

CONSOLIDATED QUARTERLY REPORT OF THE BENEFIT SYSTEMS GROUP

FOR THE THREE MONTHS
ENDED MARCH 31ST 2022



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SELECTED FINANCIAL DATA

SELECTED FINANCIAL DATA OF THE BENEFIT SYSTEMS GROUP	PLN '000		EUR '000	
	for the period January 1st – March 31st 2022	for the period January 1st – March 31st 2021	for the period January 1st – March 31st 2022	for the period January 1st – March 31st 2021
	as at March 31st 2022	as at December 31st 2021	as at March 31st 2022	as at December 31st 2021
Revenue	401,834	98,513	86,468	21,547
Operating profit/(loss)	19,323	(49,367)	4,158	(10,797)
Profit/(loss) before tax	10,184	(56,766)	2,191	(12,416)
Net profit/(loss) from continuing operations	8,126	(49,793)	1,749	(10,891)
Profit/ (loss) attributable to owners of the parent	8,100	(48,916)	1,743	(10,699)
Net cash from operating activities	68,816	31,855	14,808	6,967
Net cash from investing activities	(46,292)	(10,273)	(9,961)	(2,247)
Net cash from financing activities	(71,170)	(30,420)	(15,315)	(6,653)
Net change in cash and cash equivalents	(48,646)	(8,838)	(10,468)	(1,933)
Earnings/(loss) per share attributable to owners of the parent (PLN/EUR)	2.76	(17.62)	0.59	(3.85)
Diluted earnings/(loss) per share attributable to owners of the parent (PLN/EUR)	2.76	(17.52)	0.59	(3.83)
	as at March 31st 2022	as at December 31st 2021	as at March 31st 2022	as at December 31st 2021
Assets	2,043,423	2,180,798	439,210	474,148
Non-current liabilities	861,409	894,823	185,150	194,552
Current liabilities	579,703	684,298	124,600	148,780
Equity attributable to owners of the parent	604,780	603,747	129,990	131,266
Share capital	2,934	2,934	631	638
Number of shares	2,933,542	2,933,542	2,933,542	2,933,542
SELECTED FINANCIAL DATA OF BENEFIT SYSTEMS S.A.	PLN '000		EUR '000	
	for the period January 1st – March 31st 2022	for the period January 1st – March 31st 2021	for the period January 1st – March 31st 2022	for the period January 1st – March 31st 2021
	as at March 31st 2022	as at December 31st 2021	as at March 31st 2022	as at December 31st 2021
Revenue	268,423	72,028	57,760	15,754
Operating profit/(loss)	16,233	(27,675)	3,493	(6,053)
Profit/(loss) before tax	10,779	(33,523)	2,319	(7,332)
Net profit/(loss) from continuing operations	9,808	(26,204)	2,111	(5,731)
Net cash from operating activities	49,492	18,762	10,650	4,104
Net cash from investing activities	(45,082)	4,102	(9,701)	897
Net cash from financing activities	(46,854)	(33,363)	(10,082)	(7,297)
Net change in cash and cash equivalents	(42,444)	(10,499)	(9,133)	(2,296)
Earnings/(loss) per share attributable to owners of the parent (PLN/EUR)	3.34	(9.44)	0.72	(2.06)
	as at March 31st 2022	as at December 31st 2021	as at March 31st 2022	as at December 31st 2021
Assets	1,932,530	2,042,422	415,375	444,063
Non-current liabilities	696,520	723,295	149,709	157,259
Current liabilities	504,059	596,984	108,342	129,796
Equity	731,951	722,143	157,324	157,008
Share capital	2,934	2,934	631	638
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:

	March 31st 2022	December 31st 2021	March 31st 2021
Data as at – exchange rate as at	4.6525	4.5994	4.6603
Data for period – average exchange rate for 3 months	4.6472	-	4.5721

1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE BENEFIT SYSTEMS GROUP

1.1. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	Notes	March 31st 2022	December 31st 2021
Goodwill		446,395	446,395
Intangible assets		105,710	101,324
Property, plant and equipment		320,483	327,277
Right-of-use assets	2.6	763,784	786,453
Investments in associates		5,263	5,367
Trade and other receivables		10,093	10,212
Loans and other non-current financial assets		17,566	20,617
Deferred tax assets		28,862	30,312
Non-current assets		1,698,156	1,727,957
Inventories		5,233	4,377
Trade and other receivables		130,296	193,423
Current tax assets		2,066	491
Loans and other current financial assets		3,303	1,535
Cash and cash equivalents		204,369	253,015
Current assets		345,267	452,841
Total current assets		345,267	452,841
Total assets		2,043,423	2,180,798

EQUITY AND LIABILITIES

	Notes	March 31st 2022	December 31st 2021
<i>Equity attributable to owners of the parent:</i>			
Share capital	2.11	2,934	2,934
Share premium		291,378	291,378
Translation reserve		(9,153)	(7,416)
Retained earnings		319,621	316,851
Equity attributable to owners of the parent		604,780	603,747
Non-controlling interests		(2,469)	(2,070)
Total equity		602,311	601,677
Employee benefit provisions		218	270
Other provisions		10,767	10,767
Total long-term provisions		10,985	11,037
Trade and other payables		2,134	2,279
Deferred tax liability		3,483	3,063
Other financial liabilities		38,411	38,394
Borrowings, other debt instruments		74,566	91,443
Lease liabilities	2.6	731,830	748,500
Contract liabilities		0	107
Non-current liabilities		861,409	894,823
Employee benefit provisions		2,983	2,701
Other provisions		0	5
Total short-term provisions		2,983	2,706
Trade and other payables		244,323	321,537
Current income tax liabilities		2,692	2,858
Other financial liabilities		1,001	25,502
Borrowings, other debt instruments		122,040	130,492
Lease liabilities	2.6	179,469	188,335
Contract liabilities		27,195	12,868
Current liabilities		579,703	684,298
Total current liabilities		579,703	684,298
Total liabilities		1,441,112	1,579,121
Total equity and liabilities		2,043,423	2,180,798

1.2. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	January 1st – March 31st 2022	January 1st – March 31st 2021
Continuing operations			
Revenue	2.3	401,834	98,513
Revenue from sales of services		395,917	98,043
Revenue from sales of merchandise and materials		5,917	470
Cost of sales	2.3	(324,909)	(116,337)
Cost of services sold		(321,690)	(116,198)
Cost of merchandise and materials sold		(3,219)	(139)
Gross profit/(loss)		76,925	(17,824)
Selling expenses	2.3	(27,920)	(16,285)
Administrative expenses	2.3	(30,637)	(23,751)
Other income		1,360	9,614
Other expenses		(405)	(1,121)
Operating profit/(loss)		19,323	(49,367)
Finance income	2.4	378	2,019
Finance costs	2.4	(8,605)	(9,259)
Impairment losses on financial assets		(808)	(49)
Share of profit/(loss) of equity-accounted entities		(104)	(110)
Profit/(loss) before tax		10,184	(56,766)
Income tax	2.5	(2,058)	6,973
Net profit/(loss) from continuing operations		8,126	(49,793)
Net profit/(loss)		8,126	(49,793)
Net profit (loss) attributable to:			
- owners of the parent		8,100	(48,916)
- non-controlling interests		26	(877)

EARNINGS/(LOSS) PER ORDINARY SHARE (PLN)

	Notes	January 1st – March 31st 2022	January 1st – March 31st 2021
<i>from continuing operations</i>			
- basic	2.12	2.76	(17.62)
- diluted		2.76	(17.52)
<i>from continuing and discontinued operations</i>			
- basic	2.12	2.76	(17.62)
- diluted		2.76	(17.52)

1.3. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	January 1st – March 31st 2022	January 1st – March 31st 2021
Net profit/(loss)	8,126	(49,793)
Other comprehensive income	(1,823)	(1,604)
Items not reclassified to profit or loss	0	0
Items reclassified to profit or loss	(1,823)	(1,604)
- <i>Exchange differences on translation of foreign operations</i>	(1,823)	(1,604)
Comprehensive income	6,303	(51,397)
Comprehensive income attributable to:		
- owners of the parent	6,363	(50,486)
- non-controlling interests	(60)	(911)

1.4. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Treasury shares	Share premium	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at January 1st 2022	2,934	0	291,378	(7,416)	316,851	603,747	(2,070)	601,677
Changes in equity in the period January 1st to March 31st 2022								
Changes in Group structure (transactions with non-controlling interests)	0	0	0	0	(5,774)	(5,774)	105	(5,669)
Measurement of liabilities under put options granted to non-controlling interests	0	0	0	0	287	287	(287)	0
Dividends	0	0	0	0	157	157	(157)	0
Total transactions with owners	0	0	0	0	(5,330)	(5,330)	(339)	(5,669)
Net profit/(loss) for period	0	0	0	0	8,100	8,100	26	8,126
Exchange differences on translation of foreign operations	0	0	0	(1,737)	0	(1,737)	(86)	(1,823)
Total comprehensive income	0	0	0	(1,737)	8,100	6,363	(60)	6,303
Total changes	0	0	0	(1,737)	2,770	1,033	(399)	634
Balance as at March 31st 2022	2,934	0	291,378	(9,153)	319,621	604,780	(2,469)	602,311

CONTD.

	Share capital	Treasury shares	Share premium	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at January 1st 2021	2,894	(118,157)	272,107	(4,562)	372,245	524,527	(1,527)	523,000
<i>Changes in equity in the period Jan 1 – Mar 31 2021</i>								
Total transactions with owners	0	0	0	0	0	0	0	0
Net profit/(loss) for period	0	0	0	0	(48,916)	(48,916)	(877)	(49,793)
Exchange differences on translation of foreign operations	0	0	0	(1,570)	0	(1,570)	(34)	(1,604)
Total comprehensive income	0	0	0	(1,570)	(48,916)	(50,486)	(911)	(51,397)
Total changes	0	0	0	(1,570)	(48,916)	(50,486)	(911)	(51,397)
Balance as at March 31st 2021	2,894	(118,157)	272,107	(6,132)	323,329	474,041	(2,438)	471,603

1.5. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	January 1st – March 31st 2022	January 1st – March 31st 2021
Cash flows from operating activities		
Profit/(loss) before tax	10,184	(56,766)
Adjustments:		
Depreciation and amortisation of non-financial non-current assets	55,318	51,405
Change in impairment losses and write-off of assets	679	49
Effect of lease modifications	(2,481)	(4,185)
Measurement of liabilities arising from acquisition of shares	(62)	(1,612)
(Gains)/losses on sale and value of liquidated non-financial non-current assets	171	(126)
Foreign exchange gains/(losses)	3,123	3,797
Interest expense	5,227	4,988
Interest income	(316)	(335)
Share of profit/(loss) of associates	104	110
Change in inventories	(856)	26
Change in receivables	57,428	88,320
Change in liabilities	(60,570)	(57,040)
Change in provisions	225	1,961
Other adjustments	2,422	1,304
Cash flows provided by (used in) operating activities	70,596	31,896
Income tax paid	(1,780)	(41)
Net cash from operating activities	68,816	31,855
Cash flows from investing activities		
Purchase of intangible assets	(9,104)	(6,565)
Purchase of property, plant and equipment	(17,442)	(4,855)
Acquisition of subsidiaries, net of cash acquired	(19,889)	0
Repayments of loans	15	559
Interest received	128	451
Net cash from investing activities	(46,292)	(10,273)
Cash flows from financing activities		
Expenditure on transactions with non-controlling interests	(4,842)	0
Repayment of borrowings	(25,736)	(13,468)
Payment of lease liabilities	(37,553)	(15,806)
Interest paid	(3,039)	(1,146)
Net cash from financing activities	(71,170)	(30,420)
Net change in cash and cash equivalents before exchange differences	(48,646)	(8,838)
Exchange differences	0	0
Net change in cash and cash equivalents	(48,646)	(8,838)
Cash and cash equivalents at beginning of period	253,015	223,780
Cash and cash equivalents at end of period	204,369	214,942

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. The transformation was effected pursuant to Resolution No. 2/2010 of the General Meeting of November 3rd 2010 (entry in the business register of the National Court Register maintained by the District Court for the city of Warsaw, 13th Commercial Division, under No. KRS 0000370919, on November 19th 2010). The parent’s Industry Identification Number (REGON) is 750721670. The shares of the Parent are listed on the Warsaw Stock Exchange.

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

The Benefit Systems Group is a provider of non-pay employee benefit solutions, including in such areas as sports and recreation (MultiSport card, FitProfit, fitness network), and culture and entertainment (Cinema Programme, MultiTeatr, MultiMuzeum). The Group also offers unique Cafeteria products, which allow clients’ employees to choose any non-pay benefit from a variety of benefits pre-approved by the employer.

The principal business of the Parent according to the Polish Classification of Activities (PKD) is: *Other activities not elsewhere classified (PKD 2007) 9609Z.*

The Benefit Systems Group comprises the parent and the following subsidiaries:

Subsidiary	Principal place of business and country of registration	Group’s ownership interest*	
		March 31st 2022	December 31st 2021
YesIndeed Sp. z o.o.	ul. Przeskok 2, 00-032 Warsaw, Poland	100.00%	100.00%
VanityStyle Sp. z o.o.	ul. Skierniewicka 16/20, 01-230 Warsaw, Poland	100.00%	100.00%
Focusly Sp. z o.o.	ul. Skierniewicka 16/20, 01-230 Warsaw, Poland	100.00%	100.00%
Benefit IP Sp. z o.o.	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%
Benefit IP Spółka z ograniczoną odpowiedzialnością sp.k.	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%
Benefit Partners Sp. z o.o.	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%
Fit Fabric Sp. z o.o.	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%
Total Fitness Sp. z o.o.	Aleja Bohaterów Września 9, 02-389 Warsaw, Poland	88.23%	88.23%
Zdrowe Miejsce Sp. z o.o.	ul. Odyńca 71, 02-644 Warsaw, Poland	80.00%	80.00%
Yes to move Sp. z o.o.	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%
Benefit Systems International Sp. z o.o.	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.	ul. Młynarska 8/12, 01-194 Warsaw, Poland	97.20%	97.20%

Form Factory Slovakia S.R.O.	Ružová dolina 480/6 Bratislava - mestská časť Ružinov 821 08, Slovakia	97.20%	97.20%
Form Factory S.R.O.	Vinohradská 2405/190 Vinohrady, 130 00 Praha 3, Czech Republic	97.20%	97.20%
Next Level Fitness EOOD	Bul. Simeonovsko Shosse 35, 1700 Sofia, Bulgaria	97.20%	97.20%
Beck Box Club Praha S.R.O.	Vinohradská 2405/190 Vinohrady, 130 00 Praha 3, Czech Republic	97.20%	97.20%
MultiSport Benefit S.R.O. ¹⁾	Lomnického 1705/9, 140 00 Praha 4, Czech Republic	97.20%	95.26%
Benefit Systems Slovakia S.R.O.	Ružová dolina 6 Bratislava - mestská časť Ružinov 821 08, Slovakia	95.26%	95.26%
Benefit Systems Bulgaria EOOD	11-13, Yunak Str., floor 1, 1612 Sofia, Bulgaria	93.31%	93.31%
Benefit Systems D.O.O.	Zagreb (Grad Zagreb) Heinzlova ulica 44, Croatia	94.28%	94.28%
Benefit Systems, storitve, D.O.O.	Komenskega street 36, 1000 Ljubana, Slovenia	92.34%	92.34%
Benefit Systems Spor Hizmetleri Ltd	Eski Büyükdere Caddesi No: 7, GŦZ 2000 Plaza, Kat 4. 13. VE 14. Bağımsız Bölümler, Maslak, Sarıyer/ 34398 İstanbul, Turkey	90.40%	90.40%
Multisport Foundation	ul. Racjonalizacji 5, 02-673 Warsaw, Poland	100.00%	100.00%
MW Legal Sp. z o.o. ²⁾	Plac Europejski 2, 00-844 Warsaw, Poland	100.00%	100.00%

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

1) On January 11th 2022, the sale of 2% of shares in Multisport Benefit S.R.O. was effected, as a result of which Benefit Systems International Sp. z o.o. holds 100% of shares in the company.

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

In the interim condensed consolidated financial statements as at March 31st 2022, the interests in four associates were accounted for using the equity method.

	Principal place of business and country of registration	Equity interest as at March 31st 2022	% of total voting rights	March 31st 2022 Carrying amount	December 31st 2021 Carrying amount
Baltic Fitness Center Sp. z o.o.	ul. Puławska 427, 02-801 Warsaw, Poland	49.95%	49.95%	0	0
Instytut Rozwoju Fitness Sp. z o.o.	ul. Puławska 427, 02-801 Warsaw, Poland	48.10%	48.10%	5,263	5,367
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
Total carrying amount				5,263	5,367

2.2. Basis of preparation and accounting policies

2.2.1. Basis of preparation

This consolidated quarterly report of the Benefit Systems Group was authorised for issue by the Management Board of the parent on May 25th 2022.

This consolidated quarterly report of the Benefit Systems Group covers the three months ended March 31st 2022 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).

The interim condensed consolidated and standalone 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 standalone financial statements prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union. This report should be read in conjunction with the full-year consolidated and standalone financial statements of the Group and the parent for 2021.

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 standalone 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 standalone financial statements contained in this report have been prepared in accordance with the accounting policies presented in the most recent consolidated and standalone financial statements for the year ended December 31st 2021, and in accordance with the policies applied in the same interim period of the previous year.

The interim condensed consolidated and standalone financial statements have been prepared on a historical cost basis, except with respect to items measured at fair value, such as a liability arising from contingent payment for acquired shares.

2.2.3. Uncertainty of estimates

When preparing the interim condensed consolidated and standalone 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 standalone financial statements, see the full-year financial statements of the Group and the parent for 2021.

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

In the financial statements for the previous years, the Group presented the Cafeterias segment in addition to the Poland and Foreign Markets segments. In view of the ongoing product integration process and the resulting organisational transition reflected in the merger of Benefit Systems S.A. and MyBenefit Sp. z o.o., the framework based on which the Group's Management Board assesses the Group's business performance and makes decisions on allocation of resources has been redefined. As a result, the Group has decided to include Cafeterias in the Poland segment.

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 standalone 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.

In the reporting period, 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.

	Poland	Foreign Markets	Corporate	Total
<i>for the period January 1st – March 31st 2022</i>				
Revenue	291,649	110,191	(6)	401,834
<i>including from external customers</i>	291,643	110,191	0	401,834
<i>including inter-segment sales</i>	6	0	(6)	0
Cost of sales	(233,017)	(91,892)	0	(324,909)
<i>including practical expedient under IFRS 16</i>	2,264	120	0	2,384
Gross profit	58,632	18,299	(6)	76,925
Selling expenses	(19,835)	(8,085)	0	(27,920)
Administrative expenses	(20,972)	(9,738)	72	(30,638)
Other income and expenses	352	604	0	956
Operating profit/(loss)	18,177	1,080	66	19,323
Share of profit/(loss) of equity-accounted entities	(104)	0	0	(104)
Interest expense on lease liabilities	(2,354)	(427)	0	(2,781)
Depreciation and amortisation	46,212	9,106	0	55,318

EBITDA	64,389	10,186	66	74,641
as at March 31st 2022				
Segment's assets	2,011,601	272,341	(240,519)	2,043,423
Segment's liabilities	1,247,108	434,716	(240,712)	1,441,112
Investments in associates	5,263	0	0	5,263

	Poland Restated*	Foreign Markets	Corporate Restated*	Total
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for the period January 1st – March 31st 2021

Revenue	83,968	14,239	306	98,513
<i>including from external customers</i>	84,188	14,239	86	98,513
<i>including inter-segment sales</i>	(220)	0	220	0
Cost of sales	(91,635)	(24,892)	190	(116,337)
<i>including practical expedient under IFRS 16</i>	3,548	586	0	4,134
Gross profit	(7,667)	(10,653)	496	(17,824)
Selling expenses	(11,510)	(4,854)	79	(16,285)
Administrative expenses	(16,467)	(7,536)	252	(23,751)
Other income and expenses	5,541	2,977	(25)	8,493
Operating profit/(loss)	(30,103)	(20,066)	802	(49,367)
Share of profit/(loss) of equity-accounted entities	(110)	0	0	(110)
Interest expense on lease liabilities	(2,855)	(328)	14	(3,169)
Depreciation and amortisation	43,368	8,196	(159)	51,405
EBITDA	13,265	(11,870)	643	2,038

as at March 31st 2021

Segment's assets	1,936,154	231,463	(247,392)	1,920,225
Segment's liabilities	1,303,637	391,862	(246,877)	1,448,622
Investments in associates	4,301	0	0	4,301

* The restatement reflects the combination of the Poland and Cafeterias segments.

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:

	January 1st – March 31st 2022	January 1st – March 31st 2021
Segments' revenue		
Total revenue of operating segments	401,840	98,207
Unallocated revenue	0	86
Elimination of revenue from inter-segment transactions	(6)	220
Revenue	401,834	98,513
Segments' profit/(loss)		
Segments' operating profit/(loss)	19,257	(50,169)
Elimination of profit/(loss) from inter-segment transactions (IFRS 16)	172	269
Unallocated profit/(loss)	(106)	533
Operating profit	19,323	(49,367)
Finance income	378	2,019
Finance costs	(8,605)	(9,259)

Impairment losses on financial assets	(808)	(49)
Share of profit/(loss) of equity-accounted entities	(104)	(110)
Profit before tax	10,184	(56,766)

March 31st 2022	December 31st 2021
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Segments' assets

Total assets of operating segments	2,283,942	2,429,462
Unallocated assets	0	0
Elimination of inter-segment transactions	(240,519)	(248,469)
Total assets	2,043,423	2,180,798

March 31st 2022	December 31st 2021
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Segments' liabilities

Total liabilities of operating segments	1,681,824	1,830,376
Unallocated liabilities	0	0
Elimination of inter-segment transactions	(240,712)	(251,255)
Total liabilities	1,441,112	1,579,121

Eliminations of assets mainly include loans and trade receivables.

Poland	Foreign Markets	Corporate	Total
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for the period January 1st – March 31st 2022

Revenue from external customers:	291,642	110,192	0	401,834
<i>Poland</i>	291,642	66	0	291,708
<i>Czech Republic</i>	0	64,873	0	64,873
<i>Bulgaria</i>	0	28,888	0	28,888
<i>Other</i>	0	16,365	0	16,365
Non-current assets*:	1,439,703	202,306	(374)	1,641,635
<i>Poland</i>	1,439,703	3,611	(374)	1,442,940
<i>Czech Republic</i>	0	121,142	0	121,142
<i>Bulgaria</i>	0	53,921	0	53,921
<i>Other</i>	0	23,632	0	23,632

* Excluding financial instruments and deferred tax assets.

Poland Restated*	Foreign Markets	Corporate Restated*	Total
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for the period January 1st – March 31st 2021

Revenue from external customers:	84,188	14,239	86	98,513
<i>Poland</i>	84,188	27	86	84,301
<i>Czech Republic</i>	0	94	0	94
<i>Bulgaria</i>	0	12,330	0	12,330
<i>Other</i>	0	1,788	0	1,788
Non-current assets**:	1,344,756	185,121	(3,041)	1,526,836
<i>Poland</i>	1,344,756	4,320	(3,041)	1,346,035
<i>Czech Republic</i>	0	112,635	0	112,635

Bulgaria	0	57,431	0	57,431
Other	0	10,735	0	10,735

* The restatement reflects the combination of the Poland and Cafeterias segments.

** Excluding financial instruments and deferred tax assets.

Revenue by category:		January 1st – March 31st 2022	January 1st – March 31st 2021
Sale of fitness membership cards in Poland	B2B	224,605	72,273
Sale of fitness membership cards on foreign markets	B2B	100,180	13,402
Sale of cafeteria benefits	B2B	10,041	9,562
Sale of fitness clubs in Poland	B2B/B2C	55,776	551
Sale of fitness clubs on foreign markets	B2B/B2C	9,969	814
Other settlements	B2B	60	61
Revenue from contracts with customers (IFRS 15)		400,631	96,663
Revenue from IFRS 16		1,203	1,850
Total revenue		401,834	98,513

Operating expenses by segment

	Poland	Foreign Markets	Corporate	Total
for the period January 1st – March 31st 2022				
Depreciation and amortisation	46,212	9,106	0	55,318
<i>including depreciation of right-of-use assets</i>	27,743	5,564	0	33,307
Employee benefits	47,140	16,655	(6)	63,789
Raw materials and consumables used	9,647	3,556	0	13,203
Services	162,734	77,388	(66)	240,056
Taxes and charges	1,065	35	0	1,100
Other expenses	4,496	2,322	0	6,818
Total expenses by nature of expense	271,294	109,062	(72)	380,284
Cost of merchandise and materials sold	2,529	653	0	3,182
Change in products, work in progress (+/-)	0	0	0	0
Cost of sales, selling expenses and administrative expenses	273,823	109,715	(72)	383,466

	Poland Restated*	Foreign Markets	Corporate Restated*	Total
for the period January 1st – March 31st 2021				
Depreciation and amortisation	43,368	8,196	(159)	51,405
<i>including depreciation of right-of-use assets</i>	26,872	4,975	(159)	31,688
Employee benefits	23,296	12,471	0	35,767
Raw materials and consumables used	2,292	803	12	3,107
Services	46,137	13,889	(375)	59,651
Taxes and charges	883	34	1	918
Other expenses	3,569	1,821	0	5,390
Total expenses by nature of expense	119,545	37,214	(521)	156,238

Cost of merchandise and materials sold	71	68	0	139
Change in products, work in progress (+/-)	(4)	0	0	(4)
Cost of sales, selling expenses and administrative expenses	119,612	37,282	(521)	156,373

* The restatement reflects the combination of the Poland and Cafeterias segments.

2.3.1. Poland

The Poland segment's scope of operations includes non-pay benefits, such as sport cards and cafeteria platforms, management of fitness clubs, and investment in new clubs on the Polish market.

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 reporting period, the number of active cards in Poland was 940.5 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 nearly four thousand 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 MultiBilet Cinema Programme is an independent pillar of the Group's culture and entertainment offering, with tickets available to over 200 partner cinemas across Poland (including Cinema City, Helios and Multikino, in addition to a number of local cinemas).

The QlturaProfit vouchers offered by VanityStyle Sp. z o.o. allow their holders to enjoy selected plays, films and exhibitions as part of a cultural offering created by about 50 theatres, 180 cinemas, 60 museums and 25 thematic parks across Poland.

The Group also offers MultiTeatr, MultiMuzeum, MultiZoo and BenefitLunch, providing access to numerous theatres, museums, zoos and restaurants.

Since 2021, the Group has been offering B2B employee engagement services based on gamification. The gamification services offered by YesIndeed Sp. z o.o. are divided into two categories:

- incentive schemes for sales and marketing departments offered under the YesIndeed brand, and
- own prize cafeterias used in the offered programmes.

The main element of the projects is gamification with tangible and intangible rewards, based on results imported from sales, HR and payroll, and sports systems.

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 March 2021, the Group had 172 own clubs in Poland operated by the Fitness Branch within Benefit Systems S.A. and by Fit Fabric Sp. z o.o. and Total Fitness Sp. z o.o. The Group's facilities operate under the following brands: **Zdrofit, Fabryka Formy, Fitness Academy, My Fitness Place, FitFabric, Step One, S4, Total Fitness and AquaPark Wesolandia**. The Group also held equity interests in companies managing another 40 facilities. In addition, the Parent operates the Atmosfera Multisport club, which organises activities for children and young people.

	January 1st – March 31st 2022	January 1st – March 31st 2021 Restated*	Change
Revenue	291,648	83,968	247.3%
Cost of sales	(233,016)	(91,635)	154.3%
Gross profit/(loss)	58,632	(7,667)	(864.7%)
Selling expenses	(19,835)	(11,510)	72.3%
Administrative expenses	(20,972)	(16,467)	27.4%
Other income and expenses	352	5,541	(93.6%)
Operating profit/(loss)	18,177	(30,103)	(160.4%)
Share of profit/(loss) of equity-accounted entities	(104)	(110)	(5.5%)
EBITDA	64,389	13,265	385.4%
Gross margin	20.1%	(9.1%)	29.2pp
<i>Number of sport cards ('000)</i>	940.5	436.5	504.0
<i>Number of clubs</i>	172	157	15
<i>Turnover of cafeteria platforms (PLNm)**</i>	79.5	67.4	12.1
<i>Number of cafeteria platform users (in thousands)</i>	500	504	(4)

* The restatement reflects the combination of the Poland and Cafeterias segments.

** Based on the value of services provided and settlement of intermediation in payments in cafeteria e-platforms.

The table below presents the effect of combining the Cafeterias segment with the Poland segment for the first quarter of 2021.

	Poland Restated* (A)	Poland before combination (B)	Cafeterias before combination (C)	Change (A-B-C)
for the period January 1st – March 31st 2021				
Revenue	83,968	74,626	10,575	(1,233)
Cost of sales	(91,635)	(87,477)	(5,391)	1,233
Gross profit/(loss)	(7,667)	(12,851)	5,184	0

Selling expenses	(11,510)	(10,615)	(895)	0
Administrative expenses	(16,467)	(14,189)	(2,278)	0
Other income and expenses	5,541	5,502	39	0
Operating profit/(loss)	(30,103)	(32,153)	2,050	0
Share of profit/(loss) of equity-accounted entities	(110)	(110)	0	0
EBITDA	13,265	9,723	3,676	(134)

* The restatement reflects the combination of the Poland and Cafeterias segments.

Revenue for the first quarter rose 247.3% year on year. This significant growth is mainly attributable to the low baseline effect in the area of sales of sport cards. The significant decrease in revenue from card sales in 2021 was a consequence of the closure of sports facilities due to the restrictions imposed to contain the spread of COVID-19. Users of sport cards and fitness club clients took advantage of the option to suspend their membership, and the Group did not charge membership fees. In the first quarter of 2022, the Group rebuilt its user base to a large extent.

The Group is intensively 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 a healthy lifestyle. 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.

In April 2022, the parent acquired a 75% stake in Lunching.pl Sp. z o.o. The acquired company owns the platform and application for ordering food with delivery to the workplace. Lunching is a solution designed to facilitate the organisation of meals for employee teams by employers in a financing model of their choice. The acquisition of shares in Lunching.pl will significantly increase the Group's competence in healthy nutrition and co-financing of meals for employees. Knowledge and experience in this area will be used, among others, to develop and enhance the offering of the MultiLife programme.

As at the end of the first quarter of 2022, the MyBenefit cafeteria platforms had a total of 500 thousand users, 4 thousand fewer than at the end of March 2021. Despite the similar number of users, the cafeterias turnover in this first quarter of 2022 was higher than in the corresponding period of 2021 due to the limited access to cinemas, recreational facilities and cultural events in the first quarter of 2021, as well as due to employers' current strong inclination to finance employee benefits in combination the inflation effect.

The most popular benefit categories are retail (64.6m turnover vs PLN 55.4m in the corresponding period of 2021), as well as travel and food.

Five new fitness clubs were opened in the first quarter of 2022, three of them in Warsaw (Zdrofit Wola Mennica Legacy Tower, Zdrofit Wola The Warsaw HUB, Zdrofit Bemowo Lazurowa), one in Stara Iwiczna near Warsaw (Zdrofit N-Park), and one in Łódź (Fit Fabric Strażacka).

In February 2022, the Zdrofit Zdrowe Miejsce (Zdrofit Healthy Place) project was reorganised to adapt the offering to market needs and optimise the costs. As a result of the changes, nine fitness clubs providing physical therapy and kinesiotherapy services have been left. Moreover, as part of treatment with exercise, Zdrofit Healthy Place patients receive, among others, individual fitness improvement programmes prepared by physiotherapists.

The financial result for the first quarter of 2022 includes the effect of renegotiation and reduction of lease rents of PLN 2.3m. The Company is still in talks with several Lessors on rent concessions

for the pandemic period, which will enable it to recognise savings also in the following months of 2022.

In the first three months of 2022, the Poland segment recognised depreciation of right-of-use assets of PLN 27.7m and interest expense on lease liabilities of PLN 2.3m.

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 Sp. z o.o., Fit Invest International Sp. z o.o. and BSI Investments Sp. z o.o.

Benefit Systems International Sp. z o.o. is the Parent of the other companies in the segment. All these companies are fully consolidated.

In 2022, operating activities were conducted in the following markets:

- The Czech Republic – the MultiSport programme (MultiSport Benefit S.R.O.) and fitness clubs (Beck Box Club Praha S.R.O., Form Factory S.R.O.);
- Bulgaria – the MultiSport programme (Benefit Systems Bulgaria EOOD) and fitness clubs (Next Level Fitness EOOD);
- Slovakia – the MultiSport programme (Benefit Systems Slovakia S.R.O.) and fitness clubs (Form Factory Slovakia S.R.O.);
- Croatia – the MultiSport programme (Benefit Systems D.O.O.);
- Turkish – the MultiSport programme (Benefit Systems Spor Hizmetleri Ltd.)

	January 1st – March 31st 2022	January 1st – March 31st 2021	Change
Revenue	110,191	14,239	673.9%
Cost of sales	(91,892)	(24,892)	269.2%
Gross profit/(loss)	18,299	(10,653)	(271.8%)
Selling expenses	(8,085)	(4,854)	66.6%
Administrative expenses	(9,738)	(7,536)	29.2%
Other income and expenses	604	2,977	(79.7%)
Operating profit/(loss)	1,080	(20,066)	(105.4%)
EBITDA	10,186	11,870	(14.2%)
Gross margin	16.6%	(74.8%)	91.4pp
<i>Number of sport cards</i>	316.3	92.2*	224.1
<i>Number of clubs</i>	25	25	-

* Number of cards on markets that were active in the period (Bulgaria, Croatia).

As at the end of 2021, there were 284.7 thousand active cards in the Foreign Markets segment and, as a result of consistent growth in the following months, the quarter was closed with 316.3 thousand cards. The strongest growth, of nearly 20%, was observed in the Bulgarian and Croatian markets. Also the Czech Republic and Slovakia contributed significantly to the increase in card numbers compared to December 2021. Sales activities in the Turkish market were launched in the first quarter of 2022. Their effect will be seen in the coming quarters.

Number of active sport cards* in Foreign Markets countries:

Country	March 31st 2022	December 31st 2021	% change
Czech Republic	167.0	156.3	6.9%
Bulgaria	97.6	82.8	17.9%
Slovakia	28.8	26.5	8.7%
Croatia	22.9	19.1	19.9%
Total	316.3	284.7	11.1%

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

The increases shown above were supported by the improving pandemic situation on the markets. In early February 2022, all restrictions were lifted in the Czech Republic, while in the other markets, despite some restrictions, customers and users were getting back on track. As a result, more and more “old” customers reactivated the cards they had suspended for the time of the COVID-19 pandemic, while “new” customers, accustomed to the pandemic reality, were more willing to sign MultiSport programme contracts.

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 first quarter of 2022, the MultiSport partnership network operated a total of 4,125 partner locations, of which nearly 80 were in Turkey.

Number of partner locations:

Country	March 31st 2022	December 31st 2021	% change
Czech Republic	1,960	1,964	0.0%
Bulgaria	890	918	(3.0%)
Slovakia	848	866	(2.0%)
Croatia	427	426	0.0%
Turkey	77	0	-
Total	4,125	4,174	(1.0%)

As at the end of 2021, the Group operated its own clubs in the Czech Republic (13 clubs), Bulgaria (9 clubs) and Slovakia (2 clubs). In early 2022, the Czech company launched one new club in Ostrava (Avion). No own clubs were closed down during the first quarter of 2022. At the same time, the segment companies actively sought opportunities to invest in new clubs with a view to expanding their own networks, which would allow them to reach more retail users as well as prospective and existing MultiSport card holders.

Number of own clubs:

Country	March 31st 2022	December 31st 2021	% change
Czech Republic	14	13	8.0%
Bulgaria	9	9	0.0%
Slovakia	2	2	0.0%
Total	25	24	4.0%

Revenue and, consequently, sales margins and operating expenses of the segment’s companies for the first quarter of 2022 were significantly above the levels recorded in the first quarter of 2021. The reason was the COVID-19 pandemic and the fact that in the first quarter of 2021 the Czech

and Slovak fitness facilities remained closed, and in the Bulgarian and Croatian markets the restrictions were partially lifted only in February, allowing fitness facilities to reopen and the MultiSport programme to be relaunched starting from February 1st and 15th 2021, respectively.

In the first quarter of 2022, the Foreign Markets segment companies did not benefit from aid schemes aimed at mitigating the adverse economic impacts of the COVID-19 pandemic.

2.3.3. Corporate

The revenue presented in Corporate mainly reflects intersegment eliminations.

	January 1st – March 31st 2022	January 1st – March 31st 2021 Restated*	Change
Revenue	(6)	306	(102.0%)
Cost of sales	0	190	(100.0%)
Gross profit/(loss)	(6)	496	(101.2%)
Selling expenses	0	79	(100.0%)
Administrative expenses	72	252	(71.4%)
<i>including cost of the Incentive Scheme</i>	0	0	-
Other income and expenses	0	(25)	(100.0%)
Operating profit/(loss)	66	802	(91.8%)
Share of profit/(loss) of equity-accounted entities	0	0	-
EBITDA	66	643	(89.7%)

2.4. Finance income and costs

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

	January 1st – March 31st 2022	January 1st – March 31st 2021
Finance income, including:	378	2,019
Interest on loans	214	325
Remeasurement of liabilities arising from acquisition of shares	62	1,612
Finance costs, including:	(8,605)	(9,259)
Exchange differences	(3,123)	(3,797)
Interest on borrowings and bonds	(2,343)	(1,765)
Interest expense on lease liabilities	(2,781)	(3,169)
Total finance income and costs	(8,227)	(7,240)

In the first quarter of 2022, the Group's finance costs were mainly affected by unrealised exchange differences recognised on measurement of lease liabilities, as well as interest expense on borrowings, bonds and lease liabilities.

2.5. Income tax

	January 1st – March 31st 2022
Current tax	94
Deferred tax	1,962
Total income tax	2,058

In the three months ended March 31st 2022, the effective tax rate was 20%. The change in the effective tax expense was due mainly to a PLN -1.7m adjustment of the tax expense for previous periods, offset by the fact that some Group companies did not recognise deferred tax assets on tax losses (PLN 1.5m).

The tax rates applied by the Group companies were as follows:

	January 1st – March 31st 2022
Poland	19%
Czech Republic	19%
Slovakia	21%
Bulgaria	10%
Croatia	18%
Turkey	25%

2.6. Leases

2.6.1. 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 January 1st – March 31st 2022</i>				
Net carrying amount as at January 1st 2021	769,351	8,825	8,277	786,453
New lease contracts	3,522	0	277	3,799
Modifications, termination of contracts	6,856	(1)	18	6,873
Depreciation and amortisation	(31,418)	(972)	(917)	(33,307)
Exchange differences on translation of foreign operations	14	0	(48)	(34)
Net carrying amount as at March 31st 2022	748,325	7,852	7,607	763,784

	Property	Fitness equipment	Other	Total
<i>for the period January 1st – March 31st 2021</i>				
Net carrying amount as at Jan 1 2021	757,623	15,705	9,543	782,871
New lease contracts	3,947	0	216	4,163
Modifications, termination of contracts	2,556	23	(102)	2,477
Depreciation and amortisation	(29,596)	(1,121)	(971)	(31,688)
Exchange differences on translation of foreign operations	1,311	0	0	1,311
Net carrying amount as at Mar 31 2021	735,841	14,607	8,686	759,134

The modifications of lease contracts in the three months ended March 31st 2022 were mainly attributable to renegotiation of the terms and conditions of the rental contracts for retail and office space in connection with the COVID-19 pandemic.

2.6.2. Lease liabilities

Changes in lease liabilities for the three months ended March 31st 2022 and March 31st 2021 are presented below.

	January 1st – March 31st 2022	January 1st – March 31st 2021
Balance at beginning of period	936,835	931,698
New lease contracts	3,799	4,163
Modifications, termination of contracts	2,301	(2,966)
Effect of application of COVID-19 practical expedient	(2,384)	(4,134)
Accrued interest	2,781	3,169
Exchange differences	5,827	5,298
Settlement of liabilities	(37,870)	(20,847)
Exchange differences on translation of foreign operations	10	1,387
Balance at end of period	911,299	917,768
Non-current	731,830	731,525
Current	179,469	186,243

The modifications of lease contracts in the three months ended March 31st 2022 were attributable, among other things, to renegotiation of the terms and conditions of the rental contracts for retail and office space in connection with the COVID-19 pandemic and a change to other contractual terms.

Maturities of the lease liabilities as at March 31st 2022 and December 31st 2021 are presented below:

<i>as at March 31st 2022</i>	Lease payments due in:			
	up to 1 year	1 to 5 years	over 5 years	total
Lease payments	180,420	521,498	249,165	951,083
Finance costs (-)	(951)	(19,381)	(19,452)	(39,784)
Present value	179,469	502,117	229,713	911,299

<i>as at December 31st 2021</i>	Lease payments due in:			
	up to 1 year	1 to 5 years	over 5 years	total
Lease payments	189,504	521,015	267,912	978,431
Finance costs (-)	(1,169)	(19,115)	(21,312)	(41,596)
Present value	188,335	501,900	246,600	936,835

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 103,970 thousand as at March 31st 2022 (December 31st 2021: PLN 99,710 thousand).

2.6.3. Lease amounts disclosed in the reporting period

Amounts disclosed in the three months ended March 31st 2022 and March 31st 2021 relating to the lease contracts recognised in the statement of financial position are presented below.

	January 1st – March 31st 2022	January 1st – March 31st 2021
Amounts disclosed in the consolidated statement of profit or loss		
Depreciation of right-of-use assets (recognised in cost of sales, selling expenses and administrative expenses)	(33,307)	(31,688)
Gain/(loss) on lease modifications (recognised in other income/expenses)	97	51
Application of the COVID-19 practical expedient (recognised in cost of sales)	2,384	4,134
Interest expense on lease liabilities (recognised in finance costs)	(2,781)	(3,169)
Exchange differences on lease liabilities denominated in foreign currencies (recognised in finance income/costs)	(5,827)	(5,298)
Total	(39,434)	(35,970)
Amounts disclosed in the consolidated statement of cash flows		
Lease payments (recognised in cash flow from financing activities)	(37,013)	(15,806)

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 281 thousand and PLN 175 thousand in the three months ended March 31st 2022 and March 31st 2021, respectively. The costs included mainly rental of advertising space (PLN 123 thousand and 57 thousand, respectively) and leases of assorted equipment for fitness clubs and offices (PLN 158 thousand and 117 thousand, respectively). In the three months ended March 31st 2022 and March 31st 2021, there were no variable lease payments.

In the first quarter of 2022, in connection with the COVID-19 pandemic, the Group renegotiated terms of its lease contracts, which had an impact on the amount of lease liabilities. The Group applied the practical expedient introduced by an amendment to IFRS 16 in 2020 in response to the COVID-19 pandemic, whereby rent concessions resulting from the renegotiation of lease contracts are not treated as lease modification, and the effects of remeasurement of lease liabilities are recognised in the statement of profit or loss.

The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2022 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022); and
- there is no substantive change to other terms and conditions of the lease.

As a result, the lease liability is remeasured at an unchanged interest rate and the effect of the remeasurement is recognised in the statement of profit or loss in the core operating activities as a reduction of the respective operating expenses depending on where the costs of the respective lease contract are allocated.

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 rental contracts (sports clubs, offices) and advertising space rental contracts. The amount of the lease liability remeasurement resulting from the negotiated concessions, recognised in operating profit or loss as a decrease in cost of sales in the three months ended March 31st 2022, is PLN 2,384 thousand.

2.6.4. 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 three months ended March 31st 2022, the Group recognised income from operating sublease of fitness equipment of PLN 1,012 thousand and income from sublease of office space of PLN 191 thousand. In the three months ended March 31st 2021, the amounts were PLN 1,755 thousand and PLN 95 thousand, respectively. These amounts include minimum fixed sublease payments only. In the reporting period, there were no contingent or other payments.

2.7. 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 vouchers tends to be lower than in the first, second and fourth quarters of the year, which affects revenue and profitability of the sport card business and the operation of fitness clubs. On the other hand, seasonality of sales in the Cafeterias segment is reflected in an increase in revenues in the last month of the year, partly attributable to the Christmas period.

2.8. Significant events and transactions in the period

Information on the impact of the armed conflict in Ukraine on the Group's operations

On February 24th 2022, Russia began a military invasion of Ukraine. The Group does not hold any assets in Ukraine or Russia, nor does it operate in any of these countries or provide services to entities located there. As at the date of the interim condensed consolidated financial statements, there was no noticeable effect of the war on the Group's operations. The Management Board does not rule out the risk of a material adverse effect of the ongoing conflict on the Group's trading partners. However, since there is no concentration of sales to or receivables from a single trading partner, other entities' potential liquidity problems should not have any significant effect on the Group's financial condition.

Although the armed conflict in Ukraine has not had any material effect on the Group's day-to-day operations, in a longer run it may harm the economies of the countries where the Group operates through, inter alia, higher prices of fuels, raw materials and energy, further inflation increase or the weakening of the local currencies, which may hamper the demand for the services and products offered by the Group and lead to higher operating expenses.

Redemption of Series B bonds

On March 24th 2022, a meeting of holders of Series B ordinary bearer bonds issued by Benefit Systems S.A. (the "Bonds") (the "Bondholders Meeting") was held. Resolution No. 3/03/2022 of the Bondholders Meeting amended the terms and conditions of the Bonds to allow the Company to redeem the Bonds early, on April 7th and 14th 2022.

On April 14th 2022, 50,000 Series B bonds with a total nominal value of PLN 50m were redeemed early.

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

In the first quarter of 2022, Benefit Systems continued its efforts aimed at a swift business recovery after COVID-19 pandemic, with a concurrent focus on strengthening its long-term competitive advantages in a number of key areas: new technologies, professional services supporting mental health and work-life balance, an attractive range of fitness services and expansion in foreign markets. The labour market situation is also favourable for the company's long-term plans as there is a growing demand for flexible non-pay benefits that address new employee needs, covering all aspects of healthy lifestyles such as physical and mental health as well as appropriate nutrition. In May 2022, the estimated number of active sport cards in Poland reached 994.6 thousand, up 153.1 thousand on the end of the fourth quarter of 2021. A strong growth in card sales is also seen in foreign markets, where the number of MultiSport cards grew from 284.7 thousand in December 2021 to 346.7 thousand in May 2022, as estimated by Benefit Systems.

MultiSport Index Report 2022

Two years of the COVID-19 pandemic, recurring restrictions, including closures of sports facilities, social distancing and often non-ergonomic working conditions at home adversely affected the physical activity levels and health of the Poles. According to the MultiSport Index 2022 survey, currently only two in three adult Poles (65%) are engaged in physical activity at least once a month. As a result of the growing scale of mental health problems, for the first time mental wellbeing was the main motivation for Poles to engage in physical activity, as stated by as much as 42% of respondents. What is equally important is that after two lockdowns and a total of eleven months during which sports and recreational facilities in Poland were closed, currently one in five physically active Poles chooses fitness clubs, which means a year-on-year increase by 8 pp. It was physical activity at fitness clubs, gyms and swimming pools that picked up the most relative to 2021.

"We Have More in Common Than You Think" campaign

The "We Have More in Common Than You Think" campaign launched in January 2022 is based on comical antagonisms known from social media. The brand incorporated them in contrasting videos and graphics, each promoting a specific sports discipline available with the MultiSport membership card. The "We Have More in Common Than You Think" campaign was supported with marketing materials for Benefit Systems customers, social media competitions, influencer collaborations (campaign ambassadors included Karolina Tuchalska-Siermińska (a psychologist) and Janina Bąk), as well as PR activities such as online media publications. The campaign reached a record audience of over 19 million.

Żabka Nano at Zdrofit

The Zdrofit Bemowo fitness club in Warsaw is the first sports facility in Poland featuring Żabka Nano, a self-service convenience store that uses an innovative method of authorisation and payment for purchases. Żabka Nano at the Zdrofit fitness club offers around 300 products, such as healthy snacks, ready meals and beverages for consumption before, during or after a workout. Żabka Nano is equipped with a camera system using several algorithms, including machine learning, to identify the products removed from shelves, calculate the amount due and charge the shopper automatically to a payment card used to enter the store.

2.10. Outlook

The outlook for 2022 is significantly affected by the armed conflict in Ukraine, which may harm the economies of the countries where the Group operates in a number of ways, such as higher prices of fuels, raw materials and energy, continued inflation or depreciation of local currencies, and this, in turn, may hamper the demand for the services and products offered by the Group and lead to higher operating expenses.

The Group invariably estimates the long-term potential of the sport card market in Poland at between 1.8 million and 2.2 million units, and sees high growth potential for the MultiSport programme in foreign markets (currently at a relatively early stage of development). Moreover, the COVID-19 pandemic may, in the long term, increase public awareness of matters related to health protection and immunity improvement. This in turn may generate demand for physical activity services, which are the Group's main business area.

2.11. Share capital

As at March 31st 2022, the parent's share capital was PLN 2,934 thousand (December 31st 2021: 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.

	March 31st 2022	December 31st 2021
Number of shares	2,933,542	2,933,542
Par value of shares (PLN)	1	1
Share capital (PLN)	2,933,542	2,933,542

2.12. Earnings per share

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

The calculation of diluted earnings per share takes into account the effect of options convertible into parent shares that have been issued under the Group's incentive schemes. The calculation of earnings per share is presented below.

	January 1st – March 31st 2022	January 1st – March 31st 2021
Number of shares used as denominator		
Weighted average number of ordinary shares	2,933,542	2,776,234
Dilutive effect of options convertible into shares	0	16,028
Diluted weighted average number of ordinary shares	2,933,542	2,792,262
Continuing operations		
Net profit/(loss) from continuing operations attributable to owners of the parent	8,100	(48,916)
Basic earnings/(loss) per share (PLN)	2.76	(17.62)
Diluted earnings/(loss) per share (PLN)	2.76	(17.52)

2.13. Share-based payment schemes

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. The Incentive Scheme is open to selected senior and middle management staff.

On February 3rd 2021, the Supervisory Board resolved to establish an Incentive Scheme for 2021–2025 at the Company. 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.

In the three months ended March 31st 2022, the parent did not recognise any costs of the Incentive Scheme for 2022. The Parent did not recognise any costs of the Scheme in the same period of 2021, either.

2.14. Dividend

On December 9th 2019, the Management Board of the parent adopted a dividend policy for 2020-2023, under which the Management Board will recommend to the General Meeting payment of dividend of at least 50% of the Group's consolidated net profit for the previous financial year. 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 2019. The policy was positively assessed by the Supervisory Board of the Parent on December 9th 2019.

2.15. 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.

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 1.00 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.

2.16. 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 (options) in Benefit Systems S.A. by members of its Management Board and Supervisory Board as at the issue date of these financial statements were as follows:

<i>Management Board Member</i>	As at the issue date of the report for the three months ended March 31st 2022		As at the issue date of the full-year report for 2021		Change
	Number of shares	Ownership interest	Number of shares	Ownership interest	
Bartosz Józefiak	0	0.00%	0	0.00%	-
Emilia Rogalewicz	2,500	0.09%	2,500	0.09%	-
Wojciech Szwarc	2,370	0.08%	2,370	0.08%	-
TOTAL	4,870	0.17%	4,870	0.17%	-

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

<i>Member of the Supervisory Board</i>	As at the issue date of the report for the three months ended March 31st 2022		As at the issue date of the full-year report for 2021		Change
	Number of shares	Ownership interest	Number of shares	Ownership interest	
James van Bergh*	478,191	16.30%	478,191	16.30%	-
Marcin Marczuk	0	0.00%	0	0.00%	-
Artur Osuchowski	0	0.00%	0	0.00%	-
Michael Sanderson	0	0.00%	0	0.00%	-
Michael Rohde Pedersen	0	0.00%	0	0.00%	-
Total	478,191	16.30%	478,191	16.30%	0

* Direct interest; additionally, 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 295,421 shares in Benefit Systems S.A., representing 10.07% of its share capital and the same percentage of total voting rights (as at the issue date of the report for the first quarter of 2022). In addition, a person closely related to the Chairman of the Supervisory Board is the Chairperson of the Supervisory Board of the Drzewo i Jutro Foundation, holding 8.17% of Benefit Systems S.A. share capital.

Members of the Parent's Management Board and Supervisory Board do not hold any shares in the subsidiaries.

2.17. Non-compliance with debt covenants

In the three months ended March 31st 2022, the Group did not breach any of its debt covenants.

2.18. 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.

	March 31st 2022	December 31st 2021
<i>Associates</i>		
Guarantees provided / Surety for repayment of liabilities	8,512	7,752

Total contingent liabilities	8,512	7,752
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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 March 31st 2022.

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

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 2021.

2.19. Management Board’s position regarding delivery against profit forecasts

The Company has not released any profit forecasts for 2022.

2.20. 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.

2.21. Events after the reporting date

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

On April 1st 2022, the Parent and some of its subsidiaries signed a long-term financing agreement (the "Agreement") with the European Bank for Reconstruction and Development ("EBRD") and Santander Bank Polska S.A. ("Santander") (jointly: the "Banks") for PLN 205m (the "Financing"). The Financing amount may be additionally increased by no more than PLN 35m.

Under the Agreement, the Banks grant the Company Financing which may be used to cover capital expenditure on the organic growth of the Group, development of the MultiLife platform, acquisitions, environmental projects, refinancing of the Company's existing debt under bank borrowings in Poland, and general corporate objectives.

Redemption of Series A bonds

On April 7th 2022, 50,000 Series A bonds issued by the Parent, with a total nominal value of PLN 50m, were redeemed when due.

Redemption of Series B bonds

On April 14th 2022, 50,000 Series B bonds with a total nominal value of PLN 50m were redeemed early.

Acquisition of shares in Lunching.pl Sp. z o.o.

On April 13th 2022, Benefit Systems S.A. signed an agreement to purchase 75% of shares in Lunching.pl Sp. z o.o. for PLN 12.6m, payable upon execution of the agreement. The Group will commence the process of cost allocation and identification and measurement of the acquired assets and liabilities as soon as possible. The acquired company owns the platform and application for ordering food with delivery to the workplace. Lunching is a solution designed to facilitate the organisation of meals for employee teams by employers in a financing model of their choice. The new project will expand the Group's offering in the growing segment of the non-pay benefit market, i.e., co-financing of meals and supporting healthy eating habits of employees. Moreover, the acquisition of shares in Lunching.pl will significantly increase the Group's competence in healthy nutrition and co-financing of meals for employees. Knowledge and experience in this area will be used, among others, to develop and enhance the offering of the MultiLife programme.

Agreements signed with PKO BP S.A.

On May 5th 2022, agreements were signed between PKO BP S.A. and Benefit Systems S.A. Pursuant to the agreements, the PLN 50m multi-purpose credit facility agreement of August 22nd 2017 and the PLN 100m investment facility agreement of March 19th 2018 were terminated. The multi-purpose credit facility agreement was terminated with effect from May 5th 2022. The investment facility agreement was terminated with effect from May 13th 2022. The outstanding balance of PLN 37m was repaid in full on the same day.

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

3.1. CONDENSED STANDALONE STATEMENT OF FINANCIAL POSITION

	March 31st 2022	December 31st 2021
Goodwill	277,555	277,555
Intangible assets	88,441	84,352
Property, plant and equipment	191,417	193,771
Right-of-use assets	607,221	625,542
Investments in subsidiaries	137,669	137,668
Investments in associates	2,415	2,415
Trade and other receivables	4,568	4,780
Loans and other non-current financial assets	329,290	322,947
Deferred tax assets	25,797	28,082
Non-current assets	1,664,373	1,677,112

Inventories	3,022	2,887
Trade and other receivables	98,355	159,670
Current tax assets	1,460	147
Loans and other current financial assets	12,065	6,907
Cash and cash equivalents	153,255	195,699
Current assets	268,157	365,310
Total assets	1,932,530	2,042,422

	March 31st 2022	December 31st 2021
Share capital	2,934	2,934
Share premium	230,792	230,792
Retained earnings	498,225	488,417
Total equity	731,951	722,143

Employee benefit provisions	180	209
Other provisions	10,767	10,767
Trade and other payables	6	2
Other financial liabilities	7,809	7,871
Borrowings, other debt instruments	101,450	108,476
Lease liabilities	576,308	595,970
Non-current liabilities	696,520	723,295

Employee benefit provisions	1,671	1,622
Trade and other payables	191,943	271,118

Other financial liabilities	1,300	21,188
Borrowings, other debt instruments	121,552	127,764
Lease liabilities	167,360	167,776
Contract liabilities	20,233	7,516
Current liabilities	504,059	596,984
Total liabilities	1,200,579	1,320,279
Total equity and liabilities	1,932,530	2,042,422

3.2. CONDENSED STANDALONE STATEMENT OF PROFIT OR LOSS

	January 1st – March 31st 2022	January 1st – March 31st 2021
<i>Continuing operations</i>		
Revenue	268,423	72,028
Revenue from sales of services	264,592	72,018
Revenue from sales of merchandise and materials	3,831	10
Cost of sales	(219,098)	(84,033)
Cost of services sold	(217,277)	(84,006)
Cost of merchandise and materials sold	(1,821)	(27)
Gross profit/(loss)	49,325	(12,005)
Selling expenses	(16,217)	(8,972)
Administrative expenses	(17,087)	(11,398)
Other income	784	5,887
Other expenses	(572)	(1,187)
Operating profit/(loss)	16,233	(27,675)
Finance income	(455)	3,286
Finance costs	(4,998)	(9,085)
Impairment losses on financial assets	(1)	(49)
Profit/(loss) before tax	10,779	(33,523)
Income tax	(971)	7,319
Net profit/(loss) from continuing operations	9,808	(26,204)
Net profit/(loss)	9,808	(26,204)

3.3. CONDENSED STANDALONE STATEMENT OF COMPREHENSIVE INCOME

	January 1st – March 31st 2022	January 1st – March 31st 2021
Net profit/(loss)	9,808	(26,204)
<i>Other comprehensive income</i>	0	0
<i>Items not reclassified to profit or loss</i>	0	0
<i>Items reclassified to profit or loss</i>	0	0
Comprehensive income	9,808	(26,204)

3.4. CONDENSED STANDALONE STATEMENT OF CHANGES IN EQUITY

	Equity				
	Share capital	Treasury shares	Share premium	Retained earnings	Total
Balance as at January 1st 2022	2,934	0	230,792	488,417	722,143

Changes in equity in the period January 1st – March 31st 2022

Total transactions with owners	0	0	0	0	0
Net profit/(loss) for period	0	0	0	9,808	9,808
Total comprehensive income	0	0	0	9,808	9,808
Balance as at March 31st 2022	2,934	0	230,792	498,225	731,951

	Equity				
	Share capital	Treasury shares	Share premium	Retained earnings	Total
Balance as at January 1st 2021	2,894	(118,157)	211,521	504,737	600,995

Changes in equity in the period Jan 1 – Mar 31 2021

Total transactions with owners	0	0	0	0	0
Net profit/(loss) for period	0	0	0	(26,204)	(26,204)
Total comprehensive income	0	0	0	(26,204)	(26,204)
Balance as at Mar 31 2021	2,894	(118,157)	211,521	478,533	574,791

3.5. CONDENSED STANDALONE STATEMENT OF CASH FLOWS

	January 1st – March 31st 2022	January 1st – March 31st 2021
Cash flows from operating activities		
Profit/(loss) before tax	10,779	(33,523)
Adjustments:		
Depreciation and amortisation of non-financial non-current assets	40,281	38,897
Change in impairment losses and write-off of assets	(105)	49
Effect of lease modifications	(2,354)	(3,539)
Measurement of liabilities arising from acquisition of shares	(61)	(1,635)
(Gains)/losses on sale and value of liquidated non-financial non-current assets	193	(140)
Foreign exchange gains/(losses)	3,938	3,682
Interest expense	4,652	5,063
Interest income	(3,373)	(1,602)
Dividend income	(188)	0
Change in inventories	(135)	17
Change in receivables	59,819	10,667
Change in liabilities	(60,255)	(6,184)
Change in provisions	20	1,123
Other adjustments	(3,719)	5,928
Income tax paid	0	(41)
Net cash from operating activities	49,492	18,762
Cash flows from investing activities		
Purchase of intangible assets	(7,927)	(2,909)
Purchase of property, plant and equipment	(10,995)	(4,093)
Proceeds from sale of property, plant and equipment	(143)	104
Acquisition of subsidiaries, net of cash acquired	(19,888)	0
Repayments of loans	2,015	11,859
Loans	(9,765)	(1,314)
Interest received	128	455
Dividends received	1,493	0
Net cash from investing activities	(45,082)	4,102
Cash flows from financing activities		
Proceeds from borrowings	0	4,000
Repayment of borrowings	(14,153)	(19,468)
Payment of lease liabilities	(31,451)	(16,715)
Interest paid	(1,250)	(1,180)
Net cash from financing activities	(46,854)	(33,363)
Net change in cash and cash equivalents	(42,444)	(10,499)
Cash and cash equivalents at beginning of period	195,699	170,560
Cash and cash equivalents at end of period	153,255	160,061

AUTHORISATION FOR ISSUE

This consolidated quarterly report of the Benefit Systems Group for the three months ended March 31st 2022 (including the comparative data) was authorised for issue by the Management Board of the parent on May 25th 2022.

Signatures of Members of the Management Board

Date	Full name	Position	Signature
May 25th 2022	Bartosz Józefiak	Member of the Management Board	
May 25th 2022	Emilia Rogalewicz	Member of the Management Board	
May 25th 2022	Wojciech Szwarc	Member of the Management Board	