



SATS Q1 2026

The Group, through our brands and concepts SATS, ELIXIA, Fresh Fitness, SATS Yoga, and SATS Online, is the leading provider of fitness and training services in the Nordics with 272 clubs, more than 10 000 employees, and 769 000 members.

Everyone is welcome at SATS, and our members have full flexibility to tailor their membership package to address their individual needs. We offer cutting-edge studio facilities for individual training, the broadest selection of group training with superior programming, and highly qualified personal trainers for specialized training and individual coaching. We also have a strong focus on supporting our members through online training and digital tools for when they are not able to physically visit our club facilities. We are also constantly working with trend research and innovation to be the industry's best and most forward-looking fitness chain.

THIS IS SATS

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WORDS FROM THE CEO

"Momentum continues as members stay active, engaged and committed to their health."

As we entered 2026, we continued to make solid operational progress with improved member activity, high satisfaction levels, and continued growth in both revenues and profitability.

Member engagement remains strong and activity levels are gradually increasing, supported by targeted initiatives and ongoing investments in our product offering. Group training remains a key driver of engagement, with growing participation and a higher share of new members choosing group training as part of their membership. These trends are important leading indicators for long-term retention and value creation.

The operational progress is reflected in our financial performance. Earnings continue to develop well, highlighting the scalability of our operating model. The revenues in the first quarter increased by 6% to NOK 1 483 million and EBITDA before IFRS 16 increased by 17% to NOK 217 million.

We also generated strong free cash flow and further strengthened our financial position, ending the quarter with a leverage ratio of 1.1x. This provides a solid foundation for continued investments in our club portfolio and shareholder distributions.

Looking ahead, we remain focused on consistent execution – continuing to enhance our offering, strengthen member engagement and drive long-term value creation for shareholders.

I would like to thank all our employees for their continued efforts, and our members for making SATS part of their daily routines.

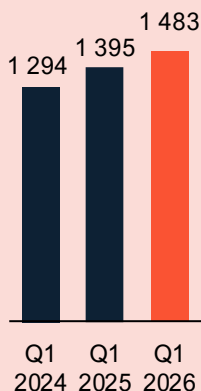
Sondre Gravir

CEO



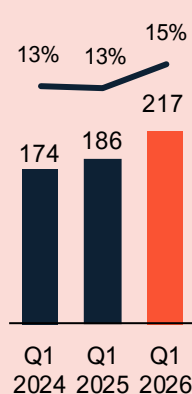

Revenues
NOK million

6%



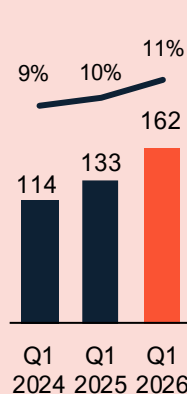
EBITDA¹
NOK million / margin

17%



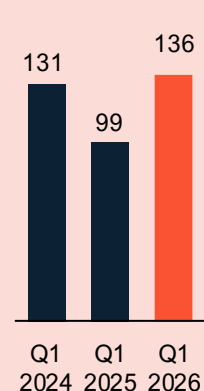
EBIT¹
NOK million / margin

22%



Free cash flow
NOK million

38%



1) Before impact of IFRS 16. For further information regarding definitions and Alternative Performance Measures, please see Appendix

HIGHLIGHTS

- Total revenues increased by 6% to NOK 1 483 million in Q1 2026, with ARPM up 4% and a 2% growth in the member base
- EBITDA before IFRS 16 reached NOK 217 million, up 17% from last year
- EBIT before IFRS 16 increased by 22% to NOK 162 million
- Earnings per share were up 16% to NOK 0.53 in the quarter
- Yet another quarter demonstrating the operational leverage, with 2% member growth, 4% ARPM growth, translating into 6% revenue growth, 17% EBITDA growth and 22% EBIT growth
- Price adjustments materialized as expected, driven by sustained product improvements over time
- Total shareholder distributions of NOK 257 million during the quarter, through share buybacks and semi-annual dividend payment

Key Financial Figures and Alternative Performance Measures (APM)¹

	Q1 2026	Q1 2025	Change	FY 2025
<i>NOK million (unless otherwise stated)</i>				
Membership revenue	1 227	1 144	7%	4 574
Other revenues	256	251	2%	935
Total revenues	1 483	1 395	6%	5 509
EBITDA	526	493	7%	2 109
Margin (%)	35%	35%	0.2 p.p.	38%
Operating profit	220	192	14%	892
Profit for the period	106	94	13%	474
Earnings per share (NOK)	0.53	0.46	16%	2.35
Total overhead costs	-170	-165	3%	-646
EBITDA before impact of IFRS 16	217	186	17%	871
Margin (%)	15%	13%	1.3 p.p.	16%
EBIT before impact of IFRS 16	162	133	22%	652
Margin (%)	11%	10%	1.4 p.p.	12%
Maintenance Capex	31	56	-44%	294
Total Capex	32	60	-47%	309
Net debt	994	1 044	-5%	967
Operating cash flow	177	118	51%	642
Free cash flow	136	99	38%	506
Leverage	1.1	1.4	-21%	1.1
Clubs	272	273	0%	273
Members ('000)	769	757	2%	755
ARPM (NOK/month)	649	624	4%	617

1) As defined in Appendix under Alternative Performance Measures

BOARD OF DIRECTORS' REPORT

ANALYSIS OF THE Q1 2026 FINANCIAL STATEMENTS

All financial statements show the period 1 January 2026 to 31 March 2026, compared to the accounts for the period 1 January 2025 to 31 March 2025.

Statement of comprehensive income

Total revenues increased by 6% to NOK 1 483 million in Q1 2026, compared to NOK 1 395 million in Q1 2025, driven both by higher membership revenues and other revenues. Membership revenues increased in all countries in Q1 2026 compared to Q1 2025, led primarily by Norway and Sweden. The total member base increased by 2% compared to Q1 2025. ARPM increased by 4%, as a result of improved product mix and price adjustments.

Total operating expenses increased by 5% to NOK 1 263 million in Q1 2026, while operating expenses excluding depreciation and amortization increased by 6% to NOK 957 million. The increase in operating expenses from last year is mainly due to higher personnel expenses related to investments in product offering and an internal employee gathering.

The operating profit increased by 14% from NOK 192 million in Q1 2025 to NOK 220 million in Q1 this year.

Net financial items in Q1 2026 was negative NOK 84 million, compared to negative NOK 70 million in Q1 2025. The increase was primarily driven by increased unrealized currency effects. The income tax expense in Q1 2026 amounted to NOK 30 million.

Profit before tax was NOK 136 million in Q1 2026, compared to NOK 123 million in Q1 2025. Profit for the period was NOK 106 million in Q1 2026, compared to NOK 94 million in Q1 2025. The total comprehensive income was NOK 144 million, compared to NOK 85 million in Q1 2025.

Statement of financial position

Consolidated assets decreased by NOK 175 million to NOK 9 094 million in Q1 2026 compared to Q1 2025. Right-of-use assets, mainly consisting of premise rental, and intangible assets, primarily goodwill, were the most significant components of consolidated assets, amounting to NOK 4 515 million and NOK 2 607 million, respectively, on March 31, 2026. Non-current assets decreased by NOK 150 million, while current assets decreased by NOK 25 million. The decrease in non-current assets was mainly driven by a decrease in right-of-use assets. The decrease in current assets was primarily driven by other current receivables.

Total liabilities decreased from NOK 7 924 million as of March 31, 2025, to NOK 7 749 million as of March 31, 2026, primarily due to a decrease in lease liability.

As of March 31, 2026, consolidated equity amounted to NOK 1 345 million, representing an equity ratio of 14.8%, compared to NOK 1 344 million and 14.5% of March 31, 2025.

Statement of cash flows

In Q1 2026, consolidated cash and cash equivalents decreased by NOK 121 million, compared to an increase of NOK 14 million in Q1 2025.

The Group had cash and cash equivalents of NOK 400 million as of March 31, 2026. In addition, the Group had NOK 977 million available in undrawn amount on the revolving credit facility.

Net cash flow from the Group's operations was NOK 476 million in Q1 2026, compared to NOK 475 million in Q1 2025. Increases in profit before tax and net financial items were offset by increased taxes paid in the period. The net working capital has high seasonal fluctuations, typically being lower in Nov-May and higher in Jun-Oct. In the quarter, the net working capital effect was negative by NOK 8 million, compared to negative NOK 12 million in Q1 2025.

Net cash outflow from investing activities amounted to NOK 31 million in Q1 2026, compared to an outflow of NOK 57 million in Q1 2025.

Net cash outflow from financing was NOK 566 million in Q1 2026, compared to a cash outflow of NOK 404 million in Q1 2025. In Q1 2026, the company paid 132 million in dividend and purchased own shares of NOK 125 million, compared to NOK 100 million in Q1 2025.

Segment development

The following sections of this report review each operating segment. Unless otherwise stated, comments regarding development reflect a comparison between Q1 2026 and Q1 2025.

NORWAY

Norway is the largest operating segment in the Group, accounting for 46% of consolidated revenues in Q1 2026. SATS Norway had 351 000 members at quarter-end. SATS is a well-established brand and the leading fitness operator in the Norwegian market.

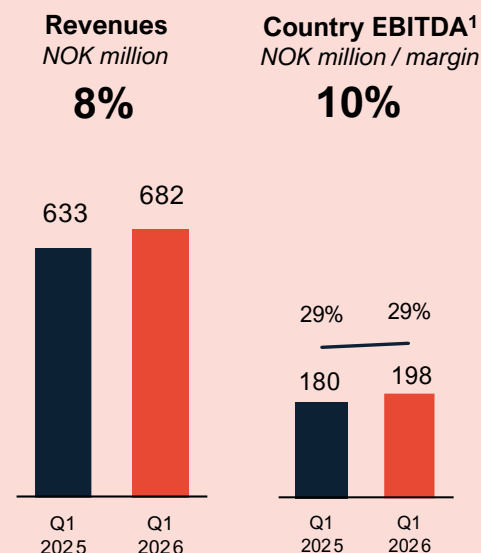
As of the end of Q1 2026, the Norwegian portfolio comprised 119 clubs, of which 78 SATS and 41 Fresh Fitness, following the closure on one Fresh Fitness club during the quarter.

The member base grew by 1% over the past 12 months. Average revenue per member (ARPM) reached NOK 653, representing an increase of 5%. Combined with continued volume growth, this resulted in an 8% increase in total revenues to NOK 682 million.

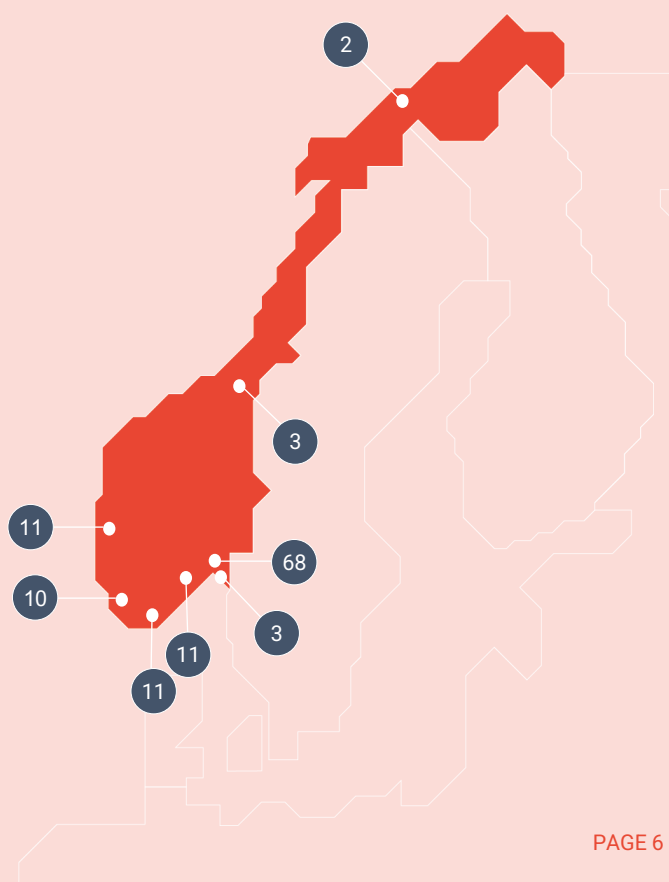
Country EBITDA increased by 10% to NOK 198 million, corresponding to a stable margin of 29%.

Key Financial Figures and Alternative Performance Measures (APM)

	Q1 2026	Q1 2025	Change	FY 2025
<i>NOK million (unless otherwise stated)</i>				
Membership revenue	567	522	9%	2 072
Other revenues	114	111	3%	399
Total revenues	682	633	8%	2 471
EBITDA	272	253	8%	1 050
Margin (%)	40%	40%	0.0 p.p.	42%
Operating profit	160	145	10%	619
Profit/loss for the period	130	97	35%	413
Country EBITDA before impact of IFRS 16	198	180	10%	758
Margin (%)	29%	29%	0.6 p.p.	31%
EBITDA before impact of IFRS 16	148	133	11%	569
Margin (%)	22%	21%	0.7 p.p.	23%
Clubs	119	118	1%	120
Members ('000)	351	346	1%	345
ARPM (NOK/month)	653	622	5%	608



¹) Country EBITDA before impact of IFRS 16



Sweden is the Group's second-largest segment, accounting for 34% of consolidated revenues in Q1 2026. At quarter-end, SATS Sweden had 262 000 members, maintaining a strong and established market position.

The portfolio consisted of 93 clubs, two fewer than in Q1 2025 following planned club optimizations. Despite the reduced footprint, the member base increased by 3% year-on-year.

Average revenue per member (ARPM) rose by 5% to NOK 654, contributing to an 8% year-on-year increase in total revenues to NOK 508 million.

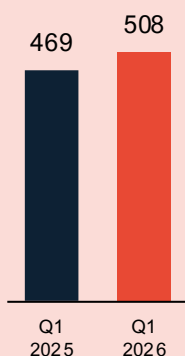
Country EBITDA increased by 11% to NOK 82 million, corresponding to an EBITDA margin of 16%, in line with the same quarter last year.

Key Financial Figures and Alternative Performance Measures (APM)

	Q1 2026	Q1 2025	Change	FY 2025
<i>NOK million (unless otherwise stated)</i>				
Membership revenue	410	377	9%	1 541
Other revenues	98	92	7%	357
Total revenues	508	469	8%	1 898
EBITDA	161	155	4%	684
Margin (%)	32%	33%	-1.4 p.p.	36%
Operating profit	44	42	3%	223
Profit/loss for the period	-9	18	-149%	105
Country EBITDA before impact of IFRS 16	82	74	11%	82
Margin (%)	16%	16%	0.3 p.p.	4%
EBITDA before impact of IFRS 16	40	35	14%	199
Margin (%)	8%	8%	0.4 p.p.	11%
Clubs	93	95	-2%	93
Members ('000)	262	254	3%	256
ARPM (NOK/month)	654	623	5%	627

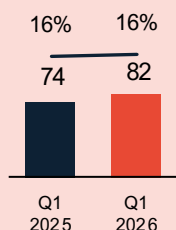
Revenues NOK million

8%



Country EBITDA¹ NOK million / margin

11%



¹⁾ Country EBITDA before impact of IFRS 16

In Finland, operations are run under the ELIXIA brand, representing 9% of the Group's consolidated revenues in Q1 2026. At quarter-end, ELIXIA Finland counted 72 000 members, securing its position as the market leader in a highly fragmented fitness market.

The club network comprises 32 clubs across Helsinki, Tampere and Turku.

The member base grew by 1% year-on-year. Average revenue per member (ARPM) increased by 2% to NOK 635 in the quarter, supporting a 2% year-on-year increase in total revenues to NOK 136 million.

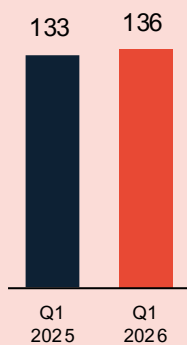
Ongoing investments in the product offering are expected to support long-term revenue growth, with limited contribution in the short term. As a result, Country EBITDA declined by 4% to NOK 11 million, corresponding to an EBITDA margin of 8%, down 0.5 p.p. compared to the same quarter last year.

Key Financial Figures and Alternative Performance Measures (APM)

	Q1 2026	Q1 2025	Change	FY 2025
<i>NOK million (unless otherwise stated)</i>				
Membership revenue	113	109	4%	432
Other revenues	23	24	-5%	84
Total revenues	136	133	2%	516
EBITDA	36	38	-5%	168
Margin (%)	27%	29%	-1.8 p.p.	33%
Operating profit	5	6	-19%	40
Profit/loss for the period	-1	0	-384%	15
Country EBITDA before impact of IFRS 16	11	11	-4%	59
Margin (%)	8%	8%	-0.5 p.p.	11%
EBITDA before impact of IFRS 16	4	5	-19%	35
Margin (%)	3%	4%	-0.8 p.p.	7%
Clubs	32	31	3%	32
Members ('000)	72	71	1%	71
ARPM (NOK/month)	635	626	2%	608

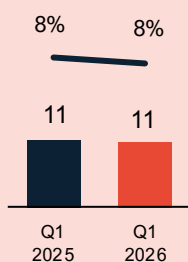
Revenues
NOK million

2%



Country EBITDA¹
NOK million / margin

-4%



¹⁾ Country EBITDA before impact of IFRS 16

In Q1 2026, the Danish operations accounted for 11% of the Group's consolidated revenues. With 84 000 members at quarter-end, SATS Denmark is among the largest fitness operators in Greater Copenhagen and holds the number two position in the national fitness club market.

Effective 1 January 2026, Denmark removed the VAT exemption on group training and personal training to align its practice with EU regulations. Pricing has been adjusted to offset VAT while maintaining the competitive positioning, and the change is partly mitigated by increased VAT deductibility on costs.

While the price adjustments have affected volume growth, the impact has been lower than initially anticipated, with a member decrease of 2% year-on-year.

The reported average revenue per member (ARPM) does not include the VAT element and decreased by 1% to NOK 625. This resulted in a 1% year-on-year decrease in total revenues to NOK 157 million.

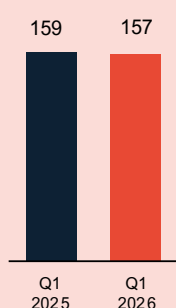
Total one-offs amounted to a net positive impact of NOK 6 million in the quarter. Country EBITDA thus increased by 76% to NOK 22 million, corresponding to a quarterly EBITDA margin of 14%, up 6.2 p.p. compared to the comparable quarter last year.

Key Financial Figures and Alternative Performance Measures (APM)

	Q1 2026	Q1 2025	Change	FY 2025
<i>NOK million (unless otherwise stated)</i>				
Membership revenue	136	135	0%	528
Other revenues	21	24	-11%	94
Total revenues	157	159	-1%	623
EBITDA	48	40	19%	172
Margin (%)	30%	25%	5.2 p.p.	28%
Operating profit	14	2	462%	21
Profit/loss for the period	-2	-15	-84%	-46
Country EBITDA before impact of IFRS 16	22	12	76%	22
Margin (%)	14%	8%	6.2 p.p.	4%
EBITDA before impact of IFRS 16	15	5	206%	32
Margin (%)	10%	3%	6.5 p.p.	5%
Clubs	28	29	-3%	28
Members ('000)	84	86	-2%	83
ARPM (NOK/month)	625	632	-1%	628

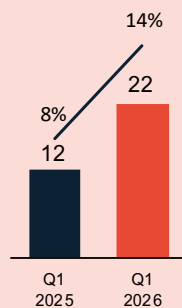
Revenues NOK million

-1%



Country EBITDA¹ NOK million / margin

76%



¹⁾ Country EBITDA before impact of IFRS 16

BUSINESS AND INDUSTRY OUTLOOK

SATS maintains a clear strategic focus on its core business, continuing the accelerating cycle of positive performance. This is supported by targeted investments in an improved product offering, including club optimizations and innovation in training content, as well as a consistent prioritization of operational execution and efficiency.

The approach to both operational costs and capital allocation remains disciplined, balancing cost control with growth investments. CAPEX is directed toward increasing club capacity in the existing footprint, improving return per square meter and building the pipeline to deliver on a club expansion of 8-12 new club openings per year, with emphasis on quality over quantity.

The company has set a mid-term EBITDA before IFRS 16 ambition of NOK 1.1 billion. Progress toward this target is expected to unfold gradually, reflecting steady improvements over time.

SHAREHOLDER INFORMATION

SATS ASA's share capital was NOK 433 million as at March 31, 2026, divided into 203 694 588 ordinary shares, each with a par value of NOK 2.125. All the shares have been fully paid and have equal rights. SATS owned 7 632 506 treasury shares as at the balance sheet date. The number of shareholders as at March 31, 2026, was 8 566.

FINANCIAL POLICY AND DIVIDEND

SATS has a conservative approach to leverage, targeting a net debt (current and non-current bank borrowings less cash and cash equivalents) to adjusted EBITDA before impact of IFRS 16 at the lower end of the 1.5x to 2.0x range.

SATS prioritize maintaining a robust balance sheet and strong liquidity position to ensure financial stability and flexibility.

Excess capital will be returned to shareholders, while considering long term financial robustness, growth opportunities and strategic initiatives, aiming to distribute at least 50 percent of annual net profit as a combination of share buybacks and semi-annual dividends. So far, capital returns have materially exceeded this threshold, underscoring the company's strong financial momentum and sustainable growth ambitions.

RISK AND UNCERTAINTY FACTORS

SATS operates in a broad range of geographical markets in the highly competitive health and fitness industry. In achieving its long-term strategic objectives, SATS is inherently involved in taking risks. Please see the Group's 2025 Annual Report (Board of Directors' Report and Note 21), for a detailed description of the Group's risk factors and risk management policies and procedures.

EVENTS AFTER THE BALANCE SHEET DATE

There have been no material events subsequent to the reporting period that might significantly affect the consolidated interim financial statements for the first quarter of 2026.

DISCLAIMER

This report includes forward-looking statements based on our current expectations and projections about future events. Statements herein regarding future events or prospects, other than statements of historical facts, are forward-looking statements. All such statements are subject to inherent risks and uncertainties, and many factors can lead to actual profit and developments deviating substantially from what has been expressed or implied in such statements. As a result, undue reliance should not be placed on these forward-looking statements.

Oslo, April 29, 2026

The Board of Directors

CONSOLIDATED INCOME STATEMENT

	Notes	Q1 2026	Q1 2025	2025
<i>(Amounts in NOK million)</i>				
Revenue	2	1 483	1 395	5 509
Operating expenses				
Cost of goods sold		-38	-38	-146
Personnel expenses		-587	-538	-2 055
Other operating expenses		-331	-326	-1 199
Depreciation and amortization	6, 7, 8	-306	-300	-1 217
Total operating expenses		-1 263	-1 202	-4 617
Operating profit		220	192	892
Interest income		7	8	30
Finance income		18	11	43
Interest expense		-75	-78	-311
Finance expense		-35	-10	-39
Net financial items		-84	-70	-276
Profit before tax		136	123	616
Income tax expense	3	-30	-29	-141
Profit for the period		106	94	474
Profit for the year is attributable to:				
Equity holders of the Group		106	94	474
Total allocation		106	94	474
Earnings per share in NOK				
Basic earnings per share attributable to equity holders of the company	4	0.53	0.46	2.35
Diluted earnings per share attributable to equity holders of the company	4	0.53	0.46	2.34

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q1 2026	Q1 2025	2025
<i>(Amounts in NOK million)</i>			
Profit for the period	106	94	474
Other comprehensive income			
Currency translation adjustment – may be reclassified to profit or loss	39	-9	-32
Other comprehensive income, net of tax	39	-9	-32
Total comprehensive income for the period	144	85	443
Total comprehensive income is attributable to:			
Equity holders of the Group	144	85	443
Total comprehensive income for the period	144	85	443

CONSOLIDATED BALANCE SHEET

	Notes	March 31 2026	March 31 2025	December 31 2025
<i>(Amounts in NOK million)</i>				
ASSETS				
Non-current assets				
Intangible assets	6	2 607	2 644	2 667
Right-of-use assets	8	4 515	4 675	4 769
Property, plant and equipment	7	863	800	916
Other non-current receivables		70	53	72
Derivative financial instruments	9	0	30	0
Deferred tax assets	3	134	135	141
Total non-current assets		8 189	8 339	8 567
Current assets				
Inventories		66	54	61
Accounts receivables		127	142	161
Other current receivables		208	274	209
Contract assets		81	76	113
Derivative financial instruments	9	22	0	16
Cash and cash equivalents		400	383	512
Total current assets		905	930	1 072
Total assets		9 094	9 269	9 639
EQUITY				
Share capital		433	435	433
Share premium		2 791	3 050	2 923
Treasury shares		-16	-106	-10
Other reserves		14	-14	-28
Retained earnings		-1 876	-2 021	-1 863
Total equity		1 345	1 344	1 454
LIABILITIES				
Non-current liabilities				
Deferred tax liability	3	93	79	55
Borrowings	5	1 394	1 427	1 480
Lease liability	5	3 944	4 100	4 189
Derivative financial instruments	9	3	6	1
Total non-current liabilities		5 433	5 612	5 726
Current liabilities				
Borrowings	5	9	10	9
Lease liability	5	967	963	987
Derivative financial instruments	9	0	6	3
Contract liability		698	644	724
Trade and other payables		82	121	100
Current tax liabilities		87	72	125
Public fees and charges payable		97	100	134
Other current liabilities		376	396	377
Total current liabilities		2 315	2 312	2 458
Total liabilities		7 749	7 924	8 185
Total equity and liabilities		9 094	9 269	9 639

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Treasury shares	Foreign exchange translation reserve	Share-based payments reserve	Retained earnings	Total attributable to owners of the Group	Total equity
<i>(Amounts in NOK million)</i>									
Equity January 1, 2025		435	3 050	-19	-14	7	-2 115	1 345	1 345
Profit for the period							94	94	94
OCI for the period					-9			-9	-9
Total comprehensive income for the period		0	0	0	-9	0	94	85	85
Investment program				1		1		2	2
Repurchase of shares				-100				-100	-100
Proceeds from sale of own shares				12				12	12
Equity March 31, 2025		435	3 050	-106	-22	8	-2 021	1 344	1 344
Equity January 1, 2026		433	2 923	-10	-46	17	-1 863	1 454	1 454
Profit for the period							106	106	106
OCI for the period					39			39	39
Total comprehensive income for the period		0	0	0	39	0	106	144	144
Investment program						4		4	4
Repurchase of shares	1			-6			-119	-125	-125
Dividends	1		-132					-132	-132
Equity March 31, 2026		433	2 791	-16	-6	21	-1 876	1 345	1 345

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Q1 2026	Q1 2025	2025
<i>(Amounts in NOK million)</i>				
Cash flow from operations				
Profit before tax		136	123	616
Adjustment for:				
Taxes paid in the period		-42	-5	-90
Loss from disposal or sale of equipment		0	-1	-2
Depreciation, amortization and impairment	6, 7, 8	306	300	1 217
Net financial items		84	70	276
Change in inventory		-5	-1	-8
Change in accounts receivables		33	17	-1
Change in trade payables		-17	-58	-78
Change in other receivables and accruals		-19	30	152
Net cash flow from operations		476	475	2 082
Cash flow from investing				
Purchase of property, plant and equipment and intangible assets	6, 7	-32	-60	-309
Loan to related parties	10	0	0	-15
Proceeds from property, plant and equipment		1	1	3
Proceeds from loan to related parties	10	0	2	3
Net cash flow from investing		-31	-57	-318
Cash flow from financing				
Repayments of borrowings	5	0	0	-85
Proceeds from borrowings	5	0	0	85
Installments on lease liabilities	5	-248	-247	-992
Interest paid	5, 9	-9	-12	-42
Interest received		4	3	14
Interests on lease liabilities	5	-62	-62	-251
Dividends paid	1	-132	0	-127
Purchase of own shares	1, 4	-125	-100	-267
Proceeds from sale of own shares		0	12	49
Other financial items		8	2	2
Net cash flow from financing		-566	-404	-1 615
Net increase/decrease in cash and cash equivalents		-121	14	149
Effect of foreign exchange rate changes on cash and cash equivalents		8	-2	-7
Cash and cash equivalents at the beginning of the period		512	371	371
Cash and cash equivalents at the end of period		400	383	512

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NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 **General information and basis for preparation**

General information

SATS ("the Group") consists of SATS ASA ("the Company") and its subsidiaries. The accompanying consolidated interim financial statements include the financial statements of SATS ASA and its subsidiaries. The consolidated financial statements of the Group for the year ended December 31, 2025, are available on our website.

Basis for preparation

These consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union (the "EU") and additional requirements in the Norwegian Securities Trading Act. This interim financial report does not include all information and disclosures required by International Financial Accounting Standards ("IFRS") for a complete set of annual financial statements. Accordingly, this report should be read in conjunction with the annual report for the year ended December 31, 2025.

These consolidated interim financial statements are unaudited.

The accounting policies applied by the Group in these consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended December 31, 2025. Because of rounding differences, numbers or percentages may not add up to the sum totals. Subsidiaries are all entities (including structured 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 can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Significant changes in the current reporting period

Share buyback program

During the first quarter of 2026, SATS completed the share buyback program initiated on October 31, 2025. On February 18, 2026, SATS announced a new share buyback program with a total consideration of up to NOK 200 million and a maximum of 7 million shares. In total, SATS repurchased 2.9 million shares for NOK 125 million during the first quarter of 2026. The repurchased shares will be used to optimize the share capital structure through a redemption of treasury shares, which is considered beneficial for the Company's shareholders.

Dividend distribution

On March 3, 2026, an extraordinary general meeting resolved to distribute a cash dividend of NOK 0.67 per share, which in total amounts to NOK 132 million. The dividend was paid during the first quarter of 2026.

The financial position and the performance of the Group was not, other than mentioned above, mainly affected by any events or transactions during the three first months of 2026.

General

The Group's business is primarily the sale of fitness club memberships, personal trainer sessions and retail sales through the fitness clubs' stores and the Group's website. The Group's sales are made primarily from fitness clubs in Norway, Sweden, Finland and Denmark.

The Group's chief operating decision-maker is the Nordic Management Group, consisting of the CEO, country managers and the heads of Group functions. The Nordic Management Group is responsible for allocating resources and assessing the performance of the segments.

The Group's performance is reviewed by the Nordic Management Group by geographical area of operations, which are identified as Norway, Sweden, Finland and Denmark. The "Group functions and other" column relates to other business activities, such as HQ functions and other unallocated items (mainly financing and derivatives).

The Nordic Management Group primarily uses EBITDA¹⁾, EBITDA before impact of IFRS 16¹⁾ and Country EBITDA before impact of IFRS 16¹⁾ to assess the performance of the operating segments. However, the Nordic Management Group also receives information about the segments' revenue and the consolidated balance sheet of the Group on a monthly basis.

None of the Group's customers amounts to 10 percent or more of total revenue.

Operating segment information

The segment information provided to the Nordic Management Group for the reportable segments for Q1 2026, Q1 2025 and the year ended December 31, 2025 is as follows:

SATS Group	Norway	Sweden	Finland	Denmark	Group functions and other	Total
<i>(Amounts in NOK million)</i>						
Q1 2026						
Revenue						
Membership revenue	567	410	113	136	0	1 227
Other revenue	114	98	23	21	0	256
Total revenue	682	508	136	157	0	1 483

EBITDA¹⁾ and EBITDA before impact of IFRS 16¹⁾ reconcile to profit/loss for the period as follows:

EBITDA before impact of IFRS 16¹⁾	148	40	4	15	9	217
Impact of IFRS 16	124	121	32	33	0	309
EBITDA¹⁾	272	161	36	48	9	526
Depreciation and amortization	-112	-117	-31	-34	-11	-306
Operating profit/loss	160	44	5	14	-2	220
Net financial items ²⁾	5	-55	-6	-16	-14	-84
Income tax expense	-36	2	0	0	3	-30
Profit/loss for the period	130	-9	-1	-2	-13	106

Q1 2025**Revenue**

Membership revenue	522	377	109	135	0	1 144
Other revenue	111	92	24	24	0	251
Total revenue	633	469	133	159	0	1 395

EBITDA¹⁾ and EBITDA before impact of IFRS 16¹⁾ reconcile to profit/loss for the period as follows:

EBITDA before impact of IFRS 16¹⁾	133	35	5	5	7	186
Impact of IFRS 16	119	120	33	35	0	307
EBITDA¹⁾	253	155	38	40	7	493
Depreciation and amortization	-107	-113	-32	-38	-11	-300
Operating profit/loss	145	42	6	2	-4	192
Net financial items ²⁾	-22	-20	-6	-17	-3	-70
Income tax expense	-26	-5	0	0	2	-29
Profit/loss for the period	97	18	0	-15	-6	94

¹⁾ For additional information about definitions, please see the appendix Alternative Performance Measures.

²⁾ Financial income and expenses are allocated to Group functions and other since this type of activity is derived by the central treasury function, which manages the cash position of the Group.

SATS Group	Norway	Sweden	Finland	Denmark	Group functions and other	Total
<i>(Amounts in NOK million)</i>						
2025						
Revenue						
Membership revenue	2 072	1 541	432	528	0	4 574
Other revenue	399	357	84	94	1	935
Total revenue	2 471	1 898	516	623	1	5 509

EBITDA¹⁾ and EBITDA before impact of IFRS 16¹⁾ reconcile to profit/loss for the period as follows:

EBITDA before impact of IFRS 16¹⁾	569	199	35	32	35	871
Impact of IFRS 16	481	484	132	140	0	1 237
EBITDA¹⁾	1 050	684	168	172	35	2 109
Depreciation and amortization	-431	-461	-128	-151	-46	-1 217
Operating profit/loss	619	223	40	21	-11	892
Net financial items ²⁾	-88	-91	-25	-68	-4	-276
Income tax expense	-117	-27	0	1	2	-141
Profit/loss for the year	413	105	15	-46	-12	474

¹⁾ For additional information about definitions, please see the appendix Alternative Performance Measures.

²⁾ Financial income and expenses are allocated to Group functions and other since this type of activity is derived by the central treasury function, which manages the cash position of the Group.

NOTE 3 Profit and loss information

Income tax expense

Standardized tax rates are used for tax reporting purposes for Norway and Sweden for Q1 2026, whereas there are not recognized any deferred tax assets in Finland and Denmark due to uncertainty that future taxable profits will be available against the unused tax losses within a reasonable time frame. The actual tax expense is used as basis for the 2025 full-year income tax recognition.

Definitions

In the interim financial statements, Q1 is the reporting period from January 1 to March 31.

NOTE 4 Earnings per share

Earnings per share are calculated by dividing profit attributable to holders of shares in the parent company by a weighted average number of shares outstanding. Earnings per share after dilution are calculated by dividing profit/loss attributable to holders of shares in the parent company by the average number of shares outstanding, adjusted for the dilution effect of shares from share investment programs delivering matching shares. Dilutive shares are disregarded in the calculation of diluted EPS when a loss is reported.

Share buyback program

The company repurchased a total of 588 865 shares under share buyback programs announced in October 2025. In addition, a new share buyback program was initiated in February 2026, under which 2 316 848 shares were repurchased during the first quarter.

Share investment program

The share investment programs for employees in the SATS ASA Group imply that the company, on the balance sheet date of March 31, 2026, will deliver 714 815 matching shares to employees in 2026, 124 072 shares in 2027, and 560 943 shares in 2028. Allocation of matching shares is further contingent upon the company's performance over time.

As at the balance sheet date of March 31, 2026, the number of shares issued was 203 694 588 and the company held 7 632 506 treasury shares.

Basic earnings per share attributable to equity holders of the company

<i>(NOK per share)</i>	Q1 2026	Q1 2025	2025
Basic earnings	0.53	0.46	2.35
Total basic earnings per share	0.53	0.46	2.35
Weighted average number of outstanding shares	198 053 202	203 574 674	201 974 690

Diluted earnings per share attributable to equity holders of the company

<i>(NOK per share)</i>	Q1 2026	Q1 2025	2025
Diluted earnings	0.53	0.46	2.34
Total diluted earnings per share	0.53	0.46	2.34
Weighted average number of outstanding shares	199 172 834	204 433 946	203 069 458

Reconciliation of earnings used in calculating earnings per share

<i>(Amounts in NOK million)</i>	Q1 2026	Q1 2025	2025
Basic earnings per share			
Profit attributable to equity holders of the Group	106	94	474
Profit used in calculating basic earnings per share	106	94	474
Diluted earnings per share			
Profit used in calculating diluted earnings per share	106	94	474
Profit used in calculating diluted earnings per share	106	94	474

NOTE 5 Interest-bearing liabilities

	March 31 2026	March 31 2025	December 31 2025
Overview of interest-bearing liabilities			
<i>(Amounts in NOK million)</i>			
Current			
Accrued interest cost	9	10	9
Lease liabilities	967	963	987
Total current interest-bearing liabilities	975	974	996
Non-current			
Bank borrowings	1 394	1 427	1 480
Lease liabilities	3 944	4 100	4 189
Total non-current interest-bearing liabilities	5 338	5 527	5 669
Total interest-bearing liabilities	6 313	6 501	6 666
Total bank borrowings	1 394	1 427	1 480
Cash and cash equivalents	400	383	512
Net debt¹⁾	994	1 044	967

¹⁾ For additional information regarding Net debt, please see the appendix Alternative Performance Measures.

Long-term loan facility agreement

The company has an unsecured revolving credit facility (RCF) agreement, consisting of a multicurrency RCF with a maximum principal amount of NOK 2 500 million. At the end of the first quarter, the remaining undrawn credit amounted to NOK 977 million.

Interests on borrowings under the facility will be paid at an annual interest rate equal to the applicable IBOR plus a margin reliant on the leverage ratio of the Group.

The facility will fully mature in July 2028, with an additional one-year extension option available. No installment payments are due before this time. Interest payable will depend on the principal amount of the facility at any given time. However, based on the current draw-down, IBOR and margin, the interest payment for the next twelve months is expected to be at 50 million before any gains or losses from the swap, please see note 9 for details.

Covenants

The loan facility agreement includes a financial covenant requiring the leverage ratio, Net Debt to EBITDA before IFRS 16, not to exceed 3.5x. The facility agreement does not contain any restrictions on dividend payments.

Compliance with financial borrowing covenants

SATS ASA executes the financing functions within the Group, holds the long-term financing agreement with the Group's long-term lenders, and provides long-term financing to other Group entities. SATS ASA has complied with the financial covenants related to its borrowing facility throughout 2025 and 2026.

Payment profile

The following table shows the undiscounted payment profile of the Group's interest-bearing liabilities, based on the remaining period as of March 31, 2026:

Bank borrowings	Total	Lease liabilities	Total
<i>(Amounts in NOK million)</i>		<i>(Amounts in NOK million)</i>	
Less than 1 year	50	Less than 1 year	1 185
1–2 years	50	1–2 years	1 086
2–3 years	1 419	2–3 years	935
3–5 years	0	3–5 years	1 358
More than 5 years	0	More than 5 years	1 113
Total payments	1 520	Total payments	5 677

NOTE 6 Intangible assets

Goodwill	Norway	Sweden	Finland	Denmark	Total goodwill
<i>(Amounts in NOK million)</i>					
At December 31, 2025					
Cost	1 868	241	687	0	2 796
Accumulated impairment	-199	0	-10	0	-209
Net book value	1 669	241	677	0	2 587
Period ended March 31, 2026					
Opening net book amount	1 669	241	677	0	2 587
Net effect of changes in foreign exchange	0	-15	-36	0	-51
Closing Net book value	1 669	226	641	0	2 536
At March 31, 2026					
Cost	1 868	226	651	0	2 745
Accumulated impairment	-199	0	-10	0	-209
Net book value	1 669	226	641	0	2 536
Useful life	Indefinite	Indefinite	Indefinite	Indefinite	
Amortization method	Not amortized	Not amortized	Not amortized	Not amortized	

Other intangible assets	Trademark	Internally developed software ¹⁾	Total other intangible assets
<i>(Amounts in NOK million)</i>			
At December 31, 2025			
Cost	267	669	936
Accumulated amortization and impairment	-266	-590	-856
Net book value	1	79	80
Period ended March 31, 2026			
Opening net book amount	1	79	80
Effect of changes in foreign exchange cost	0	-43	-43
Effect of changes in foreign exchange accumulated amortization	0	38	38
Additions	0	8	8
Amortization charge	0	-12	-12
Closing Net book value	1	70	71
At March 31, 2026			
Cost	267	634	901
Accumulated amortization and impairment	-266	-564	-830
Net book value	1	70	71
Useful life	10 years	3 years	
Amortization method	Straight-line	Straight-line	

¹⁾ Software consists of capitalized development expenditure and is an internally generated intangible asset.

NOTE 7 Property, plant and equipment

Property, plant and equipment <i>(Amounts in NOK million)</i>	Capitalized leasehold improvements	Fitness equipment	Other fixtures and equipment	Total tangible fixed assets
At December 31, 2025				
Cost	1 429	1 112	347	2 887
Accumulated depreciation	-932	-743	-295	-1 971
Net book value	497	368	51	916
Period ended March 31, 2026				
Opening net book amount	497	368	51	916
Additions	8	14	2	24
Effect of changes in foreign exchange cost	-54	-37	-11	-103
Depreciation charge	-24	-13	-5	-42
Effect of changes in foreign exchange accumulated depreciation	35	24	10	68
Disposals costs	-8	-16	-2	-26
Disposals costs accumulated depreciations	8	16	2	26
Closing Net book value	462	355	47	863
At March 31, 2026				
Cost	1 375	1 072	336	2 782
Accumulated depreciation	-913	-717	-289	-1 919
Net book value	462	355	47	863
Useful life	10 years	7 – 12 years	3 – 7 years	
Depreciation method	Straight-line	Straight-line	Straight-line	

NOTE 8 Right of use ("RoU") assets

RoU assets	Premise rental	Other leases	Total RoU assets
<i>(Amounts in NOK million)</i>			
At January 1, 2025			
Cost	13 272	99	13 371
Accumulated depreciation	-8 622	-91	-8 714
Net book value	4 650	8	4 657
Period ended December 31, 2025			
At January 1, 2025	4 650	8	4 657
Effect of changes in foreign exchange cost	251	1	252
Additions/disposals	989	4	992
Depreciation charge	-994	-4	-998
Effect of changes in foreign exchange accumulated depreciation	-134	-1	-134
Closing Net book value	4 762	7	4 769
At December 31, 2025			
Cost	14 445	100	14 546
Accumulated depreciation	-9 683	-93	-9 776
Net book value	4 762	7	4 769
Period ended March 31, 2026			
At January 1, 2026	4 762	7	4 769
Effect of changes in foreign exchange cost	-413	-4	-417
Additions/disposals	174	0	174
Depreciation charge	-251	-1	-252
Effect of changes in foreign exchange accumulated depreciation	236	4	240
Closing Net book value	4 509	6	4 515
At March 31, 2026			
Cost	14 199	94	14 294
Accumulated depreciation	-9 691	-88	-9 779
Net book value	4 509	6	4 515
Useful life	1 – 15 years	1 – 5 years	
Depreciation method	Straight-line	Straight-line	

Overview

Through its activities, the Group will be exposed to different financial risks: market risk, credit risk, and liquidity risk. This note presents information related to the Group's exposure to such risks, the Group's objectives, policies, and procedures for risk management and handling, as well as the Group's management of capital. The interim financial statements do not include all financial risk information and should be read in conjunction with the annual report. There have not been any changes in the Group's risk management policies since year-end. The Group does not apply hedge accounting.

Exchange rate – sensitivity analysis

The Group is primarily exposed to changes in the SEK/NOK, EUR/NOK, and DKK/NOK exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from the profit or loss in the Group's foreign subsidiaries, borrowings, intercompany loans, and bank accounts in currencies other than where the legal entity is located. The sensitivity analysis below illustrates the impact of EUR, SEK, and DKK strengthened by 10 percent against NOK. A 10 percent weaker NOK against SEK/EUR/DKK results in a positive effect of NOK 3 million on Profit/loss before tax when reconsolidating the last twelve months. Reconsolidating borrowings, intercompany loans, and bank accounts in foreign currency as of March 31, 2026 with a weaker NOK results in a positive effect of NOK 40 million.

	Profit/loss in foreign currency	Borrowings, intercompany loans and bank accounts in foreign currency	Total
<i>(Amounts in NOK million)</i>			
SEK/NOK exchange rate – increase 10% ¹⁾	5	24	28
EUR/NOK exchange rate – increase 10% ¹⁾	1	-4	-3
DKK/NOK exchange rate – increase 10% ¹⁾	-3	20	17
Effect on profit/loss before tax	3	40	42

¹⁾ Holding all other variables constant.

Financial instruments by category

Derivatives are only used for economic hedging purposes to reduce cash flow risk and not as speculative investments.

Derivatives are classified as held for trading and initially recognized at fair value on the date a derivative contract is entered into. They are subsequently remeasured to their fair value through profit and loss at the end of each reporting period. The fair values are based on observable market prices obtained from external parties and are based on mid-range marked interest rates and prices, excluding margins, at the reporting date. The derivatives are defined as Level 2 in the fair value hierarchy. The derivatives are classified as non-current asset or liability if the maturity date is later than twelve months from the balance sheet date and there is no intention to close the position within twelve months from the balance sheet date. Otherwise they are classified as current asset or liability.

There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments from the last balance sheet date.

	March 31 2026		March 31 2025		December 31 2025	
Financial instruments – Assets	Assets measured at amortized cost	Fair value through profit and loss	Assets measured at amortized cost	Fair value through profit and loss	Assets measured at amortized cost	Fair value through profit and loss
<i>(Amounts in NOK million)</i>						
Other non-current receivables	70	0	53	0	72	0
Accounts receivables	127	0	142	0	161	0
Other current receivables	104	0	122	0	108	0
Derivatives	0	22	0	30	0	16
Cash and cash equivalents	400	0	383	0	512	0
Total financial assets	701	22	701	30	854	16

	March 31 2026		March 31 2025		December 31 2025	
Financial instruments – Liabilities	Liabilities measured at amortized cost	Fair value through profit and loss	Liabilities measured at amortized cost	Fair value through profit and loss	Liabilities measured at amortized cost	Fair value through profit and loss
<i>(Amounts in NOK million)</i>						
Borrowings	1 402	0	1 437	0	1 489	0
Lease liabilities	4 910	0	5 063	0	5 177	0
Trade and other payables	82	0	121	0	100	0
Derivatives	0	3	0	12	0	4
Other current liabilities	376	0	396	0	377	0
Total financial liabilities	6 771	3	7 017	12	7 143	4

Financial derivative instruments

The Group has the following derivative financial instruments:

	March 31 2026	March 31 2025	December 31 2025
<i>(Amounts in NOK million)</i>			
Non-current assets			
Interest rate swap contracts	0	30	0
Total non-current derivative financial instrument assets	0	30	0
Current assets			
Interest rate swap contracts	14	0	16
Commodity contracts	9	0	0
Total current derivative financial instrument assets	22	0	16
Non-current liabilities			
Commodity contracts	3	6	1
Total non-current derivative financial instrument liabilities	3	6	1
Current liabilities			
Commodity contracts	0	6	3
Total current derivative financial instrument liabilities	0	6	3

Overview of interest rate swaps per March 31, 2026	Notional in currency million	Maturity	Fixed rate	Unrealized gain
IRS NOK	694	28.10.2026	1.751	14
Fair value of the Group's interest rate swaps in NOK million				14

Overview of commodity contracts per March 31, 2026	in thousand MWH	Maturity	Fixed price	Unrealized gain
Commodity contracts NOK	0.7 – 2.2	30.06.2028	572 – 758	6
Commodity contracts SEK	0.7 – 1.5	30.06.2028	435 – 589	0
Fair value of the Group's commodity contracts in NOK million				6

Changes in fair value are presented within finance income and finance expense in the income statement. Net paid interest on derivatives is included in the line item "Interest paid", while commodity derivatives are included in "Other financial items" in the statement of cash flows.

NOTE 10 Related parties

As of March 31, 2026, total loans issued by SATS ASA to key employees participating in a partly debt-financed share investment program were NOK 28 million. The terms are regulated according to the arm's length principle.

All transactions with related parties are priced at market terms, and there are no special conditions attached to them. Transactions with subsidiaries have been eliminated in consolidated statements and do not represent transactions with related parties.

NOTE 11 Events after the balance sheet date

There have been no material events subsequent to the reporting period that might significantly affect the consolidated interim financial statements for the first quarter of 2026.

NOTE 12 New IFRS standards

New standards adopted by the Group

No standards or amendments have been adopted by SATS Group for the first time for the financial year beginning on January 1, 2026.

NOTE 13 Critical estimates and judgements

Critical estimates

Preparing financial statements requires using accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity and of items more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

The areas involving significant estimates or judgments are a typical estimation of current tax payable and current tax expense, potential goodwill impairment, estimated useful life of intangible assets, recognition of deferred tax assets for carried forward tax losses, etc.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and are believed to be reasonable under the circumstances.

Goodwill

Goodwill is recognized at NOK 2 536 million per the balance sheet date. Goodwill is not amortized, but it 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. The recoverable amount of the cash-generating units (CGUs) is determined based on value-in-use calculations, which require several assumptions. The calculations use cash flow projections based on financial budgets and prognoses approved by management covering five years for all segments. Cash flows beyond the five years are extrapolated using the estimated growth rates stated in Note 9 Intangible assets in the Annual Report for 2025. These growth rates are consistent with forecasts included in economic outlook reports specific to the area in which each CGU operates.

Sensitivity analyses show that no reasonable change in any fundamental assumptions would cause the recoverable amount to be lower than the carrying value.

Deferred tax assets

Deferred tax assets for Denmark and Finland are not recognized in Q1 2026 due to uncertainty that future taxable profits will be available against the unused tax losses within a reasonable time frame.

Lease

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension or termination option related to premise lease contracts. This assessment is reviewed if a significant event or change in circumstances occurs, affecting this assessment. During the current financial period, there was no material financial effect of revising lease terms to reflect the impact of exercising extension or termination options.

Fair value estimates

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period. Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves; and
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for certain derivative contracts where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

APPENDIX

ALTERNATIVE PERFORMANCE MEASURES

The Group reports its financial results in accordance with IFRS® Accounting Standards as adopted by the European Union (EU) and the additional disclosure requirements of the Norwegian Accounting Act (Regnskapsloven). However, management believes that specific Alternative Performance Measures (APMs) provide management and other users with additional meaningful financial information that should be considered when assessing the Group's ongoing performance. These APMs are non-IFRS financial measures and should not be considered a substitute for any IFRS financial measure. Management, the Board of Directors, and the long-term lenders regularly use supplemental APMs to understand, manage and evaluate the business and its operations. These APMs are among the factors used in planning for and forecasting future periods, including assessment of financial covenants compliance.

Alternative Performance Measures reflect adjustments based on the following items:

EBITDA

EBITDA is a measure of earnings before deducting net financial items, taxes, amortization, and depreciation charges. The Group has presented this APM because it considers it an important supplemental measure to understand the overall picture of profit generation in the Group's operating activities.

EBITDA before impact of IFRS 16

EBITDA before impact of IFRS 16 is a measure of EBITDA adjusted for lease expenses applying IAS 17 Leases, and the Group has presented this APM because it considers it to be an important supplemental measure to understand the underlying profit generation in the Group's operating activities.

EBITDA before impact of IFRS 16 margin

EBITDA before impact of IFRS 16 divided by total revenue.

EBIT before impact of IFRS 16

EBIT before impact of IFRS 16 is a measure of EBIT adjusted for lease expenses applying IAS 17 Leases, depreciations and amortization, and the Group has presented this APM because it considers it to be an important supplemental measure to understand the underlying profit generation in the Group's operating activities.

EBIT before impact of IFRS 16 margin

EBIT before impact of IFRS 16 divided by total revenue.

Net debt

Current and non-current borrowings (excluding property lease liabilities recognized under IFRS 16) less cash and cash equivalents for the period. Net debt is a non-IFRS financial measure, which the Group considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measure. The Group has presented this APM as a helpful indicator of the Group's indebtedness, financial flexibility, and capital structure because it indicates the level of borrowings after taking into account cash and cash equivalents within the Group's business that could be utilized to pay down the outstanding borrowings. Net Debt is also used as part of the assessment for financial covenants compliance. Please see note 5 Interest-bearing liabilities for reconciliation to Total interest-bearing liabilities.

Leverage ratio

Net debt divided by last twelve months EBITDA before impact of IFRS 16.

Capital expenditure

Capital expenses (CAPEX) is a measure of total investments in the period both in the operations and in new business, either through business combinations (acquisitions) or through new club openings (greenfields). Capital expenditures consist of both upgrades and maintenance CAPEX and expansion CAPEX, and the source of CAPEX is the Statement of cash flows.

Upgrades and maintenance CAPEX

Upgrades and maintenance capital expenditures are a measure of investments made in the operations and consist of investments in tangible and intangible assets, excluding business combinations (acquisitions) and greenfields. The measure is defined as the sum of purchase of property, plant, and equipment from the Statement of cash flows less investments in greenfields. Upgrades and maintenance CAPEX can be divided into IT CAPEX and Club portfolio CAPEX where IT CAPEX is investments and development of common software programs used by the whole Group, and Club portfolio CAPEX is physical investments at the clubs.

Expansion CAPEX

Expansion capital expenditures are a measure of business combinations (acquisitions), investments in greenfields, and digital expansion. The measure is defined as the sum of Acquisition of subsidiary from the Statement of cash flows in addition to investments in greenfields and digital expansion.

Operating cash flow

Operating cash flow is a measure of how much cash that is generated by the operations and is used to evaluate SATS's liquidity. The definition is EBITDA excluding IFRS 16 less maintenance CAPEX and working capital.

Cash conversion

Operating cash flow divided by EBITDA before impact of IFRS 16.

DEFINITIONS

Term	Definition
Average number of members per club	Outgoing member base divided by outgoing number of clubs
Average revenue per member (ARPM)	Calculated as monthly total revenue divided by the average member base
Capex: Expansion capital expenditures	The sum of investments related to acquisitions and greenfields, as well as capex related to the perfect club initiative and digital expansion
Capex: Upgrades and maintenance capital expenditures	Club upgrades and maintenance and IT capital expenditures
Cash conversion	Operating cash flow divided by EBITDA before impact of IFRS 16
Country EBITDA before impact of IFRS 16	EBITDA before impact of IFRS 16 less allocation of Group overhead and cost allocations
EBIT before impact of IFRS 16	EBIT adjusted for the impact of implementation of the IFRS 16 lease standard
EBITDA	Profit/(loss) before net financial items, income tax expense, depreciation and amortization
EBITDA before impact of IFRS 16	EBITDA adjusted for the impact of implementation of the IFRS 16 lease standard
Group overhead	Consists of group services such as commercial functions, IT, finance and administration
Leverage ratio	Net debt divided by last twelve months EBITDA before impact of IFRS 16
Member base	Number of members, including frozen memberships, excluding free memberships
Operating cash flow	EBITDA before impact of IFRS 16 less upgrades and maintenance capital expenditures and working capital
Other yield	Calculated as monthly other revenue in the period, divided by the average member base
Total overhead	The sum of country overhead and group overhead
Underlying operating cash flow	Operating cash flow less expansion capital expenditures
Yield	Calculated as monthly member revenue in the period, divided by the average member base

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