



BODY  
FITNESS  
IMPULSE

CONSOLIDATED FINANCIAL  
STATEMENTS AND CONSOLIDATED  
DIRECTORS' REPORT FOR YEAR  
ENDED ON 31 DECEMBER 2024

*(Translation from the Consolidated Financial Statements for the year ended on December 31<sup>st</sup>, 2024, issued originally in Spanish and prepared in accordance with regulatory financial reporting framework established in International Financial Reporting Standards (IFRs). In the event of discrepancy, the Spanish version prevails.)*



## CONTENT

Consolidated balance sheet.....	4
Consolidated profit and loss statement .....	6
Consolidated statement of changes in equity.....	7
Consolidated statement of cash flows.....	8
Notes to the Consolidated Financial Statements for the financial year ended on December 31 <sup>st</sup> , 2023 .....	9
1. PARENT COMPANY .....	9
2. STRUCTURE OF THE GROUP CONSOLIDATED .....	10
3. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS.....	10
3.1. Regulatory financial reporting framework applicable to the Group- .....	10
3.2. True and fair presentation- .....	11
3.3. Non-mandatory accounting principles applied- .....	12
3.4. Going concern principle- .....	13
3.5. Key issues in relation to the assessment and estimation of uncertainty- .....	13
3.6. Comparative information- .....	13
3.7. Items included under several line items- .....	14
3.8. Changes in accounting policies- .....	14
3.9. Correction of errors- .....	14
3.10. Materiality- .....	14
4. PROFIT OR LOSS DISTRIBUTION.....	14
5. RECOGNITION AND VALUATION STANDARDS .....	15
5.1. Consolidation Method- .....	15
5.2. Homogenization of information- .....	15
5.3. Goodwill / Negative difference on first consolidation- .....	16
5.4. Non-controlling interests- .....	17
5.5. Balance and transactions between Companies included in scope of consolidation- .....	17
5.6. Foreign Companies included in the scope of consolidation- .....	18
5.7. Intangible assets- .....	18
5.8. Tangible fixed assets- .....	19
5.9. Impairment of tangible and intangible fixed assets- .....	20
5.10. Leases- .....	21
5.11. Financial instruments- .....	22
5.12. Current and non-current items- .....	28
5.13. Income tax- .....	29
5.14. Revenue and expenses- .....	29
5.15. Business combinations- .....	30
5.16. Provisions and contingencies- .....	31
5.17. Grants, donations and legacies- .....	32
5.18. Criteria used to assess employee costs- .....	32
5.19. Related party transactions- .....	33
5.20. Foreign currency transactions- .....	33
6. INTANGIBLE ASSETS .....	34
7. TANGIBLE FIXED ASSETS .....	35
8. LEASES.....	36
9. FINANCIAL ASSETS.....	37
9.1. Long-term financial assets- .....	37
9.2. Short-term financial assets- .....	37
9.3. Financial assets at amortized cost- .....	37
9.4. Classification by maturity- .....	38
9.5. Financial risks management- .....	38
10. CASH AND CASH EQUIVALENTS.....	39
11. FINANCIAL LIABILITIES .....	39
11.1. Financial liabilities at amortized cost- .....	40
11.2. Classification by maturity- .....	40
11.3. Other financial liabilities- .....	¡Error! Marcador no definido.
11.4. Disclosures on the deferral of payments to suppliers in trade business transactions- .....	41
12. SHAREHOLDERS' EQUITY .....	41
12.1. Parent Company's Share Capital- .....	41
12.2. Reserves- .....	42
12.3. Consolidated profit/(loss) for the year- .....	43
12.4. Own treasury shares- .....	43
13. PUBLIC AUTHORITIES AND TAX MATTERS.....	44
13.1. Income tax- .....	44
13.2. Deferred tax assets- .....	45

13.3.	Fiscal years open for review and tax audits- .....	45
14.	REVENUES AND EXPENSES .....	46
14.1.	Net Turnover- .....	46
14.2.	Personnel Expenses- .....	46
14.3.	Other operating expenses- .....	46
15.	RELATED PARTIES TRANSACTIONS .....	47
16.	EVENTS AFTER YEAR-END .....	47
17.	REMUNERATION AND OTHER BENEFITS TO PARENT COMPANY'S BOARD OF DIRECTORS AND C-LEVEL .....	47
18.	ENVIRONMENTAL INFORMATION .....	48
19.	OTHER INFORMATION .....	49
Consolidated Director's Report for the financial year ended on December 31 <sup>st</sup> , 2023. ....		Error! Marcador no definido.
1.	SITUATION OF THE GROUP AND EVOLUTION OF BUSINESS ....	Error! Marcador no definido.
1.1.	The Group- .....	Error! Marcador no definido.
1.2.	Main events during 2023- .....	Error! Marcador no definido.
2.	OUTLOOK FOR YEAR 2024 .....	Error! Marcador no definido.
3.	RESEARCH AND DEVELOPMENT ACTIVITIES .....	Error! Marcador no definido.
4.	OWN TREASURY SHARES TRANSACTIONS .....	Error! Marcador no definido.
5.	FINANCIAL INSTRUMENTS .....	Error! Marcador no definido.
6.	RISKS AND UNCERTAINTIES .....	Error! Marcador no definido.
7.	AVERAGE PAYMENT PERIOD .....	Error! Marcador no definido.
8.	ENVIRONMENTAL MATTERS .....	Error! Marcador no definido.
Preparation of the Consolidated financial statements and Consolidated Director's report for financial year ended on December 31 <sup>st</sup> , 2023. ....		50

IMPULSE FITNESS SOLUTIONS, S.A AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET AS OF

31 DECEMBER 2024

U: Euros			
ASSETS	Notes to the Consolidated FS	31-Dec-24	31-Dec-23
<b>A) NON-CURRENT ASSETS</b>		<b>5.797.814,22</b>	<b>5.519.686,07</b>
<b>I. Intangible Assets.</b>	<b>6</b>	<b>5.527.152,96</b>	<b>5.217.898,15</b>
1. Research and development.		4.402.680,84	4.180.610,64
4. Goodwill on consolidation.		1.124.472,12	1.037.287,51
<b>II. Property, plant and equipment.</b>	<b>7</b>	<b>119.256,61</b>	<b>149.825,12</b>
2. Other Plant and equipment.		119.256,61	149.825,12
<b>V. Long-term financial assets.</b>	<b>9</b>	<b>11.946,62</b>	<b>12.504,76</b>
5. Other financial assets.		11.946,62	12.504,76
<b>VI. Activos por impuesto diferido.</b>	<b>13</b>	<b>139.458,04</b>	<b>139.458,04</b>
<b>B) CURRENT ASSETS</b>		<b>370.580,22</b>	<b>388.832,55</b>
<b>II. Inventories.</b>	<b>9</b>	<b>167.994,27</b>	<b>176.426,92</b>
1. Commercial.		77.499,03	82.130,20
6. Advances to suppliers.		90.495,24	94.296,72
<b>III. Trade and other receivables.</b>		<b>119.389,13</b>	<b>116.529,74</b>
<b>A. Trade receivables.</b>	<b>9</b>	<b>17.640,14</b>	<b>4.652,87</b>
1. Trade receivables for sales and services.		17.640,14	4.652,87
<b>B. Other receivables and debtors.</b>		<b>101.748,99</b>	<b>111.876,87</b>
3. Other receivables.	<b>9</b>	<b>2.701,80</b>	<b>3.112,51</b>
6. Other assets with public authorities.	<b>13</b>	<b>99.047,19</b>	<b>108.764,37</b>
<b>V. Short-term investments.</b>	<b>9</b>	<b>0,00</b>	<b>0,00</b>
5. Otros activos financieros		0,00	0,00
<b>VII. Cash and cash equivalents.</b>	<b>10</b>	<b>83.196,83</b>	<b>95.875,88</b>
1. Cash.		83.196,83	95.875,88
<b>TOTAL ASSETS (A+B)</b>		<b>6.168.394,45</b>	<b>5.908.518,62</b>

Accompanying Notes 1 to 20 are an integral part of these financial statements

**IMPULSE FITNESS SOLUTIONS, S.A AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEET AS OF**

**31 DECEMBER 2024**

U: Euros			
<b>EQUITY AND LIABILITIES</b>	<b>Notes to the Consolidated FS</b>	<b>31-Dec-24</b>	<b>31-Dec-23</b>
<b>A) NET WORTH</b>		<b>3.538.100,48</b>	<b>3.378.280,71</b>
<b>A-I) Shareholders' Equity.</b>	<b>12</b>	<b>3.129.291,68</b>	<b>3.202.942,05</b>
I. Share Capital.		3.565.813,87	3.565.813,87
1. Stated Capital.		3.565.813,87	3.565.813,87
III. Reserves.		842.809,67	842.809,67
2. Other Reserves.		842.809,67	842.809,67
IV. (Own treasury shares).		(911.339,10)	(911.339,10)
V. Prior years' earnings/(losses).		(294.342,39)	(20.757,81)
2. (Consolidated Prior years' losses).		(294.342,39)	(20.757,81)
VII. Profit/(Loss) of the year attributed to the Parent Company.		(73.650,37)	(273.584,58)
<b>A-II) Adjustments for changes in value.</b>		<b>408.808,80</b>	<b>175.338,66</b>
I. Forex Gain/(losses) on consolidation.		408.808,80	175.338,66
<b>B) NON-CURRENT LIABILITIES</b>		<b>2.121.803,40</b>	<b>2.012.674,15</b>
III. Long-term debt with group companies and associates.	<b>11,16</b>	<b>2.121.803,40</b>	<b>2.012.674,15</b>
<b>C) CURRENT LIABILITIES</b>		<b>508.490,57</b>	<b>517.563,75</b>
III. Short-term debt.	<b>11</b>	<b>300.662,99</b>	<b>289.232,78</b>
2. Debt with banks and other credit institutions.		7.554,17	10.444,97
5. Other financial liabilities		293.108,82	278.787,81
V. Trade and other payables.		<b>207.827,58</b>	<b>228.330,98</b>
1. Suppliers.	<b>11</b>	<b>112.026,36</b>	<b>120.287,25</b>
4. Staff (remuneration payables).	<b>11</b>	<b>2.642,43</b>	<b>2.088,60</b>
6. Other liabilities with public authorities.	<b>13</b>	<b>93.158,79</b>	<b>105.955,13</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>6.168.394,45</b>	<b>5.908.518,61</b>

**Accompanying Notes 1 to 20 are an integral part of these financial statements**

**IMPULSE FITNESS SOLUTIONS, S.A AND SUBSIDIARIES**  
**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON**

**31 DECEMBER 2024**

31 DECEMBER 2024				U: Euros
	Notes to the Consolidated FS	(Debit) / Credit		
		31-Dec-24	31-Dec-23	
<b>A) CONTINUING OPERATIONS</b>				
1. Net turnover.	14	299.130,28	372.909,36	
a) Ventas.		0,00	44.108,16	
b) Services rendered.		299.130,28	328.801,20	
4. Procurements.		0,00	(33.950,54)	
a) Goods consumed.		0,00	(33.950,54)	
6. Personnel expenses.	14	(177.555,21)	(304.838,67)	
a) Wages, salaries and the like.		(177.555,21)	(261.149,34)	
b) Payroll tax and benefits.		0,00	(43.689,34)	
7. Other operating expenses.	14	(171.450,16)	(243.518,92)	
a) External services.		(171.450,16)	(243.344,29)	
b) Taxes other than income tax.		0,00	(174,62)	
8. Amortization of fixed assets.	6,7	(23.328,62)	(32.481,30)	
12. Other results		0,00	(64.372,26)	
<b>A.1) Profit/(Loss) from operations (1+2+3-4+5-6-7-8+9+10-11+12)</b>		<b>(73.203,71)</b>	<b>(306.252,33)</b>	
14. Financial expenses.		(446,66)	(5.830,70)	
b) From third parties.		(446,66)	(5.830,70)	
<b>A.2) Net financial Income/(expenses) (13-14+15+16+17).</b>		<b>(446,66)</b>	<b>(5.830,70)</b>	
<b>A.3) Profit/(Loss) before taxes (A.1+A.2).</b>		<b>(73.650,37)</b>	<b>(312.083,03)</b>	
18. Income tax.	13	0,00	38.498,45	
<b>A.4) Net Profit/(loss) for the year from continuing operations (A.3-18).</b>		<b>(73.650,37)</b>	<b>(273.584,58)</b>	
<b>A.5) Net Profit/(loss) for the year (A.4+19)</b>		<b>(73.650,37)</b>	<b>(273.584,58)</b>	
<b>Profit/(Loss) for the year attributable to the Parent Company</b>		<b>(73.650,37)</b>	<b>(273.584,58)</b>	

Accompanying Notes 1 to 20 are an integral part of these financial statements

**IMPULSE FITNESS SOLUTIONS, S.A AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**A) CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE YEAR ENDED ON**  
**31 DECEMBER 2024**

U: Euros			
	Notes to the consolidated FS	(Debit) / Credit	
		31-Dec-24	31-Dec-23
<b>A) Profit/(loss) for the year.</b>		<b>(73.650,37)</b>	<b>(273.584,58)</b>
<b>B) Arising from revaluation of financial instruments.</b>			
<b>I. Valuation on assets and liabilities</b>		<b>408.808,80</b>	<b>175.338,66</b>
1. Income/(expenses) from financial assets available for sale.		0,00	0,00
2. FX Gain/(loss) on consolidation.		408.808,80	175.338,66
<b>II. Arising from cash flow hedges.</b>		<b>0,00</b>	<b>0,00</b>
<b>III. Grants, donations, or gifts and legacies received.</b>		<b>0,00</b>	<b>0,00</b>
<b>IV. Actuarial gains or losses and other adjustments.</b>		<b>0,00</b>	<b>0,00</b>
<b>V. Tax Effect.</b>		<b>0,00</b>	<b>0,00</b>
<b>Total income and expense recognised directly in equity (I+II+III+IV+V).</b>		<b>408.808,80</b>	<b>175.338,66</b>
<b>C) Income statement balance transfer.</b>			
<b>VI. Valuations of assets and liabilities</b>		<b>0,00</b>	<b>0,00</b>
1. Available for sale financial assets.		0,00	0,00
2. Other income/(expenses).		0,00	0,00
<b>VII. Arising from cash flow hedges</b>		<b>0,00</b>	<b>0,00</b>
<b>VIII. Grants, donations and legacies.</b>		<b>0,00</b>	<b>0,00</b>
<b>IX. Tax Effect.</b>		<b>0,00</b>	<b>0,00</b>
<b>Total transfers to Profit and loss statement (VI+VII+VIII+IX).</b>		<b>0,00</b>	<b>0,00</b>
<b>Total recognised income and expenses (A+B+C).</b>		<b>335.158,43</b>	<b>(98.245,92)</b>

Accompanying Notes 1 to 20 are an integral part of these financial statements

**IMPULSE FITNESS SOLUTIONS, S.A AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

U: Euros										
	Capital		Share/issue premium	Reserves	(Own treasury shares)	Prior years' Profit/(Loss)	Profit/(loss) for the year attributed to Parent Co.	Forex Gain/(Loss) on consolidation	Grants, donations and legacies received	Total
	Registered	Uncalled								
<b>A. Ending balance 2022</b>	<b>3.565.813,87</b>	<b>0,00</b>	<b>0,00</b>	<b>795.603,67</b>	<b>(918.143,10)</b>	<b>(33.625,37)</b>	<b>12.867,56</b>	<b>223.112,92</b>	<b>0,00</b>	<b>3.645.629,55</b>
I. Adjustments for changes in criteria										0,00
II. Adjustments for errors.										0,00
<b>B. Adjusted balance, at the beginning 2023</b>	<b>3.565.813,87</b>	<b>0,00</b>	<b>0,00</b>	<b>795.603,67</b>	<b>(918.143,10)</b>	<b>(33.625,37)</b>	<b>12.867,56</b>	<b>223.112,92</b>	<b>0,00</b>	<b>3.645.629,55</b>
<b>I. Total recognised income and expenses.</b>							(273.584,58)	175.338,66		(98.245,92)
<b>II. Transactions with Shareholders and owners.</b>	0,00	0,00	0,00	47.206,00	6.804,00	0,00	0,00	0,00	0,00	54.010,00
1. Capital increases.										0,00
2. (-) Capital reductions.										0,00
3. Conversion of financial liabilities into equity (conversion of debentures, forgiveness of debt).										0,00
4. (-) Dividends paid.				47.206,00	6.804,00					54.010,00
5. Treasury shares transactions (net).										0,00
6. Equity increase/(reduction) resulting from a business combination.										0,00
7. Other transactions with shareholders and owners										0,00
<b>III. Other changes in equity.</b>						12.867,56	(12.867,56)	(223.112,92)		(223.112,92)
<b>C. Ending Balance 2023</b>	<b>3.565.813,87</b>	<b>0,00</b>	<b>0,00</b>	<b>842.809,67</b>	<b>(911.339,10)</b>	<b>(20.757,81)</b>	<b>(273.584,58)</b>	<b>175.338,66</b>	<b>0,00</b>	<b>3.378.280,71</b>
I. Adjustments for changes in criteria.										0,00
II. Adjustments for errors.										0,00
<b>D. Adjusted balance, at the beginning 2024</b>	<b>3.565.813,87</b>	<b>0,00</b>	<b>0,00</b>	<b>842.809,67</b>	<b>(911.339,10)</b>	<b>(20.757,81)</b>	<b>(273.584,58)</b>	<b>175.338,66</b>	<b>0,00</b>	<b>3.378.280,71</b>
<b>I. Total recognised income and expenses.</b>							(73.650,37)	408.808,80		335.158,43
<b>II. Transactions with Shareholders and owners.</b>	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
1. Capital increases.										0,00
2. (-) Capital reductions.										0,00
3. Conversion of financial liabilities into equity (conversion of debentures, forgiveness of debt).										0,00
4. (-) Dividends paid.										0,00
5. Treasury shares transactions (net).				0,00	0,00					0,00
6. Equity increase/(reduction) resulting from a business combination.										0,00
7. Other transactions with shareholders and owners										0,00
<b>III. Other changes in equity.</b>						(273.584,58)	273.584,58	(175.338,66)		(175.338,66)
<b>E. Ending Balance 2024</b>	<b>3.565.813,87</b>	<b>0,00</b>	<b>0,00</b>	<b>842.809,67</b>	<b>(911.339,10)</b>	<b>(294.342,39)</b>	<b>(73.650,37)</b>	<b>408.808,80</b>	<b>0,00</b>	<b>3.538.100,48</b>

Accompanying Notes 1 to 20 are an integral part of these financial statements

**IMPULSE FITNESS SOLUTIONS, S.A AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDEN ON**

**31 DECEMBER 2024**

U: Euros			
	Notes to Consolidated FS	31-Dec-24	31-Dec-23
<b>A) Cash flows from operating activities</b>			
1. Profit/(loss) for the year before tax.		(73.650,37)	(312.083,03)
2. Adjustments to profit/(loss).		23.775,27	38.312,00
a) Amortization of fixed assets (+)	6,7	23.328,62	32.481,30
h) Financial expenses (+)		446,66	5.830,70
3. Changes in working capital		(14.930,13)	126.766,78
a) Inventories (+/-)		8.432,65	(9.556,14)
b) Trade and other receivables (+/-)		(2.859,38)	7.550,18
d) Trade and other payables (+/-)		(20.503,40)	128.772,74
4. Other cash-flows from operating activities.		(446,66)	(5.830,70)
a) Interests paid (-)		(446,66)	(5.830,70)
5. Cash flows from operating activities (+/-1 +/-2 +/-3 +/-4)		(65.251,89)	(152.834,95)
<b>B) Cash flows from investment activities</b>			
6. Payments for investments (-)		(308.696,66)	(1.781.142,97)
b) Intangible assets.	6	(309.254,80)	(1.780.602,32)
e) Other financial assets.		558,14	(540,66)
7. Proceeds from disposals (+)		7.239,89	74.316,75
c) Tangible fixed assets.	7	7.239,89	74.316,75
8. Cash flows from investment activities(7-6)		(301.456,77)	(1.706.826,22)
<b>C) Cash flows from financing activities.</b>			
9. Proceeds and payments relating to equity.		0,00	54.010,00
d) Disposals of own equity instruments (+)	12	0,00	54.010,00
10. Proceeds and payments relating to financial liabilities.		120.559,46	1.845.958,48
a) Issuance.		120.559,46	1.845.958,48
2. Debt with credit institutes (+).		(2.890,80)	3.230,82
3. Debt with group companies and associates (+).	16	109.129,25	1.849.538,93
4. Other Debt (+).		14.321,01	(6.811,28)
12. Cash flows from financing activities (+/-9 +/-10-11)		120.559,46	1.899.968,48
D) Effect of foreign exchange rates changes		233.470,14	(47.774,26)
E) Net increase/(decrease) in cash or cash equivalents (+/-A +/-B +/-C +/-D)		(12.679,05)	(7.466,95)
Cash or cash equivalents at the beginning of the year.		95.875,88	103.342,84
Cash or cash equivalents at the end of the year.	10	83.196,83	95.875,88

Accompanying Notes 1 to 20 are an integral part of these financial statements



## IMPULSE FITNESS SOLUTIONS, S.A AND SUBSIDIARIES

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED ON DECEMBER 31<sup>ST</sup>, 2024

#### 1. PARENT COMPANY

IMPULSE FITNESS SOLUTIONS, S.A. (hereinafter also referred to as “the Parent Company” or “Impulse”) was indefinitely incorporated as a Public Limited Company in A Coruña, Spain, on 15 February 2021. It has its registered office in 15004 A Coruña, Spain, at Juan Florez street, number 8, 1<sup>st</sup> Floor, and duly registered with the Commercial Registry of A Coruña, under volume 3,742, page 163, sheet C-60,423.

The company purpose -according to Article 2 of its bylaws- is, among others: *The development and commercialization of equipment and machinery for conditioning and/or physical training and electro stimulation, through face-to-face and/or online programs, as well as the commercialization of auxiliary elements, such as textiles, food supplements, vitamins and any other analogue; The organization, development and implementation of franchise networks throughout the national territory and through international outsourcing as a franchisor, including through a network of master franchisers and franchisees in establishments and other forms of implementation, as well as the establishment of cooperation systems business-to- business, being able to assign company rights, signature, brand or similar business collaboration systems; the activities of the holding companies, being able to establish or participate, as partner or shareholder, in other companies, including associations and civil companies, by subscription or acquisition and holding of shares or participations, without invading the activities of institutions, investment companies, securities companies or agencies or other entities governed by special laws, as well as establishing objectives, strategies and priorities, coordinating the activities of the subsidiaries, defining financial objectives, controlling financial behavior and efficiency and, in general, carrying out the direction, management and control of them.*

On 30 April 2021, the extraordinary and Universal General Shareholders' Meeting of the Parent Company resolved to list all of the shares representing the Company's share capital on the Euronext Access Multilateral Trading Market, on Paris Stock Exchange, by "Direct Listing" method. The Company began trading on 15 July 2021.

The Parent Company is the head of an international group of companies with similar corporate objects and sectors of activity (hereinafter also referred to as "the Group"), in accordance with articles 42 and 43 of the Spanish Commercial Code (*"Código de Comercio"*). Consequently, the consolidated financial statements for year 2021 were the first consolidated financial statements that was carried out after the admission to the Market and the scope of consolidation is as detailed in note 2 below and the recording and valuation principles and rules are contained in note 5 of these Notes to the Consolidated Financial Statements.

The functional currency with which the Group operates is the Euro, and the figures included in these Consolidated financial statements are expressed in euros, unless otherwise indicated.

## 2. STRUCTURE OF THE GROUP CONSOLIDATED

### 2.1. Subsidiaries-

Below is the breakdown of the Subsidiaries included in the scope of consolidation as of 31 December 2024, as well as in 2023.

Company	Activity	Registered Address	Owner	Cost of ownership (euros)	% Ownership p.	Date of first consolidation
Impulse Fitness Solutions, S.L.	Holding	A Coruña, Spain	Parent Company	-	-	
Impulse MBU Fitness CORP	Franchising and Sport fitness EMS	Miami, USA	Impulse Fitness Solutions, SA	1,025,000	100.00%	Jan-21
Impulse Franchise Holdings LLC	Franchising	Miami, USA	Impulse Fitness Solutions, SA	-	100.00%	Jan-21
Impulse Florida Body Fitness LLC	Sport fitness through EMS technology	Miami, USA	ImpulseMBU Fitness CORP	-	100.00%	Jan-21
Impulse Body Fitness SA de CV	Sport fitness through EMS technology	Monterrey, Mexico	ImpulseMBU Fitness CORP	-	100.00%	Jan-21
Operadora Impulse GDM S de RL de CV	Sport fitness through EMS technology	Monterrey, México	Impulse Body Fitness SA de CV	-	100.00%	Jan-21
Impulse Body Fitness, S.L.	Sport fitness through EMS technology	Valencia, Spain	Impulse Fitness Solutions, SA	3,000	100.00%	Jan-21

As of 31 December 2024, and 2023, the Group, did not hold any share capital of companies that could be considered -in accordance with general accepted applicable accounting regulations- by associates or jointly controlled entities.

## 3. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 3.1. Regulatory financial reporting framework applicable to the Group-

These Consolidated financial statements were prepared by the Parent Company's Board of Directors, in accordance with the regulatory financial reporting framework applicable to the Group, which consists of:

- The Spanish Commercial Code (*"Código de Comercio"*) and remaining commercial legislation,

- International Financial Reporting Standards (IFRSs) as implemented by the European Union pursuant to Regulation (EC) No 1606/2002 of the European Parliament and Spanish Law 62/2003, of 31 December, on tax, administrative and social security measures, and the applicable rules and circulars of the Spanish National Securities Market Commission (CNMV), as well as
- The rest of accounting standards and provisions in force.

The Group's consolidated financial statements, as well as the financial statements of the Parent Company, for the year 2024, are pending approval by the Parent Company's General Shareholders' Meeting, and it is considered that they will be approved without any changes. The Group's consolidated financial statements for the year 2023 were approved by the Parent Company's General Shareholders' Meeting on 30 September 2024.

### ***Adoption of International Financial Reporting Standards (IFRSs)***

#### New mandatory rules, amendments, and interpretations for 2024

During 2024, the European Union adopted accounting rules applicable on 1 January 2024 and other previously adopted accounting rules have begun to be applied:

<b>Standards issued by the IASB adopted by the European Union</b>		<b>Application for periods beginning on or after:</b>
IAS 1 (amendment) - "Classifications of liabilities as current or non-current"	Clarifications regarding the classification of liabilities into current or non-current.	1 January 2024
IFRS 16 (amendment) "Leasing liabilities on a sale with subsequent leaseback"	This amendment clarifies the subsequent accounting for lease liabilities arising in subsequent sale and leaseback transactions.	
IAS 7 and IFRS 7 (amendment) "Statement of Cash Flows and Financial Instruments".	Extension of disclosures derived from financing agreements with Suppliers.	

Given the nature, scope or prospective nature of the application of these new rules, there has been no significant impact on these Consolidated financial statements for the period.

New mandatory rules, amendments and interpretations which is effective for periods beginning on or after 1 January 2025:

Standards issued by the IASB approved for application by the European Union		Mandatory application for periods beginning on or after:
IAS 21	Effects of foreign currency exchange rate fluctuations: Lack of interchangeability (issued on August 15, 2023)	1 January 2025
IFRS 7, IFRS 9	Modifications to the classification and measurement of financial instruments: modifications to IFRS 9 and IFRS 7 (issued on December 18, 2024)	1 January 2026
IFRS 19	IFRS 19 Subsidiaries without public accountability requirements: Disclosure requirements: Basis for conclusions. (issued on May 9, 2024)	1 January 2027
IFRS 18	IFRS 18 Presentation and disclosure in financial statements: Basis for conclusions (issued on April 9, 2024)	1 January 2027
IFRS 10, IFRS 9, IFRS 1, IAS 7, IFRS 7	Annual Improvements to IFRS Accounting Standards—Volume 11 (issued on July 18, 2024)	1 January 2027

### 3.2. True and fair presentation-

These consolidated financial statements for the year ended on 31 December 2024 were prepared by the Parent Company's Board of Directors, and were obtained from the accounting records of Impulse Fitness Solutions, S.A and subsidiaries, and presented in accordance with the regulatory financial reporting framework applicable and, in particular, the accounting principles and criteria contained therein, so that they present fairly the net worth, financial position and results as well as cash flows of the corresponding year, and it is considered that they will approve by the Shareholders' general meeting without any amendments.

There are no exceptional reasons why no accounting legislation was applied to provide a true and fair presentation.

### 3.3. Non-mandatory accounting principles applied-

The accounting principles and criteria applied to prepare these consolidated financial statements are the those summarized in Note 5 of these Notes to the consolidated financial statements. No non-mandatory accounting principles were applied.

Furthermore, the Parent Company's Board of Directors prepared theses consolidated financial statements by taking into all the mandatory accounting principles and standards with a significant effect on these consolidated financial statements. All mandatory accounting principles were applied.

#### **3.4. Going concern principle-**

These consolidated financial statements were prepared by the Parent Company's Board of Directors on the assumption of going concern principle, which implies that the Group's debts will be settled in the maturities, amounts and deadlines agreed with third parties, and the assets will be realized, in the normal course of transactions.

#### **3.5. Key issues in relation to the assessment and estimation of uncertainty-**

In preparing these consolidated financial statements, estimations made by the Parent Company's Board of Directors in order to measure certain assets, liabilities, income expenses and commitments recognized therein were used. These estimates relate basically to the following:

- Useful life and recoverability of intangible assets (note 5.7)
- Reasonableness and recovery of deferred tax and tax deductions recognized as deferred tax assets (note 5.13)

Although these estimates were made on the basis of the best information available at year-end on 31 December 2024 and later events, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively in the corresponding consolidated income statements.

In preparing the accompanying consolidated financial statements the Group made certain estimates and judgements concerning the future that are constantly assessed and are based on experience and other factors, including expectations regarding future events thought reasonable under the circumstances.

#### **3.6. Comparative information-**



These consolidated financial statements present for comparison purposes, with each of the items in the balance sheet, the profit and loss statement, the statement of changes in equity and the statement of cash flows, in addition to the figures for the year 2024, those corresponding to the previous year.

Likewise, these Notes to the consolidated financial statements are presented with information from both years for comparison purposes.

### **3.7. Items included under several line items-**

Certain assets and liabilities in the accompanying consolidated balance sheet are recognized under several line items.

### **3.8. Changes in accounting policies-**

In the year ended on 31 December 2024, there were no significant changes in accounting policies with respect to the policies that were applied in 2023, and therefore no adjustments have been made to the consolidated financial statements for these items in the first consolidation.

### **3.9. Correction of errors-**

The consolidated financial statements for the year ended on 31 December 2024 do not include any adjustments made as a result of errors detected in the process of preparing them.

### **3.10. Materiality-**

In preparing these consolidated financial statements, when determining the information to be broken-down on the various items in the financial statements or other matters, the Group, in accordance with the conceptual framework of the International Financial Reporting Standards (IFRSs) and the International Accounting Standards (IASs), considered their relative importance.

## **4. PROFIT OR LOSS DISTRIBUTION**

The Parent Company's Board of Directors will propose to the Shareholders general meeting the approval of the non-consolidated basis the Parent Company's profit/(loss) for the year ended on 31 December 2024 and this allocation as follows:

<b>Basis of allocation</b>	<b>31-Dec-24</b>	<b>31-Dec-23</b>
P&L Ending Balance	(2.778,03)	(16.363,13)
<b>Total</b>	<b>(2.778,03)</b>	<b>(16.363,13)</b>

<b>Allocation</b>	<b>Balance</b>	<b>Balance</b>
To prior years' losses	(2.778,03)	(16.363,13)
<b>Total</b>	<b>(2.778,03)</b>	<b>(16.363,13)</b>

## 5. RECOGNITION AND VALUATION STANDARDS

The main recognition and valuation standards used by the Group in preparing these consolidated financial statements, in accordance with established in the International Financial Reporting Standards (IFRSs) as implemented by the European Union pursuant to Regulation (EC) No 1606/2002 of the European Parliament and Spanish Law 62/2003, of 31 December, on tax, administrative and social security measures, and the applicable rules and circulars of the Spanish National Securities Market Commission (CNMV), were as follows:

### 5.1. Consolidation Method-

The consolidation method for the subsidiaries included in the scope of consolidation as of 31 December 2024 as well as in 2023 (note 2) is the full consolidation method, since the Parent Company has direct control over the subsidiaries of more than 50% of the capital stock or voting rights.

The full consolidation method consists of integrating the assets and liabilities, as well as incomes and expenses of the subsidiary company, from the effective date of integration, at the fair values of their respective financial statements, attributing to non-controlling interests the corresponding portion of the net worth of the consolidated company.

### 5.2. Homogenization of information-

#### Temporary-

The consolidated financial statements of the companies comprising the consolidated Group refer to the annual year -or those months included in the scope- ending 31 December.

#### Assessment-

All the assets and liabilities, as well as the income and expenses of the Subsidiaries included in the scope of consolidation apply the valuation rules indicated in these notes to the consolidated financial statements, for the purpose of their integration into the Consolidated Financial

Statements, making the necessary adjustments and reclassifications to homogenize the principles and valuation rules used by a Subsidiary with those applied by the Parent Company in the consolidation process.

### 5.3. Goodwill / Negative difference on first consolidation-

The Goodwill or the negative difference of the combination is determined by the difference between the fair values of the assets acquired and liabilities assumed recorded and the cost of the combination, all referred to the acquisition date.

The cost of the combination is determined by the aggregation of:

- The acquisition-date fair values of the assets transferred, liabilities incurred or assumed, and equity instruments issued.
- The fair value of any contingent consideration that depends on future events or the fulfillment of predetermined conditions.

Expenses related to the issuance of equity instruments or financial liabilities delivered in exchange for the items acquired are not part of the cost of the combination. Likewise, fees paid to legal advisors or other professionals involved in the combination and, of course, internally generated expenses for these items do not form part of the cost of the combination. These amounts are charged directly to the consolidated income statement.

If the business combination is carried out in stages, so that prior to the date of acquisition, which is the date on which control is taken, there was a previous investment, the goodwill or negative difference is obtained by the difference between:

- The cost of the business combination, plus the fair value at the acquisition date of any previous interest of the acquiring company in the acquired company, and
- The value of the identifiable assets acquired less the value of those assumed, determined as indicated above.

Any gain or loss arising as a result of the measurement at fair value at the date on which control is obtained over the previous existing interest in the acquiree is recognized in the income statement. If the investment in this investee had previously been valued at fair value, the valuation adjustments pending to be charged to income for the year will be transferred to the income statement. On the other hand, the cost of the business combination is presumed to be the best reference for estimating the fair value at the acquisition date of any previous investment.

Therefore, goodwill on consolidation is recorded at the amount of the positive difference between the book value of the Parent Company's direct or indirect shareholding in the capital of the subsidiary or associate and the value of the proportional part of the equity of this company attributable to that shareholding at the date of first consolidation.

The positive difference is reduced by the amount of asset revaluations or reductions in the value of the subsidiary's liabilities, up to the limit of the market value, in the proportion that the shareholding in the subsidiary's capital corresponds to that amount.

Goodwill is not amortized and is subsequently valued at cost less impairment losses. Impairment losses recognized in goodwill are not reversed in subsequent years.

The negative difference in consolidation is recorded for the amount of the negative difference between the book value of the Parent Company's direct or indirect shareholding in the capital of the subsidiary or associate and the value of the proportional part of the latter's equity attributable to that shareholding at the date of first consolidation. This difference is recorded as income for the year in the consolidated income statement.

#### **5.4. Non-controlling interests-**

Minority interests in subsidiaries are recognized at the percentage of equity interest at the date of first consolidation. Non-controlling interests are presented in equity in the accompanying consolidated balance sheet separately from equity attributable to the Parent Company. The share of minority interests in the profit or loss for the year is also presented separately in the consolidated income statement.

The share of the Group and minority interests in the profits or losses and in the changes in equity of the Subsidiaries, after considering the adjustments and eliminations arising from homogenization and consolidation, is determined on the basis of the percentages of ownership existing at year-end, without considering the possible exercise or conversion of potential voting rights.

The results and income and expenses recognized in the equity of subsidiaries are allocated to the equity attributable to the Parent Company and to minority interests, in proportion to their shareholdings, even if this implies a balance due to minority interests. Agreements entered between the Group and minority interests are recognized as a separate transaction.

#### **5.5. Balance and transactions between Companies included in scope of consolidation-**

As part of consolidation process, all material income and expenses derived from transactions between companies included in the scope of consolidation by full consolidation method were eliminated, as well as debit and credit balances existing between them.

When in the annual financial statements of the Subsidiaries, the amounts of the items derived from internal transactions do not coincide, or there is any item pending to be recorded, the appropriate adjustments are made to make the corresponding eliminations.

#### **5.6. Foreign Companies included in the scope of consolidation-**

The items in the balance sheet and income statements of foreign subsidiaries included in the scope of consolidation whose functional currency is different from the euro have been converted into euros, applying the closing exchange rate method to the balance sheet and the average exchange rate method to the income statement. In this way:

- Assets and liabilities are converted at the closing exchange rate, understood as the last spot exchange rate existing on the last day of the foreign exchange market.
- Equity items and net worth, not including profit or loss for the year, are translated at historical exchange rates.
- The items in its profit and loss statement are converted at the average exchange rate for the year.
- The difference between the net amount of assets and liabilities and equity items are included under a specific heading of consolidated equity, called "Adjustments for change in value-Forex Gain/(loss) on consolidation", where appropriate, net of the income tax effect, and after deducting the part of said difference that corresponds to non-controlling interests.

#### **5.7. Intangible assets-**

As a general rule, intangible assets are recognised initially at acquisition or production cost. They are subsequently measured at cost less any accumulated amortization and any accumulated impairment losses.

The acquisition cost includes, in addition to the amount billed by the seller, all additional expenses that are incurred until the assets are ready for their intended use.

Each intangible asset is analysed to determine whether it has a finite or an indefinite useful life. Assets with a finite useful life are amortized systematically according to the estimated useful life



of the assets and their residual value. The amortization methods and periods applied are reviewed at the end of each year and, if necessary, adjusted prospectively. At least once, at each reporting date, the Company assesses whether there is any indication of impairment, in which case the recoverable amounts are estimated, and the required valuation adjustments are made.

When the useful life of these assets cannot be reliably defined, they are depreciated within 10 years without prejudice to the deadlines established in the specific rules on intangible assets on an individual basis.

The amortization methods and periods applied are reviewed at the end of each reporting period and, if necessary, adjusted prospectively.

At least, at each year-end, the existence of indications of impairment is assessed, which is calculated in accordance with the criteria set forth for property, plant and equipment in the following section.

#### 5.8. Tangible fixed assets-

Tangible fixed assets are initially recognised at acquisition or production cost and are subsequently reduced by the related accumulated depreciation and by any impairment losses recognised. The cost includes indirect taxes that cannot be recovered and, if any, the initial estimate of the present value of the obligations assumed arising from the dismantling or withdrawal and other obligations associated with the asset, such as the costs for the rehabilitation of the site on which it is located, provided that these obligations result in the registration of provisions.

The acquisition cost includes, in addition to the amount billed by the seller after deducting any discounts or rebates, all additional and directly related expenses that arise until the assets are ready for their intended use, including the location and condition necessary for it to be capable of operating in the manner intended. These expenses include demolition and levelling expenses, customs duties, transport, insurance, installation, assembly and similar expenses.

Tangible fixed assets upkeep and maintenance expenses are recognised in the income statement for the year in which they are incurred. However, the costs of improvements leading to increased capacity or efficiency or to a lengthening of the useful lives of the assets are capitalized.

The Group depreciates fixed assets on a straight-line basis, based on the years of estimated useful life of each item of its fixed assets. The breakdown of the years of estimated useful life applied in the year ended 31 December 2024 and 2023 is as follows:

	<u>Years of estimated useful life</u>
Build-out and improvements	10
Plant and machinery	9-12
Other fixtures and furniture	10
Hardware	4-6
Other items of plant, property and equipment	9-12

When an item in a given asset has a significant cost in relation to the total cost of the asset and a useful life other than the rest of the asset, the various items that form the asset are independently depreciated.

Any changes in the residual value, the useful life and the depreciation method applied to an asset are recognised as changes in the accounting estimates, unless they constitute an error.

When an impairment loss is recognised in accordance with the following paragraph, depreciation is recalculated based on the new carrying amount, residual value and remaining useful life.

For assets that necessarily take a period of more than twelve months to become ready for their intended use, the capitalised costs include such borrowing costs as might have been incurred before the property is ready for its intended use and that have been charged by the supplier or relate to loans or other specific-purpose or general-purpose borrowings directly attributable to the acquisition or production of the property.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated income statement.

#### **5.9. Impairment of tangible and intangible fixed assets-**

At year-end or whenever there are indications of impairment (for the other assets), the Company tests the investment property for impairment to determine whether the recoverable amount of the assets has been reduced to below their carrying amount.

The recoverable amount is the higher of fair value less costs to sell and value in use.

The recoverable amounts are calculated for each cash-generating unit, although in the case of property, plant and equipment, wherever possible, the impairment tests are performed individually for each asset.

In the year ended 31 December 2024 and 2023, the Group did not recognise any impairment losses on its assets.

#### 5.10. Leases-

A lease is any agreement, regardless of its legal instrument, whereby the lessor transfers to the lessee, in exchange for receiving a single sum of money or a series of payments or fees, the right to use an asset for a certain period of time, regardless of whether the lessor is required to provide services in relation to the operation or maintenance of this asset.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

All risks and benefits are presumed to be transferred when:

- The purchase option exists in the agreement and there is no doubt that it will be exercised.
- The ownership of the asset is transferred at the end of the lease term.
- The lease term coincides with most of the asset's economic life.

#### Finance lease-

In finance leases, the cost of the leased assets is presented in the consolidated balance sheet, based on the nature of the leased asset, and, simultaneously, a liability is recognised for the same amount. This amount will be the lower of the fair value of the leased asset and the present value, at the inception of the lease, of the agreed minimum lease payments, including the price of the purchase option when it is reasonably certain that it will be exercised. The minimum lease payments do not include contingent rent, costs for services and taxes to be paid by and reimbursed to the lessor. The total finance charges arising under the lease are allocated to the consolidated income statement for the year in which they are incurred using the effective interest method. Contingent rent is recognised as an expense for the period in which it is incurred.

The initial direct transaction costs are recognised as an increase in the value of the asset.

The embedded interest rate of the agreement is used to calculate the present value. The total of the finance charges are distributed over the term of the lease, and they are recognised in the income statement for the fiscal year in which they are accrued, applying the effective interest rate.

Leased assets are depreciated, based on their nature, using similar criteria to those applied to the items of property, plant and equipment that are owned.

There are no transactions in the accompanying balance sheets that are regarded as such in 2024, neither in 2023.

### **Operating Lease-**

Asset leases in which the lessor effectively retains all risks and rewards of ownership are classified as operating leases.

If the Company acts as the lessor, income and costs arising under operating leases are allocated to the consolidated income statement for the year in which they are incurred.

Also, the acquisition cost of the leased asset is presented in the consolidated balance sheet according to the nature of the asset, increased by the costs directly attributable to the lease, which are recognised as an expense over the lease term, applying the same method as that used to recognise lease income.

In operating leases in which the Company acts as the lessee, costs arising under operating leases are allocated to the income statement for the year in which they are incurred.

A payment made on entering into or acquiring a leasehold that is accounted for as an operating lease represents prepaid lease payments that are amortised over the lease term in accordance with the pattern of benefits provided.

### **5.11. Financial instruments-**

A "financial instrument" is a contract which gives rise to a financial asset in an entity and, simultaneously, to a financial liability or equity instrument in another entity.

A "financial derivative" is a financial instrument whose value changes as a response to the changes in an observable market variable (such as an interest rate, exchange rate, etc.), whose initial investment is very small in relation to other financial instruments with a similar response to the changes in market conditions, and which is generally settled on a future date.

### **Financial assets-**

A financial asset is any asset that is cash, an equity instrument of another company, or entails a contractual right to receive cash or other financial asset, or to exchange financial assets or liabilities with third parties on potentially favourable terms.

For the purpose of reporting in the notes to the financial statements, financial assets are grouped into the following classes:

- Equity Instruments.
- Loans, derivatives and others.

For measurement purposes, they are classified into one of the following categories:

- a) Financial assets at fair value with changes in profit or loss.
- b) Financial assets at amortized cost.
- c) Financial assets at fair value with changes in net worth.
- d) Financial Assets at cost.

The financial assets which the Group holds are classified as follows:

- i. Financial assets at fair value with changes in profit or loss: the Group classifies a financial asset in this category unless it should be classified in one of the other categories.

In any case, financial assets held for trading are included in this category. The Group considers that an asset is held for trading when at least one of the following three circumstances is met:

- a) It arises or is acquired with the purpose of selling it in the short-term.
- b) It is part, at the time of initial recognition, of a portfolio of identified financial instruments that are managed together and for which there is evidence of recent actions to obtain short-term gains.
- c) Is a derivative financial instrument, provided that it is neither a financial guarantee contract nor has been designated as a hedging instrument.

In addition to the above, the Group has the option, at initial recognition, to designate an asset irrevocably as measured at fair value through profit or loss, and which would otherwise have been included in another category -usually referred to as a "fair value option"-. This option may be elected if it eliminates or significantly reduces a value inconsistency or accounting asymmetry that would otherwise arise from valuing assets or liabilities on different bases.

Financial assets classified in this category are initially measured at fair value which, in the absence of evidence to the contrary, is assumed to be the transaction price, which is equivalent to the fair value of the consideration given. Directly attributable transaction costs are recognized in the income statement for the year -i.e., they are not capitalized-.



These financial assets are included in non-current assets, except for those maturing within 12 months from the balance sheet date, which are classified as current assets.

Subsequent to initial recognition, the Group values the financial assets included in this category at fair value through profit or loss -financial result-.

Impairment is assessed at least at year-end and whenever there is objective evidence that the value of an asset is impaired as a result of one or more events that occurred after its initial recognition and that cause a reduction or delay in the estimated future cash flows, which may be caused by the debtor's insolvency.

The impairment loss on these financial assets is the difference between their carrying amount and the present value of future cash flows estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition. For floating rate financial assets, the effective interest rate at the date of the consolidated financial statements is used in accordance with the contractual conditions.

However, as a substitute for the present value of future cash flows, the market value of the instrument is used, provided that it is sufficiently reliable to be considered representative of the value that could be recovered by the company.

Impairment losses and their reversal are recognized in the income statement. The reversal of the impairment is limited to the carrying amount of the receivable that would have been recognized at the date of reversal if the impairment had not been recorded.

- ii. Financial assets at amortized cost: the Group classifies a financial asset in this category, even if it is admitted to trading on a regulated market, if the following conditions are met:
  - a) The Group holds the investment under a management model whose objective is to receive the cash flows derived from the execution of the contract.
  - b) The management of a portfolio of financial assets to obtain its contractual cash flows does not imply that all the instruments must necessarily be held to maturity; financial assets may be considered to be managed for this purpose even if sales have taken place or are expected to take place in the future. For this purpose, the Group considers the frequency, amount, and timing of sales in prior periods, the reasons for those sales and expectations regarding future sales activity.
  - c) The contractual characteristics of the financial asset give rise, at specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding. That is, the cash flows are inherent to an arrangement that is in the

nature of an ordinary or common loan, notwithstanding that the transaction is arranged at a zero or below-market interest rate.

It is assumed that this condition is met, in the case of a bond or a simple loan with a specific maturity date and for which the Group charges a market interest rate, fixed or variable, and may be subject to limits. Conversely, it is assumed that this condition is not met in the case of instruments convertible into equity instruments of the issuer, loans with an inverse floating interest rate - that is, a rate that has an inverse relationship with market interest rates - or those in which the issuer may defer the payment of interest, if such payment would affect its solvency, without the accrued interest accruing additional interest.

Assets classified in this category, as a general rule, are included in current assets, except for maturities exceeding 12 months from the balance sheet date, which are classified as non-current assets.

Also, as a general rule, trade receivables - "Trade receivables"- and non-trade receivables - "Other receivables and debtors"- are included in this category.

Financial assets classified in this category are initially measured at fair value, which, unless there is evidence to the contrary, is assumed to be the transaction price, which is equivalent to the fair value of the consideration given, plus any directly attributable transaction costs -i.e., the inherent transaction costs are capitalized-.

However, trade receivables maturing within one year and which do not have an explicit contractual interest rate, as well as receivables from personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, are valued at their nominal value when the effect of not discounting the cash flows is not significant.

Subsequent valuation is carried out at amortized cost, provided that the initial valuation was made at fair value. In these cases, accrued interest is recorded in the profit and loss account, applying the effective interest rate method.

In cases where the initial valuation was made at the nominal value of the debt, they continue to be valued at nominal value, without prejudice to any impairment that might have to be recognized.

Impairment is assessed at least at year-end and whenever there is objective evidence that the value of a loan (or a group of loans with similar risk characteristics valued collectively) has deteriorated as a result of one or more events that occurred after its initial recognition and that

cause a reduction or delay in the estimated future cash flows, which may be caused by the debtor's insolvency.

The impairment loss on these financial assets is the difference between their carrying amount and the present value of future cash flows estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition. For floating rate financial assets, the effective interest rate at the date of the consolidated financial statements is used in accordance with the contractual conditions.

Impairment losses and their reversal are recognized in the income statement. The reversal of the impairment is limited to the carrying amount of the receivable that would have been recognized at the date of reversal if no impairment had been recorded.

#### **Investments in group companies, jointly controlled entities, and associates-**

Investments in Group companies, associates and jointly controlled entities are valued at cost, less, if applicable, the accumulated amount of impairment losses, and are classified as financial assets at cost.

At least at year-end, the necessary valuation adjustments must be made whenever there is objective evidence that the carrying amount of an investment will not be recoverable.

The amount of the valuation adjustment shall be the difference between its book value and the recoverable amount, understood as the higher of its fair value less costs to sell and the present value of the future cash flows derived from the investment, calculated either by estimating those expected to be received as a result of the distribution of dividends by the investee and the disposal or derecognition of the investment in the investee, or by estimating its share of the cash flows expected to be generated by the investee, both from its ordinary activities and from its disposal or derecognition. Unless there is better evidence of the recoverable amount of the investments, the estimate of the impairment of this type of assets will take into consideration the equity of the investee, adjusted by the unrealized gains existing at the valuation date, which correspond to identifiable elements in the investee's balance sheet.

Impairment losses and, if applicable, their reversal, are recorded as an expense or income, respectively, in the income statement. The reversal of the impairment will be limited to the carrying amount of the investment that would have been recognized at the date of reversal if the impairment had not been recorded.

#### **Criteria used for determining the income and expenses from the various categories of financial instruments -**

Interest and dividends from financial assets accrued after the date of acquisition are recognised as income in the consolidated income statement. Interest must be recognised using the effective interest method and dividends are recognised when the right to receive them is declared.

For these purposes, unmatured accrued explicit interest as well as the dividends agreed upon by the competent body at the time of acquisition are independently recognised, by maturity, when the financial assets are initially recognised. For these purposes, explicit interest is understood to be that obtained when applying the contractual interest rate of a financial instrument.

In addition, if the dividends distributed clearly originate from profit generated prior to the date of acquisition, as a result of the amounts distributed being greater than the profit generated by the investee since then, they are not recognised as income and the carrying amount of the investment is reduced.

#### Financial liabilities-

Financial liabilities are financial instruments issued, incurred or assumed that, according to their economic reality, represent a direct or indirect contractual obligation for the company to deliver cash or another financial asset, or to exchange financial assets or liabilities with third parties under potentially unfavorable conditions.

Financial liabilities, for valuation purposes, are classified in one of the following categories:

- i. Financial liabilities at amortized cost.
- ii. Financial liabilities at fair value with changes in profit or loss.

The Group only holds financial liabilities classified as "Financial liabilities at amortized cost". The applicable valuation standards are as follows.

The Group classifies all financial liabilities in this category except when they must be measured at fair value through profit or loss.

In general, this category includes trade payables -"suppliers"- and payables for other non-trade transactions -"other payables"-.

Participating loans that have the characteristics of an ordinary or common loan are also included in this category, regardless of whether the transaction is agreed at a zero or below-market interest rate.

These borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Financial liabilities included in this category are initially measured at fair value which, unless there is evidence to the contrary, is deemed to be the transaction price, which is equivalent to the fair value of the consideration received, adjusted for directly attributable transaction costs -i.e., the inherent transaction costs are capitalized-.

Notwithstanding the foregoing, -in most cases- the Group values them at nominal value, provided that the following conditions are met:

- They have a maturity not exceeding one year,
- They do not have a contractual interest rate and
- The effect of not discounting cash flows is not significant.

Subsequent measurement is carried out at amortized cost, provided that the initial valuation was made at fair value. In these cases the accrued interest is recorded in the profit and loss account, applying the effective interest rate method.

In those cases in which the initial valuation was made at the nominal value of the debt, they continue to be valued at nominal value, without prejudice to any impairment that might have to be recognized.

The Group derecognizes financial liabilities when the obligations that gave rise to them are extinguished.

#### **5.12. Current and non-current items-**

Current assets are assets associated with the Group's normal operating cycle, which in general is considered to be one year; other assets that are expected to mature, be disposed of or be realised within twelve months from the end of the reporting period, financial assets held for trading with the exception of financial derivatives that are due to be settled after twelve months, and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Current liabilities also comprise liabilities associated with the Group's normal operating cycle; financial liabilities held for trading, with the exception of derivatives that are due be settled after twelve months; and, in general, any obligations that are due to be settled in the short term. Otherwise, they are classified as non-current liabilities.



### 5.13. Income tax-

Tax income or tax expense comprises current tax income or current tax expense and deferred tax expense or deferred tax income.

The current income tax expense is the amount payable by the Grupo as a result of the sum of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and prepayments, and tax loss carry forwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carry forwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised, or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit/(loss) nor taxable profit/(tax loss).

Deferred tax assets are recognised to the extent that it is considered probable that the Company will have taxable profits in the future against which the deferred tax assets can be utilised.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits.

The Parent Company neither the Group are not subject to the consolidated tax regime.

### 5.14. Revenue and expenses-

The Group's main activity consists of the own operation of boutique fitness studios through EMS technology, as well as franchise fitness studios for third parties. Also, the Group is in process of starting a new activity in the on-line field, through the Impulse 2.0 at home system (note 6).

Revenues and expenses are recognized on an accrual basis, i.e., when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow

arises. Such revenues are measured at the fair value of the consideration received, net of discounts, rebates and taxes.

However, the Group only records realized gains at the year-end date, whereas foreseeable risks and losses, even if contingent, are recognized as soon as they become known.

Revenue from sales of goods and services rendered is measured at the fair value of the consideration received or receivable, which is equal to the agreed price for such goods or services, less the amount of any discounts, rebates or other similar items granted. Also included is the interest included in trade receivables with maturity not exceeding one year and without a contractual interest rate, since the effect of not discounting cash flows is not significant.

Discounts granted to customers are recognized when it is probable that the conditions for granting them will be fulfilled as a reduction of sales revenues.

Taxes levied on the sale of goods and provision of services that the Group must pass on to third parties, such as value added tax and excise taxes, as well as amounts received on behalf of third parties, do not form part of income.

Advances of future sales are recorded at the value received.

#### **Interest income-**

Interest income from financial assets is recognised using the effective interest method. Additionally, interest from financial assets accrued after the date of acquisition is recognised as income in the consolidated income statement.

#### **5.15. Business combinations-**

Business combinations are accounted for in accordance with IFRS 3: Business Combinations and applying the Acquisition Method. This method determines the acquisition date and calculates the cost of the combination, recording the identifiable assets acquired and liabilities assumed at their fair value as of that date.

The goodwill or negative difference of the combination is determined by the difference between the fair values of the assets acquired and liabilities assumed recorded and the cost of the combination, all referred to the acquisition date.

The cost of the combination is determined by the aggregation of:

- The fair values at the acquisition date of the assets transferred, liabilities incurred or assumed, and equity instruments issued.
- The fair value of any contingent consideration that depends on future events or the fulfillment of predetermined conditions.

Expenses related to the issuance of the equity instruments or financial liabilities delivered in exchange for the items acquired do not form part of the cost of the combination.

Likewise, the fees paid to legal advisors or other professionals involved in the combination and, of course, the expenses generated internally for these items do not form part of the cost of the combination. These amounts are charged directly to the income statement.

In the exceptional case that a negative difference arises in the combination, this is charged to the profit and loss account as income.

If, at the closing date of the year in which the combination occurs, the valuation processes necessary to apply the acquisition method described above cannot be completed, this accounting is considered provisional, and these provisional values may be adjusted over the period necessary to obtain the required information, which in no case may exceed one year. The effects of the adjustments made in this period are accounted for retroactively by modifying the comparative information if necessary.

Subsequent changes in the fair value of the contingent consideration are adjusted against income unless such consideration has been classified as equity in which case subsequent changes in its fair value are not recognized.

#### **5.16. Provisions and contingencies-**

In preparing these consolidated financial statements, the Parent Company's Board of Directors differentiate between:

- i. Provisions: credit balances covering current obligations arising from past events, the cancellation of which is likely to give rise to an outflow of resources, but whose amount and/or time of cancellation is undetermined.
- ii. Contingent liabilities: possible obligations arising from past events, the future realization of which is conditional upon the occurrence or non-occurrence of one or more future events beyond the Group's control.

The Consolidated Financial Statements include all provisions for which it is considered more likely than not that the obligation will have to be settled. Unless they are considered to be remote,

contingent liabilities are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account available information on the event and its consequences, and any adjustments arising from the restatement of such provisions are recorded as a financial expense as accrued.

The compensation to be received from a third party at the time of settling the obligation, provided that there are no doubts that such reimbursement will be received, is recorded as an asset, except in the event that there is a legal link whereby part of the risk has been externalized and by virtue of which the Group is not obliged to respond; in this situation, the compensation will be taken into account in estimating the amount for which, if any, the corresponding provision will be recorded.

#### **5.17. Grants, donations and legacies-**

The Group accounts for grants, donations and legacies received using the following criteria:

##### **Non-refundable capital grants, donations or gifts and legacies-**

They are measured at the fair value of the amount or the asset granted, depending on whether they are monetary or not, and are taken to income in proportion to the depreciation charge made in the period for the subsidized items or, if applicable, when they are disposed of or when there is a valuation adjustment for impairment, except for those received from partners or owners, which are recorded directly in shareholders' equity and do not constitute income.

##### **Refundable capital grants-**

As long as they are refundable, they are recorded as liabilities and, if applicable, are taken to income in the period for the subsidized item occurs or forgiveness is granted.

##### **Operating grants-**

Grants related to operations are credited to income when granted, unless their purpose is to finance losses from operations in future years, in which case they are allocated to income in those years. If grants are received to finance specific expenses, they are allocated to income as the financed expenses are accrued.

#### **5.18. Criteria used to assess employee costs-**

In the case of defined benefit remuneration, the contributions to be made give rise to a liability for long-term remuneration to employees when, at the end of the year, unpaid accrued contributions are included.

The amount of the provision for long-term remuneration payable to be recognised is the difference between the present value of the obligations assumed and the fair value of the possible assets relating to the obligations with which they are settled.

#### **Severance payments-**

Except in the case of justified cause, companies are required to compensate their employees when they cease to perform their services. Under current employment law, the Company is required to make severance payments to employees terminated under certain conditions. The Company records these payments when it has demonstrably agreed no longer to employ the employees in question based on a formal detailed plan that cannot be rescinded, or when it has undertaken to make severance payments due to an offer to encourage an employee to resign voluntarily. Severance payments that will not be paid in the twelve months following the reporting date are discounted to their present value.

Significant dismissals are not expected to take place and there are no objective reasons that require a provision to be recognised in this regard, and therefore no provision was made in this regard at 31 December 2024 and during 2023.

#### **5.19. Related party transactions-**

The Group performs all its transactions with related parties on an arm's length basis. Also, the transfer prices are adequately supported and, therefore, the Company's managing body considers that there are no material risks in this connection that might give rise to significant liabilities in the future.

#### **5.20. Foreign currency transactions-**

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Gains and losses on foreign currencies that arise from settling these transactions and from translating the monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are recognised in the income statement, except where they differ in equity, such as qualified cash flow hedges or qualified hedges of a net investment.

The Group's functional currency and presentation currency is the euro.

## 6. INTANGIBLE ASSETS

The changes and detail in 2024, as well as in 2023 under “intangible assets” in the accompanying Consolidated Balance Sheet were as follows:

FY'2024	Euros					
	Beginning Balance	Additions or Provisions	Changes in value	Disposals	Transfers	Ending Balance
<b>Cost:-</b>						
Goodwill on Consolidation	1.037.287,51	-	87.184,61	-	-	1.124.472,12
Research and development	4.180.610,64	-	222.070,20	-	-	4.402.680,84
<b>Total Cost</b>	<b>5.217.898,15</b>	<b>-</b>	<b>309.254,80</b>	<b>-</b>	<b>-</b>	<b>5.527.152,96</b>
<b>Accumulated Amortization-</b>						
Goodwill on Consolidation	-	-	-	-	-	-
Research and development	-	-	-	-	-	-
<b>Total Amortization</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>5.217.898,15</b>	<b>0,00</b>	<b>309.254,80</b>	<b>-</b>	<b>-</b>	<b>5.527.152,96</b>

FY'2023	Euros					
	Beginning Balance	Additions or Provisions	Business Combinations	Disposals	Transfers	Ending Balance
<b>Cost:-</b>						
Goodwill on Consolidation	1.014.306,76	-	22.980,75	-	-	1.037.287,51
Research and development	2.422.989,08	1.764.295,67	(6.674,11)	-	-	4.180.610,64
<b>Total Cost</b>	<b>3.437.295,84</b>	<b>1.764.295,67</b>	<b>16.306,64</b>	<b>-</b>	<b>-</b>	<b>5.217.898,15</b>
<b>Accumulated Amortization-</b>						
Goodwill on Consolidation	-	-	-	-	-	-
Research and development	-	-	-	-	-	-
<b>Total Amortization</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>3.437.295,84</b>	<b>1.764.295,67</b>	<b>16.306,64</b>	<b>-</b>	<b>-</b>	<b>5.217.898,15</b>

The main addition for 2024 and 2023 comes from the amount invested so far in the at-home use equipment including hardware, software and the development of the designs and contents associated with it, hence it reflects the amount invested on the machine learning software so-called “IMPULSE ON THE GO”. Thanks to this system, the group will resume an expansion and scalability at the user level (b2c), disassociated from a fitness studio, so it will no longer be necessary to be physically present in any of the Group's fitness studios (note 7) to benefit from IMPULSE workouts and users will also be able to the IMPULSE experience, the suit and its devices will be portable and can fit in a briefcase that the user will be able to use during travels, office and/or at home.

In addition, this software through a streaming subscription allows Impulse users to receive a workout session customizing the intensity and skill level according to their physiological conditions, capability and lifestyle, so it is expected that this software will provide the Group with a market advantage against any other at home equipment and/or other electro-muscular stimulation workout systems that need trainer and one control platform per user.

During 2024, the Group invested the amount of 222,070.20 euros (1,764,295.87 euros in 2023) in the development and the software associated to the Impulse on the Go System.

As of 31 December 2024, as well as in 2023, the Group did not have any intangible assets in use that were fully amortized.

Also, at the date of preparation of these Consolidated financial statements, the Group does not have intangible assets subject to ownership restrictions or pledged as liability guarantees, nor has the impairment of any of the intangible assets recognised in the accompanying Consolidated Balance Sheet Asset been required.

### Goodwill on consolidation-

The goodwill on consolidation arising from the different business combinations as a result of the valuation at the date of first consolidation, either by cash-generating unit or by the acquisition and participation in the capital stock of the Subsidiaries, breaks down as follows:

Company	Owner	Goodwill (euros)
Impulse Fitness Solutions, S.A.	Parent Company	0,00
Impulse MBU Fitness CORP	Impulse Fitness Solutions, SA	654.447,70
Impulse Franchise Holdings LLC	Impulse Fitness Solutions, SA	0,00
Impulse Florida Body Fitness LLC	Impulse MBU Fitness CORP	(45.106,72)
Impulse Body Fitness SA de CV	Impulse MBU Fitness CORP	24.695,81
Operadora Impulse GDM S de RL de CV	Impulse Body Fitness SA de CV	254.473,60
Impulse Body Fitness, S.L.	Impulse Fitness Solutions, SA	235.961,74
		<b>1.124.472,12</b>

## 7. TANGIBLE FIXED ASSETS

The changes and detail in 2024, as well as in 2023 under "tangible fixed assets" in the accompanying Consolidated Balance Sheet were as follows:



FY'2024	Euros					
	Beginning Balance	Additions or Provisions	Business Combination	Disposals	Transfers	Ending Balance
<b>Cost-</b>						
Buid out	-	-	-	-	-	-
Plant, equipment and other	190.751,46	(3.173,67)	-	-	-	187.577,79
Fixed assets						
<b>Total Cost</b>	<b>190.751,46</b>	<b>(3.173,67)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187.577,79</b>
<b>Accumulated Amortization-</b>						
Buid out	-	-	-	-	-	-
Plant, equipment and other	(40.926,34)	(27.394,84)	-	-	-	(68.321,18)
Fixed assets						
<b>Total amortizaciones</b>	<b>(40.926,34)</b>	<b>(27.394,84)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(68.321,18)</b>
<b>Total neto</b>	<b>149.825,12</b>	<b>(30.568,51)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119.256,61</b>

FY'2023	Euros					
	Beginning Balance	Additions or Provisions	Business Combination	Disposals	Transfers	Ending Balance
<b>Cost-</b>						
Buid out	81.436,94	-	-	(81.436,94)	-	0,00
Plant, equipment and other	207.333,33	15.884,14	-	(32.466,01)	-	190.751,46
Fixed assets						
<b>Total Cost</b>	<b>288.770,27</b>	<b>15.884,14</b>	<b>-</b>	<b>(113.902,95)</b>	<b>-</b>	<b>190.751,46</b>
<b>Accumulated Amortization-</b>						
Buid out	(9.059,29)	0,00	-	9.059,29	-	0,00
Plant, equipment and other	(8.445,04)	(32.481,30)	-	-	-	(40.926,34)
Fixed assets						
<b>Total amortizaciones</b>	<b>(17.504,33)</b>	<b>(32.481,30)</b>	<b>-</b>	<b>9.059,29</b>	<b>-</b>	<b>(40.926,34)</b>
<b>Total neto</b>	<b>271.265,94</b>	<b>(16.597,16)</b>	<b>-</b>	<b>(104.843,66)</b>	<b>-</b>	<b>149.825,12</b>

There are no revalued items in the entity's equity under the Balance Sheet Restatement of Law 16/2012, of December 27, 2012.

The Group has no property, plant and equipment under finance leases.

As of 31 December 2024, as well as in 2023, the Group has no property, plant and equipment that are fully depreciated and still in use.

The Group has insurance policies to cover the risks to which its property, plant and equipment are subject.

## 8. LEASES

As of 31 December 2024, and in 2023, the Group, as the lessee, had entered into various agreements. The detail and information relating thereto are as follows:

### Operating Leases-

The most significant operating leases entered into by the Group and in force as of 31 December 2024, and in 2023, correspond mainly to the rent of own operated fitness studios performed by

each subsidiary that operates an opened studio, which segmented information by country is as follows:

Euros	31-Dec-24	31-Dec-23
Studios located in USA	76.348,81	79.604,35
Studios located in Mexico	0,00	35.836,48
	<b>76.348,81</b>	<b>115.440,83</b>

## 9. FINANCIAL ASSETS

The carrying value of each of the categories of financial instruments established in the "Financial Instruments" recording and valuation standard (except for balances with public authorities, which are recorded in Note 13), is as follows:

### 9.1. Long-term financial assets-

Classes	Euros					
	Long-term financial instruments					
	Equity Instrumrnts		Loans, Derivatives and others		Total	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Financial assets at fair value with changes in profit and loss	-	-	-	-	-	-
Financial assets at amortized cost	-	-	11.946,62	12.504,76	11.946,62	12.504,76
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11.946,62</b>	<b>12.504,76</b>	<b>11.946,62</b>	<b>12.504,76</b>

In relation to the amount included in financial assets at amortized cost, as loans, derivative and others, proceeds from the security deposits on the various leases of locations open at the end of the financial year.

### 9.2. Short-term financial assets-

Classes	Euros					
	Short-term financial instruments					
	Equity instruments		Loans, dervatives and others		Total	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31/12/23
Financial assets at amortized cost	-	-	188.336,21	184.192,29	188.336,21	184.192,29
<b>Total</b>	<b>-</b>	<b>-</b>	<b>188.336,21</b>	<b>184.192,29</b>	<b>188.336,21</b>	<b>184.192,29</b>

### 9.3. Financial assets at amortized cost-

The item "Financial assets at amortized cost" includes the items and amounts shown in the following figure.

	Euros			
	Non-current		Current	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Inventories	-	-	167.994,27	176.426,92
Trade receivables	-	-	17.640,14	4.652,87
Other debtors	-	-	2.701,80	3.112,51
Loans to group companies and associates (note 16)	-	-	-	0,00
Loans to companies	-	-	-	0,00
Other financial assets	11.946,62	12.504,76	-	-
<b>Total</b>	<b>11.946,62</b>	<b>12.504,76</b>	<b>188.336,21</b>	<b>184.192,29</b>

In opinion of the Parent Company's Board of Directors, there are no significant differences between the fair values of the financial assets and the carrying amounts, and there are no reasonable doubts as to their recoverability.

#### 9.4. Classification by maturity-

The amount of the financial assets with determined or determinable maturity as of 31 December 2024, as well as in 2023, classified by maturity, is as follows:

FY'2024	Euros					
	1st year	2nd year	3rd year	4th year	Rest	Total
Financial assets at amortized cost	188.336,21	-	-	-	11.946,62	200.282,82
<b>Total</b>	<b>188.336,21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.946,62</b>	<b>200.282,82</b>

FY'2023	Euros					
	1st year	2nd year	3rd year	4th year	Rest	Total
Financial assets at amortized cost	184.192,29	-	-	-	12.504,76	196.697,05
<b>Total</b>	<b>184.192,29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.504,76</b>	<b>196.697,05</b>

As of 31 December 2024, as well as in 2023, trade receivables are not net of impairment.

#### 9.5. Financial risks management-

The Group's financial risk management is centralized in the Finance Department, in accordance with the policies approved by the Board of Directors, which has established the necessary mechanisms to identify, measure and manage the risks arising from the activity with financial instruments and exposure to changes in interest rates, as well as credit and liquidity risks. The main financial risks affecting the Group are as follows:

- Credit risk: Credit risk arises from the possible loss caused by the non-compliance with the contractual obligations of the Group's counterparties, i.e., the possibility of not recovering the financial assets for the amount recorded and the established term. In general, the Group maintains its cash and liquid assets in financial institutions with a high credit rating. The Group has not contracted credit insurance on its accounts receivable, considering its historical experience, the type of its customers, etc. In this sense, there is

no high concentration in sales or credits with third parties, which mitigates most of the credit risk, being correctly recorded in the accompanying consolidated balance sheet.

- b) Liquidity risk: Liquidity risk arises from the possibility that the Group may not have sufficient liquid funds, or access to them, at the appropriate cost, to always meet its payment obligations. The Group analyzes the cash flows generated by the business and the investees so that they can meet debt repayments. Currently and foreseeably, the cash flows generated by the Company are more than sufficient to meet debt maturities. The Group's objective from a financial point of view is to have adequate equity to obtain the necessary financing from third party resources to achieve the expansion of the Company and the Group, without compromising its solvency and maximizing the return on the resources invested by its partners.
- c) Market risk (interest rate and exchange rate): Both the Group's cash flow and financial debt are exposed to interest rate risk, which could have a significant effect on financial results and cash flows. Interest rate risk affects the Group's exposure to variable interest rate on cash flows and financial results, and exposure to fixed interest rate affects the Group's fair value. Given that most of the group's financial debt is performed at a fixed interest rate, the Group's exposure to this risk is limited.

On the other hand, the financial statements of subsidiaries whose functional currency of preparation of financial statements is different from the euro, are converted into euros in the consolidation process according to the rules described in note 5 above, which implies the Group's exposure to exchange rate risk. However, given the volume of transactions of these companies in relation to the entire Group, the risk can be considered limited.

## 10. CASH AND CASH EQUIVALENTS

The breakdown of this heading as of 31 December 2024, and in 2023, is as follows:

	31-Dec-24	31-Dec-23
Cash	12.646,85	12.471,02
On demand deposit accounts	70.549,98	83.404,86
	<b>83.196,83</b>	<b>95.875,88</b>

Current accounts earn interest at the market rate for these types of products.

## 11. FINANCIAL LIABILITIES

The carrying value of each of the categories of financial instruments established in the recording and valuation standard for "financial instruments" (except for balances with the public authorities which are included in note 13), is as follows:

Classes	Euros							
	Long-term financial instruments				Short-term financial instruments			
	31-Dec-24		31-Dec-23		31-Dec-24		31-Dec-23	
	Debt with Banks and other FI	Derivatives and others	Debt with Banks and other FI	Derivatives and others	Debt with Banks and other FI	Derivatives and others	Debt with Banks and other FI	Derivatives and others
Financial liabilities at amortized cost	-	2.121.803,40	-	2.012.674,15	7.554,17	407.777,61	10.444,97	401.163,66
<b>Total</b>	<b>-</b>	<b>2.121.803,40</b>	<b>-</b>	<b>2.012.674,15</b>	<b>7.554,17</b>	<b>407.777,61</b>	<b>10.444,97</b>	<b>401.163,66</b>

### 11.1. Financial liabilities at amortized cost-

The item "Financial liabilities at amortized cost" as of 31 December 2024, as well as in 2023, shows the following breakdown:

(Euros)	31-Dec-24	31-Dec-23
<b>Long-term debt</b>	<b>2.121.803,40</b>	<b>2.012.674,15</b>
Debt with group companies and associates (note 16)	2.121.803,40	2.012.674,15
<b>Short-term debt, Trade and other payables</b>	<b>415.331,77</b>	<b>411.608,63</b>
Debt with Banks and other financial institutions	7.554,17	10.444,97
Other financial liabilities	293.108,82	278.787,81
Debt with group companies and associates (note 16)	0,00	0,00
Suppliers	112.026,36	120.287,25
Sundry payables	0,00	0,00
Personnel (remuneration payables)	2.642,43	2.088,60
Customers' advances	0,00	0,00
	<b>2.537.135,18</b>	<b>2.424.282,78</b>

### 11.2. Classification by maturity-

The classification by maturity of the Group's financial liabilities, of the amounts maturing in each of the following years -at the end of the year- and until their last maturity, are detailed in the following figure:

FY'2024	Euros					
	1st year	2nd year	3rd year	4th year	5th year or more	Total
Debt with Banks and other financial institutions	7.554,17	-	-	-	-	7.554,17
Other financial liabilities	293.108,82	-	-	-	-	293.108,82
Debt with group companies and associates (note 16)	-	-	-	-	2.121.803,40	2.121.803,40
Suppliers and Sundry payables	112.026,36	-	-	-	-	112.026,36
Personnel (remuneration payables)	2.642,43	-	-	-	-	2.642,43
Customers' advances	0,00	-	-	-	-	0,00
<b>Total</b>	<b>415.331,77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.121.803,40</b>	<b>2.537.135,18</b>

FY'2023	Euros					
	1st year	2nd year	3rd year	4th year	5th year or more	Total
Debt with Banks and other financial institutions	10.444,97	-	-	-	-	10.444,97
Other financial liabilities	278.787,81	-	-	-	-	278.787,81
Debt with group companies and associates (note 16)	0,00	-	-	-	2.012.674,15	2.012.674,15
Suppliers and Sundry payables	120.287,25	-	-	-	-	120.287,25
Personnel (remuneration payables)	2.088,60	-	-	-	-	2.088,60
Customers' advances	0,00	-	-	-	-	0,00
<b>Total</b>	<b>411.608,63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.012.674,15</b>	<b>2.424.282,78</b>

### 11.3. Disclosures on the deferral of payments to suppliers in trade business transactions-

On 5 July 2010, Law 15/2010, amending Law 3/2004, of 29 December, establishing measures to fight against default in commercial transactions, was published. Among other aspects, this rule removes the possibility of the 'agreement between the parties', in relation to the extension of the payment period to suppliers, in response to the financial impact of the economic crisis on all sectors, resulting in an increase in defaults, delays and extensions in the settlement of overdue invoices, which particularly affects small and medium-sized enterprises due to their strong reliance on short-term credit and cash limitations in the current economic climate. In addition, to combat these difficulties, the Law established a maximum general deferral between companies of 60 calendar days from the date of delivery of the goods or provision of the services that began to apply on 1 January 2014.

In addition, Additional Provision Three of this rule indicates that companies must expressly publish the information on payment deadlines to their suppliers in the notes to their individual and consolidated financial statements, and more specifically, in relation to the Resolution of 29 January 2020 of the Accounting and Audit Institute, in compliance with Law 31/2014, of 3 December, which amends additional provision three of Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, establishing measures to combat late payment of commercial transactions. The details for 2024, and 2023, in relation to the average period of payment to suppliers are given below.

	Days	
	31-Dec-24	31-Dec-23
Average payment period to suppliers	92	158

## 12. SHAREHOLDERS' EQUITY

### 12.1. Parent Company's Share Capital-

As of 31 December 2023, the Parent Company's Share Capital is composed of 8,697,107 shares with a par value of 0.41 euros, all belonging to the same class, and fully paid-up and subscribed.

All the Parent Company's shares were admitted to trading on July 15<sup>th</sup>, 2021, on the Euronext Access market on the Paris Stock Exchange. Consequently, as of 31 December 2023, the whole share capital is admitted to trading on that market.

As a result of the admission, between the incorporation and trading, various transactions were carried out aimed at diversifying the Parent Company's shareholding, as well as the acquisition of treasury stock, with reference shareholder structure -more than 5%- as follows as of 31 December 2024 and 2023:

Shareholder	% Ownership at 31-Dec-24	% Ownership at 31-Dec-23
Atlas Holdings Europe, S.L.	15%	15%
Eurosa Capital, S.L.	50%	50%
Sebastian Santos	6%	6%
Free Float	21%	21%
Treasury shares	8%	8%

The Parent company was incorporated as a Public limited Company on February 15<sup>th</sup>, 2021 before the notary public of Madrid, Mr. Pedro Antonio Mateos Salgado, under number 1,173 of his record and was registered with the Commercial Registry of A Coruña at volume 3,742, page 163, sheet C-60,423. As part of the incorporation and its foreseeable listing during the 2021 financial year, the articles of incorporation included, among others:

- The system for the transfer of the shares, which was established in accordance with the regulations for companies listed on secondary and/or multilateral markets.
- The appointment to “*Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR)*”, together with its participating entities, as the entity in charge of keeping the accounting records of the book entries in which the Parent Company's shares are represented.

## 12.2. Reserves-

The detail of the Parent Company's Reserves at 31 December 2024, and in 2023 is as follows:

(euros)	31-Dec-24	31-Dec-23
Legal Reserve	-	-
Other Reserves	842.809,67	842.809,67
	<u>842.809,67</u>	<u>842.809,67</u>



All of the reserves created derive from the sale of treasury stock for an amount of 842,809.67 as of 31 December 2024 (same amount in 2023).

#### 12.2.1. Legal Reserve-

In accordance with the Spanish Companies Act, 10% of a public limited liability company's net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches 20% of the share capital. The legal reserve is not distributable to shareholders and may only be used to increase share capital. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 December 2024 and 2023, the legal reserve of the Parent Company is not constituted yet.

#### 12.2.2. Voluntary Reserves-

In accordance with the Spanish Companies Act and other legislation in force, voluntary reserves are unrestricted and there is no circumstance at the date of preparation of these consolidated financial statements that restricts their availability.

#### 12.3. Consolidated profit/(loss) for the year-

The profit/(loss) for the financial year of each of the consolidated companies which is attributed to the Parent Company, after elimination of income and expenses between the companies included in the scope of consolidation, is as follows:

Company	FY'2024 (euros)		FY'2023 (euros)	
	Profit/(loss) attributable to Parent Company	Profit/(loss) to Non-controlling interests	Profit/(loss) attributable to Parent Company	Profit/(loss) to Non-controlling interests
Impulse Fitness Solutions, S.A.	(2.778,03)	-	(16.363,13)	-
Impulse MBU Fitness CORP	(43.630,81)	-	(45.463,52)	-
Impulse Franchise Holdings LLC	-	-	-	-
Impulse Florida Body Fitness LLC	(27.201,54)	-	(25.511,26)	-
Impulse Body Fitness SA de CV	0,00	-	(50.996,70)	-
Operadora Impulse GDM S de RL de CV	0,00	-	(36.117,77)	-
Impulse Body Fitness, S.L.	(40,00)	-	(99.132,21)	-
	(73.650,37)	-	(273.584,59)	-

#### 12.4. Own treasury shares-

As a result of the admission to trading of all of the Parent Company's shares on the Euronext Access market on Paris Stock Exchange, the Parent Company initiated various actions with its own shares.

The Company has not carried out any transactions involving its own shares during financial years 2024.

At 31 December 2023, the Group holds 675,066 shares (680,106 shares in 2022), representing 7,76% of the Company's share capital (7.82% in 2022), valued at acquisition cost, for a total amount of 911,339.10 euros (918,143.10 euros in 2022).

The changes in the treasury stock portfolio in 2023 were as follows:

FY'2023	Number of shares	% of Share Capital	Par Value (euros)	Average cost of disposal/ (acquisition) euros	Valuation (euros)
<b>Beginning Balance</b>	<b>680.106</b>	<b>7,82%</b>			<b>(918.143,10)</b>
Acquisitions	-				-
Sales/disposals	5.040	0,06%	0,41	10,72	54.010,00
<b>Ending Balance</b>	<b>675.066</b>	<b>7,76%</b>			<b>(911.339,10)</b>

The total sales or disposals, derived from several transactions, of treasury shares made during the 2023 financial year amounted to 5,040 shares with a selling price of EUR 54,010.00 euros (average selling price of EUR 10.72 per share). As a result of the sales of treasury shares, the Group obtained a profit of EUR 47,206.00 euros, recorded as part of the reserves in the accompanying consolidated balance sheet.

### 13. PUBLIC AUTHORITIES AND TAX MATTERS

The composition of balances with public and tax authorities at the end of 2024, as well as in 2023 is as follows:

	Euros	
	FY'2024	FY'2022
<b>Deferred tax assets:</b>		
Deferred tax assets	139.458,04	139.458,04
<b>Total non-current tax assets</b>	<b>139.458,04</b>	<b>139.458,04</b>
<b>Current Tax assets:</b>		
Income Tax refundable	0,00	0,00
Sales Tax/Value Added Tax	99.047,19	108.764,37
<b>Total current tax assets</b>	<b>99.047,19</b>	<b>108.764,37</b>
<b>Current Tax liabilities:</b>		
Sales Tax/Value Added Tax	48.943,73	56.383,75
Withholdings Payables	14.569,56	16.730,52
Income Tax Payables	0,00	0,00
Other Taxes	0,00	0,00
Payroll Taxes	29.645,50	32.840,86
<b>Total current tax liabilities</b>	<b>93.158,79</b>	<b>105.955,13</b>

#### 13.1. Income tax-

Corporate income tax is calculated based on the accounting income, obtained by applying generally accepted accounting principles, which does not necessarily coincide with the taxable income.

Each consolidated company present the corporate income tax on an individual basis, and therefore the (expense)/income shown in the accompanying consolidated income statement corresponds to the aggregate sum of the (expense)/income of each of the companies included in the scope of consolidation, as follows:

	Euros	
	FY'2024	FY'2023
Current Income tax	-	-
Deferred Income tax	-	38.498,45
<b>Total (Expense) / Income for Income tax</b>	<b>-</b>	<b>38.498,45</b>

### 13.2. Deferred tax assets-

At year-end 2024, as well as in 2023, the Group has recorded tax credits for tax loss carryforwards in the accompanying consolidated balance sheet. The breakdown and movement of the Group's tax credits is as follows:

FY'2024	Euros		
	Beginning	Additions/ Disposals	Ending Balance
Deferred tax assets. Tax credit	139.458,04	-	139.458,04
<b>Total Deferred tax assets</b>	<b>139.458,04</b>	<b>-</b>	<b>139.458,04</b>

FY'2023	Euros		
	Beginning	Additions/ Disposals	Ending Balance
Deferred tax assets. Tax credit	100.959,59	38.498,45	139.458,04
<b>Total Deferred tax assets</b>	<b>100.959,59</b>	<b>38.498,45</b>	<b>139.458,04</b>

### 13.3. Fiscal years open for review and tax audits-

In accordance with the current tax legislation, taxes cannot be considered to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the limitation period, currently established at four years, has expired. The Group has the last four or five years -depending on the subsidiary- open for review by the tax authorities for all the taxes applicable to it.

Due to the Tax Authorities' potential interpretations of the tax returns filed by each company included in the scope of consolidation in the years open for review, liabilities that are not included in the accompanying consolidated financial statements may arise. The potential additional liabilities that might arise as a result of an inspection or audit are not objectively quantifiable.

## 14. REVENUES AND EXPENSES

### 14.1. Net Turnover-

The information segmented by business of the Group, in relation to revenues, comes mainly from the operation of the Group's own fitness studios, as well as revenues derived from franchises, as follows:

Euros	31-Dec-24	31-Dec-23
Own operated Fitness studios	278.286,30	313.074,15
Franchisees	20.843,98	15.727,05
On-line sales	0,00	44.108,16
Other revenues	-	-
	<b>299.130,28</b>	<b>372.909,36</b>

### 14.2. Personnel Expenses-

The breakdown of Personnel expenses for the year ended 31 December 2024, as well as in 2023 is as follows:

Euros	31-Dec-24	31-Dec-23
Wages, salaries and the like	(177.555,21)	(261.149,34)
Payroll taxes	-	(43.689,34)
Other Benefitis	-	-
	<b>(177.555,21)</b>	<b>(304.838,67)</b>

### 14.3. Other operating expenses-

The breakdown of "Other operating expenses" in the accompanying consolidated income statement for the year ended 31 December 2024, as well as in 2023, is as follows:

Euros	31-Dec-24	31-Dec-23
Leases and royalties (note 8)	(76.348,81)	(115.440,83)
Repairs and maintenance	(373,96)	(8.570,88)
Independent professional fees	(55.249,41)	(24.211,87)
Shipping	0,00	0,00
Insurance	0,00	(604,53)
Bank services and fees	(2.884,72)	(8.058,24)
Advertising and marketing	(3.104,31)	(35.375,90)
Utilities	(3.358,17)	(11.592,96)
Other services and miscellaneous	(30.130,78)	(39.300,44)
Other taxes than income tax	0,00	(174,62)
	<b>(171.450,16)</b>	<b>(243.330,27)</b>

## 15. RELATED PARTIES TRANSACTIONS

For the purposes of the presentation of the Group's Consolidated Financial Statements, it will be understood that another company forms part of the group when both are linked by a direct or indirect control relationship, analogous to that provided for in Article 42 of the Spanish Commercial Code for groups of companies or when the companies are controlled by any means by one or more natural or legal persons, acting jointly or under a single management by agreements or statutory clauses.

The following are considered as related parties for the 2024 financial year as well as for 2023, indicating the nature of such relationship:

Related Party	Nature of relationship
Atlas Holdings Europe, S.L.	Shareholder and Director
Eurosa Capital, S.L.	Shareholder
Wolfex Management, S.L.	Shareholder
360 Solutions LLC	Member of Atlas Group
Eurosa Capital CORP	Member of Atlas Group
Atlas Proyectos SA de CV	Member of Atlas Group

The Group, in the course of its business, carries out transactions and maintains balances with related parties. The balances and transactions carried out during the year 2024, and in 2023 with related companies, Shareholders and the Board of Directors have the following composition:

Euros	Debtor		Creditor	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Atlas Holdings Europe, S.L.	-	-	146.987,67	146.987,67
Eurosa Capital, S.L.	-	-	(289.192,26)	(289.192,26)
Wolfex Management, S.L.	-	-	30.709,49	30.709,49
360 Solutions LLC	-	-	87.718,38	87.718,38
Eurosa Capital CORP	-	-	13.456,06	13.456,06
Atlas Proyectos SA de CV	-	-	2.132.124,06	2.022.994,81
	-	-	<b>2.121.803,40</b>	<b>2.012.674,15</b>

## 16. EVENTS AFTER YEAR-END

There are no significant events that occurred after the end of the financial year 2024.

## 17. REMUNERATION AND OTHER BENEFITS TO PARENT COMPANY'S BOARD OF DIRECTORS AND C-LEVEL

During the 2024 financial year, as well as in 2023, none of the members of the Parent Company's Board of Directors has accrued any remuneration for their status as members of the Board of Directors.

As of 31 December 2024 and 2023, no contributions have been made in the form of funds, life insurance premiums or pension plans in favor of former or current members of the Parent Company's Board of Directors, as well as advances or credits, other than those contained in Note 18 of these Consolidated Financial Statements, and in no case, for their condition as a member of the Board of Directors or their position as an individual representative of any member of the Board of Directors. Likewise, no obligations have been incurred for these items during both years.

Likewise, during this period no indemnities have been paid for termination of directors of the Parent Company.

**Detail of investments in companies with similar activities and of the performance, as independent professionals or as employees, of similar activities by the directors.**

Pursuant to section 229.3 and 230 of Royal Legislative Decree 1/2010, of 2 July, approving the consolidated text of the Corporate Companies Act, drafted by section seventeen of the sole section of Spanish Law 31/2014, of 3 December, amending the Corporate Companies Act for the Improvement of Corporate Governance, the members of the Parent Company's Board of Directors state that they did not carry out any transactions during the period from 1 January to 31 December 2023 or until the current date, either with the Group itself or with any other company investee by the Group not included in these financial statements, outside the ordinary course of business of the companies or outside normal market conditions.

They also reported not to be involved in conflicts of interest with the Parent Company and the Group, as well as not having held positions or functions in companies, other than the Parent Company or its investees, with an analogous or supplementary type of activity to that which constitutes the Group's corporate purpose, as well as not having carried out any activities on their own behalf or any other basis in activities similar to or supplementary to that which constitutes the Group's corporate purpose.

## **18. ENVIRONMENTAL INFORMATION**

The Group considers environmental law in its global operations. The Group considers that it complies with these laws and that it has procedures designed to encourage and ensure compliance with them.

The Group has taken the appropriate measures in relation to the protection and improvement of the environment and the minimization, where appropriate, of its environmental impact, in compliance with current regulations in this regard. During the year, the Group did not make any environmental investments or incur expenses for protecting and improving the environment.

In fulfilment of the modifications arising from the general accepted accounting standards and Ministerial Order of 28 January 2009 (Official Gazette of the Spanish State dated 10 February 2009) and Resolution of 6 April 2010 (Official Gazette of the Spanish State 84 dated 7 April 2010), regarding greenhouse gas emission allowances, it is expressly stated that there are no items of an environmental nature, and specifically related to greenhouse gas emissions.

The Parent Company's directors consider that there are no significant contingencies regarding the protection and improvement of the environment, and therefore no provision for environmental risks and expenses was considered necessary since there are no contingencies related to the protection and improvement of the environment, or environmental responsibilities.

## **19. OTHER INFORMATION**

### **19.1. Collaterals and guarantees-**

As of December 31, 2023, the Group has no financial commitments, guarantees or contingencies, or guarantees or surety policies provided or received, other than those provided in the scope of consolidation and the subsidiaries, or other than those contained in these Notes to the consolidated financial statements.

### **19.2. Off-balance sheet agreements-**

The Parent Company's Directors are not aware of the existence of any agreements that do not appear in the balance sheet and for which information has not been included in another note to these consolidated financial statements, if any, that are significant for determining the Group's financial position.



**IMPULSE FITNESS SOLUTIONS, S.A  
AND SUBSIDIARIES**

**Preparation of the Consolidated financial  
statements and Consolidated Director's report for  
financial year ended on December 31<sup>st</sup>, 2023.**

---

The Board of Directors of Impulse Fitness Solutions, S.A. on March 31<sup>st</sup>, 2025, in compliance with the requirements established in Article 253 of the Spanish Companies Act and Article 37 of the Spanish Commercial Code, proceeds to prepare the Consolidated Financial Statements and the Consolidated Directors' Report for the year ended on 31 December 2023, which are constituted by the documents attached hereto.

**SIGNATORIES:**

[Is signed]

---

Mr. Estanislao Martínez  
Individual Representative of Atlas Holdings  
Europe, S.L. - President

[Is signed]

---

Mr. Francisco Sanz Sanchez  
Chief Executive Officer

[Is signed]

---

Mr. Esteban Hernandez Hidalgo  
Member