outcome of these disputes with reasonable certainty, management does not expect these pending or potential legal proceedings to have any materially negative impact on the Group's consolidated financial position or profitability. Accordingly, the Group has not recognised any legal provisions in these consolidated financial statements, if it is not probable that an outflow of economic resources will be required. However, the outcome of legal proceedings can be extremely difficult to predict, and the final outcome may be materially different from management's current expectations.

Tax group liability (the Netherlands)

For the entire year 2024, Basic-Fit N.V., Basic Fit International B.V., BF Developments, Basic Fit Nederland B.V. and B-Securité B.V. formed a fiscal unity for corporate income tax and for VAT purposes. As a result, the companies within the fiscal unities are jointly and severally liable for each other's income tax and VAT debts.

Tax group liability (Belgium)

For the entire year 2024, HealthCity België N.V. formed a VAT unity with Basic-Fit Belgium BV. As a result, the companies are jointly and severally liable for each other's VAT debts.

Section 8: Other disclosures

This section includes notes related to the remuneration of key management personnel and the Supervisory Board, related party transactions, auditor's remuneration and subsequent events.

8.1 Remunerations of key management personnel

Total key management remuneration amounted to €5.5 million (2023: €4.7 million), allocated to the following remuneration categories: Short-term employee benefits €3.4 million (2023: €3.5 million), post-employment benefits €0.2 million (2023: €0.2 million), and share-based payments €1.9 million (2023: €1.0 million).

Compensation of the Management Board members and other key management personnel was as follows (amounts rounded to the nearest thousand euro with one decimal):

	René Moos (CEO)		Hans van der Aar (CFO)[1]		Other key management personnel		Total	
All amounts in thousand euro's	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Base Salary	729.1	729.1	651.2	651.2	870.8	796.9	2,251.1	2,177.2
Pension allowance	109.3	109.3	97.7	97.7	41.7	40.9	248.7	247.9
Total fixed compensation	**838.4**	**838.4**	**748.9**	**748.9**	**912.5**	**837.8**	**2,499.8**	**2,425.1**
Short-term incentive	218.7	262.5	195.4	247.5	208.7	310.0	622.8	820.0
Long-term share-based payments	618.6	399.4	782.9	274.3	486.2	298.7	1,887.7	972.4
Total variable compensation	**837.3**	**661.9**	**978.3**	**521.8**	**694.9**	**608.7**	**2,510.5**	**1,792.4**
Social charges	19.0	18.0	15.6	14.5	347.7	304.6	382.3	337.1
Other benefits	38.1	39.1	29.5	38.7	67.9	62.5	135.5	140.3
Total other benefits/expenses	**57.1**	**57.1**	**45.1**	**53.2**	**415.6**	**367.1**	**517.8**	**477.4**
Total remuneration	**1,732.8**	**1,557.4**	**1,772.3**	**1,323.9**	**2,023.0**	**1,813.6**	**5,528.1**	**4,694.9**

1 In addition to the remuneration included in the table, the Company has recognised €165 thousand as an expense in 2024 for the estimated tax levy payable by the Company pursuant to article 32bb of the Dutch Wage Tax Act as a result of the retirement agreement in connection with the retirement of Hans van der Aar.

In 2024, the annual base salaries for René Moos and Hans van der Aar amounted to €729 thousand (2023: €729 thousand) and €651 thousand (2023: €651 thousand) respectively.

The members of the Management Board do not participate in the Company's collective pension scheme but receive a comparable payment (pension allowance) set at a maximum of 15% of their base salary.

The short-term incentive (STI) achievement for 2024 for the Management Board was approved by the Supervisory Board on 4 February 2025. This resulted in an STI pay-out for 2024 of 30.0% of the annual base salary for the CEO and CFO. The STI amount will be paid in 2025 after the adoption of the financial statements for 2024.

The remuneration reported as long-term share-based payments is based on costs incurred under IFRS (see note 3.5 Share-based payments).

For Hans van der Aar, the management agreement ended 31 December 2024. As part of the retirement agreement, based on the grants made already and in line with the LTI Plan and the remuneration Policy, the Supervisory Board used its discretionary powers to decide on accelerated vesting for all running LTIP plans, directly after the approval of the 2024 financial statements at the general meeting of shareholders, and therefore in the year 2025. For the grant 2022 - 2024 this will lead to the vesting of 9,994 shares, while for the grant 2023 - 2025 this will lead to the vesting of 11,121 shares and for the grant 2024 - 2026 this will lead to the vesting of 20,996 shares in 2025. This will lead to vesting of a total of 42,111 shares. All costs related to the early vesting of these plans (€354 thousand) are fully recognised in 2024.

'Other benefits' relates primarily to company car expenses.

'Other key management personnel' pertains to employees with authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly (COO and CCO).

Details of the performance shares granted to the members of the Management Board as long-term share-based payments are as follows:

Board member	Year of grant	Outstanding at 1 January 2024	Number of shares granted on target 2024	Performance adjustment[1]	Vested in 2024	Outstanding at 31 December 2024	Fair value at grant date	lock-up date
René Moos	2021	7,634	-	1,909	(9,543)	-	€38.20	15-12-2026
	2022	11,634	-	-	-	11,634	€37.60	16-5-2027
	2023	12,806	-	-	-	12,806	€34.16	21-6-2028
	2024	-	27,123	-	-	27,123	€20.16	20-6-2029
Total shares		**32,074**	**27,123**	**1,909**	**(9,543)**	**51,563**		
Hans van der Aar	2021	4,903	-	1,226	(6,129)	-	€38.20	15-12-2026
	2022	7,995	-	1,999	-	9,994	€37.60	6-5-2027[2]
	2023	9,532	-	1,589	-	11,121	€34.16	6-5-2027[2]
	2024	-	19,381	1,615	-	20,996	€20.16	6-5-2027[2]
Total shares		**22,430**	**19,381**	**6,429**	**(6,129)**	**42,111**		

1 The performance adjustment for the years 2022, 2023 and 2024 relates to the discretionary decision of the Supervisory Board, following the retirement of Hans van der Aar, that all shares granted to him will vest after approval of the 2024 financial statements at the general meeting of shareholders in 2025. These performance adjustments are related to the achievement of targets for the years up to and including 2024. For the years 2025 (as part of LTIP 2023 and LTIP 2024) and 2026 (as part of LTIP 2024), it was decided that these years would be taken into account based on the assumptions that targets will be achieved 'on target' (100%), without overperformance

2 According to the termination agreement, the lock-up date is set at two years after vesting. Based on expected vesting at 6 May 2025, the lock-up date is expected to be 6 May 2027

The awards under the share plans for René Moos will vest on the condition that he is still employed at Basic-Fit. These awards can increase by up to 25% in the event of outperformance.

As at 31 December 2024, the members of the Management Board did not have any loans outstanding with Basic-Fit.

8.2 Remunerations of members of the Supervisory Board

The total remuneration for Supervisory Board members was as follows (amounts rounded to the nearest thousand euro with one decimal):

All amounts in thousand euro's	2024	2023
Kees van der Graaf	-	16.3
Jan van Nieuwenhuizen	80.0	45.0
Hans Willemse	69.5	58.0
Carin Gorter	75.0	60.0
Herman Rutgers	65.0	55.0
Rob van der Heijden	69.5	58.0
Joëlle Frijters	55.0	31.1
Total	**414.0**	**323.4**

The higher remuneration in 2024 compared with 2023 is in line with the new 2024 remuneration policy and brings the compensation in line with the median of a peer group. This was approved by the annual general meeting of shareholders in April 2024,

None of the Supervisory Board members have been granted, nor do they possess, any Basic-Fit options or shares, with the exception of Herman Rutgers who held 3,000 shares and Hans Willemse, who held 40,029 shares in Basic-Fit on 31 December 2024.

8.3 Related party transactions

Identification of related parties

All legal entities that can be controlled, jointly controlled or significantly influenced are considered related parties. Entities that can control the Company or other subsidiaries of the Group are also considered related parties. In addition, statutory and supervisory directors and close relatives are regarded as related parties.

The following transactions were carried out with related parties:

- Management Board and Supervisory Board compensation;
- Purchases from/sales to related parties (Key management personnel); and
- Purchases from an associate (starting December 2023)

All transactions with related parties are made at terms equivalent to those that prevail in arm's length transactions.

Management Board compensation and Supervisory Board compensation

Management Board compensation is disclosed in note 8.1 Remunerations of key management personnel and Supervisory Board compensation is disclosed in note 8.2 Remunerations of members of the Supervisory Board.

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

The table below provides the total amount of purchases from and sales for the relevant financial year to entities in which Management Board members have an interest (mainly leases from related parties). In addition, the table provides an overview of all balances held with these related parties.

	2024	2023
Sales to related parties	0.1	-
Purchases from related parties	7.9	7.2
Amounts owed by related parties[1]	-	-
Amounts owed to related parties[2]	-	1.0

1 Included in trade receivables - note 5.2 Trade and other receivables
2 Included in lease liabilities and trade and in other payables - note 4.4 Right-of-use assets and lease liabilities and note 5.4 Trade and other payables

Outstanding balances at the year-end are unsecured, interest-free and settled in cash. No guarantees have been provided or received for any related party receivables or payables.

Purchases from an associate

Since the acquisition of a 25% interest in HKNA Participaties B.V., purchases from (subsidiaries) of the associate amounted to €51.8 million (2023: €5.4 million, related solely to the month December 2023). The amount owed to HKNA Participaties B.V. and its subsidiaries at 31 December 2024 was €13.0 million (2023: €10.8 million).

Related party leases

Future related party lease obligations (as accounted for as right-of-use assets and lease liabilities) are as follows:

	2024	2023
Within one year	7.4	7.0
After one year but not more than five years	28.9	27.8
More than five years	32.7	36.4
Total	**69.0**	**71.2**

The amounts disclosed relate to the amounts to be invoiced by related parties. The increase is the result of indexation of all lease contracts, renewal of one lease contract and one newly agreed lease contract.

8.4 Auditor's remuneration

The following table sets out the audit costs (rounded to the nearest thousand euro), as recognised in the consolidated statement of profit or loss and incurred over the past two years, for professional audit services and other services provided to the Group by EY Accountants B.V. and their network inside and outside the Netherlands, as referred to in Section 1(1) of the Dutch Audit Firms Supervision Act (Dutch: Wta, Wet toezicht accountantsorganisaties):

	EY Accountants B.V.		Other EY member firms and affiliates		Total network	
All amounts in thousand euro's	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Audit of the financial statements	1,589	1,148	157	138	1,746	1,286
Limited assurance for sustainability reporting	341	-	-	-	341	-
Other audit procedures	-	133	-	-	-	133
Total	**1,930**	**1,281**	**157**	**138**	**2,087**	**1,419**

8.5 Events after the reporting period

No subsequent events occurred that are significant to the Group that would require adjustment or disclosure in the financial statements now presented. Subsequent events were evaluated up to 11 March 2025, which is the date the financial statements included in this annual report were authorised for issue.

COMPANY FINANCIAL STATEMENTS

Company balance sheet

(Before result appropriation)

As at 31 December	Note	2024	2023
		€ million	€ million
Assets			
Non-current assets			
Financial fixed assets	B	1,431.9	1,304.4
Total non-current assets		**1,431.9**	**1,304.4**
Current assets			
Trade and other receivables	C	0.1	0.2
Derivative financial instruments	G	-	1.8
Cash and cash equivalents	D	0.2	2.0
Total current assets		**0.3**	**4.0**
Total assets		**1,432.2**	**1,308.4**

	Note	2024	2023
		€ million	€ million
Shareholders' equity			
Share capital		4.0	4.0
Share premium		690.5	690.5
Legal reserves		5.9	5.3
Equity component of convertible bonds		48.7	48.7
Equity-settled share-based payments reserve		4.2	2.8
Treasury shares		(2.7)	-
Retained earnings		(347.1)	(344.6)
Profit (loss) for the year		8.0	(2.7)
Total equity	E	**411.5**	**404.0**
Provisions			
Deferred tax liabilities	H	7.7	10.5
Total provisions		**7.7**	**10.5**
Non-current liabilities			
Borrowings	F	992.2	857.2
Derivative financial instruments	G	4.8	6.3
Total non-current liabilities		**997.0**	**863.5**
Current liabilities			
Trade and other payables	I	15.0	12.4
Borrowings	F	-	18.0
Derivative financial instruments	G	1.0	-
Total current liabilities		**16.0**	**30.4**
Total equity, provisions and liabilities		**1,432.2**	**1,308.4**

Company statement of profit or loss

For the year ended 31 December	Note	2024	2023
		€ million	€ million
Revenue	J	2.6	2.8
		2.6	**2.8**
Salaries, wages and social security charges	K	(4.9)	(3.8)
Other operating expenses	L	(1.9)	(1.7)
Operating profit		**(4.2)**	**(2.7)**
Finance income	M	80.4	71.5
Finance costs	M	(57.4)	(50.6)
Finance costs - net		**23.0**	**20.9**
Profit (loss) before income tax		**18.8**	**18.2**
Income tax	N	(5.7)	(5.2)
Profit (loss) after income tax		**13.1**	**13.0**
Net income of subsidiaries	B	(5.1)	(15.7)
Profit (loss) for the year		**8.0**	**(2.7)**

Notes to the Company financial statements

A. Basis of preparation

The Company financial statements of Basic-Fit N.V. (hereafter 'the Company') have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with article 362 (8), Book 2 of the Dutch Civil Code, the Company's financial statements have been prepared on the basis of the accounting principles for recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

All amounts are presented in millions of euros (€ x 1,000,000) with one decimal, unless stated otherwise. Values in the consolidated financial statements 2023 were rounded to the nearest thousand (€ x 1,000).

In addition to these accounting policies in the consolidated financial statements, the following accounting policies apply to the Company financial statements:

Financial fixed assets

Investments in consolidated subsidiaries

Investments in consolidated subsidiaries are measured using the equity method. The measurement of the financial fixed assets under the equity method is based on the measurement principles of assets, provisions and liabilities, and the determination of profit as applied in the consolidated financial statements.

When consolidated subsidiaries have an equity deficit (after taking into account loans that qualify as net investments in the subsidiary) they are measured at zero under the equity method, unless the Company has given a liability undertaking or any other guarantee for the consolidated subsidiary.

Receivables from consolidated subsidiaries

Expected credit losses, if any, with respect to loans granted to and receivables from consolidated subsidiaries are not recognised in these Company financial statements, which is in line with Dutch accounting standards 100.108.

Financial Instruments

For information on the risk exposure, risk management and fair values of financial instruments see notes 6.4 Financial risk management and 6.5 Financial instruments of the notes to the consolidated financial statements.

Revenue

Revenue comprises recharges of costs that are eligible to be charged to a subsidiary company and is accounted for on an accrual basis.

B. Financial fixed assets

	2024	2023
Investment in consolidated subsidiaries	412.8	17.9
Receivables from consolidated subsidiaries	1,019.1	1,286.5
Balance as at 31 December	**1,431.9**	**1,304.4**

Investment in consolidated subsidiaries

The Company has direct and indirect interests in the subsidiaries listed in note 1.2 Group Information in the notes to the consolidated financial statements and is the 100% owner of Basic Fit International B.V., based in Hoofddorp, the Netherlands. The movements in the investment in Basic Fit International B.V. were as follows:

	2024	2023
Balance as at 1 January	17.9	33.9
Capital contribution	400.0	-
Acquisition of non-controlling interests	-	(0.3)
Net income of subsidiaries	(5.1)	(15.7)
Balance as at 31 December	**412.8**	**17.9**

Receivables from consolidated subsidiaries

The movements in receivables from Group company Basic Fit International B.V. were as follows:

	2024	2023
Balance as at 1 January	1,286.5	1,122.5
Net change	(267.4)	164.0
Balance as at 31 December	**1,019.1**	**1,286.5**

The fair value of receivables from this receivable approximates the carrying amount. The interest rate is Euribor plus a margin of 2.7%. Although no repayment period has been agreed the loan is of a long-term nature.

C. Trade and other receivables

	2024	2023
Other receivables and prepayments	0.1	0.2
Total	**0.1**	**0.2**

The fair value of the current receivables approximates their carrying amount due to their short-term nature.

D. Cash and cash equivalents

All cash and cash equivalents are available for immediate use by the Company.

E. Shareholders' equity

The movements in shareholders' equity were as follows:

	Share capital	Share premium	Treasury shares	Legal reserves	Equity component of convertible bonds	Equity-settled share-based payments reserve	Retained earnings	Result for the year	Total
As at 1 January 2023	**4.0**	**690.5**	**-**	**2.9**	**48.7**	**0.9**	**(337.9)**	**(3.7)**	**405.4**
Prior year result appropriation	-	-	-	-	-	-	(3.7)	3.7	-
Net result for the year	-	-	-	-	-	-	-	(2.7)	(2.7)
Acquisition of non-controlling interests[1]	-	-	-	-	-	-	(0.3)	-	(0.3)
Purchase of treasury shares	-	-	(0.2)	-	-	-	-	-	(0.2)
Exercised share-based payments	-	-	0.2	-	-	(0.2)	(0.3)	-	(0.3)
Equity-settled share-based payments	-	-	-	-	-	2.1	-	-	2.1
Development expenditures	-	-	-	2.4	-	-	(2.4)	-	-
Total movements	**-**	**-**	**-**	**2.4**	**-**	**1.9**	**(6.7)**	**1.0**	**(1.4)**
As at 31 December 2023	**4.0**	**690.5**	**-**	**5.3**	**48.7**	**2.8**	**(344.6)**	**(2.7)**	**404.0**
As at 1 January 2024	**4.0**	**690.5**	**-**	**5.3**	**48.7**	**2.8**	**(344.6)**	**(2.7)**	**404.0**
Prior year result appropriation	-	-	-	-	-	-	(2.7)	2.7	-
Net result for the year	-	-	-	-	-	-	-	8.0	8.0
Purchase of treasury shares	-	-	(3.2)	-	-	-	-	-	(3.2)
Exercised share-based payments	-	-	0.5	-	-	(1.8)	0.8	-	(0.5)
Equity-settled share-based payments	-	-	-	-	-	3.2	-	-	3.2
Development expenditures	-	-	-	1.3	-	-	(1.3)	-	-
Other changes in legal reserves	-	-	-	(0.7)	-	-	0.7	-	-
Total movements	**-**	**-**	**(2.7)**	**0.6**	**-**	**1.4**	**(2.5)**	**10.7**	**7.5**
As at 31 December 2024	**4.0**	**690.5**	**(2.7)**	**5.9**	**48.7**	**4.2**	**(347.1)**	**8.0**	**411.5**

1 Via BF Developments B.V. (100% subsidiary of Basic Fit International B.V.)

In 2024, the Company purchased 149,476 (2023: 6.108) shares for a total amount of €3.2 million (2023: €0.2 million to meet obligations related to the equity-settled share-based compensation plans. For this purpose, 24,485 shares were reissued in 2024 (2023: 6,108 shares) with a corresponding value of €0.5 million (2023: €0.2 million). At 31 December 2024, the Company held 124,991 of the Company's shares (2023: nil).

Legal reserves consist of reserves that are mandatory in certain circumstances in accordance with the Dutch Civil Code. The legal reserves consist of a reserve for the net carrying amount of capitalised development expenditures incurred by Basic Fit International B.V. (2024: €5.9 million; 2023: €4.6 million) and a non-distributable reserve that is recognised for an amount equal to the restricted and non-distributable reserves of subsidiaries and associates of Basic Fit International B.V. (2024: nil; 2023: €0.7 million).

F. Borrowings

For the disclosures related to borrowings, see note 6.3 Borrowings of the consolidated financial statements. Of all debts disclosed in that note, Other bank borrowings for a total amount of €2.6 million (of which €1.6 million short-term) are not debts of Basic-Fit N.V.[1] and should therefore be excluded.

G. Derivative financial instruments

For the disclosures related to derivative financial instruments, see note 6.5 Financial instruments of the consolidated financial statements.

H. Deferred tax liabilities

	2024	2023
Opening balance as at 1 January	10.5	14.5
Income tax benefit during the period recognised in profit or loss	(2.8)	(4.0)
Closing balance as at 31 December	**7.7**	**10.5**

The deferred tax liabilities are recognised due to temporary differences in the valuation of assets and liabilities. The Company expects to offset €2.3 million in 2024 (2023: €2.9 million) within twelve months.

I. Trade and other payables

The composition of Trade and other payables was as follows:

	2024	2023
Trade payables	0.8	0.2
Payables to Group companies	8.7	6.8
Payroll tax payable	0.2	-
Interest payable	4.6	4.7
Other liabilities and accrued expenses	0.7	0.7
Total	**15.0**	**12.4**

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates their carrying amount due to their short-term nature.

Payables to Group companies relate to Basic Fit International B.V. The interest rate is Euribor plus a margin of 2.2%.

[1] The Other bank borrowings are debts of Basic Fit Spain S.A.

J. Revenue

	2024	2023
Overhead costs charged on to Group companies	2.6	2.8
Total	**2.6**	**2.8**

K. Salaries, wages and social security charges

Salaries, wages and social security charges include an amount of €3.2 million (2023: €2.1 million) related to share-based payments (see note 3.5 Share-based payments of the consolidated financial statements) and an amount of €15 thousand (2023: €15 thousand) related to social security charges. The number of employees employed by Basic-Fit N.V. at year-end 2024 was two, both of whom are based in the Netherlands. For information regarding the remuneration of the members of the Management Board see note 8.1 Remunerations of key management personnel of the consolidated financial statements.

L. Other operating expenses

Other operating expenses consist primarily of audit and consulting fees, insurance costs plus Supervisory Board compensation (see note 8.2 Remunerations of members of the Supervisory Board of the consolidated financial statements).

Audit fees

See note 8.4 Auditor's remuneration in the consolidated financial statements.

M. Finance income and costs

	2024	2023
Finance income:		
Group companies	80.4	71.5
Total finance income	**80.4**	**71.5**
Finance costs:		
Interest on convertible bonds	(14.2)	(13.7)
Interest on external debt and borrowings	(41.4)	(29.7)
Valuation difference derivative financial instruments	(1.4)	(6.5)
Other finance costs	(0.4)	(0.7)
Total finance costs	**(57.4)**	**(50.6)**
Total finance costs - net	**23.0**	**20.9**

N. Income tax and deferred income tax

Income tax

The major components of income tax expense for the years 2024 and 2023 were as follows:

	2024	2023
Current income tax:		
Current income tax charge current year	(8.5)	(9.2)
	(8.5)	**(9.2)**
Deferred income tax:		
Changes in deferred tax assets and liabilities	2.8	4.0
	2.8	**4.0**
Total income tax	**(5.7)**	**(5.2)**

Effective income tax reconciliation

The effective income tax amount on the Company's profit before tax differs from the statutory income tax amount that would arise using the applicable statutory income tax rate. This difference is reconciled below.

	2024	%	2023	%
Profit (loss) before income tax	**18.8**		**18.2**	
Income tax based on Basic-Fit N.V.'s domestic rate	**(4.9)**	**25.8%**	**(4.7)**	**25.8%**
Non-deductible share-based payment expenses	(0.8)	4.4%	(0.5)	2.9%
At the effective income tax rate	**(5.7)**	**30.2%**	**(5.2)**	**28.7%**

Income tax based on Basic-Fit's domestic rate

The income tax based on Basic-Fit N.V.'s domestic rate is based on the Dutch statutory income tax rate of 25.8% (2023: 25.8%) and reflects the income tax that would have been applicable assuming that the entire taxable result is taxable at the Dutch statutory tax rate and there were no permanent differences between taxable base and financial results and no Dutch tax incentives were applied.

Non-deductible share-based payment expenses

These adjustments reflect the impact of permanent non-tax-deductible share-based payment expenses.

Global minimum top-up tax ('Pillar Two')

For the disclosures related to Pillar Two, see note 3.9 Income tax and deferred income tax of the consolidated financial statements.

Fiscal unity

Basic-Fit N.V., Basic Fit International B.V., BF Developments and Basic Fit Nederland B.V. formed a fiscal unity in 2023. As of 2024, B-Securité B.V. was added to the fiscal unity. Income tax is allocated to individual members of the fiscal unity as if they were independently liable for tax.

O. Contingencies and commitments

The provisions of Section 403(2), Book 2 of the Dutch Civil Code apply to the group companies Basic Fit International B.V. and Basic Fit Nederland B.V. The Company is consequently jointly and severally liable.

At 31 December 2024, Basic-Fit N.V., Basic Fit International B.V., BF Developments, Basic Fit Nederland B.V. and B-Securité B.V. formed a fiscal unity for corporate income tax and a fiscal unity for VAT purposes. As a result, the companies within the fiscal unities are jointly and severally liable for each other's income tax and VAT debts.

P. Related party transactions

For the disclosures of related party transactions, see note 8.3 Related party transactions of the consolidated financial statements.

Q. Events after the reporting period

See note 8.5 Events after the reporting period in the consolidated financial statements.

R. Proposed result appropriation

The Management Board proposes to add the profit for 2024 (€8.0 million) to the retained earnings.

S. Authorisation of the financial statements

Hoofddorp, the Netherlands
11 March 2025

Prepared by the Management Board:

R.M. Moos
M. de Kleer

OTHER INFORMATION

Provision in the Articles of Association relating to profit appropriation

According to the Company's Articles of Association, the Company may make distributions to its shareholders provided that the Company's shareholders' equity exceeds the sum of the called-up and paid-in capital of the Company, plus legal and statutory reserves. If the adopted financial statements show a profit, the Management Board shall determine which part of the profits shall be reserved. The General Meeting may only resolve on any distribution from the Company's reserves pursuant to and in accordance with a proposal to that effect by the Management Board, which proposal has been approved by the Supervisory Board.

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Independent auditor's report

To: the shareholders and the supervisory board of Basic-Fit N.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the accompanying financial statements 2024 of Basic-Fit N.V. based in Hoofddorp, the Netherlands.
The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:
- The consolidated financial statements give a true and fair view of the financial position of Basic-Fit N.V. as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code
- The company financial statements give a true and fair view of the financial position of Basic-Fit N.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:
- The consolidated statement of financial position as at 31 December 2024
- The following statements for the year ended 31 December 2024: the consolidated statements of comprehensive income, changes in equity and cash flows
- The notes comprising material accounting policy information and other explanatory information

The company financial statements comprise:
- The company balance sheet as at 31 December 2024
- The company statement of profit or loss for the year ended 31 December 2024
- The notes comprising a summary of the accounting policies and other explanatory information

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Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Basic-Fit N.V.in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Basic-Fit N.V. (the company, and, together with its consolidated subsidiaries, the group) operates in the value-for-money fitness market and has clubs in a number of European countries. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment. We refer to the key audit matters for further details.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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Materiality

Materiality	€9.5 million (2023: €8.0 million)
Benchmark applied	0,8% of consolidated revenue for 2024 (2023: 0,8% of consolidated revenue)
Explanation	We used revenues as the basis for the materiality, as it is one of the most important measures of the Company's performance. We considered a general interest of the users of the financial statements in the realized and potential growth of the Company, measured in number of clubs, number of members and resulting revenues. Also, revenue is the main source of cash (in)flow, another focus area for many users of the financial statements.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with audit & risk committee of the supervisory board that misstatements in excess of €475,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Basic-Fit N.V. is at the head of a group of entities. The financial information of this group is included in the financial statements.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

EY
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Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the financial statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing and extent of audit work performed, including the entities or business units within the group (components) at which to perform audit work. For this determination we considered the nature of the relevant events and conditions underlying the identified risks of material misstatements for the financial statements, the association of these risks to components and the materiality or financial size of the components relative to the group. We communicated the audit work to be performed and identified risks through instructions for component auditors as well as requesting component auditors to communicate matters related to the financial information of the component that is relevant to identifying and assessing risks.

We have:

- Performed centralized audit work ourselves in respect of areas such as goodwill impairment testing, revenues, trade receivables, lease assets and liabilities and related expenses, cash, claims and litigation, borrowings and IT general control procedures
- Performed audit work ourselves on components in Netherlands, Belgium, France and Spain for the following significant accounts: Intangible fixed assets, property, plant and equipment, inventories, other assets, trade payales, other liabilities, cost of sales and other operating expenses
- Used the audit work of other EY network auditors for the audit of employee expenses and local taxes for components outside of the Netherlands

This resulted in a coverage of 100% of revenue and 97% of total assets.
For other components, we performed analytical procedures to corroborate that our risk assessment and scoping remained appropriate throughout the audit.

We hosted audit meetings with component auditors to discuss the group audit, risks, audit approach and instructions. We reviewed and evaluated the adequacy of the deliverables from component auditors. In general, we interacted regularly with the component teams during various stages of the audit. During these meetings and calls, amongst others, the planning, procedures performed based on risk assessments, findings and observations were discussed and any further work deemed necessary by the primary or component team was then performed.

By performing the audit work mentioned above at the entities or business units within the group, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Teaming and use of specialists
We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed client in the fitness industry. We included specialists in the areas of IT audit, forensics, sustainability, and income tax and have made use of our own experts in the areas of valuations of right-of-use assets, lease liabilities and goodwill.

Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO2 reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets and provisions or the sustainability of the business model and access to financial markets of companies with a larger CO2 footprint. The management board summarized Basic-Fit N.V.'s commitments and obligations, and reported in the Section Climate related risks and opportunities assessment of the management board report how the company is addressing climate-related and environmental risks.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and the company's commitments and (constructive) obligations, are taken into account in estimates and significant assumptions as well as in the design of relevant internal control measures. We refer to Note 2.3 Climate-related matters and economic uncertainty of the notes to the consolidated financial statements. Furthermore, we read the management board report and considered whether there is any material inconsistency between the non-financial information and the financial statements.

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgements, estimates or significant assumptions as at 31 December 2024.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility
Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Our audit response related to fraud risks
We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and the management board's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to Section Risk management and control systems of the management board report for the management board's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We specifically evaluated related party transactions with (companies (jointly) controlled or significantly influenced by) the CEO or his relatives. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have amongst others performed procedures to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 2.1 to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

Additionally, in response to the identified risks of management override of controls relating to significant transactions with the sole supplier of fitness equipment, we considered that over- or under-valuing of fitness equipment by manipulating these purchase transactions could impact capitalized expenditures and operational expenses with the intend to manipulate EBITDA and other performance measures. We designed and performed our audit procedures responsive to this fraud risk, specifically evaluating whether transactions are recorded in accordance with purchase agreements and whether agreed-upon prices are at arms' length.

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When identifying and assessing fraud risks, we presumed that there are risks of fraud in revenue recognition. We identified specific fraud risks on Revenue recognition - Overstatement of fitness revenues as a result of manual journal entries which is set out as a key audit matter.

We considered available information and made enquiries of relevant executives, directors, internal audit, legal, compliance, human resources and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the management board, reading minutes, inspection of internal audit and compliance reports, the incident register and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters and we have been informed by the management board that there was no correspondence with regulatory authorities.
We remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in Note 2.2 Going concern basis of accounting to the consolidated financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the management board made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

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We discussed and evaluated the specific assessment with the management board exercising professional judgment and maintaining professional skepticism. We considered whether the management board's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

The key audit matter Completeness of right-of-use assets and lease liabilities which was included in our last year's auditor's report, is not considered a key audit matter for this year following our reassessment of risks of material misstatements in the financial statements as a result of less club openings.

Revenue recognition - Overstatement of fitness revenues as a result of manual journal entries	
Risk	Revenue is an important performance indicator to stakeholders. Management could have the incentive to accelerate revenue recognition as its variable remuneration depends amongst others on financial targets such as total revenue. Therefore, we presumed that there are risks of fraud in revenue recognition as a result of manual journal entries and consider this topic a key audit matter. These revenues are disclosed in Note 3.2 in the financial statements.
Our audit approach	Our audit strategy included an assessment of the appropriateness of the Company's revenue recognition policies in accordance with IFRS 15 Revenue from Contracts with Customers, understanding of the internal control environment, data analytics procedures and substantive procedures relating to contractual terms and conditions and the appropriate accounting thereof.

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Revenue recognition - Overstatement of fitness revenues as a result of manual journal entries	
	Amongst others we have performed data analytics procedures with respect to sources of revenue and the correlation between revenue, accounts receivable and cash receipts. We audited the full revenue reconciliation, including the reported revenues in the membership administration, the revenue recorded in the financial administration, the movements in the membership debtors and the cash receipts. We have specifically evaluated the accuracy, completeness and proper cut-off of revenues that have been accrued as of 31 December 2024 by recalculation of accrued revenues based on member data. We performed detailed substantive testing on manual entries recorded in the financial administration and the consolidation tool via journal entry testing. Furthermore, we evaluated the adequacy of related disclosures.
Key observations	We did not identify material misstatements in the revenue recorded in the year.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report (excluding the sustainability statement) and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub-section 2 of the Dutch Civil Code for the remuneration report

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

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The management board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code. The management board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub-section 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the general meeting as auditor of Basic-Fit N.V. on 16 November 2015, as of the audit for the year 2015 and have operated as statutory auditor ever since that date.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Reporting Format (ESEF)

Basic-Fit N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in the XHTML format, including the (partially) marked-up consolidated financial statements as included in the reporting package by Basic-Fit N.V., complies in all material respects with the RTS on ESEF.

The management board is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF, whereby the management board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

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We performed our examination in accordance with Dutch law, including Dutch Standard 3950N, Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF
  - Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF

Description of responsibilities regarding the financial statements

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management board is responsible for such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the management board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the management board should prepare the financial statements using the going concern basis of accounting unless the management board either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. The management board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

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Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.
Our audit further included among others:
- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication
We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.
In this respect we also submit an additional report to the audit & risk committee of the supervisory board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

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We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Rotterdam, 11 March 2025

EY Accountants B.V.

signed by P.W.A. Eimers

Limited assurance report of the independent auditor on the sustainability statement

To: the shareholders and the supervisory board of Basic-Fit N.V.

Our conclusion

We have performed a limited assurance engagement on the consolidated sustainability statement for 2024 of Basic-Fit N.V. based in Hoofddorp (hereinafter: Basic-Fit or the company) in section Sustainability statement of the accompanying management board report including the information incorporated in the sustainability statement by reference (hereinafter: the sustainability statement).

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects:

- Prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and compliant with the double materiality assessment process carried out by the company to identify the information reported pursuant to the ESRS
- Compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

Our conclusion has been formed on the basis of the matters outlined in this limited assurance report.

Basis for our conclusion

We have performed our limited assurance engagement on the sustainability statement in accordance with Dutch law, including Dutch Standard 3810N, “Assurance-opdrachten inzake duurzaamheidsverslaggeving” (Assurance engagements relating to sustainability reporting), which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised), “Assurance engagements other than audits or reviews of historical financial information”.

Our assurance engagement was aimed to obtain a limited level of assurance that the sustainability statement is free from material misstatements.
The procedures vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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Page 2

Our responsibilities in this regard are further described in the section Our responsibilities for the limited assurance engagement on the sustainability statement of our report.

We are independent of Basic-Fit in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands.
This includes that we do not perform any activities that could result in a conflict of interest with our independent assurance engagement and we are not involved in the preparation of the sustainability statement, as doing so may compromise our independence. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants). The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code) as relevant to limited assurance engagements on sustainability statements of public interest entities in the European Union.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matter

The sustainability statement has been prepared in a context of new sustainability reporting standards, requiring entity-specific interpretations and addressing inherent measurement or evaluation uncertainties. In this context, we want to emphasize the following matters:

Emphasis on the most significant uncertainties affecting the quantitative metrics and monetary amounts

We draw attention to section Basis for preparation of the sustainability statement in the sustainability statement that identifies the quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the company has made in measuring these in compliance with the ESRS. The significant uncertainties relate to estimates and assumptions used in the metrics energy consumption and Scope 3 GHG emissions. The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

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Emphasis on the double materiality assessment process

We draw attention to section Double Materiality Assessment in the sustainability statement.
This disclosure explains future improvements in the ongoing due diligence and double materiality assessment process, including robust engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process requires the company to make key judgments and use thresholds and may also be impacted in time by sector-specific standards to be adopted. Therefore, the sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion is not modified in respect of these matters.

Comparative information not assured

Sustainability information for 2023 included in the sustainability statement, has not been part of this limited assurance engagement. Consequently, we do not provide any assurance on the comparative information and thereto related disclosures in the sustainability statement for 2023.

Our conclusion is not modified in respect of this matter.

Limitation to the scope of our assurance engagement

In reporting forward-looking information in accordance with the ESRS, the management board describes the underlying assumptions and methods of producing the information, as well as other factors that provide evidence that the forward-looking information reflects the actual plans or decisions made by the company (actions). Forward-looking information relates to events and actions that have not yet occurred and may never occur. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. We do not provide assurance on the achievability of forward-looking information.

Our conclusion is not modified in respect of this matter.

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Responsibilities of the management board and the supervisory board for the sustainability statement

The management board is responsible for the preparation of the sustainability statement in accordance with the ESRS, including the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statement, the management board is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

The management board is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the management board is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the sustainability reporting process including the double materiality assessment process carried out by the company.

Our responsibilities for the limited assurance engagement on the sustainability statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

We apply the applicable quality management requirements pursuant to the Nadere voorschriften kwaliteitsmanagement (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

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Our limited assurance engagement included amongst others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of Basic-Fit, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by Basic-Fit as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS
- Obtaining through inquiries a general understanding of the internal control environment, Basic-Fit’s processes for gathering and reporting entity-related and value chain information, the information systems and the company’s risk assessment process relevant to the preparation of the sustainability statement and for identifying the company’s activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance information about the implementation or testing the operating effectiveness of controls
- Assessing the double materiality assessment process carried out by Basic-Fit and identifying and assessing areas of the sustainability statement, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise (‘selected disclosures’). Designing and performing further assurance procedures aimed at assessing that the sustainability statement is free from material misstatements responsive to this risk analysis
- Considering whether the description of the double materiality assessment process in the sustainability statement made by the management board appears consistent with the process carried out by Basic-Fit
- Performing analytical review procedures on quantitative information in the sustainability statement, including consideration of data and trends
- Assessing whether Basic-Fit’s methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends, however our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the management board’s estimates
- Analyzing, on a limited sample basis, relevant internal and external documentation available to Basic-Fit (including publicly available information or information from actors throughout its value chain) for selected disclosures
- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement
- Considering whether the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the underlying records of the company and are consistent or coherent with the sustainability statement, appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met, and whether the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework, and comply with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented

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- Considering the overall presentation, structure and fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statement, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)
- Considering, based on our limited assurance procedures and evaluation of the evidence obtained, whether the sustainability statement as a whole, is free from material misstatements and prepared in accordance with the ESRS

Communication

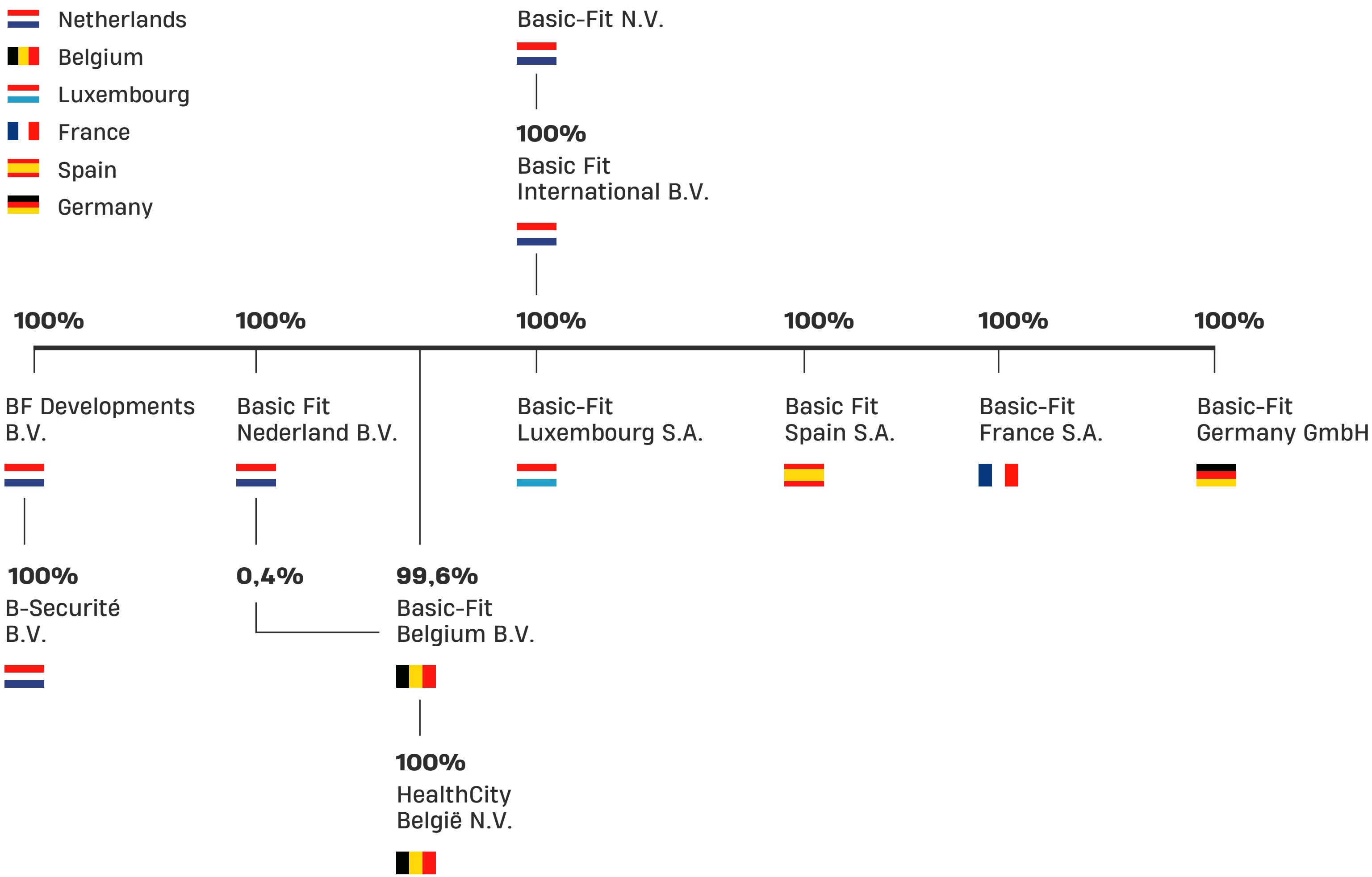
We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Rotterdam, 11 March 2025

EY Accountants B.V.

signed by P.W.A. Eimers

ORGANISATIONAL CHART BASIC-FIT



SHAREHOLDER INFORMATION

Financial year and reporting

Basic-Fit's financial year runs from 1 January through 31 December. We publish a comprehensive set of results at full-year and half-year. After the first and third quarters, we publish trading updates, in which we update the market on revenue, club openings and membership developments.

Investor Relations

Basic-Fit is committed to transparent and consistent reporting. We have an extensive communications programme, and engage and maintain an open dialogue with investors and financial analysts. Our Investor Relations programme includes roadshows, investor conferences, in-house meetings, Capital Markets Days and the Annual General Meeting of Shareholders. We provide an up-to-date financial calendar with relevant events in the Investor Relations section of the Basic-Fit corporate website.

The majority of our communications with the investment community take place through press releases, which are widely distributed, made generally available and filed with the Dutch Financial Markets Authority (AFM). All our press releases and other important information can also be found on our corporate website.

Basic-Fit adheres strictly to the applicable rules and legislation on fair disclosure. Our quiet periods start on the 21st day following the end of a calendar year and on the 1st day following the end of the first quarter, the end of first half year and the end of the third quarter of the calendar year. Our quiet periods end on the date of the first publication of the corresponding annual and half year financial statements and the first and third quarter trading updates. During these periods, we do not engage in bilateral meetings or any discussions with investors, financial analysts or financial journalists, or participate in investor conferences.

Share price development 2024

Listing

Basic-Fit has been listed on Euronext Amsterdam since 10 June 2016 and is included in the Midcap Index (AMX). At year-end, the total number of shares outstanding stood at 66,000,000. Euronext Amsterdam Stock Exchange Ticker: BFIT, ISIN code: NL0011872650, Bloomberg code: BFIT.NA, Reuters code: BFIT.AS.

In June 2021, the company successfully raised €303.7 million through an offering of senior unsecured convertible bonds due in 2028. The bonds have a maturity of seven years and a put option after five years. The bonds carry a 1.50% coupon, to be paid semi-annually in arrears in equal instalments in June and December. Prices of the bond can be found on the Frankfurt Stock Exchange under ISIN XS2354329190.

Share price development

The closing price for the Basic-Fit share was €22.58 at year-end 2024, compared with €28.16 at year-end 2023. The average daily traded volume was 155,000 shares in 2024, compared with 110,000 shares the year before.

Shareholders

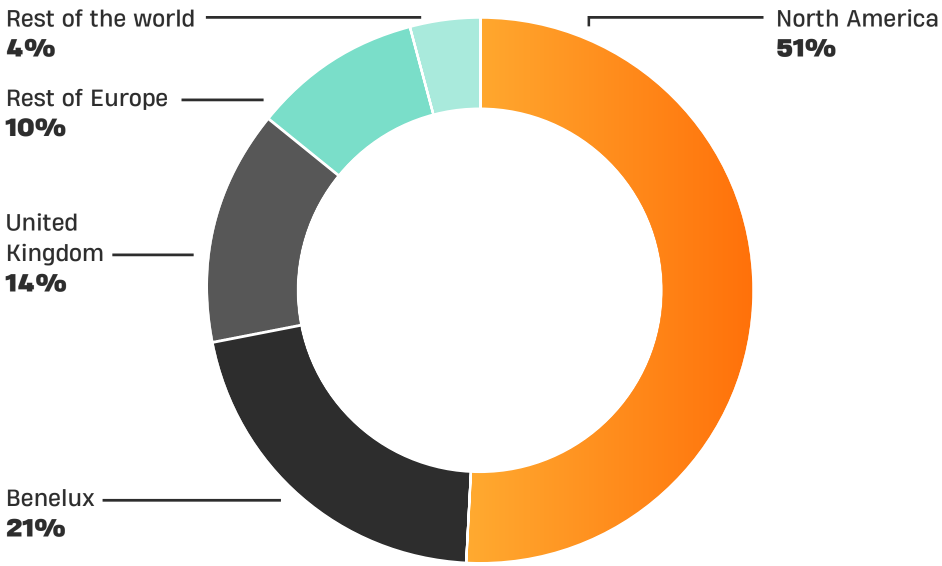
Under Dutch law, shareholdings of 3% or more in Basic-Fit's total outstanding share capital must be disclosed to the AFM. According to the AFM's Substantial Holdings register, the following institutions have substantial holdings in Basic-Fit.
At the end of 2024, there were two shareholders reportedly owning more than 10% in the company; René Moos, our CEO and founder (11.7%) and Impactive Capital LP (10.1%). Shareholders reportedly owning between 3% and 10% are 3i Group plc (6.6%), Abrams Bison Investments LLC (3.7%) and CAS Investment Partners LCC (3.0%).

Shareholders holding more than 3%	
René Moos, our CEO (directly and indirectly via AM Holding B.V.)	11.7%
Impactive Capital LP	10.1%
North Peak Capital Management, LLC	10.0%
3i Group plc	6.6%
Abrams Bison Investments, LLC	3.4%
CAS Investment Partners, LLC	3.0%

Source: AFM public filings

An indicative 51% of Basic-Fit shares are held by North American investors, up from 49% a year ago. UK-based investors account for 14% versus 18% the previous year. Benelux-based investors account for 21% compared with 18% the previous year. The rest of Europe and the rest of the world account for 10% and 4% respectively.

Indicative geographic spread of ordinary shares



Source: NASDAQ IR Insight

Contact information

Investors and financial analysts are invited to contact our Investor Relations team with any queries they might have:

Richard Piekaar

Director Treasury, Investor Relations and Sustainability

Email: investor.relations@basic-fit.com

5 YEARS OF BASIC-FIT

Amounts in € million, unless stated otherwise	2024	2023	2022	2021	2020
Revenue	1,215.2	1,047.2	794.6	340.7	376.8
Growth	16%	32%	133%	-10%	-27%
Underlying club EBITDA less rent	461.7	398.4	316.4	93.6	153.8
Underlying EBITDA less rent	312.9	260.5	203.8	31.6	93.8
Underlying EBITDA less rent margin %	26%	25%	26%	9%	25%
Underlying net earnings	43.6	27.5	17.8	(91.7)	(32.9)
Diluted underlying EPS (€)	0.65	0.42	0.27	(1.43)	(0.57)
Free cash flow before new club capex per share (diluted, €)*	2.36	2.09	1.64	(0.70)	0.55
Maintenance capex	86.2	71.4	61.2	47.7	35.7
Free cash flow before new club capex*	155.7	137.6	108.1	(44.9)	31.8
Initial capex newly built club	1.30	1.18	1.17	1.15	1.20
Shareholders' equity	411.5	404.0	405.4	410.6	310.7
Net debt (excluding lease liabilities)	938.1	804.3	693.6	547.9	539.1
Net debt / adjusted EBITDA**	2.6x	2.6x	2.9x	2.1x	4.9x

* Underlying EBITDA less rent, minus maintenance capex, other capex, cash interest and cash taxes
** 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

Amounts in € million, unless stated otherwise	2024	2023	2022	2021	2020
Non-financials (number)					
Total number of clubs	1,575	1,402	1,200	1,015	905
o.w. The Netherlands	241	237	231	216	211
o.w. Belgium	229	223	219	205	193
o.w. Luxembourg	10	10	10	10	10
o.w. France	858	781	647	528	447
o.w. Spain	209	139	90	56	44
o.w. Germany	28	12	3	-	-
Total number of mature clubs	990	882	502	504	510
Total number of memberships (million)	4.25	3.80	3.35	2.22	2.00
Yield (ARPU) per month (€)	24.24	23.53	22.86	13.05	14.50
Number of employees (year-end)	8,937	8,182	7,564	6,964	5,628
Market capitalisation, year-end	1,490	1,859	1,616	2,772	1,800
Share price, year-end (€)	22.58	28.16	24.48	42.00	30.00
Share price, high (€)	29.10	39.96	44.78	49.24	35.75
Share price, low (€)	19.06	23.70	21.66	27.10	10.52
Average daily volume ('000)	155	110	149	178	329
Average number of shares outstanding	65.9	66.0	66.0	64.1	57.6
Number of shares outstanding	65.9	66.0	66.0	66.0	60.0
Fully diluted number of shares	71.9	72.0	72.0	72.0	60.0
Fully diluted number of shares used in diluted underlying EPS calculation*	65.9	66.0	66.0	64.1	57.6

* Any anti-dilutive impact has been disregarded

See next page for alternative performance measures

ALTERNATIVE PERFORMANCE MEASURES

Basic-Fit's consolidated financial statements are prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In presenting and discussing Basic-Fit's financial performance and financial position, the management uses certain alternative performance measures and ratios not defined by IFRS, such as club EBITDA less rent, underlying EBITDA less rent, underlying net result and net debt. The alternative performance measures presented are measures used by management to monitor the underlying performance of the business and have therefore not been audited or reviewed.

Furthermore, they may not be indicative of the historical operating results, nor are they meant to be predictive of future results. These alternative performance measures are presented because they are considered important supplementary measures 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 financial position.

With underlying club EBITDA less rent, we report on the underlying performance of our opened clubs on a post-IFRS 16 basis. Non-club-related revenue and cost of sales are not included in this financial measure. Underlying EBITDA less rent, our main KPI, is defined as EBITDA, less rent costs of our clubs and head offices and adjusted for exceptional items. The exceptional items include reorganisation costs, other one-off costs and club closure costs.

Not all companies calculate alternative performance 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 name or similar definitions. The table on the next page presents an overview of the alternative performance measures used with their definitions.

Alternative performance measures

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

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