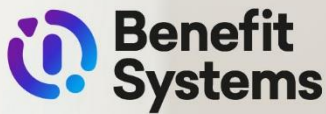


# **CONSOLIDATED QUARTERLY REPORT OF THE BENEFIT SYSTEMS GROUP**

FOR THE NINE MONTHS  
ENDED SEPTEMBER  
30TH 2023



**TABLE OF CONTENTS**

<b>SELECTED FINANCIAL DATA .....</b>	<b>3</b>
<b>1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE BENEFIT SYSTEMS GROUP .....</b>	<b>4</b>
1.1. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION .....	4
1.2. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS .....	6
1.3. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....	7
1.4. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY .....	8
1.5. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS .....	10
<b>2. NOTES .....</b>	<b>11</b>
2.1. General information .....	11
2.2. Basis of accounting and accounting policies .....	14
2.3. Operating segments .....	15
2.4. Finance income and costs .....	25
2.5. Income tax .....	25
2.6. Goodwill and acquisition of control of subsidiaries .....	26
2.7. Intangible assets and property, plant and equipment .....	30
2.8. Leases .....	32
2.9. Cash and cash equivalents .....	35
2.10. Borrowings, other debt instruments .....	35
2.11. Other financial liabilities .....	35
2.12. Seasonality of operations .....	36
2.13. Significant events and transactions in the period .....	37
2.14. Overview of the Company's material achievements or failures in the period .....	39
2.15. Outlook .....	41
2.16. Share capital .....	42
2.17. Earnings per share .....	42
2.18. Incentive scheme .....	42
2.19. Dividend .....	44
2.20. Shareholding structure .....	44
2.21. Shares or other rights to shares held by members of the Management Board or the Supervisory Board .....	45
2.22. Non-compliance with debt covenants .....	46
2.23. Contingent liabilities and information on proceedings pending before a court or administrative authority .....	46
2.24. Management Board's position regarding delivery against profit forecasts .....	47
2.25. Related-party transactions executed by the Group on non-arm's length terms .....	47
2.26. Events after the reporting date .....	47
<b>3. CONDENSED SEPARATE FINANCIAL STATEMENTS OF BENEFIT SYSTEMS S.A. ....</b>	<b>50</b>
3.1. CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION .....	50
3.2. CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS .....	52
3.3. CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME .....	52
3.4. CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY .....	53
3.5. CONDENSED SEPARATE STATEMENT OF CASH FLOWS .....	54
<b>AUTHORISATION FOR ISSUE .....</b>	<b>55</b>

## SELECTED FINANCIAL DATA

BENEFIT SYSTEMS GROUP	PLN '000		EUR '000	
	for the period Jan 1–Sep 30 2023	for the period Jan 1–Sep 30 2022	for the period Jan 1–Sep 30 2023	for the period Jan 1–Sep 30 2022
Revenue	2,016,680	1,346,863	440,583	287,300
Operating profit	380,048	138,756	83,029	29,598
Profit before tax	368,477	95,127	80,501	20,292
Net profit from continuing operations	301,011	74,721	65,762	15,939
Net profit attributable to owners of the parent	297,198	74,111	64,929	15,809
Net cash from operating activities	577,815	276,830	126,235	59,051
Net cash from investing activities	(124,921)	(112,419)	(27,291)	(23,980)
Net cash from financing activities	(294,842)	(274,064)	(64,414)	(58,461)
Net change in cash and cash equivalents	158,052	(109,653)	34,530	(23,390)
Earnings per share attributable to owners of the parent (PLN/EUR)	101.31	25.26	22.13	5.39
Diluted earnings per share attributable to owners of the parent (PLN/EUR)	101.01	25.26	22.07	5.39
	<b>as at Sep 30 2023</b>	<b>as at Dec 31 2022</b>	<b>as at Sep 30 2023</b>	<b>as at Dec 31 2022</b>
Assets	2,496,464	2,234,021	538,542	476,347
Non-current liabilities	955,504	896,959	206,123	191,253
Current liabilities	656,794	611,646	141,685	130,418
Equity attributable to owners of the parent	883,434	727,033	190,576	155,021
Share capital	2,934	2,934	633	626
Number of shares	2,933,542	2,933,542	2,933,542	2,933,542

BENEFIT SYSTEMS S.A.	PLN '000		EUR '000	
	for the period Jan 1–Sep 30 2023	for the period Jan 1–Sep 30 2022	for the period Jan 1–Sep 30 2023	for the period Jan 1–Sep 30 2022
Revenue	1,337,557	892,495	292,215	190,379
Operating profit	267,827	106,927	58,512	22,809
Profit before tax	279,912	80,088	61,152	17,084
Net profit from continuing operations	226,111	67,179	49,398	14,330
Net cash from operating activities	463,027	213,985	101,157	45,645
Net cash from investing activities	(72,378)	(96,862)	(15,812)	(20,662)
Net cash from financing activities	(279,697)	(240,372)	(61,105)	(51,274)
Net change in cash and cash equivalents	111,036	(123,249)	24,258	(26,290)
Earnings per share attributable to owners of the parent (PLN/EUR)	77.08	22.90	16.84	4.88
	<b>as at Sep 30 2023</b>	<b>as at Dec 31 2022</b>	<b>as at Sep 30 2023</b>	<b>as at Dec 31 2022</b>
Assets	2,166,153	2,087,709	467,286	445,150
Non-current liabilities	694,112	726,281	149,735	154,861
Current liabilities	521,325	511,562	112,461	109,077
Equity	950,716	849,866	205,090	181,212
Share capital	2,934	2,934	633	626
Number of shares	2,933,542	2,933,542	2,933,542	2,933,542

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:

	Sep 30 2023	Dec 31 2022	Sep 30 2022
Data as at – exchange rate as at	4.6356	4.6899	4.8698
Data for period – average exchange rate for 9 months	4.5773	-	4.6880

# 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE BENEFIT SYSTEMS GROUP

## 1.1. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	Notes	Sep 30 2023	Dec 31 2022
Goodwill	2.6	513,835	460,624
Intangible assets	2.7	139,393	128,983
Property, plant and equipment	2.7	294,750	294,412
Right-of-use assets	2.8	932,267	834,176
Investments in associates	2.1	3,016	2,435
Trade and other receivables		10,788	9,510
Loans and other non-current financial assets		7,975	9,653
Deferred tax assets		29,126	27,917
<b>Non-current assets</b>		<b>1,931,150</b>	<b>1,767,710</b>
Inventories		8,842	6,472
Trade and other receivables		178,411	236,756
Current tax assets		200	482
Loans and other current financial assets		1,482	4,274
Cash and cash equivalents	2.9	376,379	218,327
<b>Current assets</b>		<b>565,314</b>	<b>466,311</b>
<b>Total current assets</b>		<b>565,314</b>	<b>466,311</b>
<b>Total assets</b>		<b>2,496,464</b>	<b>2,234,021</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - CONTINUED

<b>EQUITY AND LIABILITIES</b>	Notes	<b>Sep 30 2023</b>	<b>Dec 31 2022</b>
<i>Equity attributable to owners of the parent:</i>			
Share capital	2.16	2,934	2,934
Share premium		291,378	291,378
Exchange differences on translating foreign operations		(6,431)	(10,361)
Retained earnings		595,553	443,082
<b>Equity attributable to owners of the parent</b>		<b>883,434</b>	<b>727,033</b>
Non-controlling interests		732	(1,617)
<b>Total equity</b>		<b>884,166</b>	<b>725,416</b>
<b>LIABILITIES</b>			
Employee benefit provisions		254	259
Other provisions		10,767	10,767
<b>Total long-term provisions</b>		<b>11,021</b>	<b>11,026</b>
Trade and other payables		4	111
Deferred tax liability		1,968	3,212
Other financial liabilities	2.11	62,303	32,328
Borrowings, other debt instruments	2.10	46,542	60,566
Lease liabilities	2.8	833,666	789,716
<b>Non-current liabilities</b>		<b>955,504</b>	<b>896,959</b>
<b>Current liabilities</b>			
Employee benefit provisions		5,180	3,081
Other provisions		0	24
<b>Total short-term provisions</b>		<b>5,180</b>	<b>3,105</b>
Trade and other payables		341,139	369,888
Current income tax liabilities		61,731	9,515
Other financial liabilities	2.11	4,657	16,788
Borrowings, other debt instruments	2.10	18,596	24,140
Lease liabilities	2.8	199,748	164,879
Contract liabilities		25,743	23,331
<b>Current liabilities</b>		<b>656,794</b>	<b>611,646</b>
<b>Total current liabilities</b>		<b>656,794</b>	<b>611,646</b>
<b>Total liabilities</b>		<b>1,612,298</b>	<b>1,508,605</b>
<b>Total equity and liabilities</b>		<b>2,496,464</b>	<b>2,234,021</b>

## 1.2. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	Jan 1– Sep 30 2023	Jul 1– Sep 30 2023	Jan 1– Sep 30 2022	Jul 1– Sep 30 2022
<b>Continuing operations</b>					
<b>Revenue</b>	2.3	<b>2,016,680</b>	<b>693,877</b>	<b>1,346,863</b>	<b>485,424</b>
Revenue from sales of services		1,989,277	685,219	1,328,265	478,998
Revenue from sales of merchandise and materials		27,403	8,658	18,598	6,426
<b>Cost of sales</b>	2.3	<b>(1,376,861)</b>	<b>(437,158)</b>	<b>(1,007,162)</b>	<b>(342,139)</b>
Cost of services sold		(1,360,685)	(431,542)	(995,834)	(338,376)
Cost of merchandise and materials sold		(16,176)	(5,616)	(11,328)	(3,763)
<b>Gross profit</b>		<b>639,819</b>	<b>256,719</b>	<b>339,701</b>	<b>143,285</b>
Selling expenses	2.3	(118,844)	(38,765)	(93,322)	(32,906)
Administrative expenses	2.3	(136,844)	(45,237)	(105,502)	(40,342)
Other income		6,402	3,455	5,408	1,374
Other expenses		(10,485)	(5,060)	(7,529)	(2,306)
<b>Operating profit</b>		<b>380,048</b>	<b>171,112</b>	<b>138,756</b>	<b>69,105</b>
Finance income	2.4	13,619	(17,766)	3,287	1,400
Finance costs	2.4	(28,355)	(8,717)	(45,731)	(25,299)
Impairment losses on financial assets	2.4	2,584	(4)	(909)	(31)
Share of profit/(loss) of equity-accounted entities	2.1	581	218	(276)	(449)
<b>Profit before tax</b>		<b>368,477</b>	<b>144,843</b>	<b>95,127</b>	<b>44,726</b>
Income tax	2.5	(67,466)	(27,286)	(20,406)	(10,158)
<b>Net profit from continuing operations</b>		<b>301,011</b>	<b>117,557</b>	<b>74,721</b>	<b>34,568</b>
<b>Net profit</b>		<b>301,011</b>	<b>117,557</b>	<b>74,721</b>	<b>34,568</b>
<b>Net profit attributable to:</b>					
- owners of the parent		297,198	115,361	74,111	34,405
- non-controlling interests		3,813	2,196	610	163

## EARNINGS PER ORDINARY SHARE (PLN)

	Notes	Jan 1– Sep 30 2023	Jan 1– Sep 30 2022
<b>Earnings per share</b>			
Basic earnings per share from continuing operations		101.31	25.26
Basic earnings per share from discontinued operations		0.00	0.00
<b>Earnings per share</b>	2.17	<b>101.31</b>	<b>25.26</b>
Diluted earnings per share from continuing operations		101.01	25.26
Diluted earnings per share from discontinued operations		0.00	0.00
<b>Diluted earnings per share</b>	2.17	<b>101.01</b>	<b>25.26</b>

### 1.3. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Jan 1– Sep 30 2023	Jul 1– Sep 30 2023	Jan 1– Sep 30 2022	Jul 1– Sep 30 2022
<b>Net profit</b>	<b>301,011</b>	<b>117,557</b>	<b>74,721</b>	<b>34,568</b>
<b>Other comprehensive income</b>	<b>4,244</b>	<b>(950)</b>	<b>(10,264)</b>	<b>(8,051)</b>
Items not reclassified to profit or loss	0	0	0	0
Items reclassified to profit or loss	4,244	(950)	(10,264)	(8,051)
- <i>Exchange differences on translating foreign operations</i>	4,244	(950)	(10,264)	(8,051)
<b>Comprehensive income</b>	<b>305,255</b>	<b>116,607</b>	<b>64,457</b>	<b>26,517</b>
<b>Comprehensive income attributable to:</b>				
- owners of the parent	301,128	114,412	64,339	26,757
- non-controlling interests	4,127	2,195	118	(240)

## 1.4. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Treasury shares	Share premium	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
<b>Balance as at Jan 1 2023</b>		<b>2,934</b>	<b>0</b>	<b>291,378</b>	<b>(10,361)</b>	<b>443,082</b>	<b>727,033</b>	<b>(1,617)</b>	<b>725,416</b>
<b><i>Changes in equity in the period Jan 1 –Sep 30 2023</i></b>									
Cost of equity-settled share-based payment plan	2.18	0	0	0	0	6,279	6,279	0	<b>6,279</b>
Increase in shares in subsidiary due to acquisition of non-controlling interest without change of control		0	0	0	0	326	326	(393)	<b>(67)</b>
Valuation of put options attributable to minority shareholders	2.11	0	0	0	0	(30,562)	(30,562)	(880)	<b>(31,442)</b>
Dividends	2.19	0	0	0	0	(120,770)	(120,770)	(505)	<b>(121,275)</b>
<b>Total transactions with owners</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(144,727)</b>	<b>(144,727)</b>	<b>(1,778)</b>	<b>(146,505)</b>
Net profit for the period Jan 1–Sep 30 2023		0	0	0	0	297,198	297,198	3,813	<b>301,011</b>
Exchange differences on translating foreign operations		0	0	0	3,930	0	3,930	314	<b>4,244</b>
<b>Total comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>3,930</b>	<b>297,198</b>	<b>301,128</b>	<b>4,127</b>	<b>305,255</b>
Total changes		0	0	0	3,930	152,471	156,401	2,349	158,750
<b>Balance as at Sep 30 2023</b>		<b>2,934</b>	<b>0</b>	<b>291,378</b>	<b>(6,431)</b>	<b>595,553</b>	<b>883,434</b>	<b>732</b>	<b>884,166</b>



## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - CONTD.

	Notes	Share capital	Treasury shares	Share premium	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
<b>Balance as at Jan 1 2022</b>		<b>2,934</b>	<b>0</b>	<b>291,378</b>	<b>(7,416)</b>	<b>316,851</b>	<b>603,747</b>	<b>(2,070)</b>	<b>601,677</b>
<b>Changes in equity in the period Jan 1–Sep 30 2022</b>									
Increase in shares in subsidiary due to acquisition of non-controlling interest without change of control		0	0	0	0	(5,989)	(5,989)	318	<b>(5,671)</b>
Valuation of put options attributable to minority shareholders		0	0	0	0	286	286	(286)	<b>0</b>
Dividends		0	0	0	0	1,124	1,124	(1,124)	<b>0</b>
<b>Total transactions with owners</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4,579)</b>	<b>(4,579)</b>	<b>(1,092)</b>	<b>(5,671)</b>
Net profit for the period Jan 1–Sep 30 2022		0	0	0	0	74,111	74,111	610	<b>74,721</b>
Exchange differences on translating foreign operations		0	0	0	(9,935)	0	(9,935)	(329)	<b>(10,264)</b>
<b>Total comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(9,935)</b>	<b>74,111</b>	<b>64,176</b>	<b>281</b>	<b>64,457</b>
Total changes		0	0	0	(9,935)	69,532	59,597	(811)	<b>58,786</b>
<b>Balance as at Sep 30 2022</b>		<b>2,934</b>	<b>0</b>	<b>291,378</b>	<b>(17,351)</b>	<b>386,383</b>	<b>663,344</b>	<b>(2,881)</b>	<b>660,463</b>

## 1.5. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Jan 1–Sep 30 2023	Jan 1–Sep 30 2022
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>		<b>368,477</b>	<b>95,127</b>
<b>Adjustments:</b>			
Depreciation and amortisation of non-financial non-current assets	2.7, 2.8	207,890	170,202
Measurement of liabilities arising from acquisition of shares	2.11	1,010	364
Change in impairment losses and write-off of assets	2.4	795	1,074
Effect of lease modifications	2.8	(362)	(6,343)
(Gains)/losses on sale and value of liquidated non-financial non-current assets		1,965	2,285
(Gains)/losses on disposal of financial assets	2.1	(50)	0
Foreign exchange gains/(losses)	2.4	(3,529)	24,776
Interest expense	2.4	26,530	19,194
Interest income	2.4	(10,040)	(3,287)
Cost of share-based payments (Incentive Scheme)	2.18	6,279	0
Share of profit/(loss) of associates		(581)	276
Change in inventories		(2,318)	(1,639)
Change in receivables		41,145	15,497
Change in liabilities		(46,280)	(33,255)
Change in provisions		2,070	2,938
Other adjustments		135	1,378
<b>Cash flows provided by (used in) operating activities</b>		<b>593,136</b>	<b>288,587</b>
Income tax paid		(15,321)	(11,757)
<b>Net cash from operating activities</b>		<b>577,815</b>	<b>276,830</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible assets	2.7	(28,487)	(34,163)
Purchase of property, plant and equipment	2.7	(56,276)	(45,321)
Proceeds from sale of property, plant and equipment	2.7	8,977	2,333
Acquisition of subsidiaries, net of cash acquired	2.6, 2.11	(57,539)	(36,168)
Proceeds from sale of associates	2.1	50	0
Repayments of loans		1,947	508
Loans advanced		(2,386)	(398)
Interest received	2.4	8,793	790
<b>Net cash from investing activities</b>		<b>(124,921)</b>	<b>(112,419)</b>
<b>Cash flows from financing activities</b>			
Expenditure on transactions with non-controlling interests		(67)	(4,842)
Redemption of debt securities		0	(100,000)
Proceeds from borrowings		0	52,048
Repayment of borrowings	2.10	(19,583)	(78,651)
Payment of lease liabilities	2.8	(147,600)	(131,740)
Payments of interest		(6,317)	(10,534)
Dividends paid	2.19	(121,275)	(345)
<b>Net cash from financing activities</b>		<b>(294,842)</b>	<b>(274,064)</b>
<b>Net change in cash and cash equivalents before exchange differences</b>		<b>158,052</b>	<b>(109,653)</b>
<b>Net change in cash and cash equivalents</b>		<b>158,052</b>	<b>(109,653)</b>
Cash and cash equivalents at beginning of period		218,327	253,015
<b>Cash and cash equivalents at end of period</b>		<b>376,379</b>	<b>143,362</b>

## 2. NOTES

### 2.1. General information

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

The Parent was established through transformation of a limited liability company into a joint-stock company, effected pursuant to Resolution No. 2/2010 of the General Meeting of November 3rd 2010. The Parent is entered in the Business Register of the National Court Register maintained by the District Court for the Capital City of Warsaw, 13th Commercial Division, under entry No. KRS 0000370919. 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.

The Benefit Systems Group is a provider of non-pay employee benefit solutions in the area of sports and recreation offered in the form of the MultiSport sport card, the Group’s leading product, and related products with access to sports networks, including facilities owned by the Group companies. The network of fitness clubs provides infrastructure support for the sport cards business. Activities based on synergies between the sale of sport cards and investments in fitness infrastructure are carried out in Poland and in foreign markets. The Group is present in the Czech Republic, Slovakia, Bulgaria, Croatia and Turkey.

The Parent is continuing the development of MultiLife – a product providing access to online services such as a diet creator, language platform, mindfulness course, e-books, yoga course, and online consultations with experts.

The Group also offers the MyBenefit Cafeteria online platform, which allows employees of B2B customers to flexibly choose from among various non-pay benefits from a set of benefits pre-approved by the employer. The Group is also a provider of cultural and entertainment solutions (including the Cinema Programme, MultiTeatr), which are offered mainly through the Cafeteria channel. Additionally, MyBenefit serves as a platform for developing tools that enhance activity and mobilise employees through gamification – a modern and engaging approach that leverages game mechanics to motivate employees.

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

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

Subsidiary	Principal place of business and country of registration	Group’s ownership interest*	
		Sep 30 2023	Dec 31 2022
Focusly Sp. z o.o. <sup>1)</sup>	ul. Skierniewicka 16/20, 01-230 Warsaw, Poland	100.00%	100.00%
VanityStyle Sp. z o.o.	ul. Skierniewicka 16/20, 01-230 Warsaw, Poland	100.00%	100.00%
YesIndeed Sp. z o.o. <sup>2)</sup>	ul. Przeskok 2, 00-032 Warsaw, Poland	-	100.00%
Lunching.pl Sp. z o.o. <sup>3)</sup>	ul. Fabryczna 20A, 31-553 Kraków, Poland	87.63%	77.68%
Benefit Partners Sp. z o.o. <sup>4)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%
Yes to Move Sp. z o.o.	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%
Total Fitness Sp. z o.o. <sup>5)</sup>	Aleja Bohaterów Września 9, 02-389 Warsaw, Poland	100.00%	88.23%

FIT 1 Sp. z o.o. <sup>6)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%
FIT 2 Sp. z o.o. <sup>6)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	-
Sport Operator Sp. z o.o. <sup>6)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	-
FIT 3 Sp. z o.o. <sup>7)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	-
Concept Self Investment Sp. z o.o. <sup>7)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	-
Saturn Fitness Group Sp. z o.o. <sup>8)</sup>	ul. Arkuszowa 18, 01-934 Warsaw, Poland	100.00%	-
Manufaktura Zdrowia Sp. z o.o. <sup>9)</sup>	ul. Krakowska 180, 32-080 Zabierzów, Poland	100.00%	-
Zdrowe Miejsce Sp. z o.o.	ul. Odyńca 71, 02-644 Warsaw, Poland	80.00%	80.00%
Investment Gear 9 Sp. z o.o. <sup>10)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	-
Investment Gear 10 Sp. z o.o. <sup>10)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	-
Benefit Systems International S.A.	ul. Młynarska 8/12, 01-194 Warsaw, Poland	97.20%	97.20%
Fit Invest International Sp. z o.o.	ul. Młynarska 8/12, 01-194 Warsaw, Poland	97.20%	97.20%
BSI Investments Sp. z o.o. <sup>11)</sup>	ul. Młynarska 8/12, 01-194 Warsaw, Poland	91.76%	90.40%
FII Investments Sp. z o.o. <sup>12)</sup>	ul. Młynarska 8/12, 01-194 Warsaw, Poland	97.20%	-
Form Factory Slovakia S.R.O.	Prievozska 14, Bratislava - mestská časť Ružinov 821 09, Slovakia	97.20%	97.20%
Form Factory S.R.O. <sup>13)</sup>	Vinohradská 2405/190 Vinohrady, 130 00 Praha 3, Czech Republic	98.54%	97.20%
Next Level Fitness EOOD	Bul. Simeonovsko Shosse 35, 1700 Sofia, Bulgaria	97.20%	97.20%
Beck Box Club Praha S.R.O. <sup>13)</sup>	Vinohradská 2405/190 Vinohrady, 130 00 Praha 3, Czech Republic	98.49%	97.20%
MultiSport Benefit S.R.O.	Lomnického 1705/9, 140 00 Praha 4, Czech Republic	97.20%	97.20%
Benefit Systems Spor Hizmetleri Ltd	Eski Büyükdere Caddesi No: 7, GİZ 2000 Plaza, Kat 4. 13. VE 14. Bağımsız Bölümler, Maslak, Sarıyer/ 34398 İstanbul, Turkey	91.76%	90.40%
Benefit Systems Slovakia S.R.O.	Prievozska 14, Bratislava - mestská časť Ružinov 821 09, Slovakia	95.26%	95.26%
Benefit Systems D.O.O.	Zagreb (Grad Zagreb) Heinzelova ulica 44, Croatia	94.28%	94.28%
Benefit Systems Bulgaria EOOD	11-13, Yunak Str., floor 1, 1612 Sofia, Bulgaria	93.31%	93.31%
Benefit Systems, storitve, D.O.O.	Komenskega street 36, 1000 Lublana, Slovenia	92.34%	92.34%
Multisport Foundation	ul. Racjonalizacji 5, 02-673 Warsaw, Poland	100.00%	100.00%
MW Legal 24 Sp. z o.o. <sup>14)</sup>	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%

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

1) A plan of merger of Benefit Systems S.A. (the acquiring company) with Focusly Sp. z o.o. (the target company) was agreed on October 13th 2023.

2) The merger of Benefit Systems S.A. (the acquiring company) with YesIndeed Sp. z o.o. (the target company) was registered on September 29th 2023.

3) An increase in the share capital of Lunching.pl Sp. z o.o. was registered on February 27th 2023, raising the Parent's interest in the company to 79.89%. Subsequently, on June 23rd 2023, the Parent exercised the option provided in the share purchase agreement for a price of PLN 2.1m, further increasing its interest to 87.63% as at September 30th 2023. Since the date of acquisition of 73.97% of Lunching.pl shares (i.e., April 13th 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.

4) A plan of merger of Benefit Systems S.A. (the acquiring company) with Benefit Partners Sp. z o.o. (the target company) was agreed on October 18th 2023.

5) On April 4th 2023, Benefit Systems S.A. acquired the residual 11.77% of shares in Total Fitness Sp. z o.o. for a price of PLN 14m, raising its equity interest in the company to 100%. Since the date of acquisition of 88.23% of Total Fitness Sp. z o.o. shares (i.e., November 4th 2021), 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.

6) On March 31st 2023, the Parent acquired 100% of the shares in FIT 2 Sp. z o.o. and Sport Operator Sp. z o.o., which had taken over assets spun off from Calypso Fitness S.A., comprising 9 out of the 12 organised parts of business (fitness clubs) owned by the company. The remaining 3 out of the 12 fitness clubs were spun off to FIT 1 Sp. z o.o., which is wholly owned by Benefit Systems (see Note 2.6).

7) On July 31st 2023, the Parent acquired 100% of the shares in FIT 3 Sp. z o.o. and Concept Self Investment Sp. z o.o., which had taken over assets spun off from Calypso Fitness S.A., comprising two out of the three organised parts of business (fitness clubs) owned by the company. The remaining fitness club was spun off to FIT 1 Sp. z o.o., which is wholly owned by Benefit Systems (see Note 2.6).

8) On April 13th 2023, the Parent purchased 100% of shares in Saturn Fitness Group Sp. z o.o. (see Note 2.6).

9) On September 1st 2023, the Parent acquired 100% of the shares in Agata Culley Manufaktura Zdrowia Sp. z o.o., and a change of the company's name to Manufaktura Zdrowia Sp. z o.o. was registered on September 22nd 2023 (see Note 2.6).

10) The Parent acquired shares in Investment Gear 9 Sp. z o.o. on June 6th and July 3rd 2023, and in Investment Gear 10 Sp. z o.o. on May 23rd and July 3rd 2023. Accordingly, as at September 30th 2023, the Company held 100% of the shares in both companies. The transactions were not accounted for using the acquisition method under IFRS 3 as the acquired assets did not constitute a business as defined in IFRS 3.

11) On August 3rd 2023, subsidiary Benefit Systems International S.A. acquired 1.4% of the shares in subsidiary BSI Investments Sp. z o.o. from its minority shareholders for PLN 67 thousand.

12) Fit Investments sp. z o.o., a company owned by Fit Invest International Sp. z o.o. (90%) and Benefit Systems International S.A. (10%), was registered on September 7th 2023.

13) On May 23rd 2023, agreements were signed whereby loans advanced to the Czech companies Form Factory S.R.O. and Beck Box Club Praha S.R.O. by Benefit Systems S.A. and Benefit Systems International S.A. were converted into equity. As a result, the Group's equity interest in the Czech companies rose to 98.54% in Form Factory S.R.O. and 98.49% in Beck Box Club Praha S.R.O. as at September 30th 2023. Conversion of the loans into equity is one of the stages of a project leading to the merger of the Czech companies. The merger of Form Factory s.r.o. (as the acquirer) with Beck Box Club s.r.o. (as the acquiree) was registered on November 1st 2023. As a result of the merger, Beck Box Club Praha s.r.o. ceased to exist and Form Factory s.r.o. assumed the rights and obligations of the merged companies.

14) The company is not consolidated as it does not conduct any business activity.

The Group's voting interests in its subsidiaries are consistent with its respective interests in their share capital. The Parent and the consolidated entities were incorporated for indefinite time.

In these consolidated financial statements as at September 30th 2023, the interests in three associates are accounted for using the equity method.

	Principal place of business and country of registration	Equity interest as at Sep 30 2023	% of total voting rights as at Sep 30 2023	Carrying amount as at Sep 30 2023	Carrying amount as at Dec 31 2022
Institut Rozwoju Fitness Sp. z o.o.	ul. Puławska 427, 02-801 Warsaw, Poland	48.10%	48.10%	3,016	2,435
Calypso Fitness S.A.	ul. Puławska 427, 02-801 Warsaw, Poland	33.33%	33.33%	0	0
Get Fit Katowice II Sp. z o.o.	ul. Uniwersytecka 13, 40-007 Katowice, Poland	20.00%	20.00%	0	0
<b>Total carrying amount</b>				<b>3,016</b>	<b>2,435</b>

On April 27th 2023, Benefit Systems S.A. sold its equity interest (49.95%) in Baltic Fitness Center Sp. z o.o., with a carrying amount of nil, to Calypso Fitness S.A. for PLN 50 thousand.

## 2.2. Basis of accounting 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 November 15th 2023.

This consolidated quarterly report of the Benefit Systems Group covers the nine months ended September 30th 2023 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 March 29th 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 2022.

The functional currency of the Parent and the presentation currency for data contained in this report is the Polish złoty, and all amounts are expressed in thousands of Polish złoty (unless indicated otherwise).

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 December 31st 2022, 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. Uncertainty of estimates

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 and separate financial statements, see the full-year financial statements of the Group and the Parent for 2022.

### 2.2.4. Correction of errors and changes in accounting policies

No corrections of errors 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 inter-segment 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 of profits (losses) of equity-accounted entities whose business is similar to that of a given segment.

Reconciliation of the segments' results to the Group's total results in the nine months ended September 30th 2023 and in the comparative period is presented below.

	Poland	Foreign Markets	Corporate	Total
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**for the period Jan 1–Sep 30 2023**

<b>Revenue</b>	<b>1,429,394</b>	<b>587,360</b>	<b>(74)</b>	<b>2,016,680</b>
<i>including from external customers</i>	<i>1,429,320</i>	<i>587,360</i>	<i>0</i>	<i>2,016,680</i>
<i>including inter-segment sales</i>	<i>74</i>	<i>0</i>	<i>(74)</i>	<i>0</i>
<b>Cost of sales</b>	<b>(965,149)</b>	<b>(411,752)</b>	<b>40</b>	<b>(1,376,861)</b>
<b>Gross profit/(loss)</b>	<b>464,245</b>	<b>175,608</b>	<b>(34)</b>	<b>639,819</b>
Selling expenses	(84,681)	(34,163)	0	(118,844)
Administrative expenses	(91,577)	(39,177)	(6,090)	(136,844)
Other income and expenses	(5,157)	1,656	(582)	(4,083)
<b>Operating profit/(loss)</b>	<b>282,830</b>	<b>103,924</b>	<b>(6,706)</b>	<b>380,048</b>
Share of profit of equity-accounted entities	581	0	0	581
Interest expense on lease liabilities	(17,365)	(2,354)	0	(19,719)
Depreciation and amortisation	178,469	29,421	0	207,890
<b>EBITDA*</b>	<b>461,299</b>	<b>133,345</b>	<b>(6,706)</b>	<b>587,938</b>

**as at Sep 30 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	0	0	3,016

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

	Poland	Foreign Markets	Corporate	Total
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**for the period Jan 1–Sep 30 2022**

<b>Revenue</b>	<b>966,499</b>	<b>380,429</b>	<b>(65)</b>	<b>1,346,863</b>
<i>including from external customers</i>	<i>966,434</i>	<i>380,429</i>	<i>0</i>	<i>1,346,863</i>
<i>including inter-segment sales</i>	<i>65</i>	<i>0</i>	<i>(65)</i>	<i>0</i>
<b>Cost of sales</b>	<b>(709,743)</b>	<b>(297,419)</b>	<b>0</b>	<b>(1,007,162)</b>
<b>Gross profit/(loss)</b>	<b>256,756</b>	<b>83,010</b>	<b>(65)</b>	<b>339,701</b>
Selling expenses	(64,373)	(28,949)	0	(93,322)
Administrative expenses	(72,022)	(31,975)	(1,505)	(105,502)
Other income and expenses	(3,069)	1,210	(262)	(2,121)
<b>Operating profit</b>	<b>117,292</b>	<b>23,296</b>	<b>(1,832)</b>	<b>138,756</b>
Share of loss of equity-accounted entities	(276)	0	0	(276)
Interest expense on lease liabilities	(8,256)	(1,553)	0	(9,809)
Depreciation and amortisation	142,874	27,328	0	170,202
<b>EBITDA*</b>	<b>260,166</b>	<b>50,624</b>	<b>(1,832)</b>	<b>308,958</b>

**as at Sep 30 2022**

Segment's assets	1,994,693	323,452	(252,896)	2,065,249
Segment's liabilities	1,180,983	477,200	(253,397)	1,404,786
Investments in associates	5,091	0	0	5,091

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



There is no significant concentration of sales to one or more external customers. In the reporting period ended September 30th 2023, the Group did not identify any individual customer which would account for more than 10% of the Group's total revenue.

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

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.

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:

	Jan 1–Sep 30 2023	Jan 1–Sep 30 2022
<b>Segments' revenue</b>		
Total revenue of operating segments	2,016,754	1,346,928
Unallocated revenue	0	0
Elimination of revenue from inter-segment transactions	(74)	(65)
<b>Revenue</b>	<b>2,016,680</b>	<b>1,346,863</b>
<b>Segments' profit/(loss)</b>		
Segments' operating profit/(loss)	386,754	140,588
Elimination of profit/(loss) from inter-segment transactions (IFRS 16)	0	0
Unallocated profit/(loss)	(6,706)	(1,832)
<b>Operating profit</b>	<b>380,048</b>	<b>138,756</b>
Finance income	13,619	3,287
Finance costs	(28,355)	(45,731)
Impairment losses on financial assets	2,584	(909)
Share of profit/(loss) of equity-accounted entities	581	(276)
<b>Profit before tax</b>	<b>368,477</b>	<b>95,127</b>

	Sep 30 2023	Dec 31 2022
<b>Segments' assets</b>		
Total assets of operating segments	2,683,511	2,478,142
Unallocated assets	1,511	294
Elimination of inter-segment transactions	(188,558)	(244,415)
<b>Total assets</b>	<b>2,496,464</b>	<b>2,234,021</b>

	Sep 30 2023	Dec 31 2022
<b>Segments' liabilities</b>		
Total liabilities of operating segments	1,800,870	1,752,919
Unallocated liabilities	24	19
Elimination of inter-segment transactions	(188,596)	(244,333)
<b>Total liabilities</b>	<b>1,612,298</b>	<b>1,508,605</b>

Eliminations of assets and liabilities include primarily inter-segment loans and trade receivables arising from inter-segment transactions.

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

	Poland	Foreign Markets	Corporate	Total
<b>for the period Jan 1–Sep 30 2023</b>				
<b>Revenue from external customers</b>	<b>1,429,320</b>	<b>587,360</b>	<b>0</b>	<b>2,016,680</b>
<i>Poland</i>	1,429,320	230	0	1,429,550
<i>Czech Republic</i>	0	336,882	0	336,882
<i>Bulgaria</i>	0	145,750	0	145,750
<i>Other</i>	0	104,498	0	104,498

<b>as at Sep 30 2023</b>				
<b>Non-current assets*</b>	<b>1,675,272</b>	<b>207,989</b>	<b>0</b>	<b>1,883,261</b>
<i>Poland</i>	1,675,272	109,033	0	1,784,305
<i>Czech Republic</i>	0	41,632	0	41,632
<i>Bulgaria</i>	0	49,206	0	49,206
<i>Other</i>	0	8,118	0	8,118

\* Excluding financial instruments and deferred tax assets.

	Poland	Foreign Markets	Corporate	Total
<b>for the period Jan 1–Sep 30 2022</b>				
<b>Revenue from external customers</b>	<b>966,434</b>	<b>380,429</b>	<b>0</b>	<b>1,346,863</b>
<i>Poland</i>	966,434	166	0	966,600
<i>Czech Republic</i>	0	220,726	0	220,726
<i>Bulgaria</i>	0	100,798	0	100,798
<i>Other</i>	0	58,739	0	58,739

<b>as at Sep 30 2022</b>				
<b>Non-current assets*</b>	<b>1,462,615</b>	<b>220,081</b>	<b>0</b>	<b>1,682,696</b>
<i>Poland</i>	1,462,615	109,815	0	1,572,430
<i>Czech Republic</i>	0	47,099	0	47,099
<i>Bulgaria</i>	0	46,707	0	46,707
<i>Other</i>	0	16,460	0	16,460

\* Excluding financial instruments and deferred tax assets.

<b>Revenue by category</b>		<b>Jan 1– Sep 30 2023</b>	<b>Jan 1– Sep 30 2022</b>
Sale of sport cards in Poland	B2B	1,137,469	757,335
Sale of sport cards on foreign markets	B2B	548,116	348,128
Sale of cafeteria benefits	B2B	34,714	32,200
Sale of fitness clubs in Poland	B2B/B2C	251,514	172,303
Sale of fitness clubs on foreign markets	B2B/B2C	39,091	32,180
Other settlements	B2B	3,989	1,345
<b>Revenue from contracts with customers (IFRS 15)</b>		<b>2,014,893</b>	<b>1,343,491</b>
<i>Revenue from IFRS 16</i>		1,787	3,372
<b>Total revenue</b>		<b>2,016,680</b>	<b>1,346,863</b>

## Operating expenses by segment:

	Poland	Foreign Markets	Corporate	Total
<i>for the period Jan 1–Sep 30 2023</i>				
Depreciation and amortisation	178,469	29,421	0	207,890
<i>including depreciation of right-of-use assets</i>	106,171	18,397	0	124,568
Employee benefits	191,290	64,817	6,278	262,385
Raw materials and consumables used	39,989	13,437	0	53,426
Services	695,756	369,395	(228)	1,064,923
Taxes and charges	3,488	175	0	3,663
Other expenses	18,874	5,212	0	24,086
<b>Total expenses by nature of expense</b>	<b>1,127,866</b>	<b>482,457</b>	<b>6,050</b>	<b>1,616,373</b>
Cost of merchandise and materials sold	13,541	2,635	0	16,176
<b>Cost of sales, selling expenses and administrative expenses</b>	<b>1,141,407</b>	<b>485,092</b>	<b>6,050</b>	<b>1,632,549</b>

	Poland	Foreign Markets	Corporate	Total
<i>for the period Jan 1–Sep 30 2022</i>				
Depreciation and amortisation	142,874	27,328	0	170,202
<i>including depreciation of right-of-use assets</i>	86,957	17,379	0	104,336
Employee benefits	184,952	57,465	1,831	244,248
Raw materials and consumables used	29,215	12,310	0	41,525
Services	459,969	250,250	(326)	709,893
Taxes and charges	3,311	167	0	3,478
Other expenses	16,644	8,668	0	25,312
<b>Total expenses by nature of expense</b>	<b>836,965</b>	<b>356,188</b>	<b>1,505</b>	<b>1,194,658</b>
Cost of merchandise and materials sold	9,173	2,155	0	11,328
<b>Cost of sales, selling expenses and administrative expenses</b>	<b>846,138</b>	<b>358,343</b>	<b>1,505</b>	<b>1,205,986</b>

## 2.3.1. Poland

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

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. At the end of the third quarter of 2023, the number of active cards in Poland was 1,341.7 thousand.

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 benefits spanning sport and health, culture, entertainment, recreation, leisure, as well as domestic and foreign 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 2,600 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 can select benefits directly from Cafeteria – an online platform featuring individual user accounts. The solution, which gives employers full control of the benefits selected and simple settlement methods, has been taken up by companies from the manufacturing, services and trade industries, as well as public institutions. The MyBenefit platform is also an important channel for distributing sport cards offered by the Group.

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 wellbeing in four areas: growth, nutrition, health, and psychology.

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 2023, the Group had 195 own clubs in Poland operated by the Fitness Branch within Benefit Systems S.A., Total Fitness Sp. z o.o., Sport Operator Sp. z o.o., FIT 1 Sp. z o.o., FIT 2 Sp. z o.o., FIT 3 Sp. z o.o., Saturn Fitness Group Sp. z o.o., Concept Self Investment Sp. z o.o., and Manufaktura Zdrowia 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, Manufaktura Zdrowia**, and **Aquapark Wesolandia**. As at September 30th 2023, the Group also held interests in companies managing an additional 20 facilities.

The Group is developing its online products, such as the exercise platform which provides access to a constantly expanding base of online and live workouts conducted by qualified trainers, and the Yes2Move online store which offers, among other things, food supplements and dietetic food, fitness accessories and many other items to support physical exercise and promote healthy lifestyles.

Selected financial data of the Poland segment for the nine months ended September 30th 2023 and September 30th 2022:

Poland	Jan 1–Sep 30 2023	Jan 1–Sep 30 2022	Change
Revenue	1,429,394	966,499	47.9%
Cost of sales	(965,149)	(709,743)	36.0%
<b>Gross profit</b>	<b>464,245</b>	<b>256,756</b>	<b>80.8%</b>
Selling expenses	(84,681)	(64,373)	31.5%
Administrative expenses	(91,577)	(72,022)	27.2%
Other income and expenses	(5,157)	(3,069)	68.0%
<b>Operating profit</b>	<b>282,830</b>	<b>117,292</b>	<b>141.1%</b>
Share of profit/(loss) of equity-accounted entities	581	(276)	
<b>EBITDA</b>	<b>461,299</b>	<b>260,166</b>	<b>77.3%</b>
Gross margin	32.5%	26.6%	5.9pp
<i>Number of sport cards ('000)</i>	<i>1,341.7</i>	<i>1,064.6</i>	<i>26.0%</i>
<i>Number of own clubs</i>	<i>195</i>	<i>171</i>	<i>14.0%</i>
<i>Turnover of cafeteria platform (PLNm)*</i>	<i>285.7</i>	<i>256.2</i>	<i>11.5%</i>
<i>Number of cafeteria platform users (in thousands)</i>	<i>672.1</i>	<i>564.2</i>	<i>19.1%</i>

\* Based on the value of services provided and settlement of intermediation in payments in cafeteria platform.

Revenue for the nine months ended September 30th 2023 rose by 47.9% year on year, driven by an increase in the number of sport cards to 1,341.7 thousand vs 1,064.6 thousand in the comparative period.

On March 31st 2023, in the first stage of the deal with Calypso Fitness S.A., the Group acquired 13 fitness clubs (12 clubs as an organised part of business and one club by way of assignment of the lease contract), of which seven are located in the Gdańsk-Sopot-Gdynia agglomeration, four in Szczecin and one in both Warsaw and Wrocław. The acquired facilities operate under the brands of Zdrofit and Fitness Academy (one club in Wrocław).

On April 13th 2023, the Group acquired 100% of the shares in Saturn Fitness Group Sp. z o.o., as a result of which six fitness clubs located in Gdynia, Warsaw, Kraków, Łódź, Gorzów Wielkopolski and Chorzów were added to the Group's own clubs portfolio.

On July 31st 2023, in the second stage of the transaction with Calypso Fitness S.A., the Group acquired three fitness clubs. Two of these clubs, located in Warsaw and Częstochowa, operate under the Zdrofit brand, while the third one operates in Kraków under the My Fitness Place brand.

On September 1st 2023, the Group acquired a 100% interest in Manufaktura Zdrowia Sp. z o.o., which manages two fitness clubs, one in Kraków and the other in Zabierzów.

In the second quarter of 2023, one club operating under the FitFabric brand in Łódź and Atmosfera MultiSport, a facility run by the Parent, were closed.

After September 30th 2023, the Group continued to expand its own fitness club base in the Poland segment through acquisitions of companies, organised parts of business (see Note 2.26), and new openings. The Group's strong cash position enables it to execute strategic plans for the dynamic expansion of its own network through successive acquisitions. This ensures the highest service standards and an extensive selection of fitness clubs for the growing base of MultiSport users.

As a result of these actions, Benefit Systems S.A. increased its own fitness club count in Poland to 195 as at September 30th 2023 and to 203 as at the issue date of this report.

As at the end of the third quarter of 2023, the Group had approximately 4.8 thousand partner facilities in its MultiSport programme.

As at September 30th 2023, the MyBenefit cafeteria platform had 672.1 thousand users, up 107.9 thousand year on year. The growth in the number of users translated into higher turnover compared with the corresponding period of 2022. The most popular benefit categories are retail (226.9m turnover vs PLN 203.0m in the corresponding period of 2022), as well as travel and food.

In the first nine months of 2023, the Poland segment recognised depreciation of right-of-use assets of PLN 106.2m and interest expense on lease liabilities of PLN 17.4m.

### 2.3.2. Foreign Markets

The segment consists of companies engaged in the development of the MultiSport programme, companies managing fitness clubs 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 to September 30th 2023, 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 EOOD 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 clubs were operated by Beck Box Club Praha S.R.O. and Form Factory S.R.O. in the Czech Republic, Form Factory Slovakia S.R.O. in Slovakia, and Next Level Fitness EOOD in Bulgaria. FII Investments Sp. z o.o. was registered on September 7th 2023. The company will be responsible for the rollout of a fitness club network in Turkey. The segment also includes Benefit Systems storitve, D.O.O. (Slovenia).

Foreign Markets segment	Jan 1–Sep 30 2023	Jan 1–Sep 30 2022	Change
Revenue	587,360	380,429	54.4%
Cost of sales	(411,752)	(297,419)	38.4%
<b>Gross profit</b>	<b>175,608</b>	<b>83,010</b>	<b>111.6%</b>
Selling expenses	(34,163)	(28,949)	18.0%
Administrative expenses	(39,177)	(31,975)	22.5%
Other income and expenses	1,656	1,210	36.9%
<b>Operating profit</b>	<b>103,924</b>	<b>23,296</b>	<b>346.1%</b>
<b>EBITDA</b>	<b>133,345</b>	<b>50,624</b>	<b>163.4%</b>
Gross margin	29.9%	21.8%	8.1pp
<i>Number of sport cards ('000)</i>	<i>469.8</i>	<i>379.1</i>	<i>23.9%</i>
<i>Number of own clubs</i>	<i>25</i>	<i>24</i>	<i>4.2%</i>

As at September 30th 2023, the number of cards stood at 469.8 thousand, up almost 24% year on year. The Czech market experienced the most substantial growth in the number of cards, with an increase of 47.5 thousand, representing over 50% of the segment's total card growth. Both Bulgaria and Slovakia saw a rise of 15.4 and 15.2 thousand cards respectively. Although the card growth in Croatia was under 11 thousand, the country boasted the highest growth rate among the markets where MultiSport had a presence for over five years. The Group's youngest market, Turkey demonstrated the highest sales growth among all the discussed markets compared to the

same period in 2022, with an increase of approximately 1.8 thousand cards as at the end of the third quarter of 2023.

As at September 30th 2023, the total number of cards in the segment was slightly lower compared to the previous quarter. This decrease was primarily due to deactivations during the summer, which is a natural seasonal trend. In the final month of the third quarter, an increase in the number of cards was observed, indicating the return of users after the summer holidays.

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

Country	Sep 30 2023	Sep 30 2022	Change
Czech Republic	244.8	197.3	24%
Bulgaria	130.6	115.2	13%
Slovakia	54.9	39.7	38%
Croatia	35.8	25.0	43%
Turkey	3.7	1.9	95%
<b>Total</b>	<b>469.8</b>	<b>379.1</b>	<b>24%</b>

\* 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 the third quarter of 2023, the MultiSport partner network comprised a total of 4,451 locations, marking an increase of 297, driven primarily by the growing number of partner outlets in Turkey. The total number of partner outlets in the other markets remained unchanged compared to the end of the third quarter of 2022.

Numbers of partner locations in Foreign Markets countries:

Country	As at Sep 30 2023	As at Sep 30 2022	Change
Czech Republic	1,887	1,882	0%
Bulgaria	907	887	2%
Slovakia	813	817	(0%)
Croatia	404	425	(5%)
Turkey	440	143	208%
<b>Total</b>	<b>4,451</b>	<b>4,154</b>	<b>7%</b>

In the nine months to September 30th 2023, the Group expanded its presence by opening two new clubs: one in the Czech Republic in February and another in Bulgaria in March. A club in Slovakia was closed during the first quarter of 2023. In the second and third quarters of 2023, adaptation work was under way at five new locations in Bulgaria and the Czech Republic. As at the end of the third quarter of 2023, the Group operated 25 own fitness clubs in foreign markets. As at the issue date of this report, the club count increased to 26, following the opening of a new club in Sofia in November 2023.

Numbers of own fitness clubs in Foreign Markets countries:

Country	As at Sep 30 2023	As at Sep 30 2022	Change
Czech Republic	15	13	2
Bulgaria	9	9	0
Slovakia	1	2	(1)
<b>Total</b>	<b>25</b>	<b>24</b>	<b>1</b>

The stable macroeconomic conditions in most markets where the Foreign Markets segment operates (except for Turkey), along with the efficiency of its sales activities, enabled the segment to sustain strong sales growth, despite a slight dip in card numbers during the summer holiday season. The Foreign Markets segment achieved a notable reduction in selling and administrative expenses relative to revenue (12.5% for the nine months ended September 30th 2023, compared to 16.0% for the same period in 2022). The fitness companies maintained a stable cost base while experiencing a rise in the number of active B2C subscribers (fitness club memberships), resulting in a net profit reported by these companies for the nine months to September 30th 2023.

In the nine months ended September 30th 2023, the Foreign Markets segment recognised depreciation of right-of-use assets of PLN 18.4m and interest expense on lease liabilities of PLN 2.4m.

### 2.3.3. Corporate

Corporate includes primarily elimination of intersegment transactions, costs of the Incentive Scheme based on Parent's shares, and activities of the MultiSport Foundation.

Corporate	Jan 1–Sep 30 2023	Jan 1–Sep 30 2022	Change
Revenue	(74)	(65)	13.8%
Cost of sales	40	0	-
<b>Gross profit/(loss)</b>	<b>(34)</b>	<b>(65)</b>	<b>(47.7%)</b>
Selling expenses	0	0	-
Administrative expenses	(6,090)	(1,505)	304.7%
Other income and expenses	(582)	(262)	122.1%
<b>Operating profit/(loss)</b>	<b>(6,706)</b>	<b>(1,832)</b>	<b>266.0%</b>
Share of profit/(loss) of equity-accounted entities	0	0	-
<b>EBITDA</b>	<b>(6,706)</b>	<b>(1,832)</b>	<b>266.0%</b>



## 2.4. Finance income and costs

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

<b>Finance income</b>	<b>Jan 1–Sep 30 2023</b>	<b>Jan 1–Sep 30 2022</b>
Interest on investments	9,656	694
Interest on loans and receivables	384	2,593
Foreign exchange gains	3,529	0
Gains on disposal of financial assets	50	0
<b>Total finance income</b>	<b>13,619</b>	<b>3,287</b>

<b>Finance costs</b>	<b>Jan 1–Sep 30 2023</b>	<b>Jan 1–Sep 30 2022</b>
Interest on lease liabilities	19,719	9,809
Interest on overdraft and investment credit facilities	6,251	6,451
Interest on debt securities	0	2,737
Interest on loans	66	42
Interest on trade and other payables	494	155
Foreign exchange losses	0	24,776
Remeasurement of liability arising from acquisition of shares in subsidiaries	1,010	364
Other finance costs	815	1,397
<b>Total finance costs</b>	<b>28,355</b>	<b>45,731</b>

<b>Impairment losses on financial assets (income +/-expense -)</b>	<b>Jan 1–Sep 30 2023</b>	<b>Jan 1–Sep 30 2022</b>
Reversal (+) of impairment losses on financial assets – loans	2,584	0
Financial assets written off (-)	0	(909)
<b>Total impairment losses on financial assets (+/-)</b>	<b>2,584</b>	<b>(909)</b>

In the nine months ended September 30th 2023, the following had a material bearing on the Group's finance income and costs: unrealised foreign exchange gains recognised on measurement of lease liabilities, interest expense on borrowings and lease liabilities, and reversal of impairment losses on loans, including loans advanced to Calypso Fitness S.A. (see Note 2.6). In the three months to September 30th 2023, the Group recorded a significant decrease in foreign exchange gains relative to the six months ended June 30th 2023, primarily due to significant fluctuations in foreign exchange rates.

## 2.5. Income tax

In the nine months ended September 30th 2023, the Group's effective tax rate was 18.3%, a figure close to that of the Parent.

As at the end of September 2023, the current income tax liability stood at PLN 61.7m, representing a PLN 52.2m increase compared with the end of 2022. The increase was mainly attributable to the Parent's application of the simplified method of income tax payment in 2023 (advance payments of one-twelfth of the tax payable for 2021). The due date for payment of the tax liability for 2023 is March 31st 2024.

## 2.6. Goodwill and acquisition of control of subsidiaries

The changes in goodwill in the reporting periods are presented below.

	Jan 1–Sep 30 2023	Jan 1–Dec 31 2022
<b>Gross carrying amount</b>		
Balance at beginning of period	460,624	446,395
Acquisitions and business combinations, including:	53,211	14,229
<i>Lunching.pl Sp. z o.o.*</i>	322	14,229
<i>Acquisition of 15 organised parts of business from Calypso Fitness S.A.</i>	40,788	-
<i>Saturn Fitness Group Sp. z o.o.</i>	9,304	-
<i>Manufaktura Zdrowia Sp. z o.o.</i>	2,797	-
<b>Gross carrying amount at end of period</b>	<b>513,835</b>	<b>460,624</b>
<b>Impairment losses</b>		
Accumulated impairment losses at end of period	0	0
<b>Goodwill – carrying amount at end of period</b>	<b>513,835</b>	<b>460,624</b>

\* In the first quarter of 2023, accounting for the acquisition of *Lunching.pl Sp. z o.o.* was completed. Adjustment to provisional goodwill measurement results from remeasurement of the liability under contractual options to purchase the remaining shares. The amount of the liability depends on revenue generated by *Lunching.pl Sp. z o.o.*

### *Acquisition of organised parts of business comprising fitness clubs from Calypso Fitness S.A.*

As part of the review of the available courses of action towards the Company's investment in the associate Calypso Fitness S.A. ("CF") and as a result of the performance of the agreements of February 28th 2023 (see Note 2.13), in the first stage of the Transaction, the demerger of CF, agreed under the CF demerger plan prepared on October 7th 2022, was registered on March 31st 2023. The demerger was effected by spinning off 12 organised parts of CF's business (fitness clubs) to three companies: FIT 1 Sp. z o.o. (3 clubs based in Szczecin, Gdańsk and Gdynia), FIT 2 Sp. z o.o. (2 clubs based in Szczecin and Gdańsk) and Sport Operator Sp. z o.o. (7 clubs: 3 clubs based in Gdańsk, 2 clubs based in Warsaw, Szczecin – 2 clubs, and in Wrocław). As at the demerger date, the sole shareholders in the respective companies were CF shareholders: Benefit Systems S.A., Cal Capital Sp. z o.o. ("CC") and Camaro Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych ("Camaro"). Subsequently, on the same day, the Parent acquired all shares in FIT 2 Sp. z o.o. and Sport Operator Sp. z o.o. from CC and Camaro.

As a result of the operations described above, 12 fitness clubs were added to the Group's own club portfolio: in Gdańsk (5 clubs), Szczecin (4 clubs), Gdynia, Warsaw, and Wrocław.

The total purchase price of 12 organised parts of business from CF was PLN 29m. The price was settled by transferring Benefit Systems S.A.'s claims against CF Group companies of PLN 18m to CC and Camaro and making a cash payment of PLN 11m to Camaro.

As part of the provisional accounting for the acquisition as of March 31st 2023 the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 37.4m.

In the second stage of the Transaction, on July 31st 2023, a demerger of CF was effected by spinning off three organised parts of business comprising fitness clubs to FIT 1 Sp. z o.o. (one fitness club), FIT 3 Sp. z o.o. (one fitness club) and Concept Self Investment Sp. z o.o. (one fitness club), controlled, respectively, by Benefit Systems S.A., CC and Camaro (CF shareholders).

On the same date, the Parent acquired shares in FIT 3 Sp. z o.o. and Concept Self Investment Sp. z o.o., to which CF's assets comprising two out of the three organised parts of CF's business (fitness clubs) located in Warsaw and Kraków were spun off. The title to the shares was

transferred on July 31st 2023, i.e., the date of registration of the CF demerger agreed in the Calypso Fitness demerger plan of May 8th 2023. The remaining one out of the three organised parts of CF's business was contributed to FIT 1 Sp. z o.o., which is wholly owned by Benefit Systems S.A. The total purchase price for the three organised parts of business was PLN 4m. On February 28th 2023, PLN 3m was paid to Camaro in cash and placed in a notarial deposit (see Note 2.13), with the remaining amount of PLN 1m still owed and payable to CC.

As part of the provisional accounting for the acquisition as of July 31st 2023 the Group allocated the excess of the purchase price over net assets to goodwill in the amount of PLN 3.4m.

The Transaction stages described above were accounted for using the acquisition method in accordance with IFRS 3 *Business Combinations* as at the acquisition being the date of acquiring organised parts of business. Due to the commercial substance of the Transaction, the management of the acquired clubs (with the Parent's Fitness Branch acting as the operator), and the proposed merger of FIT 1 Sp. z o.o., FIT 2 Sp. z o.o., Sport Operator Sp. z o.o., FIT 3 Sp. z o.o., and Concept Self Investment Sp. z. o.o. with Benefit Systems S.A., the transaction was accounted for jointly for all organised parts of business at each successive stage. The goodwill was allocated to cash generating units in the Poland segment.

As at the date of this report, the purchase price allocation process had not been completed by the Group. The Group is currently reviewing, identifying and measuring the assets and liabilities acquired and therefore the goodwill recognised on the acquisition from CF of organised parts of business in the form of 15 fitness clubs may change within 12 months from the acquisition date.

Acquisition date of organised parts of business comprising fitness clubs	Mar 31 2023	Jul 31 2023	Total
Number of acquired clubs	12 clubs	3 clubs	15 clubs
<b>Purchase price as at the acquisition date, including:</b>			
<i>cash</i>	11,000	3,000	14,000
<i>liabilities</i>	0	1,000	1,000
<i>settlement of claims*</i>	17,959	0	17,959
<b>Purchase price as at the acquisition date</b>	<b>28,959</b>	<b>4,000</b>	<b>32,959</b>
<b>Net assets acquired:</b>			
Intangible assets – customer relations**	812	226	1,038
Right-of-use assets	49,120	17,734	66,854
Other property, plant and equipment	2,930	772	3,702
Other current assets	5,216	738	5,954
Cash	865	138	1,003
Non-current lease liabilities	(39,095)	(14,895)	(53,990)
Current lease liabilities	(10,025)	(2,839)	(12,864)
Other current liabilities**	(18,223)	(1,303)	(19,526)
<b>Total net assets as at the acquisition date</b>	<b>(8,400)</b>	<b>571</b>	<b>(7,829)</b>
<b>Goodwill as at the acquisition date</b>	<b>37,359</b>	<b>3,429</b>	<b>40,788</b>

\* The settlement of claims involved settlement of PLN 15.9m worth of trade receivables and PLN 2.1m worth of loans.

\*\* As part of the remeasurement of provisional accounting for the acquisition of 12 clubs on March 31st 2023, in the second quarter of 2023 customer-related intangible assets were recognised and the value of other current liabilities was adjusted by PLN (0.5)m, which resulted in a goodwill reduction of PLN 1.3m relative to the initial measurement.

### Acquisition of shares in Saturn Fitness Group Sp. z o.o.

On April 13th 2023, an agreement was signed whereby the Parent purchased 100% of shares in Saturn Fitness Group Sp. z o.o. ("Saturn Fitness").

The total purchase price is PLN 26.1m and includes:

- the price for the shares of PLN 0.5m, paid on the agreement date, which may be increased by PLN 1.2m, to be computed in accordance with the agreement (for instance if Saturn Fitness achieves the agreed revenue). The amount of PLN 1.2m was paid in October 2023;
- the amount of Saturn Fitness's cash liabilities of PLN 24.5m, resulting from the acquisition by Saturn Fitness on April 12th 2023 of organised parts of business in the form of 6 fitness clubs and the fitness branch head office.

As at the date of acquisition of control, according to the Company's best estimates of the fulfilment of the conditions set forth in the share purchase agreement, the fair value of the total purchase price was PLN 26.1m (the nominal value before discounting was PLN 26.2m).

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 9.3m.

As a result of the acquisition of Saturn Fitness, 6 fitness clubs were added to the Group's own club portfolio: in Gdynia, Warsaw, Kraków, Łódź, Gorzów Wielkopolski and Chorzów. The goodwill was allocated to cash generating units in the Poland segment.

As at the date of these consolidated financial statements, the purchase price allocation process had not been completed by the Group, in particular work was ongoing to transfer the company's accounting records and to review, identify and perform fair-value measurement of the assets and liabilities acquired. Therefore the goodwill recognised on acquisition of Saturn Fitness Group Sp. z o.o. may change within 12 months from the acquisition date.

Acquiree	Saturn Fitness Group Sp. z o.o.
Acquisition date	<b>Apr 13 2023</b>
<b>Purchase price as at the acquisition date, including:</b>	
<i>cash</i>	500
<i>cash – repayment of assumed liabilities for the acquisition of organised parts of business</i>	24,500
<i>deferred contingent payment</i>	572
<i>deferred payment</i>	538
<b>Purchase price as at the acquisition date</b>	<b>26,110</b>
<b>Net assets acquired:</b>	
Intangible assets – trademarks	10,140
Intangible assets – customer relations	462
Property, plant and equipment	9,341
Right-of-use assets	24,490
Other property, plant and equipment	556
Cash	70
Other current assets	792
Borrowings, other debt instruments	(1,649)
Non-current lease liabilities	(19,249)
Current lease liabilities	(5,241)
Other current liabilities	(2,906)
<b>Total net assets as at the acquisition date</b>	<b>16,806</b>
<b>Goodwill as at the acquisition date</b>	<b>9,304</b>

### Acquisition of shares in Manufaktura Zdrowia Sp. z o.o.

On September 1st 2023, the Parent signed an agreement to acquire 100% of the shares in Agata Culley Manufaktura Zdrowia Sp. z o.o. A change of the company's name to Manufaktura Zdrowia Sp. z o.o. ("Manufaktura Zdrowia") was registered on September 22nd 2023.

The price for the shares, amounting to PLN 2.6m and paid on the agreement date, may be increased by PLN 0.1m. The adjustment will be calculated in accordance with the agreement and will be payable by the end of November 2023.

As at the date of acquisition of control, according to the Parent's best estimates regarding the fulfilment of conditions set forth in the share purchase agreement, the fair value of the total acquisition price is PLN 2.7m.

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 2.8m.

As a result of the acquisition of Manufaktura Zdrowia, two fitness clubs, in Zabierzów and Kraków, were added to the Group's own fitness club portfolio. The goodwill was allocated to cash generating units in the Poland segment.

As at the date of these consolidated financial statements, the purchase price allocation process had not been completed by the Group, in particular work was ongoing to review, identify and perform fair-value measurement of the assets and liabilities acquired. Therefore the goodwill recognised on acquisition of Manufaktura Zdrowia Sp. z o.o. may change within 12 months from the acquisition date.

Acquiree	Manufaktura Zdrowia Sp. z o.o.
Acquisition date	<b>Sep 1 2023</b>
<b>Purchase price as at the acquisition date, including:</b>	
<i>cash</i>	2,531
<i>deferred payment</i>	130
<b>Purchase price as at the acquisition date</b>	<b>2,661</b>
<b>Net assets acquired:</b>	
Property, plant and equipment	127
Right-of-use assets	5,602
Cash	91
Other current assets	374
Borrowings, other debt instruments	(365)
Non-current lease liabilities	(4,917)
Current lease liabilities	(685)
Other current liabilities	(363)
<b>Total net assets as at the acquisition date</b>	<b>(136)</b>
<b>Goodwill as at the acquisition date</b>	<b>2,797</b>

## 2.7. Intangible assets and property, plant and equipment

### 2.7.1. Intangible assets

The carrying amounts of intangible assets and changes in these amounts during the nine months ended September 30th 2023 are as follows:

	Trademarks	Patents and licences	Software	Completed development work	Other intangible assets	Intangible assets under development	Total
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#### As at Sep 30 2023

Gross carrying amount	14,410	8,768	8,131	140,363	42,067	28,242	241,981
Accumulated amortisation and impairment	(1,060)	(4,497)	(5,381)	(68,554)	(23,096)	0	(102,588)
<b>Net carrying amount</b>	<b>13,350</b>	<b>4,271</b>	<b>2,750</b>	<b>71,809</b>	<b>18,971</b>	<b>28,242</b>	<b>139,393</b>

#### As at Dec 31 2022

Gross carrying amount	6,800	6,924	7,316	94,372	38,666	51,202	205,280
Accumulated amortisation and impairment	(2,599)	(2,337)	(4,848)	(48,532)	(17,361)	(620)	(76,297)
<b>Net carrying amount</b>	<b>4,201</b>	<b>4,587</b>	<b>2,468</b>	<b>45,840</b>	<b>21,305</b>	<b>50,582</b>	<b>128,983</b>

	Trademarks	Patents and licences	Software	Completed development work	Other intangible assets	Intangible assets under development	Total
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#### for the period Jan 1–Sep 30 2023

<b>Carrying amount as at Jan 1 2023</b>	<b>4,201</b>	<b>4,587</b>	<b>2,468</b>	<b>45,840</b>	<b>21,305</b>	<b>50,582</b>	<b>128,983</b>
Business combinations (Note 2.6)	10,140	0	0	0	1,500	0	11,640
Increase (purchase, construction)	0	44	35	0	585	27,823	28,487
Decrease (disposal, liquidation) (-)	0	0	0	0	0	0	0
Other movements (reclassification, transfers, etc.)	0	1,823	869	46,126	1,341	(50,159)	0
Impairment losses (+/-)	0	0	0	0	(75)	0	(75)
Amortisation (-)	(991)	(2,179)	(617)	(20,160)	(5,689)	0	(29,636)
Net exchange differences (+/-)	0	(4)	(5)	3	4	(4)	(6)
<b>Carrying amount as at Sep 30 2023</b>	<b>13,350</b>	<b>4,271</b>	<b>2,750</b>	<b>71,809</b>	<b>18,971</b>	<b>28,242</b>	<b>139,393</b>

As at September 30th 2023, the carrying amount of intangible assets was PLN 139.4m, up by PLN 10.4m on December 31st 2022. The increase, offset by the recognition of a PLN 29.6m amortisation charge, results mainly from expenditure of PLN 28.5m on the development, integration and optimisation of business and sales systems and online platforms for customers. In the nine months to September 30th 2023, the value of the acquired trademark of PLN 10.1m and customer relations of PLN 0.5m were recognised upon the acquisition of Saturn Fitness Group Sp. z o.o., and the value of customer relations estimated at PLN 1.0m was recognised upon the acquisition of organised parts of business from Calypso Fitness S.A. (Note 2.6).

## 2.7.2. Property, plant and equipment

The carrying amounts of property, plant and equipment and changes in these amounts during the nine months ended September 30th 2023 are as follows:

	Land	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Property, plant and equipment under construction	Total
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### As at Sep 30 2023

Gross carrying amount	721	369,206	65,419	791	221,741	31,609	689,487
Accumulated depreciation and impairment	0	(205,003)	(48,473)	(174)	(141,087)	0	(394,737)
<b>Net carrying amount</b>	<b>721</b>	<b>164,203</b>	<b>16,946</b>	<b>617</b>	<b>80,654</b>	<b>31,609</b>	<b>294,750</b>

### As at Dec 31 2022

Gross carrying amount	721	356,811	64,469	204	196,611	22,904	641,720
Accumulated depreciation and impairment	0	(183,155)	(47,985)	(202)	(115,966)	0	(347,308)
<b>Net carrying amount</b>	<b>721</b>	<b>173,656</b>	<b>16,484</b>	<b>2</b>	<b>80,645</b>	<b>22,904</b>	<b>294,412</b>

	Land	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Property, plant and equipment under construction	Total
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### for the period Jan 1–Sep 30 2023

<b>Carrying amount as at Jan 1 2023</b>	<b>721</b>	<b>173,656</b>	<b>16,484</b>	<b>2</b>	<b>80,645</b>	<b>22,904</b>	<b>294,412</b>
Business combinations (Note 2.6)	0	3,025	434	36	9,669	0	13,164
Increase (purchase, construction)	0	9,920	4,652	713	6,174	36,528	57,987
Decrease (disposal, liquidation) (-)	0	(510)	(413)	0	(1,950)	(6,484)	(9,357)
Other movements (reclassification, transfers)	0	5,028	3,154	0	8,229	(21,297)	(4,886)
Impairment losses (+/-)	0	(1,486)	0	0	0	0	(1,486)
Depreciation (-)	0	(24,751)	(6,824)	0	(22,111)	0	(53,686)
Net exchange differences (+/-)	0	(679)	(541)	(134)	(2)	(42)	(1,398)
<b>Carrying amount as at Sep 30 2023</b>	<b>721</b>	<b>164,203</b>	<b>16,946</b>	<b>617</b>	<b>80,654</b>	<b>31,609</b>	<b>294,750</b>

As at September 30th 2023, the carrying amount of property, plant and equipment was PLN 294.8m. The PLN 0.4m change in property, plant and equipment relative to the end of 2022 was mainly attributable to a depreciation charge of PLN 53.7m and settlement of the PLN 14.2m investment in new clubs. Capital expenditures in 2023 amounted to PLN 58.1m and were primarily allocated to investments in new and existing fitness clubs, with PLN 6.5m included in settlements with lessors (under the 'Decrease' line item). Apart from changes related to bringing assets to their present locations and condition for their intended use, 'other movements' include a PLN 7.7m decrease due to the transfer of the amount of expenditure in excess of the amount of the settlement with the lessor to the right-of-use assets and a PLN 2.8m increase attributable to the purchase of leased assets.

In the nine months to September 30th 2023, the Group acquired Saturn Fitness Group Sp. z o.o. and Manufaktura Zdrowia Sp. z o.o., and acquired organised parts of business from Calypso Fitness S.A. (Note 2.6), which resulted in an increase in the carrying amount of property, plant and equipment by PLN 9.3m, PLN 0.1m, and PLN 3.7m, respectively (Note 2.6). An impairment loss of PLN 1.6m was recognised due to the closure of the Atmosfera MultiSport facility. In addition, property, plant and equipment with a carrying amount of PLN 2.6m was sold and foreign exchange losses of PLN 1.4m were recognised.

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

## 2.8. Leases

### 2.8.1. Right-of-use assets

Changes in the carrying amount of the right-of-use assets are presented below.

	Property	Fitness equipment	Other	Total
<i>for the period Jan 1–Sep 30 2023</i>				
<b>Net carrying amount as at Jan 1 2023</b>	<b>813,805</b>	<b>10,766</b>	<b>9,605</b>	<b>834,176</b>
New lease contracts	41,580	0	4,251	45,831
Business combinations (Note 2.6)	96,946	0	0	96,946
Modifications, termination of contracts	80,285	1,217	383	81,885
Depreciation	(119,459)	(992)	(4,117)	(124,568)
Exchange differences on translating foreign operations	(1,920)	0	(83)	(2,003)
<b>Net carrying amount as at Sep 30 2023</b>	<b>911,237</b>	<b>10,991</b>	<b>10,039</b>	<b>932,267</b>

	Property	Fitness equipment	Other	Total
<i>for the period Jan 1–Sep 30 2022</i>				
<b>Net carrying amount as at Jan 1 2022</b>	<b>769,351</b>	<b>8,825</b>	<b>8,277</b>	<b>786,453</b>
New lease contracts	80,450	0	2,736	83,186
Modifications, termination of contracts	22,324	1,020	366	23,710
Depreciation	(98,915)	(2,663)	(2,758)	(104,336)
Exchange differences on translating foreign operations	7,337	0	(52)	7,285
<b>Net carrying amount as at September 30th 2022</b>	<b>780,547</b>	<b>7,182</b>	<b>8,569</b>	<b>796,298</b>

The lease modifications in the nine months ended September 30th 2023 were primarily a result of rent rate indexation and lease term extensions for space occupied by fitness clubs.



## 2.8.2. Lease liabilities

Changes in lease liabilities are presented below.

	Jan 1– Sep 30 2023	Jan 1– Sep 30 2022
<b>Balance at beginning of period</b>	<b>954,595</b>	<b>936,835</b>
New lease contracts	37,751	76,755
Business combinations (Note 2.6)	96,946	0
Modifications, termination of contracts	83,223	21,063
Effect of application of COVID-19 practical expedient	0	(6,054)
Accrued interest	19,719	9,809
Exchange differences	(9,122)	32,846
Settlement of liabilities	(147,600)	(131,740)
Exchange differences on translating foreign operations	(2,098)	7,668
<b>Balance at end of period</b>	<b>1,033,414</b>	<b>947,182</b>
Non-current	833,666	776,559
Current	199,748	170,623

The lease modifications in the nine months ended September 30th 2023 were primarily a result of rent rate indexation and lease term extensions for space occupied by fitness clubs.

Maturities of the lease liabilities as at September 30th 2023 and December 31st 2022 are presented below:

<i>as at Sep 30 2023</i>	Lease payments due in:			
	up to 1 year	1 to 5 years	over 5 years	Total
Lease payments	202,221	682,379	244,126	1,128,726
Finance costs (-)	(2,473)	(49,982)	(42,857)	<b>(95,312)</b>
<b>Present value</b>	<b>199,748</b>	<b>632,397</b>	<b>201,269</b>	<b>1,033,414</b>

<i>as at Dec 31 2022</i>	Lease payments due in:			
	up to 1 year	1 to 5 years	over 5 years	Total
Lease payments	166,231	584,002	258,607	<b>1,008,840</b>
Finance costs (-)	(1,352)	(26,963)	(25,930)	<b>(54,245)</b>
<b>Present value</b>	<b>164,879</b>	<b>557,039</b>	<b>232,677</b>	<b>954,595</b>

The Group is a party to lease contracts for fitness clubs whose terms 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 91,224 thousand as at September 30th 2023 (December 31st 2022: PLN 70,769 thousand).

### 2.8.3. Lease amounts disclosed in the reporting period

Amounts disclosed in the nine months ended September 30th 2023 and September 30th 2022 relating to the lease contracts recognised in the statement of financial position are presented below.

	Jan 1– Sep 30 2023	Jan 1– Sep 30 2022
<b>Amounts disclosed in the consolidated statement of profit or loss</b>		
Depreciation of right-of-use assets (recognised in cost of sales, selling expenses and administrative expenses)	(124,568)	(104,336)
Gain/(loss) on lease modifications (recognised in other income/expenses)	362	289
Application of the COVID-19 practical expedient (recognised in cost of sales)	0	6,054
Interest expense on lease liabilities (recognised in finance costs)	(19,719)	(9,809)
Exchange differences on lease liabilities denominated in foreign currencies (recognised in finance income/costs)	9,122	(32,846)
<b>Total</b>	<b>(134,803)</b>	<b>(140,648)</b>
<b>Amounts disclosed in the consolidated statement of cash flows</b>		
Lease payments (recognised in cash flow from financing activities)	(147,600)	(131,740)

Costs of short-term lease contracts and leases of low-value assets that are not recognised in the measurement of the lease liabilities and are expensed in the interim consolidated statement of profit or loss stood at PLN 1,554 thousand and PLN 1,015 thousand in the nine months ended September 30th 2023 and September 30th 2022, respectively. The costs included mainly rental of advertising space (PLN 899 thousand and 542 thousand, respectively) and leases of assorted equipment for fitness clubs and offices (PLN 655 thousand and 473 thousand, respectively). There were no variable lease payments in the nine months ended September 30th 2023 and September 30th 2022.

In 2022, in connection with the COVID-19 pandemic, the Group renegotiated terms of the lease contracts, which impacted the amount of lease liabilities. The Group applied the practical expedient introduced by the amendment to IFRS 16, whereby rent concessions resulting from the renegotiation of lease contracts do not constitute lease modification, and the effects of remeasurement of lease liabilities are recognised in profit or loss for the period. The practical expedient could be applied with respect to rent payments originally due on or before June 30th 2022. Each lease contract was assessed to determine whether the criteria for applying the practical expedient are met. The practical expedient was applied with respect to rent concessions under property lease contracts (sports clubs, offices). In the nine months ended September 30th 2022, the amount of the remeasurement of the lease liability resulting from the negotiated concessions was recognised in the statement of profit and loss as a PLN 6,054 thousand decrease in cost of sales. The abovementioned amendment to IFRS 16 cannot be applied in 2023.

### 2.8.4. Subleases

The Group is a lessor and an intermediate lessor of fitness equipment leased out to facilities which are the Group's partners, as well as office space. The respective contracts were recognised as operating leases. In the nine months ended September 30th 2023, the Group recognised income from operating sublease of fitness equipment of PLN 830 thousand and income from sublease of office space of PLN 957 thousand. In the nine months ended September 30th 2022,

the amounts were PLN 2,895 thousand and PLN 476 thousand, respectively. These amounts include minimum fixed sublease payments only. In the reporting period, there were no contingent or other payments.

## 2.9. Cash and cash equivalents

As at September 30th 2023, cash stood at PLN 376.4m. The PLN 158.1m increase in cash relative to the end of 2022 was mainly driven by cash provided by operating activities, totalling PLN 577.8m, which was allocated predominantly to investments in new and existing fitness clubs (PLN 56.3m), the development of business and sales systems and online platforms for customers (PLN 28.5m), acquisitions (PLN 57.5m), and current lease payments (PLN 140.7m). In addition, in the nine months ended September 30th 2023, the Group repaid PLN 19.6m in borrowings and the Parent distributed PLN 120.3m in dividends.

## 2.10. Borrowings, other debt instruments

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

	Carrying amount	Non-current liabilities	Current liabilities
<b>As at Sep 30 2023</b>			
Bank borrowings	65,138	46,542	18,596
Loans	0	0	0
<b>Total borrowings, other debt instruments</b>	<b>65,138</b>	<b>46,542</b>	<b>18,596</b>

	Carrying amount	Non-current liabilities	Current liabilities
<b>As at Dec 31 2022</b>			
Bank borrowings	84,548	60,566	23,982
Loans	158	0	158
<b>Total borrowings, other debt instruments</b>	<b>84,706</b>	<b>60,566</b>	<b>24,140</b>

During the nine months ended September 30th 2023, the Group repaid PLN 19.6m in borrowings.

## 2.11. Other financial liabilities

Other financial liabilities disclosed in the Group's statement of financial position include mainly liabilities under the options to purchase minority interests in companies of the Foreign Markets segment. This item also includes liabilities under contingent and deferred consideration for acquired shares in subsidiaries. The individual liabilities are presented in the following tables:

	Note	Sep 30 2023	Dec 31 2022
Liability arising from acquisition of shares in Lunching.pl Sp. z o.o.		1,112	3,109
Benefit Systems International S.A.		43,773	17,645
Benefit Systems Bulgaria EOOD		12,700	8,670
Benefit Systems Slovakia S.R.O.		1,326	1,078
Benefit Systems D.O.O. (Croatia)		2,083	1,373
Benefit Systems Spor Hizmetleri Ltd (Turkey)		285	0
Other		1,024	453
<b>Total other non-current financial liabilities</b>		<b>62,303</b>	<b>32,328</b>

	Note	Sep 30 2023	Dec 31 2022
Liability arising from acquisition of shares in Total Fitness Sp. z o.o.		0	13,857
Liability arising from acquisition of shares in Lunching.pl Sp. z o.o.		2,370	1,866
Liability arising from acquisition of shares in YesIndeed Sp. z o.o.		0	1,065
Liability arising from acquisition of shares in Saturn Fitness Group Sp. z o.o.	2.6	1,157	0
Liability arising from acquisition of shares in FIT 3 Sp. z o.o.	2.6	1,000	0
Liability arising from acquisition of shares in Manufaktura Zdrowia Sp. z o.o.	2.6	130	0
<b>Total other current financial liabilities</b>		<b>4,657</b>	<b>16,788</b>

As at September 30th 2023, the value of liabilities under options related to the acquisition of minority interests in Foreign Markets companies was estimated at PLN 61.2m (December 31st 2022: PLN 29.2m). The change was attributable mainly to the revision of discount rates, primarily to reflect a reassessment of previously identified risks associated with the early stage of operations of Foreign Markets companies. The PLN 32.0m increase in liabilities was recognised as a decrease in capital reserves (PLN 31.4m) and an increase in finance costs (PLN 0.6m).

The liability associated with the acquisition of Total Fitness Sp. z o.o. shares was settled in connection with Benefit Systems S.A.'s acquisition of the remaining 11.77% interest in the company for PLN 14m on April 4th 2023.

## 2.12. 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 B2C memberships tends to be lower than in the first, second and fourth quarters of the year, which drives business profitability due to lower costs of visits. In addition, no significant increase in the number of B2C memberships and passes is recorded in the third quarter relative to the second quarter due to the summer holiday season, with a slight decrease in their number often reported during this period. 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.

## 2.13. Significant events and transactions in the period

### *Steps taken with respect to associate Calypso Fitness S.A. ("CF")*

As part of the review of the available courses of action towards the Company's investment in the associate Calypso Fitness S.A., described in more detail in Note 33 to the consolidated financial statements for 2022, on February 28th 2023 the CF shareholders, i.e., Benefit Systems S.A., Camaro Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych ("Camaro") and Cal Capital Sp. z o.o. ("CC"), executed an agreement in which they confirmed the key terms of the transaction the purpose of which is, among other things, to settle CF's liabilities towards its shareholders (the "Transaction").

As part of the first stage of the Transaction executed in the first quarter of 2023:

- a. A demerger of CF was effected by spinning off 12 organised parts of business comprising fitness clubs to FIT 1 Sp. z o.o. (3 clubs), FIT 2 Sp. z o.o. (2 clubs) and Sport Operator Sp. z o.o. (7 clubs), controlled by, respectively, Benefit Systems S.A., CC and Camaro (CF shareholders).
- b. The Parent acquired shares in FIT 2 Sp. z o.o. and Sport Operator Sp. z o.o., which had taken over CF's assets comprising 9 out of the 12 organised parts of CF's business (fitness clubs), located in the Gdańsk-Sopot-Gdynia agglomeration (6), Szczecin (4), Warsaw (1) and Wrocław (1). The title to the shares was transferred on March 31st 2023, i.e. the date of registration of the CF demerger, as agreed in the CF demerger plan of October 7th 2022. The remaining 3 out of the 12 organised parts of CF's business were contributed to FIT 1 Sp. z o.o., which is wholly owned by Benefit Systems S.A. The total consideration for the acquisition of the companies from CC and Camaro was PLN 29m, and was paid by: (i) transferring the Company's claims against CF of PLN 18m to the other CF shareholders, and (ii) making a payment of PLN 11m in cash to Camaro (see Note 2.6).
- c. The share capital of CF was increased by converting Benefit Systems S.A.'s claims against CF of PLN 14.5m and claims held by Camaro and CC into shares in the increased share capital of CF, with the existing shareholding structure of CF retained, i.e., the Parent's interest in CF remained at 33.33%. The share capital increase at CF was registered by the registry court on April 26th 2023. As a result, in April 2023 the Parent cancelled CF's loan interest debt of PLN 10.3m.
- d. Outside the demerger process described above, on March 20th 2023, CF assigned its rights and obligations under a lease contract for another fitness club located in the Gdańsk-Sopot-Gdynia agglomeration to Benefit Systems S.A. The assignment was settled against amounts owed by CF to the Parent totalling PLN 1.1m.
- e. On March 31st 2023, the Parent advanced a loan to CF through conversion of trade (PLN 8.1m) and loan (PLN 9.7m) receivables (PLN 17.8m in aggregate), for which an impairment loss was recognised at 100% of their amount in previous years. The loan was secured by a pledge over shares in Instytut Rozwoju Fitness Sp. z o.o. held by CF.
- f. In addition, on February 28th 2023, the Parent placed PLN 3m in a notarial deposit for the purpose of future acquisitions in the second stage of the Transaction (see Note 2.6).

Following completion of the steps described above, the Parent continues to hold debt claims against CF totalling PLN 17.8m (in respect of which impairment losses were recognised in previous reporting periods), which the Parent will be able to settle in potential subsequent acquisitions. The debt claims after conversion to a loan are secured by a pledge created over shares in Instytut Rozwoju Fitness Sp. z o.o. held by CF.

In the second stage of the Transaction on July 31st 2023:

- a. A demerger of CF was effected by spinning off 3 organised parts of business comprising fitness clubs to FIT 1 Sp. z o.o. (1 club), FIT 3 Sp. z o.o. (1 club) and Concept Self Investment Sp. z o.o. (1 club), controlled, respectively, by Benefit Systems S.A., CC and Camaro (CF shareholders).
- b. The Parent acquired shares in FIT 3 Sp. z o.o. and Concept Self Investment Sp. z o.o., to which CF's assets comprising 2 out of the 3 organised parts of CF's business (fitness clubs) located in Warsaw and Kraków were spun off. The title to the shares was transferred on July 31st 2023, i.e., the date of registration of the CF demerger agreed in the Calypso Fitness demerger plan of May 8th 2023. The remaining one out of the three organised parts of CF's business was contributed to FIT 1 Sp. z o.o., which is wholly owned by Benefit Systems S.A. The total purchase price for the three organised parts of business was PLN 4m. On February 28th 2023, PLN 3m was paid to Camaro in cash and placed in a notarial deposit, with the remaining amount of PLN 1m still owed and payable to CC.

Furthermore, on September 8th 2023, the Parent's Management Board decided to initiate a review of the assets held by Calypso Fitness S.A. that could potentially be acquired by the Parent. On October 30th 2023, CF's shareholders Benefit Systems S.A., Camaro and CC, entered into an agreement confirming the key terms of the transaction and implementing agreements (see Note 2.26).

*Execution of annexes to a financing agreement with the European Bank for Reconstruction and Development and Santander Bank Polska S.A.*

On April 4th 2023, an annex was signed to the long-term financing agreement of April 1st 2022 with the European Bank for Reconstruction and Development and Santander Bank Polska S.A. The annex extends the availability period for the unutilised part of the financing of PLN 115m until December 31st 2023.

*Acquisition of Saturn Fitness Group Sp. z o.o.*

On April 13th 2023, the Parent acquired 100% of shares in Saturn Fitness Group Sp. z o.o., as a result of which six fitness clubs located in Gdynia, Warsaw, Kraków, Łódź, Gorzów Wielkopolski and Chorzów were added to the Group's own clubs portfolio (see Note 2.6).

*Distribution of Parent's net profit for 2022*

On June 29th 2023, the Annual General Meeting of the Parent passed a resolution on distribution of the PLN 141.5m net profit earned for 2022 and decided to allocate PLN 120.3m to dividend payment and PLN 21.2m to statutory reserve funds (see Note 2.19).

*Changes on the Parent's Supervisory Board*

On June 29th 2023, following the expiry of the term of office of the Supervisory Board, the Annual General Meeting of the Parent appointed a new Supervisory Board for a joint five-year term of office, which will expire on the date of the Parent's Annual General Meeting which will approve the Parent's financial statements for 2027. The Supervisory Board consists of James van Bergh, Aniela Anna Hejnowska, Krzysztof Kaczmarczyk, Artur Osuchowski, and Michael Sanderson.

On August 10th 2023, the Extraordinary General Meeting of the Company passed a resolution to appoint Katarzyna Kazior as Member of the Company's Supervisory Board for a joint term of office which commenced on June 29th 2023, with effect from the date on which the registry court enters the amendment to the Company's Articles of Association made under Resolution No. 4 of the Extraordinary General Meeting of the Company of August 10th 2023 in the Business Register of the National Court Register. The amendment was officially registered on September 1st 2023.

### *Changes on the Parent's Management Board*

On August 23rd 2023, Bartosz Józefiak resigned as a Member of the Management Board, effective immediately. On the same day, the Company's Supervisory Board passed a resolution to appoint Marcin Fojudzki as a Member of the Company's Management Board, effective from September 6th 2023.

### *Acquisition of Manufaktura Zdrowia Sp. z o.o.*

On September 1st 2023, the Parent acquired 100% of the shares in Agata Culley Manufaktura Zdrowia Sp. z o.o., and a change of the company's name to Manufaktura Zdrowia Sp. z o.o. was registered on September 22nd 2023. As a result, two fitness clubs, in Zabierzów and Kraków, were added to the Group's own fitness club portfolio (see Note 2.6).

### *Merger of YesIndeed Sp. z o.o. and Benefit Systems S.A.*

The merger of Benefit Systems S.A. (the acquirer) and YesIndeed Sp. z o.o. (the acquiree), effected by transferring all assets of YesIndeed Sp. z o.o. to the Parent, was registered on September 29th 2023.

## 2.14. Overview of the Company's material achievements or failures in the period

### *B Corp recertification*

Benefit Systems S.A. is the first listed company in Poland that was recertified, after it had joined the B Corp movement in 2018. B Corp is a certificate issued by B Lab, an international NGO originating from the United States. It is granted to companies whose business model is aligned with the principles of sustainable development and whose activities make a key contribution to solving today's social, labour and environmental problems.

### *Distribution of Parent's profit for 2022*

In June 2023, the General Meeting of Benefit Systems S.A. passed a resolution to distribute a dividend of PLN 120.3m, equivalent to 87% of the Group's consolidated net profit for 2022, resulting in a payment of PLN 41 per share. The dividend record date was set at September 15th 2023, with the dividend paid on September 29th 2023.

### *Sport card holders*

As at September 30th 2023, the Benefit Systems Group had 1,811.4 thousand holders of sport cards, with 1,341.7 thousand in Poland and 469.8 thousand in foreign markets. The Company sees a constantly high interest from both employers and employees in the sports offerings across all markets in which it operates.

### *New fitness clubs*

In January 2023, 2 new large-format clubs were opened in the My Fitness Place network. The facilities, with their spa zones, salt walls, and saunas, offer solutions promoting physical health and post-workout recovery, and help people boost their immunity, relax, and regain mental balance. Each new club has about 2,000 square metres of floor space with a selection of workout zones, including gyms with high-end equipment, tartan treadmills – an excellent choice for running routines or long jump practice – fitness rooms for group classes and fitness bars offering products supporting a healthy diet for physically active people.

In February 2023, Benefit Systems S.A. entered into an agreement with Calypso Fitness whereby the Parent acquired 16 Calypso clubs in the form of organised parts of business (12 clubs in the first and 3 clubs in the second stage of the transaction) and by way of assignment of a lease contract (1 club in the first stage), in cities with a high potential for further business development. In the first stage, by March 31st 2023, the Company acquired 13 facilities, including 7 clubs in the Gdańsk-Sopot-Gdynia agglomeration and 4 in Szczecin, where the Company is seeing a continually growing interest in the MultiSport programme, and as well as 1 club in Warsaw and Wrocław each. In the second stage, on July 31st 2023, Benefit Systems S.A. acquired three Calypso clubs located in Warsaw, Kraków, and Częstochowa.

In April 2023, the Company finalised the purchase agreement for 6 Saturn Fitness clubs. The newly acquired entities will strengthen the Group's offering in cities considered strategic for the MultiSport Programme, such as Kraków and Gdynia, as well as the Upper Silesia region. In July 2023, S4 clubs in Warsaw and Fabryka Formy clubs in Toruń became part of Zdrofit, Poland's largest fitness network.

In the autumn of 2023, the Group continued the expansion of its own fitness club portfolio. Two clubs under the Manufaktura Zdrowia brand in Kraków and Zabierzów were added to the portfolio in September. Subsequent to the reporting date, the Group completed further acquisitions (see Note 2.26) and launched new facilities, reinforcing its offerings for both B2C users and MultiSport cardholders.

As a result of these actions, the Group increased its own fitness club count in Poland to 195 as at September 30th 2023 and to 203 as at the issue date of this report.

In the first quarter of 2023, conversion work in leased space was completed and two new clubs were opened: in February – Luzanky in Brno, and in March – Zaimov in Sofia. As at September 30th 2023, the Group had 25 own clubs abroad. As at the issue date of this report, the club count abroad increased to 26 following the opening of a new club in Sofia, Knyazhevo, in November.

### *The Design Your Fitness (Zaprojektuj formę) programme*

The Design Your Fitness programme was launched in February 2023, targeting the users of MultiSport sport cards in Poland. As part of the programme, sport card holders have access to pre-designed plans aimed at enhancing health and overall quality of life. These plans encompass guidance from a diverse range of experts, including personal trainers, dieticians, and wellness specialists. A wealth of comprehensive knowledge is offered through 113 lessons spread across 19 specialised online courses.

### *The Good Day for MultiLife campaign*

In March 2023, the Good Day for MultiLife campaign was initiated. The first edition of the campaign aimed to build awareness of the MultiLife brand among employers and employees. The new product helps employers promote both mental and physical well-being and personal development. The MultiLife programme is aligned with existing trends and employee expectations: based on Deloitte's 'From Great Resignation to Great Reimagination' report, as many as 91% of workers are ready to look for a new job if the employer does not show concern for their well-being. The first stage of the campaign concluded in April,



and the second stage, 'Say YES to MultiLife', ran from the end of May to the end of July 2023. Its primary goal was to introduce the MultiLife product to target groups, including employers and end-users (employees), emphasising the needs it addresses and the benefits it offers.

### *Survey of psychophysical well-being of Poles*

At the end of May this year, the MultiSport Index 2023 survey report was released. The project, conducted by the research agency Minds&Roses (formerly Kantar) for Benefit Systems, aims to consistently assess the physical and sports activity of the Polish population.

The findings from this year's survey indicate a significant increase in the popularity of gyms and fitness classes. In the three months leading up to the survey date, these facilities were used by one in every three physically active individuals (31%), representing an 11pp increase compared to the previous year. Experts suggest that intensive physical exercise in such facilities is a means for Poles to manage mental stress. Currently, 42% of active Poles exercise for improved mental well-being, while one in four does so to attain health benefits.

### *Summer Game*

On June 6th 2023, another edition of the MultiSport Summer Game was launched with the primary aim of motivating sport cardholders to engage in physical activity during the summer. The summer gamification project allowed participants to earn points for physical activities, such as visiting new sports facilities and maintaining regular workout routines. These points could be redeemed for attractive prizes, and participants also had the option to donate their points to selected charities.

This year's edition of the project achieved a new record, with nearly 90,000 individuals participating, representing a 69% increase compared to 2022. Every fifth participant admitted that their involvement in the Summer Game served as additional motivation for them to engage in physical activity. Throughout the summer, the project successfully encouraged Poles to visit Benefit Systems' owned and partner sports facilities. Over the nine weeks of the Summer Game, participants completed more than 807,000 training sessions.

### *Benefit Systems with the title of Trustworthy Brand*

Benefit Systems has won the title of Trustworthy Brand, thus joining the group of 25 brands enjoying the greatest trust among entrepreneurs. The first Polish B Corp was awarded by My Company Polska in the category "Employee Carer – the company that offers the most interesting or most extensive array of employee benefits". Winners were selected on the basis of a nationwide survey conducted by Kantar Polska.

## 2.15. Outlook

The outlook for the coming periods is significantly affected by the economic situation in the countries where the Group operates, including higher prices of energy, raw materials and fuels, accelerating inflation, regulatory changes, slowing business activity in certain industries leading to 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.

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, a decline in the prices of sport cards relative to average wages, 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 1.9 million cards abroad (Czech Republic, Bulgaria, Slovakia, and Croatia).

## 2.16. Share capital

As at September 30th 2023, the parent's share capital amounted to PLN 2,934 thousand (December 31st 2022: PLN 2,934 thousand) and was divided into 2,933,542 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.

Share capital as at the reporting date is presented below.

	Sep 30 2023	Dec 31 2022
Number of shares	2,933,542	2,933,542
Par value of shares (PLN)	1	1
<b>Share capital (PLN)</b>	<b>2,933,542</b>	<b>2,933,542</b>

## 2.17. 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 outstanding during the period.

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. The calculation of earnings per share is presented below.

	Jan 1– Sep 30 2023	Jan 1– Sep 30 2022
<b>Number of shares used as denominator</b>		
Weighted average number of ordinary shares	2,933,542	2,933,542
Dilutive effect of options convertible into shares	8,805	0
Diluted weighted average number of ordinary shares	2,942,347	2,933,542
<b>Continuing operations</b>		
Net profit from continued operations attributable to shareholders of the Parent	297,198	74,111
Basic earnings per share (PLN)	101.31	25.26
Diluted earnings per share (PLN)	101.01	25.26

## 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 February 3rd 2021, the Supervisory Board 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 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.

Following achievement of 100% of the threshold for the condition relating to adjusted consolidated operating profit of the Group, 25,000 subscription warrants were granted to senior management (including the Management Board of the Parent) on March 1st 2023. The fair value of the subscription warrants granted to the employees was estimated as at the grant date using the Black-Scholes model.

Valuation of Incentive Scheme options – Black-Scholes model	
Data	Tranche for 2022
X (t) – share price at the valuation date (PLN)	836.00
P – option exercise price (PLN)	793.01
r – risk-free rate for PLN	6.54%
T – expiry date	Dec 31 2025
t – current day (for pricing purposes)	Mar 1 2023
Sigma – daily variability	30.00%

The total cost of the 2022 tranche granted on March 1st 2023 was estimated at PLN 6.3m and was recognised in full in the Group's profit or loss for the reporting period. In 2022, the Group did not recognise the costs of the Scheme as the conditions for granting the 2021 tranche were not satisfied.

By decision of the General Meeting, 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 will 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 400m, PLN 460m and PLN 515m, respectively. In the case of Series K2, the warrants will 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 825m, PLN 920m and PLN 1,010m), in a number representing, respectively, 50%, 75% and 100% of the maximum number of Series K2 warrants.

In the first half of 2023, a capital reserve of PLN 20.0m was created to finance loans to senior management, including members of the Parent's Management Board and its subsidiaries, to finance the purchase of shares in the Parent through the exercise of subscription warrants taken up under the share-based payment scheme.

## 2.19. Dividend

On December 15th 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 December 31st 2022. The policy was positively assessed by the Supervisory Board of the Parent on December 15th 2022. The Management Board of the Parent also resolved to disapply the Dividend Policy for 2020–2023.

On May 25th 2023, the Parent's Management Board passed a resolution to propose that the Annual General Meeting distribute the Parent's net profit for 2022 in such a way that PLN 120,275,222 (PLN 41 per Company share) be allocated to dividend payment to the shareholders and the balance of PLN 21,260,203 to the Company's statutory reserve funds. The Management Board's proposal was approved by the Parent's Supervisory Board at its meeting held on May 25th 2023.

On June 29th 2023, the Parent's Annual General Meeting passed a resolution to pay dividend of PLN 120,275,222, i.e., PLN 41 per share. The Parent's Annual General Meeting resolved to set September 15th 2023 as the dividend record date, with the dividend paid on September 29th 2023.

## 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, and 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.

Shareholder	As at the issue date of the report for the nine months ended September 30th 2023			As at the issue date of the report for the six months ended June 30th 2023			Change
	Number of shares	Ownership interest	Voting interest	Number of shares	Ownership interest	Voting interest	
Benefit Invest 1 Company*	453,691	15.47%	15.47%	0	0.00%	0.00%	453,691
Fundacja Drzewo i Jutro*	208,497	7.11%	7.11%	208,497	7.11%	7.11%	-
Benefit Invest Ltd.*	70,421	2.40%	2.40%	70,421	2.40%	2.40%	-
Nationale-Nederlanden PTE	307,053	10.47%	10.47%	307,053	10.47%	10.47%	-
Generali PTE	274,479	9.36%	9.36%	274,479	9.36%	9.36%	-
Allianz OFE	276,290	9.42%	9.42%	276,290	9.42%	9.42%	-
Marek Kamola	233,500	7.96%	7.96%	233,500	7.96%	7.96%	-
James Van Bergh*	0	0.00%	0.00%	453,691	15.47%	15.47%	(453,691)
Other	1,109,611	37.82%	37.82%	1,109,611	37.82%	37.82%	-
<b>TOTAL</b>	<b>2,933,542</b>	<b>100.00%</b>	<b>100.00%</b>	<b>2,933,542</b>	<b>100.00%</b>	<b>100.00%</b>	-

\* Related individuals and/or entities as described in Note 28 'Related-party transactions' in the Group's full-year consolidated financial statements for 2022. On September 5th 2023, Benefit Invest 1 Company, controlled by James Van Bergh, Chairman of the Supervisory Board, acceded to the agreement described in the above note.

The amount of the Parent's share capital is PLN 2,933,542. Number of shares comprising the share capital: 2,933,542 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 and 184,000 Series F shares. All Series F shares have a par value of PLN 1 per share. The total number of voting rights carried by all outstanding shares is 2,933,542. 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 are as follows:

<i>Management Board Member</i>	As at the issue date of the report for the nine months ended September 30th 2023		As at the issue date of the report for the six months ended June 30th 2023		Change
	Number of shares	Ownership interest	Number of shares	Ownership interest	
Marcin Fojudzki*	0	0.00%	not applicable	not applicable	not applicable
Emilia Rogalewicz	1,500	0.05%	1,500	0.05%	-
Wojciech Szwarc	2,620	0.09%	2,620	0.09%	-
<b>Total</b>	<b>4,120</b>	<b>0.14%</b>	<b>4,120</b>	<b>0.14%</b>	<b>-</b>

\* Member of the Management Board since September 6th 2023

Warrants held by Members of the Management Board as at the issue date of the report for the nine months ended September 30th 2023:

<i>Management Board Member</i>	Series L Warrants granted for 2022	Outstanding series L warrants
Marcin Fojudzki	0	0
Emilia Rogalewicz	4,000	4,000
Wojciech Szwarc	3,000	3,000
<b>Total</b>	<b>7,000</b>	<b>7,000</b>

The exercise price for options granted for 2022 will be PLN 793.01 and will be reduced by any dividend (per share) paid on or before the exercise date. As at the date of issue of this report, the exercise price was reduced to PLN 752.01.

## Shares held by members of the Supervisory Board of Benefit Systems S.A.

Member of the Supervisory Board	As at the issue date of the report for the nine months ended September 30th 2023		As at the issue date of the report for the six months ended June 30th 2023		Change
	Number of shares	Ownership interest	Number of shares	Ownership interest	
James van Bergh*	0	0.00%	453,691	15.47%	(453,691)
Aniela Anna Hejnowska**	0	0.00%	0	0.00%	-
Krzysztof Kaczmarczyk**	0	0.00%	0	0.00%	-
Katarzyna Kazior***	0	0.00%	not applicable	not applicable	not applicable
Artur Osuchowski	0	0.00%	0	0.00%	-
Michael Sanderson	0	0.00%	0	0.00%	-
<b>Total</b>	<b>0</b>	<b>0.00%</b>	<b>453,691</b>	<b>15.47%</b>	<b>(453,691)</b>

\*Direct holding. Moreover, the company controlled by the Chairman of the Supervisory Board holds 453,691 shares in Benefit Systems S.A., representing 15.47% of its share capital. Furthermore, a person closely related to the Chairman of the Supervisory Board (within the meaning of Art. 160.2.1 of the Act on Trading in Financial Instruments) controls Benefit Invest Ltd. and that company holds 70,421 shares in Benefit Systems S.A., representing 2.40% of its share capital and the same percentage of total voting rights (as at the issue date of the report for the nine months ended September 30th 2023). In addition, a person closely related to the Chair of the Supervisory Board is the Chair of the Supervisory Board of the Drzewo i Jutro Foundation, holding 7.11% of Benefit Systems S.A. share capital (see Note 2.20).

\*\* Members of the Supervisory Board in office since June 29th 2023.

\*\*\* Member of the Supervisory Board in office since September 1st 2023.

## 2.22. Non-compliance with debt covenants

In the nine months ended September 30th 2023, 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 sureties as at the end of each reporting period are presented below.

Guarantees provided / Surety for repayment of liabilities to:	Sep 30 2023	Dec 31 2022
Associates	4,633	8,001
<b>Total contingent liabilities</b>	<b>4,633</b>	<b>8,001</b>

### Pending proceedings before administrative authorities

#### Antitrust proceedings against Benefit Systems S.A.

The antitrust proceedings against Benefit Systems S.A. (and other entities) were initiated by the President of the Office of Competition and Consumer Protection (the "President of UOKiK") on June 22nd 2018 in connection with the suspicion of certain activities potentially restricting competition on the domestic market of sports and recreational services packages or on the domestic market of fitness clubs or local fitness clubs (the "Proceedings").

On January 4th 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 Article 6(1)(3) of the Act on Competition and Consumer Protection and Article 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 have often decided to significantly reduce fines imposed on businesses (in some cases by as much as 60-90%), and by the opinion of lawyers, the Company recognised a provision for the fine of PLN 10.8m in 2020. In the absence of any new circumstances affecting the case, the provision remained unchanged as at September 30th 2023.

The Company does not agree with the Decision and has therefore filed an appeal against the Decision within the period prescribed by law.

On August 21st 2023, the Polish Court of Competition and Consumer Protection (the "Court") dismissed the Company's appeal against the Decision. The Court's judgment is not final. The Company disagrees with the judgment and has filed an appeal within the prescribed time frame.

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 December 7th 2021, of a decision by the President of UOKiK ("Decision 2") under Art. 12.1 of the Act on Competition and Consumer Protection of February 16th 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.

## 2.24. Management Board's position regarding delivery against profit forecasts

The Company has not released any profit forecasts for 2023.

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

In the reporting period, the Benefit Systems 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 organised part of business of Studio Energia in Rybnik*

On October 2nd 2023, the Company signed an agreement to acquire an organised part of business in the form of the Studio Energia fitness club in Rybnik for PLN 4.6m. The club was integrated into the Fabryka Formy network.

### *Plan to merge Benefit Systems S.A. with Fit Fabric Sp. z o.o.*

A plan of merger of Benefit Systems S.A. (as the acquirer) with Focusly Sp. z o.o. (as the acquiree) was agreed on October 13th 2023. The acquirer holds 100% of the shares in the acquiree. The merger plan provides that the acquisition will be effected by transferring all assets of the acquiree to the acquirer.

### *Acquisition of shares in Gravitan Warszawa Sp. z o.o.*

On October 17th 2023, the Parent signed an agreement to acquire 100% of the shares in Gravitan Warszawa Sp. z o.o. (“Gravitan”). The title to the shares transferred on October 18th 2023. The price for the shares was PLN 22.5m, with the acquired net assets including PLN 1.5m of cash in bank accounts. This price may undergo adjustments, involving an upward revision by the amount of cash on hand in the clubs and VAT refunds receivable as at the agreement date, and a downward revision by the company’s total debt as at the same date. The price adjustment will be calculated and settled by the end of 2023. According to the Parent’s estimates, the adjustment is not expected to exceed PLN 0.1m. As at the issue date of this report, the Company has paid PLN 22.3m for the shares, retaining PLN 0.2m of the price for the settlements referred to above as per the agreement.

Gravitan owns two premium clubs in the Warsaw metropolitan area, specifically in Targówek and Janki. These target clubs boast extensive relaxation areas, salt caves, mini-gyms for children, and various other amenities. The facilities range from 2,200 sqm to 2,600 sqm in size, while the average area of Zdrofit clubs typically hovers around 1,500 sqm. Conveniently located in Warsaw’s Targówek district and in Janki near Warsaw, these clubs offer easy access for customers to enjoy a wide range of sports activities. The acquisition of attractive facilities marks another strategic step for the Group, aimed at expanding its network in large urban agglomerations in Poland. This initiative focuses on maintaining a high-quality product and reinforcing the Group’s strong position in the Polish fitness market.

As part of the provisional accounting for the acquisition, the Group made a preliminary estimate of the fair value of the acquired net assets, totalling approximately PLN 1.3m as at the acquisition date, and allocated the excess of the acquisition price of PLN 22.5m over the net assets to goodwill of PLN 21.2m.

As at the date of this consolidated quarterly report, the purchase price allocation process had not been completed by the Group, in particular work was ongoing to review, identify and perform fair-value measurement of the assets and liabilities acquired. Therefore, the estimate of the goodwill arising from the acquisition of Gravitan Warszawa Sp. z o.o. may be subject to change in the 12 months following the acquisition date.

### *Merger of Benefit Systems S.A. with Benefit Partners Sp. z o.o.*

A plan of merger of Benefit Systems S.A. (as the acquirer) with Benefit Partners Sp. z o.o. (as the acquiree) was agreed on October 18th 2023. The acquirer holds 100% of the shares in the acquiree. The merger plan provides that the acquisition will be effected by transferring all assets of the acquiree to the acquirer.

### *Registration of Fit Invest d.o.o in Croatia*

Fit Invest d.o.o. of Croatia, wholly owned by Fit Invest International Sp. z o.o., was registered on October 24th 2023. Fit Invest d.o.o. will be responsible for development of fitness clubs network in Croatia.

### *Steps taken with respect to associate Calypso Fitness S.A.*

On October 30th 2023, Calypso Fitness S.A.’s shareholders i.e. Benefit Systems S.A., Camaro and CC, concluded an agreement in which key element of the transaction had been confirmed and concluded executive agreements. Benefit Systems S.A. concluded conditional agreements to acquire shares in the companies with assets separated from CF. These assets will be separated by transferring five organised parts of CF’s enterprise (fitness clubs) in Warsaw (two clubs), Katowice (two clubs), and Bytom (one club) to three acquiring companies whose sole



shareholders are the respective shareholders of CF (Benefit Systems S.A., Camaro and CC), in accordance with the Calypso Fitness demerger plan.

The condition precedent to the acquisition is the registration of CF's demerger as agreed in the Calypso Fitness Demerger Plan of September 8th 2023. Accordingly, on October 30th 2023, CF's shareholders passed the necessary resolutions for CF's demerger.

The acquisition price for the company holding assets in the form of two fitness clubs in Katowice and Warsaw following the demerger, to be acquired by Benefit Systems S.A. from Camaro, is PLN 9.8m, and the acquisition price for the company holding assets in the form of one fitness club in Bytom following the demerger, to be acquired from CC, is PLN 3.3m. The acquisition price for the companies to be acquired from Camaro and CC will be paid in cash, with the payment being conditional in line with a standard practice in transactions of this type. CC intends for the cash payable to CC as a result of the transaction, amounting to approximately PLN 3.2m after deducting the required public charges, to be allocated to the achievement of the statutory objectives of the MultiSport Foundation, whose founder is Benefit Systems. As at the agreement date, the acquired clubs had outstanding liabilities of approximately PLN 2.6m to third parties, which were not settled as part of the transaction.

#### *Merger of Form Factory s.r.o. with Beck Box Club Praha s.r.o. in Czech Republic*

The merger of Form Factory s.r.o. (as the acquirer) with Beck Box Club s.r.o. (as the acquiree) was registered on November 1st 2023. As a result of the merger, Beck Box Club Praha s.r.o. ceased to exist and Form Factory s.r.o. assumed the rights and obligations of the merged companies.

#### *Registration of Fit Invest Spor Hizmetleri Ltd in Turkey*

Fit Invest Spor Hizmetleri Ltd of Turkey, a wholly-owned company of FII Investments Sp. z o.o., was registered on November 9th 2023 responsible for development of fitness clubs network in Turkey.

#### *Number of active sport cards*

In November 2023, the estimated number of active sport cards was 1,408.6 thousand in the Poland segment and 490.1 thousand in the Foreign Markets segment.

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

#### 3.1. CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

	Sep 30 2023	Dec 31 2022
Goodwill	277,555	277,555
Intangible assets	113,480	109,559
Property, plant and equipment	175,577	182,345
Right-of-use assets	702,323	697,158
Investments in subsidiaries	203,627	136,163
Investments in associates	2,415	2,415
Trade and other receivables	3,525	3,960
Loans and other non-current financial assets	272,707	306,491
Deferred tax assets	22,349	24,736
<b>Non-current assets</b>	<b>1,773,558</b>	<b>1,740,382</b>
Inventories	5,455	3,912
Trade and other receivables	131,152	195,859
Loans and other current financial assets	1,556	4,160
Cash and cash equivalents	254,432	143,396
<b>Current assets</b>	<b>392,595</b>	<b>347,327</b>
<b>Total assets</b>	<b>2,166,153</b>	<b>2,087,709</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - CONTINUED

	Sep 30 2023	Dec 31 2022
Share capital	2,934	2,934
Share premium	230,792	230,792
Retained earnings	716,990	616,140
<b>Total equity</b>	<b>950,716</b>	<b>849,866</b>
Employee benefit provisions	238	238
Other provisions	10,767	10,767
Other financial liabilities	1,112	3,109
Borrowings, other debt instruments	46,527	60,566
Lease liabilities	635,468	651,601
<b>Non-current liabilities</b>	<b>694,112</b>	<b>726,281</b>
Employee benefit provisions	3,071	1,598
Trade and other payables	266,106	287,726
Current income tax liabilities	51,532	6,348
Other financial liabilities	4,657	16,801
Borrowings, other debt instruments	18,596	23,982
Lease liabilities	159,079	159,645
Contract liabilities	18,284	15,462
<b>Current liabilities</b>	<b>521,325</b>	<b>511,562</b>
<b>Total liabilities</b>	<b>1,215,437</b>	<b>1,237,843</b>
<b>Total equity and liabilities</b>	<b>2,166,153</b>	<b>2,087,709</b>

### 3.2. CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS

	Jan 1– Sep 30 2023	Jul 1– Sep 30 2023	Jan 1– Sep 30 2022	Jul 1– Sep 30 2022
<b>Continuing operations</b>				
<b>Revenue</b>	<b>1,337,557</b>	<b>465,652</b>	<b>892,495</b>	<b>319,287</b>
Revenue from sales of services	1,317,188	459,013	880,170	315,005
Revenue from sales of merchandise and materials	20,369	6,639	12,325	4,282
<b>Cost of sales</b>	<b>(902,123)</b>	<b>(293,441)</b>	<b>(666,858)</b>	<b>(223,818)</b>
Cost of services sold	(889,624)	(288,654)	(660,008)	(220,936)
Cost of merchandise and materials sold	(12,499)	(4,787)	(6,850)	(2,882)
<b>Gross profit</b>	<b>435,434</b>	<b>172,211</b>	<b>225,637</b>	<b>95,469</b>
Selling expenses	(74,605)	(24,848)	(54,663)	(18,972)
Administrative expenses	(86,219)	(28,003)	(61,771)	(24,616)
Other income	3,416	2,134	3,306	641
Other expenses	(10,199)	(5,247)	(5,582)	(2,072)
<b>Operating profit</b>	<b>267,827</b>	<b>116,247</b>	<b>106,927</b>	<b>50,450</b>
Finance income	35,187	(5,445)	15,942	2,753
Finance costs	(25,761)	(10,274)	(42,762)	(23,439)
Impairment losses on financial assets	2,659	71	(19)	0
<b>Profit before tax</b>	<b>279,912</b>	<b>100,599</b>	<b>80,088</b>	<b>29,764</b>
Income tax	(53,801)	(19,848)	(12,909)	(6,947)
<b>Net profit from continuing operations</b>	<b>226,111</b>	<b>80,751</b>	<b>67,179</b>	<b>22,817</b>
<b>Net profit</b>	<b>226,111</b>	<b>80,751</b>	<b>67,179</b>	<b>22,817</b>

### 3.3. CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

	Jan 1– Sep 30 2023	Jul 1– Sep 30 2023	Jan 1– Sep 30 2022	Jul 1– Sep 30 2022
<b>Net profit</b>	<b>226,111</b>	<b>80,751</b>	<b>67,179</b>	<b>22,817</b>
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Items not reclassified to profit or loss	0	0	0	0
Items reclassified to profit or loss	0	0	0	0
<b>Comprehensive income</b>	<b>226,111</b>	<b>80,751</b>	<b>67,179</b>	<b>22,817</b>

### 3.4. CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY

	Equity				
	Share capital	Treasury shares	Share premium	Retained earnings	Total
<b>Balance as at Jan 1 2023</b>	<b>2,934</b>	<b>0</b>	<b>230,792</b>	<b>616,140</b>	<b>849,866</b>
<b>Changes in equity in the period Jan 1–Sep 30 2023</b>					
Cost of equity-settled share-based payment plan	0	0	0	6,279	<b>6,279</b>
Merger reserve	0	0	0	(11,265)	<b>(11,265)</b>
Dividend	0	0	0	(120,275)	<b>(120,275)</b>
<b>Total transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(125,261)</b>	<b>(125,261)</b>
Net profit for the period Jan 1–Sep 30 2023	0	0	0	226,111	<b>226,111</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>226,111</b>	<b>226,111</b>
<b>Balance as at Sep 30 2023</b>	<b>2,934</b>	<b>0</b>	<b>230,792</b>	<b>716,990</b>	<b>950,716</b>

	Equity				
	Share capital	Treasury shares	Share premium	Retained earnings	Total
<b>Balance as at Jan 1 2022</b>	<b>2,934</b>	<b>0</b>	<b>230,792</b>	<b>488,417</b>	<b>722,143</b>
<b>Changes in equity in the period Jan 1–Sep 30 2022</b>					
Merger reserve	0	0	0	35,636	<b>35,636</b>
<b>Total transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,636</b>	<b>35,636</b>
Net profit for the period Jan 1–Sep 30 2022	0	0	0	67,179	<b>67,179</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>67,179</b>	<b>67,179</b>
<b>Balance as at Sep 30 2022</b>	<b>2,934</b>	<b>0</b>	<b>230,792</b>	<b>591,232</b>	<b>824,958</b>

### 3.5. CONDENSED SEPARATE STATEMENT OF CASH FLOWS

	Jan 1–Sep 30 2023	Jan 1–Sep 30 2022
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>279,912</b>	<b>80,088</b>
<b>Adjustments:</b>		
Depreciation and amortisation of non-financial non-current assets	157,216	125,595
Measurement of liabilities arising from acquisition of shares	435	364
Change in impairment losses and write-off of assets	19	0
Effect of lease modifications	(27)	(6,006)
(Gains)/losses on sale and value of liquidated non-financial non-current assets	1,894	1,153
(Gains)/losses on disposal of financial assets	(50)	0
Foreign exchange gains/(losses)	(4,602)	23,774
Interest expense	21,785	17,843
Interest income	(22,260)	(15,942)
Dividend income	(4,941)	0
Cost of share-based payments (Incentive Scheme)	6,028	0
Change in inventories	(1,373)	(779)
Change in receivables	43,291	21,240
Change in liabilities	(12,017)	(30,796)
Change in provisions	1,473	1,412
Other adjustments	14	331
<b>Cash flows provided by (used in) operating activities</b>	<b>466,797</b>	<b>218,277</b>
Income tax paid	(3,770)	(4,292)
<b>Net cash from operating activities</b>	<b>463,027</b>	<b>213,985</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(24,898)	(27,391)
Purchase of property, plant and equipment	(29,310)	(32,497)
Proceeds from sale of property, plant and equipment	9,460	2,249
Acquisition of subsidiaries	(37,237)	(39,293)
Proceeds from sale of associates	50	0
Repayments of loans	42,362	24,972
Loans advanced	(50,616)	(27,227)
Interest received	12,870	832
Dividends received	4,941	1,493
<b>Net cash from investing activities</b>	<b>(72,378)</b>	<b>(96,862)</b>
<b>Cash flows from financing activities</b>		
Redemption of debt securities	0	(100,000)
Proceeds from borrowings	0	51,983
Repayment of borrowings	(19,425)	(66,603)
Payment of lease liabilities	(133,746)	(116,262)
Payments of interest	(6,251)	(9,490)
Dividends paid	(120,275)	0
<b>Net cash from financing activities</b>	<b>(279,697)</b>	<b>(240,372)</b>
Cash from business combinations	84	0
<b>Net change in cash and cash equivalents</b>	<b>111,036</b>	<b>(123,249)</b>
Cash and cash equivalents at beginning of period	143,396	195,699
<b>Cash and cash equivalents at end of period</b>	<b>254,432</b>	<b>72,450</b>

## AUTHORISATION FOR ISSUE

The consolidated quarterly report of the Benefit Systems Group for the nine months ended September 30th 2023 (including the comparative information) was authorised for issue by the Management Board of the Parent on November 15th 2023.

### Signatures of Members of the Management Board

<b>Date</b>	<b>Full name</b>	<b>Position</b>	<b>Signature</b>
November 15th 2023	Marcin Fojudzki	Member of the Management Board	
November 15th 2023	Emilia Rogalewicz	Member of the Management Board	
November 15th 2023	Wojciech Szwarc	Member of the Management Board	

### Signature of the person responsible for preparation of the consolidated quarterly report

<b>Date</b>	<b>Full name</b>	<b>Position</b>	<b>Signature</b>
November 15th 2023	Katarzyna Beuch	Finance Director	