

BASIC-FIT TRADING UPDATE FIRST NINE MONTHS 2020

Positive developments disrupted by new COVID-19 measures

FIRST NINE MONTHS HIGHLIGHTS

- 8 Number of memberships increased by 6% year on year to 2.25 million (YTD 2019: 2.13 million)
- 8 Number of clubs in the network increased to 902; an increase of 118 clubs year to date and 150 clubs year on year (YTD 2019: 752 clubs)
- 8 Revenue decreased by 14% year on year to €318 million (YTD 2019: €372 million)

RECENT DEVELOPMENTS

- 8 353 of our French clubs and 109 of our Belgian clubs have been temporary closed as a result of government measures
- 8 446 clubs in the Netherlands, Belgium, Luxembourg, France and Spain are open

René Moos, CEO Basic-Fit:

“Following the reopening of our clubs in June and July we saw a strong membership development, until the resurgence of COVID-19 and subsequent club closures in France in the second half of September.

Since the reopening of our clubs in June and July, we have applied strict hygiene protocols and have had more than 30 million visits in our clubs of which 15 million in France without any reported outbreak of COVID-19. The absence of clusters of COVID-19 has also been seen throughout the industry which has helped governments to apply intelligent and more granular measures than during the first wave.

We will continue to apply strict hygiene protocols and cooperate with (local) governments to battle COVID-19 and at the same time enable as many people as possible to continue to work on their fitness and strengthen their immune system.

Due to the continued uncertainties regarding COVID-19 and potential further government measures, we have decided to postpone the construction of additional new clubs for the time being. The clubs that are currently in an advanced stage of construction will be finished in the coming months. We expect to end the year with 913 clubs in our network.

We continue to expect to reach our medium-term club target of 1,250 clubs by 2022. We have a strong financial position with approximately €170 million liquidity. In light of the current uncertainties regarding the development of COVID-19 we will be particularly focusing on cost control and cash flow management in the short-term. Once COVID-19 is under control we will be optimally positioned to further strengthen our leading position in the European fitness market.”

COVID-19 UPDATE

The French Government announced stricter measures to be introduced in multiple metropolitan areas across the country on 23 September. In the days that followed we had to close an initial 148 clubs. Basic-Fit disagreed with this view of the French Government and started legal summary proceedings with the aim to get the clubs reopened as soon as possible. In the weeks that followed we won several of the summary proceedings and could reopen in some regions. However, due to increasing “alert” levels in more French regions in the past few weeks, we had to close additional clubs bringing the total to 353. In most regions club closures are now enforced until mid-November.

The Belgian Federal Government imposed new COVID-19 related measures on 23 October, which did not impact the fitness industry. However, two of the Country’s regional governments, Wallonia and Brussels, imposed extra measures as a result of which we have had to temporarily close 109 of our 193 Belgium clubs until 19 November.

At the time of publication, 446 of our clubs are open in the Netherlands, Belgium, Luxembourg, France and Spain. Depending on local restrictions, we have limited the opening hours and or maximum occupancy levels. In spite of these temporary adjustments, members can still make regular visits to our open clubs.

With the reopening of our clubs in June and July, we introduced a number of measures to make sure our members can work out and our employees can work in a safe environment. Amongst others we increased the already high standard cleaning protocols and offer ample availability of cleaning stations in the clubs so people can clean their equipment before and after their workout. In addition, we have optimised the ventilation in the clubs to make sure that there is no recirculation of air and ample inflow of fresh air. With an online reservation system, we are able to manage the flow of people to our clubs and the number of people in our clubs at any given time. This in combination with clear signage in the clubs assures that social distancing can be maintained. As a result, we have been able to prove, with the industry, that fitness has not been a source of COVID-19 contamination.

REVENUE DEVELOPMENT

Basic-Fit reported revenue of €318.2 million over the first nine months of 2020, a decrease of 14% compared to the €371.5 million in the same period in 2019. The decrease is entirely attributable to the periods that clubs were closed, notably in the mid-March-June period.

In the third quarter of 2020, Basic-Fit’s revenue trend improved substantially, recording a small year on year increase in spite of temporary club closings in the Antwerp region in July and French regions towards the end of September.

In the periods that our clubs were open, the uptake of the premium membership and the

sportswater add-on remained strong. However, because of the temporary club closures and the consecutive membership freeze and compensation, the average revenue per member per month decreased to €15.45 compared to the same period last year (YTD 2019: €20.24).

MEMBERSHIP DEVELOPMENT

At the end of the period we had 2.25 million memberships, an increase of 122 thousand memberships compared to a year ago. The COVID-19 related government measures in France in particular had a strong negative impact on the post summer campaign in September, which impeded us from reaching the targeted 2.3 million memberships by the end of the third quarter.

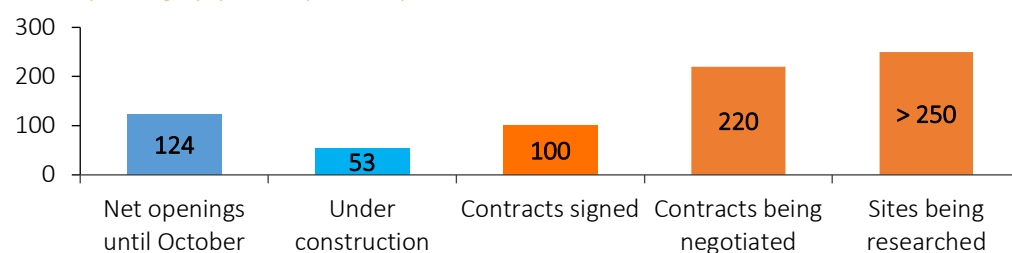
We offer the members of the temporary closed clubs in France and Belgium the option to freeze their membership for the duration of the closure. On 25 October around 110 thousand members had their membership frozen.

CLUB DEVELOPMENT

In the first nine months of the year, we increased our club network by 118 clubs to 902 clubs (120 openings and two closures). At the end of the period we had 447 clubs in France, 211 in the Netherlands, 191 in Belgium, 43 in Spain and 10 in Luxembourg. We opened another six clubs in October, bringing the total clubs to 908.

We continue to have a strong club openings pipeline of more than 500 clubs. Of the 53 clubs under construction we expect to open five this year and the remaining clubs are scheduled to be opened in the first quarter of 2021. We currently have contracts signed for 100 new clubs. The developments regarding COVID-19 will determine when construction of these clubs will be started. Likewise, negotiations with landlords for 220 clubs have been suspended until further notice. More than 250 potential clubs remain in the research phase. We continue to expect to reach the 1,250 clubs mark in 2022.

Club openings pipeline (# clubs)



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FOR MORE INFORMATION

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Basic-Fit is listed on Euronext Amsterdam in the Netherlands
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ABOUT BASIC-FIT

With more than 900 clubs, Basic-Fit is the largest fitness operator in Europe. We operate in five countries and in our clubs 2.25 million members can work on improving their health and fitness. Basic-Fit operates a straightforward membership model and offers a high-quality, value-for-money fitness experience that appeals to the fitness needs of all active people who care about their personal health and fitness. A typical subscription costs €19.99 per four weeks and gives people access to all our clubs in Europe and all the benefits of the Basic-Fit App.

FORWARD-LOOKING STATEMENTS / IMPORTANT NOTICE

Some statements in this press release may be considered 'forward-looking statements'. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are outside of our control and impossible to predict and may cause actual results to differ materially from any future results expressed or implied. These forward-looking statements are based on current expectations, estimates, forecasts, analyses and projections about the industry in which we operate and management's beliefs and assumptions about possible future events. You are cautioned not to put undue reliance on these forward-looking statements, which only express views as at the date of this press release and are neither predictions nor guarantees of possible future events or circumstances. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events, except as may be required under applicable securities law.