

CONSOLIDATED QUARTERLY REPORT OF THE BENEFIT SYSTEMS GROUP

FOR THE NINE MONTHS ENDED
SEPTEMBER 30TH 2024





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SELECTED FINANCIAL DATA

| SELECTED FINANCIAL DATA OF THE BENEFIT SYSTEMS GROUP | 1 Jan–30 Sep 2024 | 1 Jan–30 Sep 2023 | 1 Jan–30 Sep 2024 | 1 Jan–30 Sep 2023 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | PLN '000 | PLN '000 | EUR '000 | EUR '000 |
| Revenue | 2,481,832 | 2,016,680 | 576,875 | 440,583 |
| Earnings before interest, taxes, depreciation and amortisation (EBITDA) | 720,280 | 587,938 | 167,421 | 128,446 |
| Operating profit | 464,076 | 380,048 | 107,869 | 83,029 |
| Profit before tax | 443,879 | 368,477 | 103,175 | 80,501 |
| Net profit from continuing operations | 339,068 | 301,011 | 78,813 | 65,762 |
| Net profit attributable to owners of the parent | 335,057 | 297,198 | 77,880 | 64,929 |
| Net cash from operating activities | 644,284 | 577,815 | 149,757 | 126,235 |
| Net cash from investing activities | (304,016) | (124,921) | (70,665) | (27,291) |
| Net cash from financing activities | (412,686) | (294,842) | (95,924) | (64,414) |
| Net change in cash and cash equivalents | (72,418) | 158,052 | (16,833) | 34,530 |
| Weighted average number of ordinary shares | 2,956,214 | 2,933,542 | 2,956,214 | 2,933,542 |
| Diluted weighted average number of ordinary shares | 2,976,951 | 2,942,347 | 2,976,951 | 2,942,347 |
| Earnings per ordinary share attributable to owners of the parent (PLN/EUR) | 113.34 | 101.31 | 26.34 | 22.13 |
| Diluted earnings per ordinary share attributable to owners of the parent (PLN/EUR) | 112.55 | 101.01 | 26.16 | 22.07 |
| | 30 Sep 2024 PLN '000 | 31 Dec 2023 PLN '000 | 30 Sep 2024 EUR '000 | 31 Dec 2023 EUR '000 |
| Non-current assets | 2,481,917 | 2,098,639 | 580,009 | 482,668 |
| Current assets | 613,636 | 701,784 | 143,403 | 161,404 |
| Total assets | 3,095,553 | 2,800,423 | 723,412 | 644,072 |
| Non-current liabilities | 1,063,982 | 989,847 | 248,646 | 227,656 |
| Current liabilities | 1,009,934 | 812,246 | 236,016 | 186,809 |
| Equity | 1,021,637 | 998,330 | 238,750 | 229,607 |
| Equity attributable to owners of the parent | 1,017,602 | 996,758 | 237,807 | 229,245 |
| Share capital | 2,958 | 2,934 | 691 | 675 |
| Number of shares | 2,958,292 | 2,933,542 | 2,958,292 | 2,933,542 |
| Book value per share attributable to owners of the parent (PLN/EUR) | 343.98 | 339.78 | 80.39 | 78.15 |



SELECTED FINANCIAL DATA OF BENEFIT SYSTEMS S.A.

| | 1 Jan–30 Sep 2024 PLN '000 | 1 Jan–30 Sep 2023 PLN '000 | 1 Jan–30 Sep 2024 EUR '000 | 1 Jan–30 Sep 2023 EUR '000 |
|--|---|---|---|---|
| Revenue | 1,704,329 | 1,337,557 | 396,153 | 292,215 |
| Earnings before interest, taxes, depreciation and amortisation (EBITDA) | 545,110 | 506,893 | 126,705 | 110,741 |
| Operating profit | 349,677 | 267,827 | 81,279 | 58,512 |
| Profit before tax | 358,126 | 279,912 | 83,243 | 61,152 |
| Net profit from continuing operations | 278,911 | 226,111 | 64,830 | 49,398 |
| Net cash from operating activities | 549,742 | 463,027 | 127,782 | 101,157 |
| Net cash from investing activities | (279,372) | (72,378) | (64,937) | (15,812) |
| Net cash from financing activities | (343,134) | (279,697) | (79,758) | (61,105) |
| Cash from business combinations | 18,969 | 84 | 4,409 | 18 |
| Net change in cash and cash equivalents | (53,795) | 111,036 | (12,504) | 24,258 |
| Weighted average number of ordinary shares | 2,956,214 | 2,933,542 | 2,956,214 | 2,933,542 |
| Diluted weighted average number of ordinary shares | 2,976,951 | 2,942,347 | 2,976,951 | 2,942,347 |
| Earnings per ordinary share attributable to owners of the parent (PLN/EUR) | 94.35 | 77.08 | 21.93 | 16.84 |
| Diluted earnings per ordinary share attributable to owners of the parent (PLN/EUR) | 93.69 | 76.85 | 21.78 | 16.79 |

| | 30 Sep 2024 PLN '000 | 31 Dec 2023 PLN '000 | 30 Sep 2024 EUR '000 | 31 Dec 2023 EUR '000 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Non-current assets | 2,150,246 | 1,819,358 | 502,500 | 418,436 |
| Current assets | 388,206 | 500,825 | 90,721 | 115,185 |
| Total assets | 2,538,452 | 2,320,183 | 593,221 | 533,621 |
| Non-current liabilities | 747,778 | 631,231 | 174,751 | 145,177 |
| Current liabilities | 825,544 | 621,986 | 192,925 | 143,051 |
| Equity | 965,130 | 1,066,966 | 225,545 | 245,392 |
| Share capital | 2,958 | 2,934 | 691 | 675 |
| Number of shares | 2,958,292 | 2,933,542 | 2,958,292 | 2,933,542 |
| Book value per share attributable to owners of the parent (PLN/EUR) | 326.25 | 363.71 | 76.24 | 83.65 |

In the periods covered by these financial statements, the following PLN/EUR exchange rates quoted by the National Bank of Poland were used to convert the key financial data:

| | 30 Sep 2024 | 31 Dec 2023 | 30 Sep 2023 |
|--|--------------------|--------------------|--------------------|
| Data as at – exchange rate as at | 4.2791 | 4.3480 | 4.6356 |
| Data for period – average exchange rate for 9 months | 4.3022 | - | 4.5773 |



1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE BENEFIT SYSTEMS GROUP

1.1. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| ASSETS | Note | 30 Sep 2024 | 31 Dec 2023 |
|--|------|------------------|------------------|
| Goodwill | 2.4 | 695,148 | 573,267 |
| Intangible assets | 2.5 | 143,878 | 138,691 |
| Property, plant and equipment | 2.5 | 396,719 | 333,266 |
| Right-of-use assets | 2.6 | 1,143,323 | 1,010,323 |
| Investments in associates | 2.1 | 3,112 | 3,097 |
| Trade and other receivables | | 59,874 | 11,303 |
| Loans and other non-current financial assets | | 9,486 | 6,848 |
| Deferred tax assets | | 30,377 | 21,844 |
| Non-current assets | | 2,481,917 | 2,098,639 |
| Inventories | | 10,104 | 8,226 |
| Trade and other receivables | | 238,110 | 256,403 |
| Current tax assets | | 9 | 10 |
| Loans and other current financial assets | | 3,827 | 3,141 |
| Cash and cash equivalents | 2.7 | 361,586 | 434,004 |
| Current assets | | 613,636 | 701,784 |
| Total current assets | | 613,636 | 701,784 |
| Total assets | | 3,095,553 | 2,800,423 |



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CONT.

| EQUITY AND LIABILITIES | Note | 30 Sep 2024 | 31 Dec 2023 |
|---|------|------------------|------------------|
| <i>Equity attributable to owners of the parent:</i> | | | |
| Share capital | 2.8 | 2,958 | 2,934 |
| Treasury shares (-) | | - | - |
| Share premium | | 309,965 | 291,378 |
| Exchange differences on translation of foreign operations | | (3,885) | (6,199) |
| Retained earnings | | 708,564 | 708,645 |
| Equity attributable to owners of the parent | | 1,017,602 | 996,758 |
| Non-controlling interests | | 4,035 | 1,572 |
| Total equity | | 1,021,637 | 998,330 |
| | | | |
| Employee benefit provisions | | 380 | 384 |
| Total long-term provisions | | 380 | 384 |
| Trade and other payables | | 6,193 | 4 |
| Deferred tax liability | | 1,785 | 1,815 |
| Other financial liabilities | 2.11 | 69,080 | 83,788 |
| Borrowings, other debt instruments | 2.10 | 28,600 | 41,866 |
| Lease liabilities | 2.6 | 957,944 | 861,990 |
| Non-current liabilities | | 1,063,982 | 989,847 |
| | | | |
| Employee benefit provisions | | 5,230 | 3,302 |
| Other provisions | | 10,767 | 10,767 |
| Total short-term provisions | | 15,997 | 14,069 |
| Trade and other payables | | 417,251 | 443,741 |
| Dividends payable | 2.19 | 199,685 | - |
| Current income tax liabilities | 2.13 | 82,953 | 90,900 |
| Other financial liabilities | 2.11 | 19,273 | 16,483 |
| Borrowings, other debt instruments | 2.10 | 18,574 | 18,663 |
| Lease liabilities | 2.6 | 230,645 | 200,487 |
| Contract liabilities | | 25,556 | 27,903 |
| Current liabilities | | 1,009,934 | 812,246 |
| Total current liabilities | | 1,009,934 | 812,246 |
| Total liabilities | | 2,073,916 | 1,802,093 |
| Total equity and liabilities | | 3,095,553 | 2,800,423 |



1.2. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

| | Note | 1 Jan– 30 Sep 2024 | 1 Jul– 30 Sep 2024 | 1 Jan– 30 Sep 2023 | 1 Jul– 30 Sep 2023 |
|---|------|-----------------------|-----------------------|-----------------------|-----------------------|
| Continuing operations | | | | | |
| Revenue | 2.3 | 2,481,832 | 835,945 | 2,016,680 | 693,877 |
| Revenue from sales of services | | 2,449,004 | 825,403 | 1,989,277 | 685,219 |
| Revenue from sales of merchandise and materials | | 32,828 | 10,542 | 27,403 | 8,658 |
| Cost of sales | 2.3 | (1,609,791) | (521,854) | (1,376,861) | (437,158) |
| Cost of services sold | | (1,591,193) | (515,214) | (1,360,685) | (431,542) |
| Cost of merchandise and materials sold | | (18,598) | (6,640) | (16,176) | (5,616) |
| Gross profit | | 872,041 | 314,091 | 639,819 | 256,719 |
| Selling expenses | 2.3 | (143,381) | (47,471) | (118,844) | (38,765) |
| Administrative expenses | 2.3 | (258,750) | (80,564) | (136,844) | (45,237) |
| Other income | | 6,968 | 883 | 6,402 | 3,455 |
| Other expenses | | (12,802) | (3,011) | (10,485) | (5,060) |
| Operating profit | | 464,076 | 183,928 | 380,048 | 171,112 |
| Finance income | 2.12 | 15,648 | 6,055 | 13,619 | (17,766) |
| Finance costs | 2.12 | (36,638) | (12,609) | (28,355) | (8,717) |
| Loss allowances for financial assets | 2.12 | 158 | 22 | 2,584 | (4) |
| Share of profit of equity-accounted entities | | 635 | 328 | 581 | 218 |
| Profit before tax | | 443,879 | 177,724 | 368,477 | 144,843 |
| Income tax | 2.13 | (104,811) | (41,820) | (67,466) | (27,286) |
| Net profit from continuing operations | | 339,068 | 135,904 | 301,011 | 117,557 |
| Net profit | | 339,068 | 135,904 | 301,011 | 117,557 |
| Net profit attributable to: | | | | | |
| - owners of the parent | | 335,057 | 134,015 | 297,198 | 115,361 |
| - non-controlling interests | | 4,011 | 1,889 | 3,813 | 2,196 |

1.3. EARNINGS PER ORDINARY SHARE (PLN)

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|-----------------------|-----------------------|
| Earnings per share | | |
| Basic earnings per share from continuing operations | 113.34 | 101.31 |
| Basic earnings per share from discontinued operations | - | - |
| Earnings per share | 113.34 | 101.31 |
| Diluted earnings per share from continuing operations | 112.55 | 101.01 |
| Diluted earnings per share from discontinued operations | - | - |
| Diluted earnings per share | 112.55 | 101.01 |



1.4. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | 1 Jan– 30 Sep 2024 | 1 Jul– 30 Sep 2024 | 1 Jan– 30 Sep 2023 | 1 Jul– 30 Sep 2023 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Net profit | 339,068 | 135,904 | 301,011 | 117,557 |
| Other comprehensive income | 2,495 | 1,599 | 4,244 | (950) |
| <i>Items not reclassified to profit or loss</i> | - | - | - | - |
| <i>Items reclassified to profit or loss</i> | 2,495 | 1,599 | 4,244 | (950) |
| Exchange differences on translation of foreign operations | 2,495 | 1,599 | 4,244 | (950) |
| Comprehensive income | 341,563 | 137,503 | 305,255 | 116,607 |
| Comprehensive income attributable to: | | | | |
| - owners of the parent | 337,371 | 135,547 | 301,128 | 114,412 |
| - non-controlling interests | 4,192 | 1,956 | 4,127 | 2,195 |



1.5. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Note | Share capital | Treasury shares | Share premium | Exchange differences on translation of foreign operations | Retained earnings | Total | Non-controlling interests | Total equity |
|---|------|---------------|-----------------|----------------|---|-------------------|------------------|---------------------------|------------------|
| Balance as at 1 Jan 2024 | | 2,934 | - | 291,378 | (6,199) | 708,645 | 996,758 | 1,572 | 998,330 |
| Changes in equity in the period from 1 January to 30 September 2024 | | | | | | | | | |
| Share issue in connection with exercise of options (Incentive Scheme) | 2.8 | 24 | - | 18,587 | - | - | 18,611 | - | 18,611 |
| Cost of equity-settled share-based payment plan | 2.18 | - | - | - | - | 68,041 | 68,041 | - | 68,041 |
| Increase in shares in subsidiary due to acquisition of non-controlling interest without change of control | 2.15 | - | - | - | - | (10,071) | (10,071) | 119 | (9,952) |
| Valuation of put options attributable to minority shareholders | | - | - | - | - | 6,261 | 6,261 | 124 | 6,385 |
| Dividends | | - | - | - | - | (399,369) | (399,369) | (1,972) | (401,341) |
| Total transactions with owners | | 24 | - | 18,587 | - | (335,138) | (316,527) | (1,729) | (318,256) |
| Net profit for 1 Jan–30 Sep 2024 | | - | - | - | - | 335,057 | 335,057 | 4,011 | 339,068 |
| Exchange differences on translation of foreign operations | | - | - | - | 2,314 | - | 2,314 | 181 | 2,495 |
| Total comprehensive income | | - | - | - | 2,314 | 335,057 | 337,371 | 4,192 | 341,563 |
| Total changes | | 24 | - | 18,587 | 2,314 | (81) | 20,844 | 2,463 | 23,307 |
| Balance as at 30 Sep 2024 | | 2,958 | - | 309,965 | (3,885) | 708,564 | 1,017,602 | 4,035 | 1,021,637 |



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – CONT.

| | Note | Share capital | Treasury shares | Share premium | Exchange differences on translation of foreign operations | Retained earnings | Total | Non-controlling interests | Total equity |
|---|------|---------------|-----------------|----------------|---|-------------------|------------------|---------------------------|------------------|
| Balance as at 1 Jan 2023 | | 2,934 | - | 291,378 | (10,361) | 443,082 | 727,033 | (1,617) | 725,416 |
| Changes in equity in the period from 1 January to 30 September 2023 | | | | | | | | | |
| Cost of equity-settled share-based payment plan | | - | - | - | - | 6,279 | 6,279 | - | 6,279 |
| Increase in shares in subsidiary due to acquisition of non-controlling interest without change of control | | - | - | - | - | 326 | 326 | (393) | (67) |
| Valuation of put options attributable to minority shareholders | | - | - | - | - | (30,562) | (30,562) | (880) | (31,442) |
| Dividends | | - | - | - | - | (120,770) | (120,770) | (505) | (121,275) |
| Total transactions with owners | | - | - | - | - | (144,727) | (144,727) | (1,778) | (146,505) |
| Net profit for 1 Jan–30 Sep 2023 | | - | - | - | - | 297,198 | 297,198 | 3,813 | 301,011 |
| Exchange differences on translation of foreign operations | | - | - | - | 3,930 | - | 3,930 | 314 | 4,244 |
| Total comprehensive income | | - | - | - | 3,930 | 297,198 | 301,128 | 4,127 | 305,255 |
| Total changes | | - | - | - | 3,930 | 152,471 | 156,401 | 2,349 | 158,750 |
| Balance as at 30 Sep 2023 | | 2,934 | - | 291,378 | (6,431) | 595,553 | 883,434 | 732 | 884,166 |



1.6. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | Note | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|--------------------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Profit before tax | | 443,879 | 368,477 |
| Adjustments: | | | |
| Depreciation and amortisation of non-current non-financial assets | 2.5, 2.6 | 256,204 | 207,890 |
| Fair-value measurement of other financial liabilities | | 384 | 1,010 |
| Change in impairment losses and write-off of assets | | 6,768 | 795 |
| Effect of lease modifications | 2.6 | (403) | (362) |
| (Gains)/losses on sale and value of liquidated non-current non-financial assets | | 1,500 | 1,965 |
| (Gains)/losses on disposal of financial assets | | - | (50) |
| Foreign exchange (gains)/losses | 2.12 | (1,634) | (3,529) |
| Interest expense | 2.12 | 34,648 | 26,530 |
| Interest income | 2.12 | (13,856) | (10,040) |
| Cost of share-based payments (Incentive Scheme) | 2.18 | 68,041 | 6,279 |
| Share of profit/(loss) of associates | | (635) | (581) |
| Change in inventories | | (1,474) | (2,318) |
| Change in receivables | | (1,529) | 41,145 |
| Change in liabilities | | (29,520) | (46,280) |
| Change in provisions | | 1,924 | 2,070 |
| Other adjustments | | 42 | 135 |
| Cash flows provided by/(used in) operating activities | | 764,339 | 593,136 |
| Income tax paid | | (120,055) | (15,321) |
| Net cash from operating activities | | 644,284 | 577,815 |
| Cash flows from investing activities | | | |
| Purchase of intangible assets | | (41,666) | (28,487) |
| Purchase of property, plant and equipment | | (107,221) | (56,276) |
| Proceeds from sale of property, plant and equipment | | - | 8,977 |
| Acquisition of subsidiaries | 2.4, 2.11, 2.15 | (165,891) | (57,539) |
| Proceeds from sale of associates | | - | 50 |
| Repayments of loans | | 3,577 | 1,947 |
| Loans | | (6,356) | (2,386) |
| Interest received | | 12,921 | 8,793 |
| Dividends received | | 620 | - |
| Net cash from investing activities | | (304,016) | (124,921) |



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS – CONT.

| | Note | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|------|-----------------------|-----------------------|
| <i>Cash flows from financing activities</i> | | | |
| Expenditure on transactions with non-controlling interests | 2.15 | (9,953) | (67) |
| Proceeds from borrowings | 2.10 | 700 | - |
| Repayment of borrowings | 2.10 | (28,193) | (19,583) |
| Payment of lease liabilities | 2.6 | (169,650) | (147,600) |
| Payments of interest | | (3,933) | (6,317) |
| Dividends paid | | (201,657) | (121,275) |
| Net cash from financing activities | | (412,686) | (294,842) |
| Net change in cash and cash equivalents before exchange differences | | (72,418) | 158,052 |
| Exchange differences | | - | - |
| Net change in cash and cash equivalents | | (72,418) | 158,052 |
| Cash and cash equivalents at beginning of period | | 434,004 | 218,327 |
| Cash and cash equivalents at end of period | | 361,586 | 376,379 |



2. NOTES

2.1. General information

2.1.1. About the Parent

The parent of the Benefit Systems Group (the “Group”) is Benefit Systems S.A. (the “Company”, or the “Parent”). Benefit Systems S.A. is the Group’s ultimate reporting entity.

The Parent was established through the transformation of a limited liability company into a joint-stock company. The transformation was effected pursuant to Resolution No. 2/2010 of the General Meeting of 3 November 2010 (entry in the National Court Register maintained by the District Court for the City of Warsaw, 12th Commercial Division, under No. KRS 0000370919, on 19 November 2010). The Parent’s Industry Identification Number (REGON) is 750721670. In the reporting period, the identification data of the reporting entity did not change. The shares of the Parent are listed on the Warsaw Stock Exchange.

The Parent’s registered office is located at Plac Europejski 2, 00-844 Warsaw, Poland. It is also the principal place of business of the Group. The Parent’s country of registration in the National Court Register is Poland.

The Benefit Systems Group specialises in providing non-pay benefit solutions in the realm of sports, recreation, and employee well-being. The main product offered by the Parent is the MultiSport card, which grants access to a network of sports facilities, including fitness clubs owned by the Group companies. The fitness club networks owned by the Group provide support and a competitive edge in the area of sport cards. The Group’s business relies on synergies between the sale of sport cards and its fitness club infrastructure both in Poland and internationally. Apart from Poland, the Group operates in the Czech Republic, Slovakia, Bulgaria, Croatia, and Turkey.

The Group also offers the MyBenefit online cafeteria platform, which allows employees of business customers to choose from a variety of non-pay benefits approved by their employer. Moreover, the Group offers solutions in the realm of culture and entertainment, such as the Cinema Programme and MultiTeatr, primarily accessible through the cafeteria platform. The MyBenefit platform is also an important channel for distributing sport cards offered by the Group.

At the same time, new features are being developed within the MyBenefit platform, making it a comprehensive tool for managing employer-employee processes. MyBenefit enables companies to implement tools such as corporate intranets, employee benefit reports (Total Reward Statements), employee request systems with e-signature support, gamification and reward systems, as well as surveys and quizzes.

The Group is also developing MultiLife, an online accessible product focused on promoting employee well-being, particularly in the areas of mental health, personal development, healthy eating, and physical activity. MultiLife currently combines more than a dozen services such as psychologist’s support, mindfulness course, consultations with dieticians and coaches, diet creator, yoga course, access to the Yes2Move online exercise platform, preventive medical examination package, e-books on Legimi, and Youniversity, a streaming learning service.

The Group’s products and services are primarily used by company employees (users), who receive them from their employers (the Group’s B2B customers) as non-pay benefits. Customers are also individuals buying passes or paying for one-off visits to fitness clubs belonging to the Group (B2C customers).

The principal business of the Parent according to the Polish Classification of Activities (PKD) is: Operation of sports facilities (PKD 2007) 93.11.Z.



2.1.2. Entities included in the consolidated financial statements

These interim consolidated financial statements cover the Parent and the following subsidiaries:

| No. | Subsidiary | Principal place of business and country of registration | Group's ownership interest* | |
|-----|--|---|-----------------------------|-------------|
| | | | 30 Sep 2024 | 31 Dec 2023 |
| 1 | VanityStyle Sp. z o.o. | Warsaw, Poland | 100.00% | 100.00% |
| 2 | Lunching.pl Sp. z o.o. ¹⁾ | Kraków, Poland | 100.00% | 87.63% |
| 3 | Yes to Move Sp. z o.o. | Warsaw, Poland | 100.00% | 100.00% |
| 4 | Total Fitness Sp. z o.o. ²⁾ | Warsaw, Poland | - | 100.00% |
| 5 | FIT 1 Sp. z o.o. ³⁾ | Warsaw, Poland | - | 100.00% |
| 6 | FIT 2 Sp. z o.o. ³⁾ | Warsaw, Poland | - | 100.00% |
| 7 | Sport Operator Sp. z o.o. ³⁾ | Warsaw, Poland | - | 100.00% |
| 8 | FIT 3 Sp. z o.o. ³⁾ | Warsaw, Poland | - | 100.00% |
| 9 | Concept Self Investment Sp. z o.o. ³⁾ | Warsaw, Poland | - | 100.00% |
| 10 | FIT 4 Sp. z o.o. ³⁾ | Warsaw, Poland | - | 100.00% |
| 11 | Fit and More Sp. z o.o. ³⁾ | Warsaw, Poland | - | 100.00% |
| 12 | Saturn Fitness Group Sp. z o.o. ²⁾ | Warsaw, Poland | - | 100.00% |
| 13 | Manufaktura Zdrowia Sp. z o.o. ³⁾ | Zabierzów, Poland | - | 100.00% |
| 14 | Gravitan Warszawa Sp. z o.o. ⁴⁾ | Warsaw, Poland | - | 100.00% |
| 15 | Zdrowe Miejsce Sp. z o.o. ⁵⁾ | Warsaw, Poland | 80.00% | 80.00% |
| 16 | Investment Gear 9 Sp. z o.o. | Warsaw, Poland | 100.00% | 100.00% |
| 17 | Investment Gear 10 Sp. z o.o. | Warsaw, Poland | 100.00% | 100.00% |
| 18 | Active Sport i Rekreacja Sp. z o.o. ⁶⁾ | Zawiercie, Poland | - | 100.00% |
| 19 | Interfit Club 1.0 Sp. z o.o. | Gliwice, Poland | 75.00% | 75.00% |
| 20 | Interfit Club 2.0 Sp. z o.o. ⁷⁾ | Zabrze, Poland | 100.00% | - |
| 21 | Interfit Club 4.0 Sp. z o.o. | Gliwice, Poland | 75.00% | 75.00% |
| 22 | Interfit Club 5.0 Sp. z o.o. | Gliwice, Poland | 75.00% | 75.00% |
| 23 | Interfit Consulting BIS Sp. z o.o. ⁸⁾ | Gliwice, Poland | 75.00% | 75.00% |
| 24 | Good Luck Club GLC sp. z o.o. ⁹⁾ | Warsaw, Poland | 100.00% | - |
| 25 | Artis Club Sp. z o.o. ¹⁰⁾ | Warsaw, Poland | 100.00% | - |
| 26 | Gym Poznań Sp. z o.o. ¹¹⁾ | Warsaw, Poland | 100.00% | - |
| 27 | Benefit Systems International S.A. ¹²⁾ | Warsaw, Poland | 98.06% | 97.60% |
| 28 | BSI Investments Sp. z o.o. ^{12) 13)} | Warsaw, Poland | 94.73% | 92.13% |
| 29 | Benefit Systems Bulgaria O.O.D. ¹²⁾ | Sofia, Bulgaria | 94.14% | 93.70% |
| 30 | MultiSport Benefit S.R.O. ¹²⁾ | Prague, Czech Republic | 98.06% | 97.60% |
| 31 | Benefit Systems Slovakia S.R.O. ¹²⁾ | Bratislava, Slovakia | 96.10% | 95.65% |
| 32 | Benefit Systems D.O.O. ^{12) 14)} | Zagreb, Croatia | 96.59% | 94.67% |
| 33 | Benefit Systems Spor Hizmetleri Ltd ¹²⁾ | Istanbul, Turkey | 94.73% | 92.13% |
| 34 | Benefit Systems, storitve, D.O.O. ¹²⁾ | Ljubljana, Slovenia | 93.16% | 92.72% |
| 35 | Fit Invest International Sp. z o.o. ¹²⁾ | Warsaw, Poland | 98.06% | 97.60% |
| 36 | FII Investments Sp. z o.o. ¹²⁾ | Warsaw, Poland | 98.06% | 97.60% |
| 37 | Next Level Fitness O.O.D. ¹²⁾ | Sofia, Bulgaria | 98.06% | 97.60% |
| 38 | Fitness Flais Corporation O.O.D. ¹⁵⁾ | Sofia, Bulgaria | 98.06% | - |



| | | | | |
|----|---|------------------------|---------|---------|
| 39 | Power Ronic O.O.D. ¹⁵⁾ | Sofia, Bulgaria | 98.06% | - |
| 40 | Happy Group 1 O.O.D. ¹⁵⁾ | Sofia, Bulgaria | 98.06% | - |
| 41 | Fitness Flais Group O.O.D. ¹⁵⁾ | Sofia, Bulgaria | 98.06% | - |
| 42 | Fitness Flais Pro O.O.D. ¹⁵⁾ | Sofia, Bulgaria | 98.06% | - |
| 43 | Flais Fit O.O.D. ¹⁵⁾ | Sofia, Bulgaria | 98.06% | - |
| 44 | Form Factory S.R.O. ¹²⁾ | Prague, Czech Republic | 98.99% | 98.75% |
| 45 | Fitness Factory Prague S.R.O. ¹⁶⁾ | Prague, Czech Republic | 98.99% | - |
| 46 | Form Factory Slovakia S.R.O. ¹²⁾ | Bratislava, Slovakia | 98.06% | 97.60% |
| 47 | Fit Invest D.O.O. ¹²⁾ | Zagreb, Croatia | 98.06% | 97.60% |
| 48 | H.O.L.S. D.O.O. ¹⁷⁾ | Zagreb, Croatia | 98.06% | - |
| 49 | Fit Invest Spor Hizmetleri Ltd ¹²⁾ | Istanbul, Turkey | 98.06% | 97.60% |
| 50 | MultiSport Foundation | Warsaw, Poland | 100.00% | 100.00% |
| 51 | MW Legal 24 Sp. z o.o. ¹⁸⁾ | Warsaw, Poland | 100.00% | 100.00% |

* The table presents the Group's indirect ownership interest in its subsidiaries.

- 1) On 29 November 2023, the Extraordinary General Meeting passed a resolution to increase the share capital of Lunching.pl Sp. z o.o., following which the Parent's interest in the company rose to 88.49%. This change was registered in the National Court Register on 16 April 2024. On 4 March 2024, the Parent acquired for PLN 4.1 million the residual shares in Lunching.pl Sp. z o.o., raising its equity interest in the company to 100%. Since the date of acquisition of 73.97% of Lunching.pl shares (13 April 2022), the company has been consolidated based on the assumption that the Group exercises full (100%) control in view of the options included in the share purchase agreement. On 19 April 2024, Benefit Systems S.A. signed agreements regarding its shareholding in Lunching.pl Sp. z o.o. (note 2.15)
- 2) The merger of Benefit Systems S.A. (as the acquirer) with Total Fitness Sp. z o.o. and Saturn Fitness Group Sp. z o.o. (as the acquirees) was registered on 10 May 2024.
- 3) The merger of Benefit Systems S.A. (as the acquirer) with FIT 1 Sp. z o.o., FIT 2 Sp. z o.o., FIT 3 Sp. z o.o., FIT 4 Sp. z o.o., Sport Operator Sp. z o.o., Concept Self Investment Sp. z o.o., Fit and More Sp. z o.o. and Manufaktura Zdrowia Sp. z o.o. (as the acquirees) was registered on 2 April 2024.
- 4) The merger of Benefit Systems S.A. (as the acquirer) with Gravitan Warszawa Sp. z o.o. (as the acquiree) was registered on 29 February 2024.
- 5) On 1 October 2024, the Parent acquired for PLN 0.3 million the remaining 20% of shares in Zdrowe Miejsce Sp. z o.o., raising its equity interest in the company to 100%.
- 6) The merger of Benefit Systems S.A. (the acquirer) and Active Sport i Rekreacja Sp. z o.o. (the acquiree) was registered on 8 July 2024.
- 7) On 12 September 2024, the Parent acquired 100% of shares in Interfit Club 2.0 Sp. z o.o. The transaction was not accounted for using the acquisition method under IFRS 3 as the acquired assets did not constitute a business as defined in IFRS 3. Net assets amounted to PLN 10 thousand and comprised cash.
- 8) On 30 September 2024, Interfit Consulting BIS Sp. z o.o. was registered following its transformation from Interfit Consulting Sp. z o.o. Sp. k.
- 9) On 29 April 2024, the Parent acquired 100% of shares in Good Luck Club GLC Sp. z o.o. (note 2.4.1). A plan of merger of Benefit Systems S.A. (as the acquirer) with Good Luck Club GLC Sp. z o.o. (as the acquiree) was agreed on 14 August 2024. The merger was registered on 9 October 2024.
- 10) On 29 July 2024, the Parent acquired 100% of shares in Artis Club Sp. z o.o. (note 2.4.1). A plan of merger of Benefit Systems S.A. (as the acquirer) with Artis Club Sp. z o.o. (as the acquiree) was agreed on 14 August 2024. The merger was registered on 9 October 2024.
- 11) On 9 August 2024, the Parent acquired 100% of the shares in Gym Poznań Sp. z o.o. ("Gym Poznań"). (note 2.4.1).
- 12) On 12 January 2024, the Parent Benefit Systems S.A. acquired 0.46% of shares in subsidiary Benefit Systems International S.A. from minority shareholders for PLN 7.1 million. As Benefit Systems International S.A. holds directly and indirectly equity interests in each company within the Foreign Markets segment, the acquisition by the Parent of shares in Benefit Systems International S.A. has had an effect on the Group's equity interests in the segment companies.
- 13) On 14 August 2024, the subsidiary Benefit Systems International S.A. acquired 2.2% of shares in the subsidiary BSI Investments Sp. z o.o. from minority shareholders for EUR 0.2 million (PLN 0.7 million).
- 14) On 1 July 2024, Benefit Systems International S.A. acquired 1.5% of the shares in Benefit Systems D.O.O. from minority shareholders for EUR 0.5 million (PLN 2.2 million).
- 15) On 19 August 2024, Next Level Fitness O.O.D. acquired 100% of shares in Fitness Flais Corporation O.O.D., Power Ronic O.O.D., Happy Group 1 O.O.D., Fitness Flais Group O.O.D., Fitness Flais Pro O.O.D., and Flais Fit O.O.D. (note 2.4.1).
- 16) On 31 July 2024, Form Factory S.R.O. entered into an agreement to acquire 100% of the shares in Fitness Factory Prague S.R.O. (note 2.4.1).
- 17) On 2 April 2024, Fit Invest D.O.O. completed the acquisition of 100% of shares in H.O.L.S. D.O.O. (note 2.4.1).
- 18) The company is not consolidated as it does not conduct any business activity.



The Group's voting interests in its subsidiaries are equal to its equity interests in the subsidiaries. The Parent and the consolidated entities were incorporated for an indefinite period.

In these consolidated financial statements as at 30 September 2024, the interests in three associates are accounted for using the equity method.

| Associate | Principal place of business and country of registration | Equity interest as at 30 Sep 2024 | % of total voting rights as at 30 Sep 2024 | Carrying amount measured using equity method | |
|-------------------------------------|---|-----------------------------------|--|--|--------------|
| | | | | 30 Sep 2024 | 31 Dec 2023 |
| Instytut Rozwoju Fitness Sp. z o.o. | Warsaw, Poland | 48.10% | 48.10% | 3,112 | 3,097 |
| Calypto Fitness S.A. | Warsaw, Poland | 33.33% | 33.33% | - | - |
| Get Fit Katowice II Sp. z o.o. | Katowice, Poland | 20.00% | 20.00% | - | - |
| Total carrying amount | | | | 3,112 | 3,097 |

2.2. Basis of preparation and accounting policies

2.2.1. Basis of accounting

This consolidated quarterly report of the Benefit Systems Group was authorised for issue by the Management Board of the Parent on 15 November 2024.

This consolidated quarterly report of the Benefit Systems Group covers the nine months ended 30 September 2024 and has been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*, as endorsed by the European Union, and the requirements laid down in the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018 (consolidated text: Dz.U. of 2018, item 757).

These interim condensed consolidated and separate financial statements have been prepared in a condensed form and do not contain all the information required to be disclosed in full-year consolidated and separate financial statements prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union. Therefore, this report should be read in conjunction with the full-year consolidated and separate financial statements of the Group and the Parent for 2023.

The functional currency of the Parent and the presentation currency of this report is the Polish złoty, and all amounts are expressed in thousands of Polish złoty (unless indicated otherwise). The currency of the primary economic environment in which the Company operates, i.e. in which it generates and expends cash, is the Polish złoty. For consolidation purposes, the financial statements of foreign operations are translated into the Polish currency in accordance with the accounting policies presented below.

The interim condensed consolidated and separate financial statements have been prepared on the assumption that the Group and the Parent will continue as going concerns in the foreseeable future. As at the date of authorisation of this consolidated quarterly report, no circumstances were identified which would indicate any threat to the Group's and the Parent's ability to continue as going concerns.

2.2.2. Accounting policies

The interim condensed consolidated and separate financial statements contained in this report have been prepared in accordance with the accounting policies presented in the most recent consolidated and separate financial statements for the year ended 31 December 2023, and in accordance with the policies applied in the same interim period of the previous year.

These interim condensed consolidated and separate financial statements have been prepared on a historical cost basis, except with respect to items measured at fair value.



2.2.3. Estimation uncertainty

When preparing the interim condensed consolidated and separate financial statements, the Management Board of the Parent is guided by its judgement in making numerous estimates and assumptions that affect the accounting policies applied and the disclosed amounts of assets, liabilities, income and expenses. Actual amounts may differ from the estimates made by the Management Board of the Parent.

For information on the estimates and assumptions relevant to the interim condensed consolidated financial statements, see the full-year consolidated financial statements of the Group and the Parent for 2023.

2.2.4. Presentation adjustments and changes in accounting policies

No presentation adjustments, error corrections or changes in accounting policies were made by the Group in the reporting period.

2.3. Operating segments

The Group presents segment information in accordance with IFRS 8 *Operating Segments* for the current reporting period and the comparative period.

The Group presents results by segments reflecting its long-term investment strategy and the business management model, taking into account the nature of its business. The Group presents the following segments:

1. Poland;
2. Foreign Markets.

The Group generates income and expenses from the above business lines which are reviewed regularly and used to make decisions on resources allocated to each segment and to assess the segments' results.

The Group has separate financial information available for each of the segments.

The Group applies the same accounting policies for all operating segments. The Group accounts for intersegment transactions on an arm's-length basis.

The segment's performance is assessed based on operating profit or loss and EBITDA (which is not a standard measure) defined by the Group as operating profit before depreciation and amortisation. In addition, the Group allocates to the operating segments interest on lease liabilities and share in the results of equity-accounted companies whose business is similar to that of a given segment.

Operating segments include the following activities:

- The Poland segment comprises sales of sport cards, managing fitness clubs, and provision of non-pay incentive solutions through the cafeteria platform offering users a broad selection of products.
- The Foreign Markets segment comprises the Benefit Systems Group's sales of sport cards and management of fitness clubs outside Poland.
- The Corporate segment encompasses intersegment eliminations and other activities not allocated to the operating segments, including the activities of the MultiSport Foundation and costs of the Incentive Scheme. Eliminations of assets and liabilities include primarily intersegment loans and trade receivables arising from intersegment transactions.

Revenue disclosed in the interim condensed consolidated statement of profit or loss does not differ from revenue presented by the operating segments, except for revenue not allocated to any of the segments and consolidation eliminations on intersegment transactions.

There is no significant concentration of sales to one or more external customers. In the reporting period ended 30 September 2024, the Group did not identify any individual customer which would account for more than 10% of the Group's total revenue.



The segment data are presented down to the level of operating profit as financing decisions are made from the perspective of the Group as a whole.

Measurement of the operating segments' results used in the management calculations is consistent with the accounting policies applied in the preparation of the consolidated financial statements, except for the costs of the Incentive Scheme in the Poland segment, which are presented in the Corporate segment.

Reconciliation of the segments' results to the Group's total results in the nine months ended 30 September 2024 and in the comparative period is presented below.

| | Poland | Foreign Markets | Corporate | Total |
|--|--------------------|------------------|-----------------|--------------------|
| 1 Jan–30 Sep 2024 | | | | |
| Revenue | 1,810,270 | 671,718 | (156) | 2,481,832 |
| <i>including from external customers</i> | <i>1,810,114</i> | <i>671,718</i> | <i>-</i> | <i>2,481,832</i> |
| <i>including intersegment sales</i> | <i>156</i> | <i>-</i> | <i>(156)</i> | <i>-</i> |
| Cost of sales | (1,144,992) | (464,852) | 53 | (1,609,791) |
| Gross profit/(loss) | 665,278 | 206,866 | (103) | 872,041 |
| Selling expenses | (96,029) | (47,352) | - | (143,381) |
| Administrative expenses | (125,759) | (65,091) | (67,900) | (258,750) |
| Other income and expenses | (7,842) | 559 | 1,449 | (5,834) |
| Operating profit/(loss) | 435,648 | 94,982 | (66,554) | 464,076 |
| Share of profit of equity-accounted entities | 635 | - | - | 635 |
| Interest expense on lease liabilities | (25,729) | (4,851) | - | (30,580) |
| Depreciation and amortisation | 216,670 | 39,531 | 3 | 256,204 |
| EBITDA* | 652,318 | 134,513 | (66,551) | 720,280 |
| 30 Sep 2024 | | | | |
| Segment's assets | 2,697,270 | 679,982 | (281,699) | 3,095,553 |
| Segment's liabilities | 1,645,783 | 713,431 | (285,298) | 2,073,916 |
| Investments in associates | 3,112 | - | - | 3,112 |

* The Group calculates EBITDA as operating profit plus depreciation and amortisation.

In the nine months ended 30 September 2024, administrative expenses presented under Corporate included costs of the Incentive Scheme amounting to PLN 68.0 million (note 2.18).



| | Poland | Foreign Markets | Corporate | Total |
|--|------------------|------------------|----------------|--------------------|
| 1 Jan–30 Sep 2023 | | | | |
| Revenue | 1,429,394 | 587,360 | (74) | 2,016,680 |
| <i>including from external customers</i> | <i>1,429,320</i> | <i>587,360</i> | <i>-</i> | <i>2,016,680</i> |
| <i>including intersegment sales</i> | <i>74</i> | <i>-</i> | <i>(74)</i> | <i>-</i> |
| Cost of sales | (965,149) | (411,752) | 40 | (1,376,861) |
| Gross profit/(loss) | 464,245 | 175,608 | (34) | 639,819 |
| Selling expenses | (84,681) | (34,163) | - | (118,844) |
| Administrative expenses | (91,577) | (39,177) | (6,090) | (136,844) |
| Other income and expenses | (5,157) | 1,656 | (582) | (4,083) |
| Operating profit/(loss) | 282,830 | 103,924 | (6,706) | 380,048 |
| Share of profit of equity-accounted entities | 581 | - | - | 581 |
| Interest expense on lease liabilities | (17,365) | (2,354) | - | (19,719) |
| Depreciation and amortisation | 178,469 | 29,421 | - | 207,890 |
| EBITDA* | 461,299 | 133,345 | (6,706) | 587,938 |
| 30 Sep 2023 | | | | |
| Segment's assets | 2,323,975 | 359,536 | (187,047) | 2,496,464 |
| Segment's liabilities | 1,357,817 | 443,053 | (188,572) | 1,612,298 |
| Investments in associates | 3,016 | - | - | 3,016 |

* The Group calculates EBITDA as operating profit plus depreciation and amortisation.

Reconciliation of total revenue, profit or loss and assets of the operating segments with the corresponding items of the Group's interim condensed consolidated financial statements:

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|-----------------------|-----------------------|
| Segments' revenue | | |
| Total revenue of operating segments | 2,481,988 | 2,016,754 |
| Elimination of revenue from intersegment transactions | (156) | (74) |
| Revenue | 2,481,832 | 2,016,680 |
| Segments' profit/(loss) | | |
| Segments' operating profit/(loss) | 530,630 | 386,754 |
| Unallocated profit/(loss) | (66,554) | (6,706) |
| Operating profit | 464,076 | 380,048 |
| Finance income | 15,648 | 13,619 |
| Finance costs | (36,638) | (28,355) |
| Loss allowances for financial assets | 158 | 2,584 |
| Share of profit of equity-accounted entities | 635 | 581 |
| Profit before tax | 443,879 | 368,477 |



| | 30 Sep 2024 | 31 Dec 2023 |
|---|------------------|------------------|
| Segments' assets | | |
| Total assets of operating segments | 3,377,252 | 2,983,978 |
| Unallocated assets | 3,551 | 1,536 |
| Elimination of intragroup balances and transactions | (285,250) | (185,091) |
| Total assets | 3,095,553 | 2,800,423 |

| | 30 Sep 2024 | 31 Dec 2023 |
|---|------------------|------------------|
| Segments' liabilities | | |
| Total liabilities of operating segments | 2,359,214 | 1,986,898 |
| Unallocated liabilities | 25 | 37 |
| Elimination of intragroup balances and transactions | (285,323) | (184,842) |
| Total liabilities | 2,073,916 | 1,802,093 |

Eliminations of assets and liabilities include primarily intersegment loans and trade receivables arising from intersegment transactions.

The table below presents the segments' revenue from external customers and non-current assets by country.

| | Poland | Foreign Markets | Corporate | Total |
|---|------------------|-----------------|-----------|------------------|
| 1 Jan–30 Sep 2024 | | | | |
| Revenue from external customers: | 1,810,114 | 671,718 | - | 2,481,832 |
| <i>Poland</i> | 1,810,114 | 371 | - | 1,810,485 |
| <i>Czech Republic</i> | - | 377,096 | - | 377,096 |
| <i>Bulgaria</i> | - | 158,416 | - | 158,416 |
| <i>Other</i> | - | 135,835 | - | 135,835 |
| 30 Sep 2024 | | | | |
| Non-current assets*: | 1,912,753 | 469,410 | 17 | 2,382,180 |
| <i>Poland</i> | 1,912,753 | 8,108 | 17 | 1,920,878 |
| <i>Czech Republic</i> | - | 189,202 | - | 189,202 |
| <i>Bulgaria</i> | - | 183,207 | - | 183,207 |
| <i>Other</i> | - | 88,893 | - | 88,893 |

* Excluding financial instruments and deferred tax assets.



| | Poland | Foreign Markets | Corporate | Total |
|--|--------|-----------------|-----------|-------|
|--|--------|-----------------|-----------|-------|

1 Jan–30 Sep 2023

| | | | | |
|---|------------------|----------------|---|------------------|
| Revenue from external customers: | 1,429,320 | 587,360 | - | 2,016,680 |
| <i>Poland</i> | 1,429,320 | 230 | - | 1,429,550 |
| <i>Czech Republic</i> | - | 336,882 | - | 336,882 |
| <i>Bulgaria</i> | - | 145,750 | - | 145,750 |
| <i>Other</i> | - | 104,498 | - | 104,498 |

30 Sep 2023

| | | | | |
|-----------------------------|------------------|----------------|---|------------------|
| Non-current assets*: | 1,675,917 | 207,344 | - | 1,883,261 |
| <i>Poland</i> | 1,675,917 | 2,524 | - | 1,678,441 |
| <i>Czech Republic</i> | - | 127,779 | - | 127,779 |
| <i>Bulgaria</i> | - | 58,914 | - | 58,914 |
| <i>Other</i> | - | 18,127 | - | 18,127 |

* Excluding financial instruments and deferred tax assets.

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|--|-----------------------|-----------------------|
|--|-----------------------|-----------------------|

Revenue by category:

| | | | |
|--|---------|------------------|------------------|
| Sale of sport cards in Poland | B2B | 1,420,858 | 1,137,469 |
| Sale of sport cards on foreign markets | B2B | 621,599 | 548,116 |
| Sale of cafeteria benefits | B2B | 36,487 | 34,714 |
| Sale of fitness clubs in Poland | B2B/B2C | 343,978 | 251,514 |
| Sale of fitness clubs on foreign markets | B2C | 49,819 | 39,091 |
| Other settlements | B2B | 7,129 | 3,989 |
| Revenue from contracts with customers (IFRS 15) | | 2,479,870 | 2,014,893 |
| <i>Lease and rental income (IFRS 16)</i> | | 1,962 | 1,787 |
| Total revenue | | 2,481,832 | 2,016,680 |

Operating expenses by segment:

| | Poland | Foreign Markets | Corporate | Total |
|--|--------|-----------------|-----------|-------|
|--|--------|-----------------|-----------|-------|

1 Jan–30 Sep 2024

| | | | | |
|--|------------------|----------------|---------------|------------------|
| Depreciation and amortisation | 216,670 | 39,531 | 3 | 256,204 |
| <i>including depreciation of right-of-use assets</i> | 127,435 | 24,803 | - | 152,238 |
| Employee benefits | 250,125 | 96,886 | 68,041 | 415,052 |
| Raw materials and consumables used | 45,931 | 13,839 | - | 59,770 |
| Services | 807,056 | 413,552 | (197) | 1,220,411 |
| Taxes and charges | 4,318 | 423 | - | 4,741 |
| Other expenses | 27,035 | 10,111 | - | 37,146 |
| Total expenses by nature of expense | 1,351,135 | 574,342 | 67,847 | 1,993,324 |
| Cost of merchandise and materials sold | 15,645 | 2,953 | - | 18,598 |
| Cost of sales, selling expenses and administrative expenses | 1,366,780 | 577,295 | 67,847 | 2,011,922 |



| | Poland | Foreign Markets | Corporate | Total |
|--|--------|-----------------|-----------|-------|
|--|--------|-----------------|-----------|-------|

1 Jan–30 Sep 2023

| | | | | |
|--|------------------|----------------|--------------|-----------------------|
| Depreciation and amortisation | 178,469 | 29,421 | - | 207,890 |
| <i>including depreciation of right-of-use assets</i> | <i>106,171</i> | <i>18,397</i> | <i>-</i> | <i>124,568</i> |
| Employee benefits | 191,290 | 64,817 | 6,278 | 262,385 |
| Raw materials and consumables used | 39,989 | 13,437 | - | 53,426 |
| Services | 695,756 | 369,395 | (228) | 1,064,923 |
| Taxes and charges | 3,488 | 175 | - | 3,663 |
| Other expenses | 18,874 | 5,212 | - | 24,086 |
| Total expenses by nature of expense | 1,127,866 | 482,457 | 6,050 | 1,616,373 |
| Cost of merchandise and materials sold | 13,541 | 2,635 | - | 16,176 |
| Cost of sales, selling expenses and administrative expenses | 1,141,407 | 485,092 | 6,050 | 1,632,549 |

The largest items of services were the costs of visits by sport cardholders at MultiSport partner facilities, IT expenses, marketing expenses, and advisory service costs.

Employee benefit expense presented in Corporate included costs of the Incentive Scheme.

2.3.1. Poland segment

The Poland segment's scope of operations includes non-pay benefits, such as sport cards and the MyBenefit cafeteria platform, management of fitness clubs, and investment in new clubs on the Polish market. The Group also creates online products in areas related to employee well-being as part of its MultiLife platform.

Sport cards are distributed by Benefit Systems S.A. and VanityStyle Sp. z o.o. Currently the following cards are available: MultiSport Plus, MultiSport Classic, MultiSport Light, MultiSport Kids/MultiSport Kids Aqua, MultiSport Student, MultiSport Senior, as well as FitSport and FitProfit.

Sport cards are one of the most popular non-pay benefits in Poland and, at the same time, they are also among the benefits most preferred by employees. Sport cards are unique because they combine, in a single product, benefits for various market participants; they benefit: employers as an effective tool for incentivising employees, cardholders by providing access to numerous facilities and activities, and sports facility operators by generating additional revenue streams. The market potential remains strong, as many Poles do not practise any sports and employers increasingly appreciate the benefits of their employees staying fit and healthy. According to the MultiSport Index 2023 survey, 72% of employees now state that post-pandemic sport cards have become more important for mental and physical health. Additionally, 68% believe that a MultiSport membership card should be an integral part of a basic workplace benefits package. At the end of the reporting period, the number of active cards in Poland was 1,507.2 thousand.

The Benefit Systems Group also invests in fitness clubs to secure access to an adequate base of sports and recreation facilities. As at the end of September 2024, the Group had 230 own clubs in Poland, operated by Benefit Systems S.A.'s Fitness Branch and by Interfit Club 1.0 Sp. z o.o., Interfit Club 4.0 Sp. z o.o., Interfit Club 5.0 Sp. z o.o., Interfit Consulting BIS Sp. z o.o., Good Luck Club GLC Sp. z o.o., Artis Club Sp. z o.o., and Gym Poznań Sp. z o.o. The Group's facilities operate under the following brands: Zdrofit, Fabryka Formy, Fitness Academy, My Fitness Place, FitFabric, Step One, Total Fitness, Saturn Fitness, Max-Gym, Interfit Club, Good Luck Club, Artis Wellnes Club, Gym World, and Aquapark Wesolandia. As at 30 September 2024, the Group also held interests in companies managing an additional 12 facilities. The Group is also developing its online products, such as the Yes2Move exercise platform, which provides access to a constantly expanding base of online and live workouts conducted by qualified trainers.

The Group is investing in the development of MyBenefit, its proprietary cafeteria platform offering a wide range of products and services, including the Benefit Systems Group's own products. The platform offers a wide range of benefits including sports and health, culture, entertainment, recreation, as well as domestic and international travel. The offering also comprises shopping vouchers that can be used at popular brand store chains in Poland, training



courses, and food offering. Benefits are offered by reliable suppliers, and the partner network comprises approximately 1,800 entities and is constantly adapted to market and customer needs.

The MyBenefit cafeteria platform allows employees to choose freely from among a range of available benefits, within the limits and budgets set by their employers. Users select benefits directly on the cafeteria platform, where each has an individual account, allowing full control and simple settlement of benefits received. The MyBenefit platform is also an important channel for distributing sport cards offered by the Group.

At the same time, new features are being developed within the MyBenefit platform, making it a comprehensive tool for managing employer-employee processes. MyBenefit enables companies to implement tools such as corporate intranets, employee benefit reports (Total Reward Statements), employee request systems with e-signature support, gamification and reward systems, as well as surveys and quizzes.

The Parent is consistently expanding the MultiLife product, which provides access to online services such as language platform, e-books and audiobooks, diet creator, yoga course, mindfulness course, and consultations with experts. MultiLife is an online platform that provides holistic support in caring for employee well-being in four areas: growth, nutrition, health, and psychology.

Selected financial data of the Poland segment for the nine months ended 30 September 2024 and 30 September 2023:

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 | Change |
|--|-----------------------|-----------------------|--------------|
| Poland segment | | | |
| Revenue | 1,810,270 | 1,429,394 | 26.6% |
| Cost of sales | (1,144,992) | (965,149) | 18.6% |
| Gross profit | 665,278 | 464,245 | 43.3% |
| Selling expenses | (96,029) | (84,681) | 13.4% |
| Administrative expenses | (125,759) | (91,577) | 37.3% |
| Other income and expenses | (7,842) | (5,157) | 52.1% |
| Operating profit | 435,648 | 282,830 | 54.0% |
| Share of profit of equity-accounted entities | 635 | 581 | 9.3% |
| EBITDA* | 652,318 | 461,299 | 41.4% |
| Gross margin | 36.8% | 32.5% | 4.3pp |
| <i>Number of sport cards ('000)</i> | <i>1,507.2</i> | <i>1,341.7</i> | <i>12.3%</i> |
| <i>Number of B2C passes ('000)</i> | <i>256.3</i> | <i>211.9</i> | <i>21.0%</i> |
| <i>Number of clubs</i> | <i>230</i> | <i>195</i> | <i>17.9%</i> |
| <i>Cafeterias sales (PLN million)**</i> | <i>362.4</i> | <i>285.7</i> | <i>26.8%</i> |
| <i>Number of Cafeterias users ('000)</i> | <i>780.6</i> | <i>672.1</i> | <i>16.1%</i> |

* The Group calculates EBITDA as operating profit plus depreciation and amortisation.

** Excluding sales of sport cards.

Revenue of the Poland segment rose by 26.6% year on year, mainly on the back of an increase in the number of sport cards to 1,507.2 thousand as at the reporting date (vs 1,341.7 thousand in the comparative period) and a growth in sales generated by own fitness clubs.

On 1 February 2024, the Group acquired Active Point Fit & Gym, a fitness club located in Tychy, which was then integrated into the Fabryka Formy network.

In February 2024, the Company opened four new clubs: two My Fitness Place outlets in Kraków, the Fit Fabric club in Łódź, and the Zdrofit Fort Wola club in Warsaw.

On 8 March 2024, the Company launched its first boutique club Studio Zdrofit, located in the Wilanów district of Warsaw. The new fitness club boasts state-of-the-art technologies, including artificial intelligence solutions.



In April 2024, two fitness clubs were closed: Zdrofit Żoliborz Centrum Olimpijskie in Warsaw, and Fitness Academy Arkady in Wrocław.

On 29 April 2024, the Parent acquired all shares in Good Luck Club GLC Sp. z o.o. The acquisition expanded the Group's portfolio by adding four fitness clubs located in Gdańsk (one club), Pruszcz Gdański (two clubs), and Banino (one club).

In June 2024, a new Fabryka Formy fitness club opened in the Chorzów-Batory district of Chorzów.

On 17 July 2024, the new Zdrofit Żoliborz Wojska Polskiego fitness club opened its doors in Warsaw.

On 29 July 2024, the Group acquired 100% of shares in Artis Club Sp. z o.o., managing the fitness club located at the Royal Wilanów Centre in Warsaw.

On 9 August 2024, the Group acquired 100% of the shares in Gym Poznań Sp. z o.o., which manages a fitness club in Poznań.

As a result of these actions, the Group increased its own fitness club count in Poland to 230 as at 30 September 2024. As at the issue date of this report, the number of own clubs was 239.

In addition to the Group's own sports facilities, customers of the MultiSport programme enjoy access to a network of partner facilities, totalling approximately 5.4 thousand as at 30 September 2024.

In the nine months to 30 September 2024, the Poland segment recognised depreciation of right-of-use assets of PLN 127.4 million and interest expense on lease liabilities of PLN 25.7 million.

2.3.2. Foreign Markets segment

The segment consists of companies engaged in the development of the MultiSport Programme, companies managing fitness clubs in foreign markets as part of the strategy to support the MultiSport card as the Group's main product, as well as holding companies: Benefit Systems International S.A., Fit Invest International Sp. z o.o., BSI Investments Sp. z o.o., and FII Investments Sp. z o.o.

Benefit Systems International S.A. is the parent of the other companies in the segment.

In the nine months ended 30 September 2024, the following segment companies were engaged in the rollout of the MultiSport programme: MultiSport Benefit S.R.O. in the Czech Republic; Benefit Systems Bulgaria O.O.D. in Bulgaria; Benefit Systems Slovakia S.R.O. in Slovakia; Benefit Systems D.O.O. in Croatia; and Benefit Systems Spor Hizmetleri Ltd. in Turkey. Fitness club operations were managed by Form Factory S.R.O. and, since 31 July 2024, Fitness Factory Prague S.R.O. in the Czech Republic; Form Factory Slovakia S.R.O. in Slovakia; Next Level Fitness O.O.D. and, since 19 August 2024, Fitness Flais Corporation O.O.D., Power Ronic O.O.D., Happy Group 1 O.O.D., Fitness Flais Group O.O.D., Fitness Flais Pro O.O.D. and Flais Fit O.O.D. in Bulgaria; Fit Invest D.O.O. and H.O.L.S. D.O.O. in Croatia; and FII Investments Sp. z o.o., operating through its subsidiary Fit Invest Spor Hizmetleri Ltd., in Turkey.



Selected financial data of the Foreign Markets segment for the nine months ended 30 September 2024 and 30 September 2023:

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 | Change |
|-------------------------------------|-----------------------|-----------------------|---------------|
| Foreign Markets segment | | | |
| Revenue | 671,718 | 587,360 | 14.4% |
| Cost of sales | (464,852) | (411,752) | 12.9% |
| Gross profit | 206,866 | 175,608 | 17.8% |
| Selling expenses | (47,352) | (34,163) | 38.6% |
| Administrative expenses | (65,091) | (39,177) | 66.1% |
| Other income and expenses | 559 | 1,656 | (66.2%) |
| Operating profit | 94,982 | 103,924 | (8.6%) |
| EBITDA* | 134,513 | 133,345 | 0.9% |
| Gross margin | 30.8% | 29.9% | 0.9pp |
| <i>Number of sport cards ('000)</i> | <i>505.9</i> | <i>469.8</i> | <i>7.7%</i> |
| <i>Number of B2C passes ('000)</i> | <i>28.4</i> | <i>17.1</i> | <i>66.1%</i> |
| <i>Number of clubs</i> | <i>60</i> | <i>25</i> | <i>140.0%</i> |

* The Group calculates EBITDA as operating profit plus depreciation and amortisation.

As at 30 September 2024, the number of cards was 505.9 thousand, marking an increase of 36.1 thousand cards compared with 30 September 2023. The Turkish market saw the most significant percentage growth, where the card count tripled year on year. Slovakia (up 29%) and Croatia (up 22%) saw double-digit year-on-year growth in the number of membership cards. In Bulgaria, the number of cards increased by 7%, while the Czech market experienced a decline of just under 3% compared to the previous year, but the number of active cards has been steadily recovering each month.

The third quarter of 2024 closed with a 2.1% increase in the number of cards compared to the first half of the year, despite the seasonality observed during the period due to card deactivations during the summer.

Number of active sport cards* in Foreign Markets countries ('000):

| Country | As at 30 Sep 2024* | As at 30 Sep 2023* | Change |
|----------------|-----------------------|-----------------------|-------------|
| Czech Republic | 237.5 | 244.8 | (3.0%) |
| Bulgaria | 140.0 | 130.6 | 7.2% |
| Slovakia | 70.7 | 54.9 | 28.8% |
| Croatia | 43.7 | 35.8 | 22.1% |
| Turkey | 14.0 | 3.7 | 278.4% |
| Total | 505.9 | 469.8 | 7.7% |

* Weighted average number of cards in the last month of the period.

In parallel to the sales activities, the Foreign Markets segment companies improved the experience for MultiSport customers by developing the partnership network and monitoring the quality of cooperation with partners within the existing network. As at the end of third quarter of 2024, the MultiSport partner network comprised a total of 5,688 facilities, up by 1,262 year on year. The most substantial growth on the six months to 30 June 2024, both in absolute numbers and percentage terms, occurred in Turkey, the Group's newest market.



Numbers of partner facilities in Foreign Markets countries:

| Country | As at 30 Sep 2024 | As at 30 Sep 2023 | Change |
|----------------|----------------------|----------------------|--------------|
| Czech Republic | 2,107 | 1,872 | 12.6% |
| Bulgaria | 896 | 898 | (0.2%) |
| Slovakia | 908 | 812 | 11.8% |
| Croatia | 451 | 404 | 11.6% |
| Turkey | 1,326 | 440 | 201.4% |
| Total | 5,688 | 4,426 | 28.5% |

In the three months to 30 September 2024, companies within the Foreign Markets segment focused on seeking out new locations for fitness clubs and carrying out conversion work at contracted sites. In the past quarter, three clubs were opened in the Czech Republic and one in Bulgaria.

At the same time, the companies pursued acquisitions, resulting in the purchase of Fitness Factory Prague S.R.O. in the Czech Republic, managing two operational clubs, on 31 July 2024. Additionally, following a conditional agreement signed in June 2024, shares in six companies were acquired on 19 August 2024, along with certain assets and locations associated with the Flais fitness club network based in Sofia, Bulgaria. As a result, the Benefit Systems Group expanded its portfolio by 15 operational clubs and three clubs under construction.

Compared with June 2024, the number of own locations in the segment increased by 21, with 16 in Bulgaria and 5 in the Czech Republic. As at the end of September 2024, the companies in the segment operated a total of 60 clubs. As at the issue date of this report, the number of fitness clubs increased by 8 with the opening of 6 new clubs in Bulgaria, 1 in the Czech Republic, and 1 in Croatia.

Numbers of own fitness clubs in Foreign Markets countries

| Country | As at 30 Sep 2024 | As at 30 Sep 2023 | Change |
|----------------|----------------------|----------------------|-----------|
| Czech Republic | 22 | 15 | 7 |
| Bulgaria | 30 | 9 | 21 |
| Slovakia | 1 | 1 | 0 |
| Croatia | 7 | - | 7 |
| Total | 60 | 25 | 35 |

The stable macroeconomic conditions in the markets of the Foreign Markets segment (except Turkey), combined with highly effective sales efforts, are expected to continue to drive strong sales growth.

In the nine months ended 30 September 2024, revenue grew 14.4% year on year. Operating profit for the period was PLN 95.0 million, having decreased 8.6%, primarily due to an increase in the number of employees in the segment's companies, driven by the dynamic expansion of the Turkish company and the Bulgarian market. This was also the reason why the ratio of selling and administrative expenses to revenue increased (16.7% vs 12.5% in the corresponding period of 2023). A provision of PLN 1.8 million was recognised in 2024 for a long-term incentive plan for key personnel, whereas in 2023, this provision was fully accounted for in the fourth quarter.

In the nine months ended 30 September 2024, the Foreign Markets segment recognised depreciation of right-of-use assets of PLN 24.8 million and interest expense on lease liabilities of PLN 4.9 million.



2.3.3. Corporate

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 | Change |
|--------------------------------|-----------------------|-----------------------|---------------|
| Corporate | | | |
| Revenue | (156) | (74) | 110.8% |
| Cost of sales | 53 | 40 | 32.5% |
| Gross profit | (103) | (34) | 202.9% |
| Selling expenses | - | - | - |
| Administrative expenses | (67,900) | (6,090) | 1,014.9% |
| Other income and expenses | 1,449 | (582) | (349.0%) |
| Operating profit/(loss) | (66,554) | (6,706) | 892.5% |
| EBITDA* | (66,551) | (6,706) | 892.4% |

* The Group calculates EBITDA as operating profit plus depreciation and amortisation.

The administrative expenses reported by the Corporate segment include mainly the costs of the Incentive Scheme of PLN 68.0 million for the nine months to 30 September 2024 and PLN 6.3 million for the same period of 2023 (note 2.18).

The most significant item of other income and expenses is income and expenses of the MultiSport Foundation.

2.4. Goodwill and acquisition of control of subsidiaries

2.4.1. Acquisition of control of subsidiaries



| Acquisitions in the nine months ended 30 September 2024 | Active Point Fit & Gym | H.O.L.S. D.O.O. (Croatia) | Good Luck Club GLC Sp. z o.o. | Artis Club Sp. z o.o. | Fitness Factory Prague S.R.O. (Czech Republic) | Gym Poznań Sp. z o.o. | Flais fitness club network (Bulgaria) | Total |
|--|---------------------------|---------------------------------|-------------------------------------|--------------------------|--|--------------------------|---|----------------|
| Acquisition date | 1 Feb 2024 | 2 Apr 2024 | 29 Apr 2024 | 29 Jul 2024 | 31 Jul 2024 | 9 Aug 2024 | 19 Aug 2024 | |
| Purchase price as at acquisition date, including: | 3,087 | 21,505 | 27,677 | 3,211 | 4,204 | 2,787 | 62,655 | 125,126 |
| <i>cash</i> | 2,787 | 21,505 | 27,700 | 3,191 | 4,204 | 2,787 | 58,000 | 120,174 |
| <i>deferred and contingent payments</i> | - | - | (23) | 20 | - | - | 4,655 | 4,652 |
| <i>settlement of claims</i> | 300 | - | - | - | - | - | - | 300 |
| Net assets acquired, including: | 869 | (47) | 321 | (2,098) | (256) | (1,437) | 7,058 | 4,410 |
| <i>Intangible assets</i> | 109* | 843 | 292** | 530 | - | 131 | 214 | 2,119 |
| <i>Right-of-use assets</i> | 2,079 | 8,987 | 18,863 | 7,072 | 3,325 | 1,662 | 40,530 | 82,518 |
| <i>Property, plant and equipment</i> | 730 | 261 | 751** | 577 | 6,219 | 1,234 | 8,466 | 18,238 |
| <i>Long-term receivables</i> | 30 | - | 192 | 512 | 141 | - | 291 | 1,166 |
| <i>Other current assets</i> | - | 926 | 526 | 152 | 202 | 158 | 314 | 2,278 |
| <i>Cash</i> | - | 35 | 141 | 76 | 17 | - | 602 | 871 |
| <i>Borrowings, other debt instruments</i> | - | (909) | (175) | (3,800) | (5,055) | (2,795) | (1,503) | (14,237) |
| <i>Non-current lease liabilities</i> | (1,717) | (4,834) | (16,680) | (5,973) | (3,325) | (1,170) | (35,180) | (68,879) |
| <i>Current lease liabilities</i> | (362) | (4,291) | (2,184) | (1,099) | - | (492) | (5,351) | (13,779) |
| <i>Other liabilities</i> | - | (1,065) | (1,405) | (145) | (1,780) | (165) | (1,325) | (5,885) |
| Goodwill as at acquisition date | 2,218* | 21,552 | 27,356** | 5,309 | 4,460 | 4,224 | 55,597 | 120,716 |
| Foreign exchange gains/(losses) on consolidation | - | (109) | - | - | 37 | - | 75 | 3 |
| Goodwill as at 30 Sep 2024 | 2,218 | 21,443 | 27,356 | 5,309 | 4,497 | 4,224 | 55,672 | 120,719 |

* In the three months to 30 June 2024, an adjustment was made to the provisional accounting for the acquisition of Active Point Fit & Gym. The provisional goodwill was increased by PLN 0.4 million, from PLN 1.8 million to PLN 2.2 million, primarily due to updated assumptions and methodologies used to measure trademarks.

** In the three months to 30 September 2024, an adjustment was made to the provisional accounting for the acquisition of Good Luck Club GLC Sp. z o.o. The provisional goodwill was decreased by PLN 0.6 million to PLN 27.4 million, primarily due to the remeasurement of intangible assets and property, plant and equipment.



Acquisition of a business in the form of Active Point Fit & Gym fitness club

On 1 February 2024, the Parent signed an agreement to acquire Active Point Fit & Gym, a fitness club located in Tychy, Poland, for PLN 3.1 million. The club became part of the Fabryka Formy network.

The acquisition was settled by paying PLN 2.8 million in cash on the agreement date and offsetting mutual receivables of PLN 0.3 million. Upon acquisition of control, the fair value of the total purchase price amounted to PLN 3.1 million.

As part of the provisional accounting for the acquisition, the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 2.2 million. The goodwill was allocated to a cash generating unit in the Poland segment. It reflects the anticipated synergies from the ongoing strategy to strengthen the competitive edge of its flagship product, sport cards, by selectively investing in sports facilities across Poland, focusing on locations that are most advantageous for the sport card business.

As at the date of this consolidated quarterly report, the Group had not completed the purchase price allocation process. Work was still in progress to review, identify, and measure the fair value of the assets and liabilities acquired. This included verifying the data provided by the seller (operating and financial data, forecasts, and budgets) against the actual performance of the club since its acquisition. Therefore, the goodwill recognised on the acquisition of the Active Point Fit & Gym fitness club may change within 12 months from the acquisition date.

Acquisition of 100% of shares in H.O.L.S. D.O.O. of Croatia

On 2 April 2024, Fit Invest D.O.O. completed the acquisition of 100% of shares in H.O.L.S. D.O.O. ("HOLS"). The price was settled through the payment of EUR 5 million (PLN 21.5 million) in cash.

According to Fit Invest D.O.O.'s best estimates, the fair value of the total purchase price as at the date of acquisition of control was EUR 5 million (PLN 21.5 million).

Following the HOLLS acquisition, three fitness clubs located in Zagreb, Croatia, and one fitness club under construction were integrated into the Group's foreign fitness club portfolio. The acquired facilities operated under the OrlandoFit brand. After the acquisition, they were rebranded and now operate under The Fitness brand.

As part of the provisional accounting for the acquisition, as at the acquisition date the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 21.6 million. The goodwill was allocated to the Croatia cash generating unit in the Foreign Markets segment. It reflects the anticipated synergies from the ongoing strategy to strengthen the competitive edge of its flagship product, sport cards, by selectively investing in sports facilities across Poland, focusing on locations that are most advantageous for the sport card business.

As at the date of this consolidated quarterly report, the Group had not completed the purchase price allocation process. Work was still in progress to review, identify, and measure the fair value of the assets and liabilities acquired. This included verifying the data provided by the seller (operating and financial data, forecasts, and budgets) against the actual performance of the club since its acquisition. Therefore, the goodwill recognised on the acquisition of HOLLS may change within 12 months from the acquisition date.

Acquisition of 100% of shares in Good Luck Club GLC Sp. z o.o.

On 29 April 2024, the Parent acquired 100% of shares in Good Luck Club GLC Sp. z o.o. ("Good Luck"). The transaction involved acquiring four fitness clubs located in Gdańsk (one club), Pruszcz Gdański (two clubs), and Banino (one club). The ownership of the shares was transferred on 29 April 2024.

The total purchase price was PLN 27.7 million. In the three months to 31 March 2024, the Company paid a PLN 2.4 million advance to the seller, with the balance of PLN 25.3 million paid on 29 April 2024 as follows: PLN 22.5 million was paid to the seller's bank account, PLN 2 million was paid to a notary's deposit account as security for the club in Banino, and PLN 0.8 million was paid to a notary's deposit account as security for the renovation of the club in Pruszcz Gdański.

As per the agreement, the share price may be adjusted by:



- reducing it by PLN 5.5 million if the fitness club in Banino is not handed over to Good Luck in a new location within the time frames specified in the agreement; of that amount PLN 2 million is in a notary's deposit account, and PLN 3.5 million is secured with a promissory note;
- reducing it by PLN 0.8 million if the renovation of the fitness club in Pruszcz Gdański is not completed within the time frames specified in the agreement. As the renovation was completed on time and no adjustment was necessary, the PLN 0.8 million held in the notary's deposit account was released to the seller in July 2024;
- reducing or increasing it by an amount of up to PLN 0.1 million, calculated in accordance with contractual provisions (Good Luck's revenue from the sale of passes and MultiSport membership card services accounted for on an accrual basis). It was agreed that PLN 0.02 million would be returned by the seller as part of a price adjustment.

Upon acquiring control, the fair value of the total purchase price was PLN 27.7 million.

As a result of the acquisition of Good Luck, four fitness clubs, in Gdańsk, Pruszcz Gdański and Banino, were added to the Group's own fitness club portfolio.

As part of the provisional accounting for the acquisition, the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 27.4 million. The goodwill was allocated to a cash generating unit in the Poland segment. It reflects the anticipated synergies from the ongoing strategy to strengthen the competitive edge of its flagship product, sport cards, by selectively investing in sports facilities across Poland, focusing on locations that are most advantageous for the sport card business.

As at the date of this consolidated quarterly report, the Group had not completed the purchase price allocation process. Work was still in progress to review, identify, and measure the fair value of the assets and liabilities acquired. This included verifying the data provided by the seller (operating and financial data, forecasts, and budgets) against the actual performance of the club since its acquisition. Therefore, the goodwill recognised on the acquisition of Good Luck may change within 12 months from the acquisition date.

Acquisition of 100% of shares in Artis Club Sp. z o.o.

On 29 July 2024, the Parent acquired 100% of shares in Artis Club Sp. z o.o. The transaction consisted of the acquisition of one fitness club located in Warsaw.

The share purchase price was PLN 3.2 million and was paid in cash to the seller's bank account. Ownership of the shares was transferred on 29 April 2024. On 29 July 2024, the Parent paid PLN 3.8 million on account of a share capital increase in Artis Club Sp. z o.o.

As part of the provisional accounting for the acquisition, the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 5.3 million. The goodwill was allocated to a cash generating unit in the Poland segment. It reflects the anticipated synergies from the ongoing strategy to strengthen the competitive edge of its flagship product, sport cards, by selectively investing in sports facilities across Poland, focusing on locations that are most advantageous for the sport card business.

As at the date of this consolidated quarterly report, the Group had not completed the purchase price allocation process. Work was still in progress to review, identify, and measure the fair value of the assets and liabilities acquired. This included verifying the data provided by the seller (operating and financial data, forecasts, and budgets) against the actual performance of the club since its acquisition. Therefore, the goodwill recognised on acquisition of the Artis Club fitness club may change within 12 months from the acquisition date.

Acquisition of 100% of shares in Fitness Factory Prague S.R.O. in the Czech Republic

On 31 July 2024, Form Factory S.R.O. acquired 100% of the shares in Fitness Factory Prague S.R.O. under an agreement signed on 18 July 2024. According to the best estimates of Form Factory S.R.O., the fair value of the total purchase price is EUR 1 million (PLN 4.2 million). The price was paid by depositing the funds into an escrow account, and after the conditions of the agreement were met, the funds were released to the seller. The shares were transferred on 31 July 2024 upon fulfilment of the conditions set out in the agreement.



As a result of the transaction, two fitness clubs in Prague, Czech Republic, were added to the Group's own fitness club portfolio.

As part of the provisional accounting for the acquisition, the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 4.5 million. The goodwill was allocated to the Czech Republic cash generating unit in the Foreign Markets segment. It reflects the anticipated synergies from the ongoing strategy to strengthen the competitive edge of its flagship product, sport cards, by selectively investing in sports facilities across Poland, focusing on locations that are most advantageous for the sport card business.

As at the date of this consolidated quarterly report, the Group had not completed the purchase price allocation process. Work was still in progress to review, identify, and measure the fair value of the assets and liabilities acquired. This included verifying the data provided by the seller (operating and financial data, forecasts, and budgets) against the actual performance of the club since its acquisition. Therefore, the goodwill recognised on the acquisition of Fitness Factory Prague S.R.O. may change within 12 months from the acquisition date.

Acquisition of 100% of shares in Gym Poznań Sp. z o.o.

On 9 August 2024, the Parent acquired 100% of the shares in Gym Poznań Sp. z o.o. ("Gym Poznań"). The transaction consisted of the acquisition of one fitness club located in Poznań.

The share purchase price was PLN 2.8 million and was paid in cash to the seller's bank account. Ownership of the shares was transferred on 9 August 2024. The share price may be: (i) increased by Gym Poznań's receivables for the period prior to the acquisition date and (ii) reduced by Gym Poznań's liabilities for the period prior to the acquisition date, but according to the Company's best estimates it is unlikely to be adjusted by more than PLN 0.1 million. On 9 August 2024, the Parent paid PLN 2.8 million on account of a share capital increase in Gym Poznań.

As part of the provisional accounting for the acquisition, the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 4.2 million. The goodwill was allocated to a cash generating unit in the Poland segment. It reflects the anticipated synergies from the ongoing strategy to strengthen the competitive edge of its flagship product, sport cards, by selectively investing in sports facilities across Poland, focusing on locations that are most advantageous for the sport card business.

As at the date of this consolidated quarterly report, the Group had not completed the purchase price allocation process. Work was still in progress to review, identify, and measure the fair value of the assets and liabilities acquired. This included verifying the data provided by the seller (operating and financial data, forecasts, and budgets) against the actual performance of the club since its acquisition. Therefore, the goodwill recognised on acquisition of the Gym Poznań fitness club may change within 12 months from the acquisition date.

Acquisition of shares and assets associated with Flais fitness club network in Bulgaria

On 12 August 2024, Next Level Fitness O.O.D. received a decision from the Bulgarian Competition Protection Commission, approving the concentration and the acquisition of the Flais fitness club network located in Sofia, Bulgaria, which had the effect of fulfilling the condition precedent included in the conditional agreement executed on 20 June 2024. As a result, on 19 August 2024, Next Level Fitness O.O.D. acquired 100% of the share capital of the companies: Fitness Flais Corporation O.O.D., Power Ronic O.O.D., Happy Group 1 O.O.D., Fitness Flais Group O.O.D., Fitness Flais Pro O.O.D., and Flais Fit O.O.D., as well as the assets of six fitness clubs. Additionally, the company entered into new lease contracts for the fitness clubs, acquired the rights to the Flais word-and-graphic trademark, and took over the employees and customer base of the Flais network. The transaction was recognised as a business acquisition in accordance with IFRS 3. As a result of the transaction, 15 operational fitness clubs and three fitness clubs under construction, all located in Sofia, Bulgaria, were added to the Group's own fitness club portfolio.

According to Next Level Fitness O.O.D.'s best estimates, the fair value of the total purchase price as at the date of acquisition of control was EUR 14.7 million (PLN 62.7 million), With the final amount contingent on the net debt and net working capital of the acquired companies, calculated in accordance with the agreement. The sale price was settled through a cash payment of EUR 13.6 million (PLN 58 million) to the sellers' bank account and a deposit of EUR 1.1 million (PLN 4.7 million) into an escrow account held by Next Level Fitness O.O.D. (note 2.11). The funds in the escrow account will be settled 15 months after the transfer of ownership of the shares, subject to the fulfilment of conditions set out in the agreement, and cannot be freely used by Next Level Fitness O.O.D. during this period (note 2.7).



As part of the provisional accounting for the acquisition, the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 55.6 million. The goodwill was allocated to the Bulgaria cash generating unit in the Foreign Markets segment. It reflects the anticipated synergies from the ongoing strategy to strengthen the competitive edge of its flagship product, sport cards, by selectively investing in sports facilities across Poland, focusing on locations that are most advantageous for the sport card business.

As at the date of this consolidated quarterly report, the Group had not completed the purchase price allocation process. Work was still in progress to review, identify, and measure the fair value of the assets and liabilities acquired. This included verifying the data provided by the seller (operating and financial data, forecasts, and budgets) against the actual performance of the club since its acquisition. Therefore, the goodwill recognised on the acquisition of the Flais fitness clubs may change within 12 months from the acquisition date.

2.4.2. Goodwill

The changes in goodwill in the nine months ended 30 September 2024 are presented below.

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|--|-----------------------|-----------------------|
| Gross carrying amount | | |
| Balance at beginning of period | 573,267 | 460,624 |
| Acquisitions and business combinations, including: | 121,881 | 53,211 |
| Active Point Fit & Gym (note 2.4.1) | 2,218 | - |
| H.O.L.S. D.O.O. (Croatia) (note 2.4.1) | 21,552 | - |
| Good Luck Club GLC Sp. z o.o. (note 2.4.1) | 27,356 | - |
| Artis Club Sp. z o.o. (note 2.4.1) | 5,309 | - |
| Fitness Factory Prague S.R.O. (Czech Republic) (note 2.4.1). | 4,460 | - |
| Gym Poznań Sp. z o.o. (note 2.4.1) | 4,224 | - |
| Flais fitness club network (Bulgaria) (note 2.4.1) | 55,597 | - |
| Manufaktura Zdrowia Sp. z o.o. – accounting for the acquisition completed ¹⁾ | (130) | - |
| Gravitan Warszawa Sp. z o.o. – accounting for the acquisition completed ¹⁾ | 1,521 | - |
| Active Sport i Rekreacja Sp. z o.o. – adjustment to accounting for the acquisition ²⁾ | (180) | - |
| Interfit companies – adjustment to accounting for the acquisition ³⁾ | (49) | - |
| Lunching.pl Sp. z o.o. | - | 322 |
| Acquisition of 15 organised parts of business from Calypso Fitness S.A. | - | 40,788 |
| Saturn Fitness Group Sp. z o.o. | - | 9,304 |
| Manufaktura Zdrowia Sp. z o.o. | - | 2,797 |
| Foreign exchange gains/(losses) on consolidation | 3 | - |
| Gross carrying amount at end of period | 695,148 | 513,835 |
| Impairment losses | | |
| Impairment losses at end of period | - | - |
| Goodwill – carrying amount at end of period | 695,148 | 513,835 |

1) In the six months ended 30 June 2024, the accounting for the 2023 acquisitions of Manufaktura Zdrowia Sp. z o.o. and Gravitan Warszawa Sp. z o.o. was completed. The adjustment to the provisional goodwill for Gravitan Warszawa Sp. z o.o. was mainly attributable to updated assumptions and methodologies used to measure trademarks (a reduction of PLN 1.8 million). The adjustment for Manufaktura Zdrowia Sp. z o.o. was due mainly to the measurement of acquired intangible assets.

2) The adjustment to the provisional goodwill for Active Sport and Rekreacja Sp. z o.o., acquired at the end of 2023, resulted from the measurement of acquired trademarks (PLN 0.4 million) and property, plant and equipment (a reduction of PLN 0.3 million).

3) The adjustment to the provisional goodwill for the Interfit companies acquired at the end of 2023, resulted from the remeasurement of acquired current assets (PLN 0.4 million) and current liabilities (PLN 0.4 million) and from the measurement of acquired intangible assets (PLN 0.8 million).

Goodwill presented in the assets was allocated to the following cash-generating units:



| | 30 Sep 2024 | 31 Dec 2023 |
|-----------------------|----------------|----------------|
| Poland | 584,807 | 544,538 |
| Czech Republic | 32,837 | 28,340 |
| Bulgaria | 56,061 | 389 |
| Croatia | 21,443 | - |
| Total goodwill | 695,148 | 573,267 |

2.5. Intangible assets and property, plant and equipment

2.5.1. Intangible assets

The carrying amounts of intangible assets and changes in these amounts during the nine months ended 30 September 2024 are as follows:

| | Trademarks | Patents and licences | Software | Completed development work | Other intangible assets | Intangible assets under development | Total |
|--|------------|----------------------|----------|----------------------------|-------------------------|-------------------------------------|-------|
|--|------------|----------------------|----------|----------------------------|-------------------------|-------------------------------------|-------|

As at 30 Sep 2024

| | | | | | | | |
|---|--------------|--------------|------------|---------------|---------------|---------------|----------------|
| Gross carrying amount | 14,000 | 11,493 | 9,179 | 176,649 | 45,329 | 40,199 | 296,849 |
| Accumulated amortisation and impairment | (4,144) | (8,318) | (8,496) | (101,315) | (30,698) | - | (152,971) |
| Net carrying amount | 9,856 | 3,175 | 683 | 75,334 | 14,631 | 40,199 | 143,878 |

As at 31 Dec 2023

| | | | | | | | |
|---|---------------|--------------|------------|---------------|---------------|---------------|----------------|
| Gross carrying amount | 14,410 | 9,712 | 8,678 | 162,492 | 42,674 | 16,146 | 254,112 |
| Accumulated amortisation and impairment | (1,699) | (5,650) | (8,353) | (73,578) | (26,141) | - | (115,421) |
| Net carrying amount | 12,711 | 4,062 | 325 | 88,914 | 16,533 | 16,146 | 138,691 |

| | Trademarks | Patents and licences | Software | Completed development work | Other intangible assets | Intangible assets under development | Total |
|--|------------|----------------------|----------|----------------------------|-------------------------|-------------------------------------|-------|
|--|------------|----------------------|----------|----------------------------|-------------------------|-------------------------------------|-------|

1 Jan–30 Sep 2024

| | | | | | | | |
|---|---------------|--------------|------------|---------------|---------------|---------------|----------------|
| Net carrying amount as at 1 Jan 2024 | 12,711 | 4,062 | 325 | 88,914 | 16,533 | 16,146 | 138,691 |
| Business combinations (note 2.4.1) | 817 | - | - | - | 1,302 | - | 2,119 |
| Adjustment to accounting for acquisition | (618) | - | - | - | 255 | - | (363) |
| Increase (purchase, construction) | - | 1,667 | 308 | 650 | 1,041 | 38,000 | 41,666 |
| Decrease (disposal, liquidation) (-) | (607) | - | - | - | (15) | - | (622) |
| Other movements (reclassification, transfers, etc.) | - | 121 | 200 | 13,507 | 99 | (13,927) | - |
| Impairment losses (+/-) | - | - | - | - | - | - | - |
| Amortisation (-) | (2,445) | (2,668) | (143) | (27,737) | (4,557) | - | (37,550) |
| Net exchange differences (+/-) | (2) | (7) | (7) | - | (27) | (20) | (63) |
| Net carrying amount as at 30 Sep 2024 | 9,856 | 3,175 | 683 | 75,334 | 14,631 | 40,199 | 143,878 |

As at 30 September 2024, the carrying amount of intangible assets was PLN 143.9 million, marking an increase of PLN 5.2 million on 31 December 2023. The change in intangible assets, offset by the recognition of PLN 37.6 million in amortisation charge, resulted mainly from expenditure on development, integration and optimisation of business and sales systems and online platforms for customers. Key initiatives included the rollout of the MyBenefit platform, further enhancements to the MultiLife online platform and mobile app, progress on implementing a new ERP



system, automation and synchronisation in MultiSport card management, and automation and optimisation in customer service. During the nine months ended 30 September 2024, the carrying amount of intangible assets rose by PLN 2.1 million as a result of the acquisition of the Active Point business and companies in Poland, the Czech Republic and Bulgaria (note 2.4.1).

2.5.2. Property, plant and equipment

The carrying amounts of property, plant and equipment and changes in these amounts during the nine months ended 30 September 2024 are as follows:

| | Land | Buildings and structures | Machinery and equipment | Vehicles | Other property, plant and equipment | Property, plant and equipment under construction | Total |
|--|------|--------------------------|-------------------------|----------|-------------------------------------|--|-------|
|--|------|--------------------------|-------------------------|----------|-------------------------------------|--|-------|

As at 30 Sep 2024

| | | | | | | | |
|---|------------|----------------|---------------|------------|----------------|---------------|----------------|
| Gross carrying amount | 721 | 436,024 | 97,309 | 788 | 261,862 | 56,254 | 852,957 |
| Accumulated depreciation and impairment | - | (233,259) | (64,220) | (334) | (158,425) | - | (456,238) |
| Net carrying amount | 721 | 202,765 | 33,088 | 454 | 103,437 | 56,254 | 396,719 |

As at 31 Dec 2023

| | | | | | | | |
|---|------------|----------------|---------------|------------|----------------|---------------|----------------|
| Gross carrying amount | 721 | 399,209 | 73,316 | 687 | 235,505 | 24,516 | 733,954 |
| Accumulated depreciation and impairment | - | (212,737) | (54,574) | (191) | (133,186) | - | (400,688) |
| Net carrying amount | 721 | 186,472 | 18,742 | 496 | 102,319 | 24,516 | 333,266 |

| | Land | Buildings and structures | Machinery and equipment | Vehicles | Other property, plant and equipment | Property, plant and equipment under construction | Total |
|--|------|--------------------------|-------------------------|----------|-------------------------------------|--|-------|
|--|------|--------------------------|-------------------------|----------|-------------------------------------|--|-------|

1 Jan–30 Sep 2024

| | | | | | | | |
|---|------------|----------------|---------------|------------|----------------|---------------|----------------|
| Net carrying amount as at 1 Jan 2024 | 721 | 186,472 | 18,742 | 496 | 102,319 | 24,516 | 333,266 |
| Business combinations (note 2.4.1) | - | 2,314 | 3,317 | 57 | 5,756 | 6,794 | 18,238 |
| Adjustment to accounting for acquisition | - | - | - | - | (264) | - | (264) |
| Increase (purchase, construction) | - | 3,664 | 16,455 | 119 | 23,915 | 72,079 | 116,232 |
| Decrease (disposal, liquidation) (-) | - | - | (135) | (29) | (946) | - | (1,110) |
| Other movements (reclassification, transfers) | - | 41,040 | 5,729 | 30 | 64 | (46,817) | 46 |
| Impairment losses (+/-) | - | 99 | (13) | - | (861) | - | (775) |
| Depreciation (-) | - | (29,379) | (10,342) | (144) | (26,551) | - | (66,416) |
| Net exchange differences (+/-) | - | (1,445) | (665) | (75) | 5 | (318) | (2,498) |
| Net carrying amount as at 30 Sep 2024 | 721 | 202,765 | 33,088 | 454 | 103,437 | 56,254 | 396,719 |

As at 30 September 2024, the carrying amount of property, plant and equipment was PLN 396.7 million. The PLN 63.4 million increase in property, plant and equipment relative to the end of 2023 was mainly attributable to investments totalling PLN 116.2 million in new and existing fitness clubs. The increase was partially offset by a depreciation charge of PLN 66.4 million.



In the nine months ended 30 September 2024, the Group acquired Active Point's business and certain companies in Poland, the Czech Republic and Bulgaria, which increased the carrying amount of property, plant and equipment by PLN 18.2 million (note 2.4.1). The Group reported foreign exchange losses on the translation of foreign operations of PLN 2.5 million.

Other property, plant and equipment include primarily fitness equipment and fitness club fixtures and fittings.

2.6. Leases

2.6.1. Right-of-use assets

| | Property | Fitness equipment | Other | Total |
|---|------------------|-------------------|---------------|------------------|
| 1 Jan–30 Sep 2024 | | | | |
| Net carrying amount as at 1 Jan 2024 | 990,181 | 9,437 | 10,705 | 1,010,323 |
| New lease contracts | 127,531 | 464 | 7,818 | 135,813 |
| Business combinations (note 2.4.1) | 82,518 | - | - | 82,518 |
| Modifications, termination of contracts | 71,282 | (151) | (328) | 70,803 |
| Depreciation and amortisation | (147,456) | (527) | (4,255) | (152,238) |
| Exchange differences on translation of foreign operations | (3,702) | (3) | (191) | (3,896) |
| Net carrying amount as at 30 Sep 2024 | 1,120,354 | 9,220 | 13,749 | 1,143,323 |

| | Property | Fitness equipment | Other | Total |
|---|----------------|-------------------|---------------|----------------|
| 1 Jan–30 Sep 2023 | | | | |
| Net carrying amount as at 1 Jan 2023 | 813,805 | 10,766 | 9,605 | 834,176 |
| New lease contracts | 41,580 | - | 4,251 | 45,831 |
| Business combinations | 96,946 | - | - | 96,946 |
| Modifications, termination of contracts | 80,285 | 1,217 | 383 | 81,885 |
| Depreciation and amortisation | (119,459) | (992) | (4,117) | (124,568) |
| Exchange differences on translation of foreign operations | (1,920) | - | (83) | (2,003) |
| Net carrying amount as at 30 Sep 2023 | 911,237 | 10,991 | 10,039 | 932,267 |

In the nine months ended 30 September 2024, lease contract modifications were mainly attributable to the indexation of rental rates and extensions of lease periods for fitness clubs.



2.6.2. Lease liabilities

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|-----------------------|-----------------------|
| Balance at beginning of period | 1,062,477 | 954,595 |
| New lease contracts | 127,054 | 37,751 |
| Business combinations (note 2.4.1) | 82,658 | 96,946 |
| Modifications, termination of contracts | 69,632 | 83,223 |
| Accrued interest | 30,580 | 19,719 |
| Exchange differences | (9,904) | (9,122) |
| Settlement of liabilities | (169,650) | (147,600) |
| Exchange differences on translation of foreign operations | (4,258) | (2,098) |
| Balance at end of period | 1,188,589 | 1,033,414 |
| Non-current | 957,944 | 833,666 |
| Current | 230,645 | 199,748 |

Maturities of the lease liabilities as at 30 September 2024 and 31 December 2023 are presented below:

| | Lease payments due in: | | | |
|--------------------------|------------------------|----------------|----------------|------------------|
| | up to 1 year | 1 to 5 years | over 5 years | Total |
| As at 30 Sep 2024 | | | | |
| Lease payments | 237,911 | 757,681 | 322,854 | 1,318,446 |
| Finance costs (-) | (7,266) | (43,931) | (78,660) | (129,857) |
| Present value | 230,645 | 713,750 | 244,194 | 1,188,589 |

| | Lease payments due in: | | | |
|--------------------------|------------------------|----------------|----------------|------------------|
| | up to 1 year | 1 to 5 years | over 5 years | Total |
| As at 31 Dec 2023 | | | | |
| Lease payments | 206,716 | 704,210 | 287,246 | 1,198,172 |
| Finance costs (-) | (6,229) | (60,326) | (69,140) | (135,695) |
| Present value | 200,487 | 643,884 | 218,106 | 1,062,477 |

As at 30 September 2024, the Group was a party lease contracts for fitness clubs whose leases have not yet commenced; the contracts were not recognised in the measurement of lease liabilities. The potential future cash outflows under these contracts were estimated at PLN 186,143 thousand (31 December 2023: PLN 62,741 thousand).

2.6.3. Lease amounts disclosed in profit or loss and cash flows

Amounts disclosed in the nine months ended 30 September 2024 and 2023 relating to lease contracts are presented below.



| 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|-----------------------|-----------------------|
|-----------------------|-----------------------|

Amounts disclosed in the consolidated statement of profit or loss

| | | |
|--|------------------|------------------|
| Depreciation of right-of-use assets (recognised in cost of sales, selling expenses and administrative expenses) | (152,238) | (124,568) |
| Gain/(loss) on lease modifications (recognised in other income/expenses) | 403 | 362 |
| Interest expense on lease liabilities (recognised in finance costs) | (30,580) | (19,719) |
| Exchange differences on lease liabilities denominated in foreign currencies (recognised in finance income/costs) | 9,904 | 9,122 |
| Total | (172,511) | (134,803) |

Amounts disclosed in the consolidated statement of cash flows

| | | |
|--|-----------|-----------|
| Lease payments (recognised in cash flow from financing activities) | (169,650) | (147,600) |
|--|-----------|-----------|

Costs of short-term lease contracts and leases of low-value assets that are not recognised in the measurement of the lease liabilities in the interim condensed consolidated statement of profit or loss stood at PLN 2,747 thousand and PLN 1,554 thousand in the nine months ended 30 September 2024 and 30 September 2023, respectively. The costs included mainly rental of advertising space (PLN 2,102 thousand and 899 thousand, respectively) and leases of assorted equipment for fitness clubs and offices (PLN 646 thousand and 655 thousand, respectively). In the nine months ended 30 September 2024, variable lease payments were PLN 128 thousand. In the nine months ended 30 September 2023, there were no variable lease payments.

2.6.4. Subleases

The Group is an intermediate lessor and a lessor with respect to fitness equipment leased to facilities which are the Group's partners, and with respect to retail and office space which is subleased. The respective contracts were recognised as operating leases.

In the nine months ended 30 September 2024, the Group recognised in the statement of profit or loss income from sublease of office and retail space of PLN 1,433 thousand and rental income from fitness equipment of PLN 502 thousand. In the nine months ended 30 September 2023, this income amounted to PLN 830 thousand and PLN 957 thousand, respectively. In the nine months ended 30 September 2024, the Group also recognised rental income from advertising space of PLN 27 thousand. These amounts comprised minimum fixed sublease/lease payments only. In the reporting period, there were no contingent or other payments.

2.7. Cash and cash equivalents

As at 30 September 2024, cash amounted to PLN 361.6 million, of which EUR 1.1 million (PLN 4.7 million) was restricted cash held in an escrow account in connection with the acquisition of the Flais fitness club network (notes 2.4.1 and 2.11).

The PLN 72.4 million decrease in cash relative to the end of 2023 was mainly driven by outflows allocated mainly to investments in new and existing fitness clubs (PLN 107.2 million), the development of business and sales systems and online platforms for customers (PLN 41.7 million), acquisitions (PLN 165.9 million), and current lease payments (PLN 169.7 million). The Group also paid dividends of PLN 201.7 million. During the nine months ended 30 September 2024, the Group repaid PLN 28.2 million in borrowings. Net cash from operating activities was PLN 644.3 million (after payment by Benefit Systems S.A. of PLN 80.8 million in income tax liabilities for 2023 in April 2024).

In the condensed consolidated statement of cash flows, receivables increased by PLN 1.5 million, while in the condensed consolidated statement of financial position trade and other receivables increased by PLN 30.3 million. The difference was mainly attributable to payments for the future acquisition of shares in SmartLunch S.A. of PLN 38.5 million, disclosed in the condensed consolidated statement of financial position under other receivables (see note 2.15), the recognition of acquired companies' receivable balances of PLN 3.0 million, and repayments of loans advanced to employees under the Incentive Scheme of PLN 3.5 million.



In the condensed consolidated statement of cash flows, there is a decrease in liabilities of PLN 29.5 million, while in the condensed consolidated statement of financial position the decrease in trade payables, other payables and contract liabilities is PLN 22.6 million. The difference is due primarily to the settlement of the obligation to deliver shares under the Incentive Scheme of PLN 18.6 million, non-cash offsets of trade payables to partners with loans advanced to partners of PLN 3.5 million, the recognition of acquired companies' liability balances of PLN 8.8 million, and repayments of other financial liabilities of PLN 0.7 million.

2.8. Share capital

As at 30 September 2024, the Parent's share capital amounted to PLN 2,958 thousand (31 December 2023: PLN 2,934 thousand) and comprised 2,958 thousand shares with a par value of PLN 1 per share. All the shares were paid up in full. All shares participate equally in the distribution of dividends and each share confers the right to one vote at the General Meeting. The amount of the share capital may not be distributed.

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|-----------------------|-----------------------|
| Number of shares at beginning of period | 2,933,542 | 2,933,542 |
| Share issue in connection with exercise of options (Incentive Scheme) | 24,750 | - |
| Number of shares at end of period | 2,958,292 | 2,933,542 |

On 23 January 2024, the Parent issued 24,750 series G shares in connection with the exercise by eligible persons of their rights under series L subscription warrants granted as part of the 2021-2025 Incentive Scheme (Note 2.18). In accordance with the terms of the Incentive Scheme, the share price was PLN 752.01 per share. The Company received payments for the subscription for shares of PLN 18.6 million in the fourth quarter of 2023.

The Parent's shares were not held by any subsidiaries or associates.

2.9. Earnings per share

Basic earnings per share are calculated as the quotient of the net profit attributable to owners of the parent divided by the weighted average number of ordinary shares (excluding treasury shares) outstanding during the period.

When calculating both basic and diluted earnings/(loss) per share, the Group applies the amount of net profit/(loss) attributable to owners of the Parent in the numerator.

The calculation of diluted earnings per share takes into account the effect of options convertible into Parent shares that have been issued under the ongoing Incentive Schemes (note 2.18).

Computation of the basic and diluted earnings per share, with the reconciliation of the diluted weighted average number of shares is presented below.

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|-----------------------|-----------------------|
| Number of shares used as denominator | | |
| Weighted average number of ordinary shares | 2,956,214 | 2,933,542 |
| Dilutive effect of options convertible into shares | 20,737 | 8,805 |
| Diluted weighted average number of ordinary shares | 2,976,951 | 2,942,347 |
| Continuing operations | | |
| Net profit from continued operations attributable to shareholders of the Parent | 335,057 | 297,198 |
| Basic earnings per share (PLN) | 113.34 | 101.31 |
| Diluted earnings per share (PLN) | 112.55 | 101.01 |



2.10. Borrowings, other debt instruments

The table below presents information about borrowings and other debt instruments.

| <i>As at 30 Sep 2024</i> | Carrying amount | Non-current liabilities | Current liabilities |
|---|-----------------|-------------------------|---------------------|
| Bank borrowings | 46,474 | 27,900 | 18,574 |
| Loans | 700 | 700 | - |
| Total borrowings, other debt instruments | 47,174 | 28,600 | 18,574 |

| <i>As at 31 Dec 2023</i> | Carrying amount | Non-current liabilities | Current liabilities |
|---|-----------------|-------------------------|---------------------|
| Bank borrowings | 60,529 | 41,866 | 18,663 |
| Total borrowings, other debt instruments | 60,529 | 41,866 | 18,663 |

During the nine months ended 30 September 2024, the Group repaid PLN 28.2 million in borrowings. As a result of business acquisitions, the Group assumed overdrafts and borrowings with an outstanding amount of PLN 14.2 million as at the acquisition date (note 2.4.1). These liabilities were repaid during the three months to 30 September 2024. On 27 May 2024, Lunching.pl Sp. z o.o. received a PLN 0.7 million loan from its future owner, SmartLunch S.A. (note 2.15).

On 23 September 2024, Santander Bank Polska S.A. and Benefit Systems S.A. signed an amendment agreement to a Multi-Facility Agreement, whereby the available bank guarantee limit was increased from PLN 85 million to PLN 105 million. The availability period remained unchanged, with the limit available until 31 May 2026.

After the reporting date, the Company received PLN 115 million under a syndicated credit facility agreement with Santander Bank Polska S.A. and the European Bank for Reconstruction and Development. Additionally, an amendment was signed to provide an additional tranche of PLN 300 million to the Company, of which up to EUR 25 million may be granted in euros (note 2.26).

2.11. Other financial liabilities

Other financial liabilities disclosed in the Group's statement of financial position include liabilities under the options to purchase minority interests and 'phantom shares' in companies of the Foreign Markets segment and liabilities related to acquisition of shares in subsidiaries.

| | 30 Sep 2024 | 31 Dec 2023 |
|--|---------------|---------------|
| Liability arising from acquisition of shares in Interfit Club 1.0 Sp. z o.o., Interfit Club 4.0 Sp. z o.o., Interfit Club 5.0 Sp. z o.o., Interfit Consulting BIS Sp. z o.o. | 2,717 | 5,421 |
| Liability arising from acquisition of Flais network (Bulgaria) | 4,656 | - |
| Liability arising from options – Benefit Systems International S.A. | 48,115 | 56,283 |
| Liability arising from options – Benefit Systems Slovakia S.R.O. | 4,746 | 4,407 |
| Liability arising from options – Benefit Systems D.O.O. (Croatia) | 5,497 | 5,018 |
| Liability arising from options – Benefit Systems Spor Hizmetleri Ltd (Turkey) | 3,349 | 3,116 |
| Liability arising from options – Benefit Systems Bulgaria O.O.D. | - | 7,074 |
| Other | - | 2,469 |
| Total other non-current financial liabilities | 69,080 | 83,788 |



| | 30 Sep 2024 | 31 Dec 2023 |
|--|---------------|---------------|
| Liability arising from acquisition of shares in Interfit Club 1.0 Sp. z o.o., Interfit Club 4.0 Sp. z o.o., Interfit Club 5.0 Sp. z o.o., Interfit Consulting BIS Sp. z o.o. | 3,026 | - |
| Liability arising from acquisition of shares in Artis Club Sp. z o.o. | 20 | - |
| Liability arising from options – Benefit Systems Bulgaria O.O.D. | 16,227 | 8,361 |
| Liability arising from acquisition of shares in Lunching.pl Sp. z o.o. | - | 4,092 |
| Liability arising from acquisition of shares in FIT 4 Sp. z o.o. and Fit and More Sp. z o.o. | - | 4,030 |
| Total other current financial liabilities | 19,273 | 16,483 |

Options in Foreign Markets companies

As at 30 September 2024, the value of liabilities under options in Foreign Markets companies was estimated at PLN 77.9 million (31 December 2023: PLN 86.7 million). The PLN 8.8 million decrease in other financial liabilities was mainly attributable to the acquisition by the Parent of 0.46% of the shares in the subsidiary Benefit Systems International S.A. from minority shareholders for PLN 7.1 million and the revaluation of options, which reduced capital reserves by a total of PLN 0.7 million. The Company also reclassified PLN 1.7 million to employee benefit obligations.

Acquisition of Flais fitness club network

On 19 August 2024, Next Level Fitness O.O.D. acquired fitness clubs belonging to the Flais network of Bulgaria (note 2.4.1). The liability of EUR 1.1 million (PLN 4.7 million) represents the estimated value of the outstanding portion of the purchase price, which will be settled 15 months after the transfer of ownership of the shares, upon fulfilment of the conditions stipulated in the agreement. The funds cannot be freely used by Next Level Fitness O.O.D. during this period (note 2.7).

Lunching.pl Sp. z o.o.

On 4 March 2024, the Parent acquired for PLN 4.1 million the residual shares in Lunching.pl Sp. z o.o., raising its equity interest in the company to 100%. A portion of this amount, of PLN 2.7 million, was paid on 4 March 2024, the second tranche of PLN 0.4 million was paid on 3 April 2024, and the remainder of PLN 1.0 million was paid on 4 June 2024.

FIT 4 Sp. z o.o. and Fit and More Sp. z o.o.

On 30 November 2023, the Parent acquired shares in FIT 4 Sp. z o.o. and Fit and More Sp. z o.o., which are controlled by Cal Capital Sp. z o.o. ("CC") and Camaro Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych ("Camaro"), respectively (Calypso Fitness S.A. shareholders). Of the amount outstanding as of 31 December 2023, the liability to Camaro in the amount of PLN 0.8 million was paid on 30 January 2024. The liability to CC in the amount of PLN 3.2 million was settled through payment, on 19 January 2024, of PLN 0.5 million to CC's account, and PLN 2.7 million was transferred on CC's behalf as CC's donation to the MultiSport Foundation.



2.12. Finance income and expenses and loss allowances for financial assets

The key items of the Group's finance income and costs are presented below.

| Finance income | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---------------------------------------|-------------------------------|-------------------------------|
| Interest on investments | 13,109 | 9,656 |
| Interest on loans | 747 | 384 |
| Foreign exchange gains | 1,634 | 3,529 |
| Gains on disposal of financial assets | - | 50 |
| Other finance income | 158 | - |
| Total finance income | 15,648 | 13,619 |

| Finance costs | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|--|-------------------------------|-------------------------------|
| Interest expense on lease liabilities | 30,580 | 19,719 |
| Interest on overdraft and investment credit facilities | 3,925 | 6,251 |
| Interest on loans | - | 66 |
| Interest on trade and other payables | 143 | 494 |
| Fair-value measurement of other financial liabilities | 384 | 1,010 |
| Other finance costs | 1,606 | 815 |
| Total finance costs | 36,638 | 28,355 |

| Loss allowances for financial assets (income + / cost -) | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|-------------------------------|-------------------------------|
| Reversal (+) of impairment losses on financial assets – loans | 158 | 2,584 |
| Total loss allowances for financial assets (+/-) | 158 | 2,584 |

2.13. Income tax

In the nine months ended 30 September 2024, the Group's effective tax rate was 23.6%. The costs of the Incentive Scheme recognised in the nine months ended 30 September 2024, of PLN 68 million, which constitute non-deductible expenses, were the largest contributor to the effective tax rate.

The Group did not recognise a deferred tax asset of PLN 10 million on tax losses at some of the Group companies due to the low probability of the companies generating taxable income against which the losses could be settled.

As at the end of September 2024, the current income tax liability was PLN 83 million, down by PLN 7.9 million on the end of 2023, with the decrease primarily attributable to:

- application by the Parent of the simplified method of income tax payment in 2023 (advance payments of one-twelfth of the tax payable for 2021). On 2 April 2024, the Parent paid tax of PLN 80.8 million for 2023.
- application by the Parent of the simplified method of income tax payment in 2024 (advance payments of one-twelfth of the tax payable for 2022). The due date for payment of the tax liability for 2024 is 31 March 2025;
- receipt of a tax refund under an amended tax return for 2022 relating to R&D relief.



2.14. Seasonality of operations

The industry in which the Group operates is subject to seasonal variation. In the third quarter of the calendar year, the activity of holders of sport cards and fitness club passes tends to be lower than in the first, second and fourth quarters of the year, which affects revenue, costs and profitability of the sport card business and the operation of fitness clubs. On the other hand, seasonality of sales in the Cafeterias segment is reflected in an increase in revenues in the last month of the year, partly attributable to the Christmas period.

2.15. Significant events and transactions in the period

Increase of the Parent's share capital in connection with the implementation of the Incentive Scheme

On 23 January 2024, the Parent issued 24,750 series G shares in connection with the exercise by eligible persons of their rights under series L subscription warrants granted as part of the 2021-2025 Incentive Scheme (Note 2.18).

As a result, following the issuance of the shares, the Parent's share capital amounts to PLN 2,958,292 and is divided into 2,958,292 ordinary bearer shares with a nominal value of PLN 1 of the following series: 2,204,842 series A shares; 200,000 series B shares; 150,000 series C shares; 120,000 series D shares; 74,700 series E shares; 184,000 series F shares; 24,750 series G shares.

The total number of voting rights carried by all outstanding Parent shares is 2,958,292.

After the delivery of Series G shares, the amount of the conditional share capital increase stipulated in the Parent's Articles of Association for the purposes of the Incentive Scheme fell from PLN 125,000 (equivalent to 125,000 shares with a nominal value of PLN 1 per share) to PLN 100,250.

Allocation of Parent's net profit for 2023

On 28 June 2024, the Annual General Meeting of the Parent passed a resolution on the allocation of net profit for 2023, of PLN 348.6 million, and decided to distribute the entire net profit as dividends. Additionally, PLN 50.8 million from statutory reserve funds (representing a portion of statutory reserve funds created from previous years' profits) was allocated to dividend payments. The total dividend was PLN 399.4 million (note 2.19).

Changes on the Parent's Management and Supervisory Boards

On 27 May 2024, Wojciech Szwarc resigned as a Member of the Management Board, effective 28 May 2024, citing personal reasons for his resignation.

On 25 June 2024, Artur Osuchowski resigned as a Member and Deputy Chair of the Parent's Supervisory Board with immediate effect in connection with his appointment to the Management Board of Orlen S.A.

On 7 August 2024, the Extraordinary General Meeting appointed Julita Jabłkowska to the Parent's Supervisory Board for the term of office that commenced on 29 June 2023.

Purchase of residual shares in Lunching.pl Sp. z o.o.

On 4 March 2024, the Parent acquired for PLN 4.1 million the residual shares in Lunching.pl Sp. z o.o., raising its equity interest in the company to 100%. A portion of this amount, of PLN 2.7 million, was paid on 4 March 2024, the second tranche of PLN 0.4 million was paid on 3 April 2024, and the remainder of PLN 1.0 million was paid on 4 June 2024 (note 2.11).

Conditional agreements to acquire and subscribe for shares in SmartLunch S.A. in exchange for shares in Lunching.pl Sp. z o.o.

On 19 April 2024, the Parent and SmartLunch S.A. ("SmartLunch") signed an investment agreement, shareholder agreement and share sale agreement (collectively referred to as the "Agreements"), outlining the terms and conditions for the Parent's investment in SmartLunch, as described in detail in note 6.24 to the interim condensed consolidated financial statements of the Benefit Systems Group for the six months ended 30 June 2024.



Under the Agreements, Benefit Systems S.A. will acquire Series A shares for PLN 6.5 million and will subscribe for new Series B shares in SmartLunch for a cash contribution of PLN 32.0 million, a non-cash contribution comprising 100% of the shares in Lunching.pl Sp. z o.o. held by Benefit Systems S.A., and a PLN 0.6 million loan advanced to Lunching.pl Sp. z o.o. by Benefit Systems S.A. as at 31 March 2024. The acquisition and subscription for the SmartLunch shares will occur upon the registration of the new Series B shares by the competent registry court and upon the registration of the Parent as the buyer of Series A shares in the SmartLunch shareholders' register. Upon fulfilment of the condition precedent, the Parent will become a SmartLunch shareholder holding 18.53% of the share capital and voting rights in the company.

As at 30 September 2024 and as at the date of authorisation of this consolidated quarterly report for issue, the condition precedent had not been fulfilled. Therefore, the amounts paid to the notary's deposit account and to the bank accounts of the sellers and SmartLunch (totalling PLN 38.5 million) are presented under trade and other long-term receivables in the consolidated statement of financial position as at 30 September 2024, with the financial statements of Lunching.pl Sp. z o.o. still undergoing consolidation.

The estimated value of the SmartLunch shares acquired and subscribed for by the Parent is PLN 59.3 million.

SmartLunch specialises in comprehensive corporate nutrition services, including canteen management, employee catering, lunch card and restorative meal sales, and vending machine operation. The investment in SmartLunch aims to strengthen Benefit Systems' position in the employee food benefits market.

Fitness club acquisitions in Poland and Foreign Markets

On 1 February 2024, the Parent acquired Active Point Fit & Gym, a fitness club located in Tychy, Poland, for PLN 3.1m (note 2.4.1). The club was included in the Fabryka Formy network owned by the Parent.

On 2 April 2024, Fit Invest D.O.O. acquired 100% of the shares in H.O.L.S. D.O.O. of Croatia for EUR 5 million. This acquisition expanded the Group's fitness club portfolio by adding three existing clubs in Zagreb, and one club currently under construction (note 2.4.1).

On 29 April 2024, the Parent acquired 100% of the shares in Good Luck Club GLC Sp. z o.o. for PLN 27.7 million. The acquisition expanded the Group's portfolio by adding four fitness clubs located in Gdańsk (1 club), Pruszcz Gdański (2 clubs), and Banino (1 club) (note 2.4.1).

On 29 July 2024, the Parent acquired 100% of shares in Artis Club Sp. z o.o. The transaction consisted of the acquisition of one fitness club located in Warsaw (note 2.4.1).

On 31 July 2024, following the fulfilment of the conditions set out in the agreement dated 18 July 2024, Form Factory S.R.O. acquired 100% of the shares in the Czech company Fitness Factory Prague S.R.O. As a result of the transaction, two fitness clubs in Prague were added to the Group's own fitness club portfolio (note 2.4.1).

On 9 August 2024, the Parent acquired 100% of the shares in Gym Poznań Sp. z o.o. The transaction consisted of the acquisition of one fitness club located in Poznań (note 2.4.1).

On 19 August 2024, Next Level Fitness O.O.D. acquired 100% of the shares in Fitness Flais Corporation O.O.D., Power Ronic O.O.D., Happy Group 1 O.O.D., Fitness Flais Group O.O.D., and Fitness Flais Pro O.O.D., as well as certain assets and locations associated with the Flais fitness club network in Sofia, Bulgaria. As a result of the transaction, 15 operational fitness clubs and three fitness clubs under construction were added to the Group's own fitness club portfolio (note 2.4.1).

Transactions with minority shareholders

On 12 January 2024, the Parent Benefit Systems S.A. acquired 0.46% of shares in subsidiary Benefit Systems International S.A. from minority shareholders for PLN 7.1 million.

On 1 July 2024, Benefit Systems International S.A. acquired 1.5% of the shares in the Croatian subsidiary Benefit Systems D.O.O. from a minority shareholder for EUR 0.5 million (PLN 2.2 million).



On 14 August 2024, the subsidiary Benefit Systems International S.A. acquired 2.2% of shares in the subsidiary BSI Investments Sp. z o.o. from a minority shareholder for EUR 0.2 million (PLN 0.7 million).

Mergers of Benefit Systems S.A. with its subsidiaries, and subsidiary transformation

In the nine months ended 30 September 2024, the following mergers of Benefit Systems S.A. (as the acquirer) with its subsidiaries (as the acquirees) were registered in the National Court Register:

- on 29 February 2024, with Gravitan Warszawa Sp. z o.o.;
- on 2 April 2024, with FIT 1 Sp. z o.o., FIT 2 Sp. z o.o., FIT 3 Sp. z o.o., FIT 4 Sp. z o.o., FIT and More Sp. z o.o., Concept Self Investment Sp. z o.o., Sport Operator Sp. z o.o., and Manufaktura Zdrowia Sp. z o.o.;
- on 10 May 2024, with Total Fitness Sp. z o.o. and Saturn Fitness Group Sp. z o.o.;
- on 8 July 2024, with Active Sport i Rekreacja Sp. z o.o.

As a result of the mergers, the acquirees ceased to exist, and Benefit Systems S.A. assumed the rights and obligations of the merged companies.

A plan of merger of Benefit Systems S.A. (as the acquirer) with Artis Club Sp. z o.o. and Good Luck Club GLC Sp. z o.o. (as the acquirees) was agreed on 14 August 2024, providing that the acquisition will be effected by transferring all assets of the acquiree to the acquirer. The merger was registered on 9 October 2024 (note 2.26).

The transformation of Interfit Consulting Sp. z o.o. Sp. k. into Interfit Consulting BIS Sp. z o.o., made pursuant to a shareholders' resolution of 30 July 2024, was registered on 30 September 2024.

2.16. Material achievements or failures

Over two million membership cards in Poland and abroad

As at 30 September 2024, there were 2,013.1 thousand holders of sport cards offered by the Benefit Systems Group, including 1,507.2 thousand in Poland and 505.9 thousand in foreign markets. This marks an increase of 93.8 thousand sport cards compared with the end of 2023. The Group continues to see consistently high interest in its sports offerings from both employers and employees across all markets of operation.

Dividend

The Management Board of Benefit Systems has recommended a dividend payment of PLN 399.4 million, or PLN 135 per share, for 2023, marking a three-fold increase on the dividend payment for 2022. The dividend record date was 16 September 2024, with payment scheduled in two equal instalments on 27 September 2024 and 25 November 2024. On 27 May 2024, the Management Board's dividend recommendation was endorsed by the Supervisory Board of Benefit Systems S.A., and on 28 June 2024 the Annual General Meeting resolved to allocate the Company's entire net profit for 2023, of PLN 348.6 million, and a further PLN 50.8 million from statutory reserve funds (created from retained earnings) to the dividend payment.

SmartLunch

Benefit Systems S.A. has entered into conditional agreements (note 2.15) to acquire an 18.53% interest in SmartLunch S.A., a company specialising in mass catering solutions for medium-sized and large businesses. The contemplated transaction involves an in-kind contribution of all shares in Lunching.pl Sp. z o.o., a company which will provide its know-how and resources to support the rapid growth of SmartLunch as part of the merger. As at the date of authorisation of this report for issue, the Company did not acquire the shares as the conditions precedent consisting in the registration of new Series B shares by the competent registry court and entry of the Company as the buyer of Series A shares in the register of SmartLunch S.A. shareholders had not been satisfied.

Awards and accolades

Benefit Systems S.A. was among the winners of the Rzeczpospolita Eagle in the 26th edition of the 500 List Ranking, in the 'Retail and non-financial services' category. The Rzeczpospolita 500 List is a prestigious and well-



regarded ranking of the largest companies in Poland, evaluating criteria such as financial performance, profitability, employment, wages, and investments.

Additionally, Benefit Systems S.A. was featured in the 20 Years Integration Champions ranking, where Forbes magazine highlighted companies that have effectively leveraged two decades of European Union integration to enhance their development, expansion, and brand-building efforts.

The Company also ranked second in Forbes' and Statista's Poland's Best Employers 2024 list, in the 'Food services, tourism, sports, and recreation' category. The ranking comprises a list of 300 companies operating in Poland, recognised for their exceptional achievements in the field of HR and honoured with the title of best employer. The survey was based on a list of about 2,000 employers with at least 250 employees in Poland.

In March 2024, Benefit Systems was ranked among the top publicly listed companies in a ranking table compiled by *Puls Biznesu*, securing first place in the 'Success of the Year 2023' category. In the overall ranking of the 140 largest companies listed on the Warsaw Stock Exchange, the company advanced from fifth to fourth place.

In April 2024, Benefit Systems achieved third place in the investor relations ranking by the *Parkiet* daily. The ranking covered companies included in the WIG30 index, which Benefit Systems joined in March 2024.

In the second quarter of 2024, Benefit Systems S.A. received the Polish Smart Growth Award 2024 in the 'Innovative company' category for its comprehensive range of wellbeing services offered through MultiSport, MultiLife, and MyBenefit. Additionally, the MultiLife platform was honoured with the Brand of the Future 2024 award in the 'Services' category for its innovative wellbeing solution. Furthermore, Piotr Szostak, Managing Director for Product Strategy and Development at Benefit Systems, was recognised as the Leader of Smart Growth 2024 in the same competition.

In the third quarter of 2024, Benefit Systems received an award in the 9th edition of the Trusted Brand 2024 survey in the 'Employee Carer' category for offering the most innovative and comprehensive employee benefits package. The survey, commissioned by the publisher of My Company Polska magazine, was conducted by the research institute ARC Rynek i Opinia among 1,110 entrepreneurs.

New fitness club openings and acquisitions

In February 2024, Zdrofit opened a new location in Fort Wola, and two My Fitness Place clubs opened in Kraków. The new Zdrofit marks the network's 58th club in the capital and has quickly become popular. Spanning 1,600 m², the facility features eight distinct areas: fitness, cycling, strength training machines, cardio, functional training, stretching, personal training, and wellness. Its 200 m² fitness room ranks among the largest in this part of Warsaw. The My Fitness Place club network expanded with the addition of two facilities, each occupying approximately 800 m². In the same month, the FitFabric fitness club opened in the Galeria Retkińska shopping mall in Łódź, with an area of over 1,300 m².

The Company opened its first boutique club, Studio Zdrofit, in the Wilanów district of Warsaw towards the end of the first quarter. This innovative concept club incorporates cutting-edge technologies in training, such as artificial intelligence, alongside unique group class formats and comprehensive training support.

In April 2024, Benefit Systems acquired the Good Luck Club fitness network comprising four clubs. Good Luck Club is known for its high-quality services, including extensive sauna/steam room and relaxation zones.

In June 2024, a new Fabryka Formy fitness club opened in Chorzów. This is the network's first club in the city and the fifteenth in the Katowice Province. The club spans over a thousand square meters and features eight areas: cardio, weightlifting, powerlifting, free weights, machines, functional training, stretching, and relaxation.

In addition, in June 2024 a conditional agreement was concluded to acquire shares in and certain assets associated with the Flais fitness club network located in Sofia, Bulgaria. The final agreement was executed in August 2024, following the fulfilment of the relevant conditions precedent, granting the Benefit Systems Group the ownership of 15 fitness clubs in operation and three under construction, all of which are located within the city of Sofia (note 2.4). This modern network offers a broad range of sports activities that are popular among MultiSport programme users.



In July 2024, Benefit Systems Group acquired two fitness clubs from the Czech network Factory Pro. The acquired clubs are highly popular among users of the Czech MultiSport card. Factory Pro has been operating on the Czech market since 1999, specialising in fitness and wellness services, and currently runs two clubs in Prague.

In July 2024, Zdrofit, a network owned by the Benefit Systems Group, opened its 100th club in Warsaw's Żoliborz district. The new club is a small facility, designed and equipped according to the network's standards and fully tailored to meet the needs of members, regardless of their previous workout experience.

Summer Game

Benefit Systems S.A. ran another edition of the Summer Game, a gamification programme for the summer holiday season, which aimed to help MultiSport cardholders maintain regular physical activity, which positively impacts their overall health and wellbeing. The Summer Game was hosted on an online gamification platform, where MultiSport card users engaged in an interactive experience that blended both online and offline activities throughout the summer holidays.

MultiSport professional outdoor gyms

In the summer of 2024, modern, free outdoor gyms were set up in Gdynia, Kołobrzeg, and Międzyzdroje, located directly on the beach or along the seaside promenade. The initiative was launched by Benefit Systems, the operator of MultiSport cards, with the goal of encouraging physical activity among both local residents of coastal cities and tourists. The facilities were primarily opened for the summer season.

Market education: reports

In May 2024, Benefit Systems S.A. also released a report on the non-pay benefits market, prepared by Minds&Roses. The findings suggest that most companies plan to maintain or increase their budget for non-pay benefits. Employees now have access to a broad range of benefits that significantly enhance their engagement and satisfaction, with online benefits and those related to personal development, skill building, and regeneration becoming increasingly popular.

The *Wellbeing of Poles (Dobrostan Polek i Polaków)* report was published in June 2024. The report, prepared based on a survey conducted by infuture.institute in collaboration with Benefit Systems S.A., explores what wellbeing means to Poles, what factors contribute to it, what strengthens it, and what disrupts it, as well as to assess the overall wellbeing of Poland's residents. Additionally, the report coincided with the launch of Wellbeing Score, a free proprietary tool for measuring wellbeing. This metric, linked to the MultiLife platform, allows organisations to measure the current level of wellbeing within their companies.

The Wellbeing of Poles report campaign quickly gained attention, with coverage in leading news, business, and lifestyle outlets – resulting in nearly 50 high-quality publications with an advertising equivalent value of over PLN 1.5 million and a reach of more than 1.2 million people. In the first two months of the campaign, 160,000 individuals who engaged with the report's communication took the Wellbeing Score test, a remarkable result for a social survey. The success of the efforts to spread expert knowledge on wellbeing is also reflected in the results of the proprietary videocast series *Decluttering Wellbeing*, with episodes viewed more than 1.2 million times in total. Additionally, collaboration with a diverse group of influencers who addressed wellbeing in their own unique ways proved effective – total engagement across all their posts exceeded 41,000.

MultiSport and MultiLife partner on a film exploring how physical exercise transforms the mind

The film, titled *Jak ruchem zmienić umysł* in Polish, produced by the Veritas Foundation in partnership with MultiSport and MultiLife, explores the powerful impact of physical activity on both the body and mind. The film combines the knowledge of experts, also those cooperating with Benefit Systems, with valuable experiences of sports enthusiasts.

ESG strategy

The Benefit Systems Group has introduced a new ESG strategy for 2024–2026 to enhance its commitment to sustainable development and social responsibility. The strategy is centred around three main pillars: society,



business, and the environment. It underscores the Group's dedication to supporting the wellbeing of diverse social groups and upholding the highest ethical standards in its operations.

MultiSport Foundation

In March 2024, an educational event was hosted as part of the minicity initiative at Centrum Praskie Koneser in Warsaw, highlighting the inspirational narrative 'How the Best Play', which promotes sports for people with disabilities. The story was distributed to schools and educational institutions and is also available for free download in both ebook and audiobook formats. It comes with educational resources for teachers to facilitate special lessons and discussions with children. The project was developed through collaboration between the MultiSport Foundation and the Zacztyani.org Foundation, with Jan Mela as its ambassador.

A MultiSport project featuring corrective and compensatory exercises, run by the MultiSport Foundation, began on 1 February and concluded on 14 June 2024. During the period, 1,723 MultiSport classes (each lasting 60 minutes) were conducted, with 26,658 primary school students from grades one to six participating. The project reached 27 primary schools and one football academy across the Provinces of Warsaw, Kielce, Lublin, and Rzeszów.

The third edition of the *Active MultiSport Schools* project, also managed by the MultiSport Foundation, ran from 1 January to 14 June 2024. This edition was implemented in six Polish provinces and eight cities, in collaboration with 18 schools. The programme involved 4,732 children and was conducted in 16 clubs by 34 coaches. In the second half of the year, the programme began on 9 September and will run until 20 December. The project has been expanded to include 130 student groups. It now covers 46 primary schools and three football academies in the provinces of Warsaw, Lublin, Rzeszów, Kielce, Kraków, and Katowice.

2.17. Outlook

The Group invariably sees high long-term growth potential for the MultiSport programme in Poland and foreign markets. Public awareness of health protection and immune system strengthening has increased as a result of the COVID-19 pandemic. This has led to a rise in user activity and the popularity of sport cards. Both in Poland and in foreign markets, the Group has observed other trends that support further development of the sport card market. These trends include low unemployment rates coupled with a strong labour market, and an increased tendency to use sports products among the younger generations at the beginning of their professional careers.

According to the Group's estimates, the long-term potential of the sport card market ranges from 2.5 to 2.8 million cards in Poland and from 1.7 to 2.0 million cards abroad (Czech Republic, Bulgaria, Slovakia, and Croatia).

The outlook for the coming periods is significantly affected by the economic situation in the countries where the Group operates, including prices of energy, raw materials and fuels, inflation pressure, regulatory changes, slowing business activity in certain industries, increased unemployment, or depreciation of local currencies, which, in turn, may increase operating costs and hamper the demand for the services and products offered by the Group. On the other hand, according to the European Commission's forecasts, in 2025 and 2026, the Group's main markets are expected to experience a decline in inflation, a gradual acceleration in GDP growth, and a decrease or no significant increase in the unemployment rate. This may drive demand for the Group's services and products and reduce upward pressure on operating costs.

2.18. Incentive Scheme

Pursuant to resolutions of the General Meeting, Benefit Systems S.A. has in place an Incentive Scheme (the "Incentive Scheme") for senior and middle management of the Parent and for the Benefit Systems Group subsidiaries with which the Parent has entered into relevant agreements. Under the Scheme, eligible employees receive subscription warrants convertible into shares in the Parent.

On 3 February 2021, the General Meeting resolved to establish an Incentive Scheme for 2021–2025 at the Parent. The purpose of the Incentive Scheme is to provide an incentive system that would promote employee productivity and loyalty, aimed at achieving strong financial performance and a long-term increase in the Parent's value. In the 2021–2025 edition of the Incentive Scheme, its participants (up to 149 persons) will be able to acquire up to a total of 125,000 subscription warrants (which, upon conversion into shares, will represent up to 4.1% of the Parent's (post-issue) share capital), entitling them to subscribe for a specific number of shares in the Parent in five equal tranches.



The vesting of the warrants will depend on the satisfaction of certain loyalty and effectiveness criteria set out in the Incentive Scheme Rules, and the operation of the Incentive Scheme in a given year will be subject to the mandatory condition that a specified level of consolidated operating profit adjusted for the accounting cost of the Incentive Scheme is achieved for a given financial year.

By a resolution of the General Meeting of 3 February 2021, the warrants not granted for 2021 may increase the number of warrants for 2023 (up to 12,500 Series K1 warrants) and 2025 (up to 12,500 Series K2 warrants). Series K1 Warrants may be granted in a number representing 50%, 75% and 100% of the maximum number of Series K1 Warrants only if the cumulative consolidated adjusted operating profit (net of the costs of the Incentive Scheme) exceeds the sum of the thresholds for 2021-2023, i.e. PLN 400 million, PLN 460 million and PLN 515 million, respectively. In the case of Series K2, the warrants may be granted if cumulative consolidated adjusted operating profit (net of the costs of the Incentive Scheme) for 2021-2025 exceeds the sum of the thresholds for that period (PLN 825 million, PLN 920 million and PLN 1,010 million), in a number representing, respectively, 50%, 75% and 100% of the maximum number of Series K2 warrants.

Following the achievement of 100% of the threshold for the condition relating to adjusted consolidated operating profit of the Group for 2023, 25,000 Series Ł subscription warrants were granted to senior management (including the Management Board of the Parent) on 18 March 2024. Following achievement of 100% of the threshold for the condition relating to adjusted consolidated operating profit of the Group for 2021–2023, 12,500 Series K1 subscription warrants for 2021 were granted on 18 March 2024. The fair value of the subscription warrants granted to the employees was estimated as at the grant date using the Black-Scholes model.

The total cost of the Incentive Scheme recognised by the Group in the nine months ended 30 September 2024 was PLN 68 million. In 2023, the Group incurred costs of the Incentive Scheme of PLN 6.3 million, with PLN 6.3 million recorded in the nine months to 30 September 2023.

2.19. Dividend

On 15 December 2022, the Management Board of the Parent adopted a dividend policy for 2023-2025, under which the Management Board will recommend to the General Meeting payment of dividend of at least 60% of the Group's consolidated net profit for the previous financial year, less any unrealised foreign exchange gains or losses for the same period. The Management Board's recommendation will take into account the financial and liquidity position, growth prospects and investment needs of the Parent and the Group. The dividend policy is effective and applies as of the distribution of profit for the financial year ended 31 December 2022. The policy was positively assessed by the Supervisory Board of the Parent on 15 December 2022. The Management Board of the Parent also resolved to disapply the Dividend Policy for 2020–2023.

On 28 June 2024, the Annual General Meeting of the Parent resolved to allocate the net profit for 2023, of PLN 348.6 million, as follows:

- PLN 348.6 million was allocated for dividend payments,
- a portion of statutory reserve funds (created from retained earnings), amounting to PLN 50.8 million, was allocated for dividend payments.

The total dividend was PLN 399.4 million, or PLN 135 per share, payable on 2,958,292 eligible Company shares. The Annual General Meeting set 16 September 2024 as the dividend record date, with the first instalment of PLN 67.5 per share payable on 27 September 2024, and the second instalment of PLN 67.5 per share payable on 25 November 2024.

Dividends payable are presented in the consolidated statement of financial position as a separate item under current liabilities.

2.20. Shareholding structure

The equity and voting interests held in the Parent take account of the increase in the Parent's share capital made within the limit of its conditional share capital. Series D shares were acquired as part of the conditional share capital by holders of Series D, Series E and Series F subscription warrants granted by the Parent in accordance with the terms of the 2014–2016 Incentive Scheme, Series E shares – by holders of Series G, H and I subscription warrants granted by the Parent in accordance with the terms of the 2017–2020 Incentive Scheme, and Series G shares – by



holders of Series L subscription warrants granted by the Parent in accordance with the terms of the 2021–2025 Incentive Scheme.

| Shareholder | As at the issue date of the report for the three months ended 30 September 2024 | | | As at the issue date of the report for the six months ended 30 June 2024 | | | Change |
|------------------------------|---|-----------------------|--------------------|--|-----------------------|--------------------|----------|
| | Number of shares | Ownership interest | Voting interest | Number of shares | Ownership interest | Voting interest | |
| Benefit Invest 1 Company* | 453,691 | 15.34% | 15.34% | 453,691 | 15.34% | 15.34% | - |
| Fundacja Drzewo i Jutro* | 208,497 | 7.05% | 7.05% | 208,497 | 7.05% | 7.05% | - |
| Benefit Invest Ltd.* | 0 | 0.00% | 0.00% | 10,421 | 0.35% | 0.35% | (10,421) |
| Nationale-Nederlanden PTE | 320,182 | 10.82% | 10.82% | 320,182 | 10.82% | 10.82% | - |
| Allianz OFE | 276,290 | 9.34% | 9.34% | 276,290 | 9.34% | 9.34% | - |
| Marek Kamola | 233,000 | 7.88% | 7.88% | 233,000 | 7.88% | 7.88% | - |
| Generali OFE | 216,221 | 7.31% | 7.31% | 216,221 | 7.31% | 7.31% | - |
| Other | 1,250,411 | 42.25% | 42.25% | 1,239,990 | 41.92% | 41.92% | 10,421 |
| TOTAL | 2,958,292 | 100.00% | 100.00% | 2,958,292 | 100.00% | 100.00% | - |

* Related individuals and/or entities as described in note 28 'Related-party transactions' in the Group's consolidated financial statements for 2023.

As at the issue date of the report for the three months ended 30 September 2024, the Company's share capital amounted to PLN 2,958,292. Number of shares comprising the share capital: 2,958,292 shares, including 2,204,842 Series A shares, 200,000 Series B shares, 150,000 Series C shares, 120,000 Series D shares, 74,700 Series E shares, 184,000 Series F shares, and 24,750 Series G shares. The shares of all series have a par value of PLN 1 per share. The total number of voting rights carried by all outstanding shares is 2,958,292. The equity interests held by individual shareholders in Benefit Systems S.A. are equal to their respective voting interests in the Company.

2.21. Shares or other rights to shares held by members of the Management Board or the Supervisory Board

The holdings of shares or other rights to shares (subscription warrants) in Benefit Systems S.A. by members of the Management Board and the Supervisory Board of the Parent as at the issue date of this report were as follows:

| Management Board Member | As at the issue date of the report for the three months ended 30 September 2024 | | As at the issue date of the H1 2024 report | | Change |
|-------------------------|---|-----------------------|---|-----------------------|----------|
| | Number of shares | Ownership interest | Number of shares | Ownership interest | |
| Marcin Fojudzki | - | - | - | - | - |
| Emilia Rogalewicz | 4,000 | 0.14% | 4,000 | 0.14% | - |
| Total | 4,000 | 0.14% | 4,000 | 0.14% | - |



Warrants held by Members of the Management Board as at the issue date of the report for the three months ended 30 September 2024:

| <i>Management Board Member</i> | Series K1 warrants granted for 2021 | Series Ł warrants granted for 2023 | Outstanding Series K1 and Ł warrants |
|--------------------------------|-------------------------------------|------------------------------------|--------------------------------------|
| Marcin Fojudzki | - | 250 | 250 |
| Emilia Rogalewicz | 1,850 | 3,500 | 5,350 |
| Total | 1,850 | 3,750 | 5,600 |

The exercise price of the options granted as at the issue date of the report for the three months ended 30 September 2024 is PLN 617.01.

Members of the Supervisory Board of Benefit Systems S.A. do not hold any Company shares. A company controlled by the Chair of the Supervisory Board holds 453,691 shares in Benefit Systems S.A., representing 15.34% of the company's share capital. A person closely related to the Chair of the Supervisory Board serves as the Chair of the Board of the Drzewo i Jutro Foundation, which owns a 7.05% equity interest in Benefit Systems S.A. (note 2.20).

2.22. Non-compliance with debt covenants

In the nine months ended 30 September 2024, the Group did not breach any of its debt covenants.

2.23. Contingent liabilities and information on proceedings pending before a court or administrative authority

Contingent liabilities under guarantees and sureties as at the end of each reporting period are presented below.

| | 30 Sep 2024 | 31 Dec 2023 |
|--|--------------|--------------|
| Guarantees provided / Surety for payment of liabilities to: | | |
| Associates | 2,463 | 2,421 |
| Total contingent liabilities | 2,463 | 2,421 |

The guarantees provided to associates secure the payment of rent for fitness clubs.

Antitrust proceedings against Benefit Systems S.A.

On 22 June 2018, the President of the Office of Competition and Consumer Protection (the "President of UOKiK") initiated antitrust proceedings against Benefit Systems S.A. (and other entities) regarding allegations of forming a market-sharing cartel in the fitness club market, engaging in concerted practices related to exclusive cooperation arrangements with fitness clubs, and participating in concerted practices to limit competition in the market for sports and recreation package services (the "Proceedings").

On 4 January 2021, the Company received a decision of the President of UOKiK (the "Decision") concerning one of the three alleged breaches in respect of which the Procedure was initiated.

The President of UOKiK recognised the Company's participation in a market-sharing agreement between 2012 and 2017 as a practice restricting competition in the domestic market for the provision of fitness services in clubs, which constitutes an infringement of Art. 6.1.3 of the Act on Competition and Consumer Protection and Art. 101.1.c of the Treaty on the Functioning of the European Union.

The President of UOKiK imposed fines on the parties to the Proceedings, including: on the Company in the amount of PLN 26,915,218.36 (taking into account the succession resulting from the merger of the Company with those of its subsidiaries which are also named in the Proceedings) and on its subsidiary (Yes to Move sp. z o.o., formerly: Fitness Academy Sp. z o.o.) in the amount of PLN 1,748.74. Guided by, among other things, an analysis of well-known cases involving competition-restricting practices, where courts in some instances have decided to



significantly reduce fines imposed on businesses (in some cases by as much as 60-90%), and by the opinion of lawyers, the Parent recognised a provision for the fine of PLN 10.8 million in 2020.

The Parent did not agree with the Decision and filed an appeal against the Decision within the period prescribed by law.

On 21 August 2023, the Polish Court of Competition and Consumer Protection (the “Court”) dismissed the Parent’s appeal against the Decision. The Court’s judgment is not final. The Parent disagrees with the judgment and has filed an appeal within the prescribed time frame. Following legal advice, as at 30 September 2024, the Parent maintained the provision at an unchanged amount.

With respect to the two other alleged breaches (alleged concerted practices with respect to exclusive cooperation arrangements with fitness clubs, and alleged concerted practices to restrict competition in the market for sports and recreation package services), the proceedings were closed following the issue, on 7 December 2021, of a decision by the President of UOKiK (“Decision 2”) under Art. 12.1 of the Act on Competition and Consumer Protection of 16 February 2007. By Decision 2, the President of UOKiK did not impose any fine on the Company and obliged the Company to take certain measures described in Note 34.1 to the Consolidated Financial Statements of the Group for 2022, which were fully implemented by the Parent by the prescribed deadline.

2.24. Management Board’s position regarding delivery against earnings forecasts

The Benefit Systems Group and the Parent did not publish any earnings forecasts for 2024.

2.25. Related-party transactions executed by the Group on non-arm’s length terms

In the reporting period, the Group did not enter into any related-party transactions that individually or jointly would be significant and would be concluded on non-arm’s length terms.

2.26. Events after the reporting date

Acquisition of 20% of shares in Zdrowe Miejsce Sp. z o.o.

On 1 October 2024, Benefit Systems S.A. acquired the remaining 20% of the share capital in its subsidiary Zdrowe Miejsce Sp. z o.o. for PLN 0.3 million, thereby reaching 100% ownership of the company’s share capital.

Financing from Santander Bank Polska S.A. and the European Bank for Reconstruction and Development

2 October 2024, Benefit Systems S.A. received PLN 115 million under a syndicated credit facility from Santander Bank Polska S.A. and the European Bank for Reconstruction and Development, as part of the credit agreement announced by the Company in Current Report 13/2022 of 1 April 2022.

Merger of Benefit Systems S.A. with Artis Club Sp. z o.o. and Good Luck Club GLC Sp. z o.o.

The merger of Benefit Systems S.A. (the acquiring company) with Artis Club Sp. z o.o. and Good Luck Club GLC Sp. z o.o. (the merging companies) was registered on 9 October 2024. As a result of the merger, Artis Club Sp. z o.o. and Good Luck Club GLC Sp. z o.o. ceased to exist, and Benefit Systems S.A. assumed all the rights and obligations of the acquired companies.

Acquisition of 100% of shares in MyOrganiq Sp. z o.o.

On 31 October 2024, the Parent acquired 100% of shares in MyOrganiq Sp. z o.o. The transaction involves the acquisition of eight fitness clubs located in Poznań, Bydgoszcz, Zgorzelec, Swarzędz, and Stargard, as well as two clubs under construction in Bydgoszcz and Lublin.



The share purchase price was PLN 19.1 million and was paid in cash to the sellers' bank account. Ownership of the shares was transferred on 31 October 2024. On 31 October 2024, the Parent paid PLN 5.6 million on account of a share capital increase in MyOrganiq Sp. z o.o.

Amendment to the credit agreement with Santander Bank Polska and the European Bank for Reconstruction and Development

On 8 November 2024, the Company and some of its subsidiaries entered into an amendment to the credit agreement with Santander Bank Polska S.A. and the European Bank for Reconstruction and Development. The amendment includes the provision of an additional funding tranche of PLN 300 million by Santander Bank Polska S.A. Part of the additional funding may be granted in euros (up to EUR 25 million). The additional funding is for a five-year term and will be secured in the same manner as the existing funding, as announced by the Company in Current Report No. 13/2022 of 1 April 2022. Disbursement of the funds will be subject to the fulfilment of certain conditions precedent. The amendment also contains standard provisions typically found in such agreements.



3. CONDENSED SEPARATE FINANCIAL STATEMENTS OF BENEFIT SYSTEMS S.A.

3.1. CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

| | 30 Sep 2024 | 31 Dec 2023 |
|--|------------------|------------------|
| Goodwill | 366,404 | 281,225 |
| Intangible assets | 125,930 | 113,961 |
| Property, plant and equipment | 268,380 | 219,651 |
| Right-of-use assets | 858,470 | 670,960 |
| Investments in subsidiaries | 150,664 | 272,819 |
| Investments in associates | 2,415 | 2,415 |
| Trade and other receivables | 45,085 | 3,367 |
| Loans and other non-current financial assets | 309,680 | 239,939 |
| Deferred tax assets | 23,218 | 15,021 |
| Non-current assets | 2,150,246 | 1,819,358 |
| Inventories | 5,637 | 5,102 |
| Trade and other receivables | 148,268 | 208,320 |
| Current tax assets | - | - |
| Loans and other current financial assets | 3,823 | 3,130 |
| Cash and cash equivalents | 230,478 | 284,273 |
| Current assets | 388,206 | 500,825 |
| Total assets | 2,538,452 | 2,320,183 |



CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION – CONT.

| | 30 Sep 2024 | 31 Dec 2023 |
|---------------------|----------------|------------------|
| Share capital | 2,958 | 2,934 |
| Share premium | 249,379 | 230,792 |
| Retained earnings | 712,793 | 833,240 |
| Total equity | 965,130 | 1,066,966 |

| | | |
|------------------------------------|----------------|----------------|
| Employee benefit provisions | 351 | 351 |
| Trade and other payables | 10 | - |
| Other financial liabilities | 2,718 | 5,421 |
| Borrowings, other debt instruments | 27,900 | 41,866 |
| Lease liabilities | 716,799 | 583,593 |
| Non-current liabilities | 747,778 | 631,231 |

| | | |
|-------------------------------------|------------------|------------------|
| Employee benefit provisions | 2,635 | 2,098 |
| Other provisions | 10,767 | 10,767 |
| Trade and other payables | 322,081 | 349,286 |
| Dividends payable | 199,685 | - |
| Current income tax liabilities | 68,611 | 78,831 |
| Other financial liabilities | 3,046 | 8,122 |
| Borrowings, other debt instruments | 18,574 | 18,591 |
| Lease liabilities | 181,544 | 135,654 |
| Contract liabilities | 18,601 | 18,637 |
| Current liabilities | 825,544 | 621,986 |
| Total liabilities | 1,573,322 | 1,253,217 |
| Total equity and liabilities | 2,538,452 | 2,320,183 |



3.2. CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS

| | 1 Jan– 30 Sep 2024 | 1 Jul– 30 Sep 2024 | 1 Jan– 30 Sep 2023 | 1 Jul– 30 Sep 2023 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| <i>Continuing operations</i> | | | | |
| Revenue | 1,704,329 | 584,544 | 1,337,557 | 465,652 |
| Revenue from sales of services | 1,678,990 | 576,424 | 1,317,188 | 459,013 |
| Revenue from sales of merchandise and materials | 25,339 | 8,120 | 20,369 | 6,639 |
| Cost of sales | (1,078,018) | (351,899) | (902,123) | (293,441) |
| Cost of services sold | (1,062,482) | (346,291) | (889,624) | (288,654) |
| Cost of merchandise and materials sold | (15,536) | (5,608) | (12,499) | (4,787) |
| Gross profit | 626,311 | 232,645 | 435,434 | 172,211 |
| Selling expenses | (85,117) | (28,219) | (74,605) | (24,848) |
| Administrative expenses | (182,764) | (53,827) | (86,219) | (28,003) |
| Other income | 2,069 | 625 | 3,416 | 2,134 |
| Other expenses | (10,822) | (4,727) | (10,199) | (5,247) |
| Operating profit | 349,677 | 146,497 | 267,827 | 116,247 |
| Finance income | 34,519 | 10,172 | 35,187 | (5,445) |
| Finance costs | (26,344) | (9,545) | (25,761) | (10,274) |
| Loss allowances for financial assets | 274 | 25 | 2,659 | 71 |
| Profit before tax | 358,126 | 147,149 | 279,912 | 100,599 |
| Income tax | (79,215) | (31,503) | (53,801) | (19,848) |
| Net profit from continuing operations | 278,911 | 115,646 | 226,111 | 80,751 |

3.3. CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

| | 1 Jan– 30 Sep 2024 | 1 Jul– 30 Sep 2024 | 1 Jan– 30 Sep 2023 | 1 Jul– 30 Sep 2023 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Net profit | 278,911 | 115,646 | 226,111 | 80,751 |
| Other comprehensive income | - | - | - | - |
| Items not reclassified to profit or loss | - | - | - | - |
| Items reclassified to profit or loss | - | - | - | - |
| Comprehensive income | 278,911 | 115,646 | 226,111 | 80,751 |



3.4. CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY

| | Share capital | Treasury shares | Share premium | Retained earnings | Total |
|---|---------------|-----------------|----------------|-------------------|------------------|
| Balance as at 1 Jan 2024 | 2,934 | - | 230,792 | 833,240 | 1,066,966 |
| Share issue in connection with exercise of options (Incentive Scheme) | 24 | - | 18,587 | - | 18,611 |
| Cost of equity-settled share-based payment plan | - | - | - | 68,041 | 68,041 |
| Dividend | - | - | - | (399,369) | (399,369) |
| Merger reserve | - | - | - | (68,030) | (68,030) |
| Total transactions with owners | 24 | - | 18,587 | (399,358) | (380,747) |
| Net profit for 1 Jan–30 Sep 2024 | - | - | - | 278,911 | 278,911 |
| Total comprehensive income | - | - | - | 278,911 | 278,911 |
| Balance as at 30 Sep 2024 | 2,958 | - | 249,379 | 712,793 | 965,130 |

| | Share capital | Treasury shares | Share premium | Retained earnings | Total |
|---|---------------|-----------------|----------------|-------------------|------------------|
| Balance as at 1 Jan 2023 | 2,934 | - | 230,792 | 616,140 | 849,866 |
| Cost of equity-settled share-based payment plan | - | - | - | 6,279 | 6,279 |
| Merger reserve | - | - | - | (11,265) | (11,265) |
| Dividend | - | - | - | (120,275) | (120,275) |
| Total transactions with owners | - | - | - | (125,261) | (125,261) |
| Net profit for 1 Jan–30 Sep 2023 | - | - | - | 226,111 | 226,111 |
| Total comprehensive income | - | - | - | 226,111 | 226,111 |
| Balance as at 30 Sep 2023 | 2,934 | - | 230,792 | 716,990 | 950,716 |



3.5. CONDENSED SEPARATE STATEMENT OF CASH FLOWS

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|---|-----------------------|-----------------------|
| <i>Cash flows from operating activities</i> | | |
| Profit before tax | 358,126 | 279,912 |
| <i>Adjustments:</i> | | |
| Depreciation and amortisation of non-current non-financial assets | 195,433 | 157,216 |
| Fair-value measurement of other financial liabilities | 324 | 435 |
| Change in impairment losses and write-off of assets | 7,063 | 19 |
| Effect of lease modifications | (141) | (27) |
| (Gains)/losses on sale and value of liquidated non-current non-financial assets | 1,019 | 1,894 |
| (Gains)/losses on disposal of financial assets | - | (50) |
| Foreign exchange (gains)/losses | (6,518) | (4,602) |
| Interest expense | 25,677 | 21,785 |
| Interest income | (22,176) | (22,260) |
| Dividend income | (5,824) | (4,941) |
| Cost of share-based payments (Incentive Scheme) | 66,589 | 6,028 |
| Change in inventories | (105) | (1,373) |
| Change in receivables | 65,997 | 43,291 |
| Change in liabilities | (39,574) | (12,017) |
| Change in provisions | 414 | 1,473 |
| Other adjustments | (313) | 14 |
| Cash flows provided by/(used in) operating activities | 645,991 | 466,797 |
| Income tax paid | (96,249) | (3,770) |
| Net cash from operating activities | 549,742 | 463,027 |
| <i>Cash flows from investing activities</i> | | |
| Purchase of intangible assets | (35,726) | (24,898) |
| Purchase of property, plant and equipment | (62,836) | (29,310) |
| Proceeds from sale of property, plant and equipment | 75 | 9,460 |
| Acquisition of subsidiaries | (97,138) | (37,237) |
| Proceeds from sale of associates | - | 50 |
| Repayments of loans | 4,816 | 42,362 |
| Loans | (105,683) | (50,616) |
| Interest received | 11,296 | 12,870 |
| Dividends received | 5,824 | 4,941 |
| Net cash from investing activities | (279,372) | (72,378) |



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS – CONT.

| | 1 Jan– 30 Sep 2024 | 1 Jan– 30 Sep 2023 |
|--|-----------------------|-----------------------|
| <i>Cash flows from financing activities</i> | | |
| Repayment of borrowings | (13,991) | (19,425) |
| Payment of lease liabilities | (125,534) | (133,746) |
| Payments of interest | (3,925) | (6,251) |
| Dividends paid | (199,684) | (120,275) |
| Net cash from financing activities | (343,134) | (279,697) |
| Cash from business combinations | 18,969 | 84 |
| Net change in cash and cash equivalents | (53,795) | 111,036 |
| Cash and cash equivalents at beginning of period | 284,273 | 143,396 |
| Cash and cash equivalents at end of period | 230,478 | 254,432 |



Authorisation for issue

The consolidated quarterly report of the Benefit Systems Group for the nine months ended 30 September 2024 (including the comparative information) was authorised for issue by the Management Board of the Parent on 15 November 2024.

Signatures of all Members of the Management Board

| Date | Full name | Position | Signature |
|------------------|-------------------|--------------------------------|-----------|
| 15 November 2024 | Marcin Fojudzki | Member of the Management Board | |
| 15 November 2024 | Emilia Rogalewicz | Member of the Management Board | |

Signature of the person responsible for preparation of the financial statements

| Date | Full name | Position | Signature |
|------------------|-----------------|------------------|-----------|
| 15 November 2024 | Katarzyna Beuch | Finance Director | |