



The Gym Group plc **(‘the Company’)**

**(Incorporated and registered in England and Wales
under number 08528493)**

Notice of Annual General Meeting 2020

Notice is hereby given that the Annual General Meeting of The Gym Group plc will be held at 11:00am on Wednesday 27 May 2020 at OneCroydon, 12-16 Addiscombe Road, Croydon CR0 0XT to consider and, if thought fit, pass resolutions 1 to 17 overleaf.

Important information:

This document is important and requires your immediate attention. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent professional adviser immediately. If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents (except for any personalised form of proxy) to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

A shareholder may appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the meeting, provided that each proxy is appointed to exercise the rights attached to different Ordinary share(s) held by that shareholder. A proxy need not be a member of the Company. To be valid, any form of proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company’s registrar, at the address shown on the form of proxy, through the Company’s electronic proxy appointment service (available via <https://www.signalshares.com>) or in the case of shares held through CREST, via the CREST system, in each case by no later than 11:00am on Monday 25 May 2020. Shareholders are strongly encouraged to appoint the Chairperson of the meeting as their proxy, as explained in the Chairwoman’s letter (under Voting Arrangements).

28 April 2020

Dear Shareholder,

Notice of Annual General Meeting 2020

I am pleased to inform you that the Company's Annual General Meeting (the 'AGM') will be held at OneCroydon, 12-16 Addiscombe Road, Croydon CR0 0XT on Wednesday 27 May 2020 at 11:00am.

The formal Notice convening the AGM is set out on pages 3 to 5 of this document. An explanation of each of the resolutions to be proposed at the AGM is set out on pages 8 to 10. This year's meeting includes standard AGM business transacted every year.

Coronavirus (Covid-19) and impact on the AGM

As anticipated in our announcement on 19 March 2020, there will be no resolution to declare a final dividend for 2019 at the AGM. This is as a result of mitigating actions in relation to the impact of the Covid-19 pandemic in the UK.

In addition, at the time of writing, compulsory Government measures are in force requiring people to stay at home except for certain limited reasons and prohibiting, among other things, public gatherings of more than two people (the '**Stay at Home Measures**'). The health of our shareholders is of paramount importance to us. Therefore, please note that, if the Stay at Home Measures remain in force as at the date of the AGM, shareholders must not attend the AGM in person and we will refuse entry to anyone who seeks to attend in person. Shareholders are strongly encouraged to register their vote in advance by appointing the Chairperson of the meeting as their proxy and giving voting instructions, using the methods set out in this Notice.

If you have questions relating to the business of the AGM, please submit these electronically, by sending them to company.secretary@thegymgroup.com as set out in note 15 on page 13. We would ask you to do this as early as possible.

The situation is constantly evolving, and the Government may change current restrictions or implement further measures. Any changes to the AGM arrangements will be communicated through our website (www.tgplc.com/investors/shareholder-information/agm) and, where appropriate, by Regulatory Information Service announcement.

Voting Arrangements – Action to be taken

If you would like to vote on the resolutions, we strongly encourage you to appoint the Chairperson of the meeting as proxy by completing and returning the enclosed Form of Proxy in accordance with the instructions printed on it. Forms of Proxy should be returned so as to be received by the Company's Registrar, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and in any event no later than 11:00am on Monday 25 May 2020.

Alternatively, you may appoint your proxy electronically via <https://www.signalshares.com> by following the instructions on that website or, if you hold your shares in CREST, via the CREST system. Please note that all proxy appointment forms should reach the Company's registrar, Link Asset Services, by no later than 11:00am on Monday 25 May 2020.

We are urging all shareholders to appoint the Chairperson of the meeting as their proxy this year because, if the Stay at Home Measures remain in force as at the date of the AGM, other named proxies will not be allowed to attend the AGM in person.

If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for giving voting instructions, as soon as possible.

Poll voting

Each of the resolutions to be considered at the AGM will be voted on by way of a poll. This ensures that shareholders who are not able to attend the AGM, but who have appointed proxies, have their votes fully taken into account.

The results of the polls will be announced to the London Stock Exchange and published on the Company's website as soon as possible after the conclusion of the AGM.

Recommendation

The Board considers that Resolutions 1 to 17 are in the best interests of the Company and its shareholders as a whole and recommends that you vote in favour of such resolutions, as the Directors intend to do in respect of their own beneficial holdings.

Yours faithfully,

Penny Hughes

Chairwoman

The Gym Group plc

Registered Office: Fifth Floor, No 1 Croydon, 12-16 Addiscombe Road, Croydon, England, CR0 0XT
Incorporated in England and Wales with company number 08528493

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of The Gym Group plc will take place at 11:00am on Wednesday 27 May 2020 at OneCroydon, 12-16 Addiscombe Road, Croydon, CR0 0XT to transact the business set out in the resolutions below.

Voting on all resolutions will be by way of a poll. Resolutions 1 to 13 will be proposed as ordinary resolutions; this means that for each of those ordinary resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 14 to 17 will be proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Ordinary Resolutions

1. To receive the Annual Report and Accounts for the financial year ended 31 December 2019.
2. To approve the Annual Statement from the Remuneration Committee Chairman and the Annual Report on Remuneration for the financial year ended 31 December 2019 set out on pages 61 to 64 and pages 65 to 72 (inclusive) of the Company's Annual Report and Accounts for the financial year ended 31 December 2019.
3. To re-elect Penny Hughes as a Director.
4. To re-elect Paul Gilbert as a Director.
5. To re-elect John Treharne as a Director.
6. To re-elect Richard Darwin as a Director.
7. To re-elect David Kelly as a Director.
8. To re-elect Emma Woods as a Director.
9. To re-elect Mark George as a Director.
10. To re-appoint Ernst & Young LLP as auditors until the conclusion of the next Annual General Meeting of the Company at which the accounts are laid.
11. To authorise the Audit and Risk Committee for and on behalf of the Board to determine the remuneration of the auditors.
12. THAT, in accordance with section 366 of the Companies Act 2006, the Company and all companies that are subsidiaries of the Company at the date on which this resolution is passed or at any time when this resolution has effect are generally and unconditionally authorised to:
 - (a) make political donations to political parties and/or independent election candidates not exceeding £30,000 in total;
 - (b) make political donations to political organisations other than political parties not exceeding £30,000 in total; and
 - (c) incur political expenditure not exceeding £30,000 in total,

provided that the aggregate amount of such donations and expenditure shall not exceed £50,000 during the period beginning with the date of the passing of this resolution and ending on 30 June 2021 or, if sooner, the conclusion of the Annual General Meeting of the Company to be held in 2021.

For the purposes of this authority the terms 'political donation', 'political parties', 'independent election candidates', 'political organisation' and 'political expenditure' have the meanings given by sections 363 to 365 of the Companies Act 2006.

Notice of Annual General Meeting continued

13. THAT:

(a) the Directors be authorised to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:

- (i) in accordance with article 7 of the Company's Articles of Association, up to a maximum nominal amount of £5,527.44 (such amount to be reduced by the nominal amount of any equity securities (as defined in article 8 of the Company's Articles of Association) allotted under paragraph (ii) below in excess of £5,527.44); and
- (ii) comprising equity securities (as defined in article 8 of the Company's Articles of Association) up to a maximum nominal amount of £11,056.55 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue (as defined in article 8 of the Company's Articles of Association);

(b) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, or, if earlier, at the close of business on 30 June 2021; and

(c) all previous unutilised authorities under section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

Special Resolutions

14. THAT, if Resolution 13 is passed and in accordance with article 8 of the Company's Articles of Association, the Directors be authorised to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority given by that resolution under section 551 of the Companies Act 2006 and/or to sell Ordinary shares held by the Company as treasury shares for cash, in either case as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be limited to:

(a) allotments for rights issues (as defined in article 8(b)(ii) of the Company's Articles of Association); and

(b) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) having a nominal amount not exceeding in aggregate £829.20,

such authority to expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (or, if earlier, at the close of business on 30 June 2021), but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

15. THAT, if Resolution 13 is passed, and in addition to any authority granted under Resolution 14, the Directors be authorised to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority given by Resolution 13 under section 551 of the Companies Act 2006 and/or to sell Ordinary shares held by the Company as treasury shares for cash, in either case as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be:

(a) limited to the allotment of equity securities or sale of treasury shares having a nominal amount not exceeding in aggregate £829.20; and

(b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (or, if earlier, at the close of business on 30 June 2021) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

16. THAT the Company is generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of that Act) of Ordinary shares of £0.0001 each in the capital of the Company ('**Ordinary shares**') on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:
- (a) the maximum number of such Ordinary shares that may be purchased by the Company under this authority shall not exceed 16,583,992.
 - (b) the minimum price that may be paid by the Company for any Ordinary share purchased under this authority (exclusive of expenses payable by the Company in connection with the purchase) shall not be less than £0.0001, being the nominal value of each Ordinary share, and the maximum price which may be paid (exclusive of expenses payable by the Company in connection with the purchase) shall not be greater than the higher of an amount equal to:
 - (i) 105% of the average trading price of the Ordinary shares as derived from the middle market quotations for an Ordinary share on the London Stock Exchange Daily Official List for the five trading days immediately preceding the date on which that Ordinary share is purchased; and
 - (ii) the higher of the price of the last independent trade of an Ordinary share and the highest current independent bid for an Ordinary share on the trading venue where the purchase is carried out;
 - (c) this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021, or, if earlier, on 30 June 2021 unless renewed before that time, provided that the Company may effect purchases following the expiry of such authority if such purchases are made pursuant to contracts for purchases of Ordinary shares which are entered into by the Company prior to the expiry of such authority; and
 - (d) all existing authorities for the Company to make market purchases of Ordinary shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this resolution and which has not yet been executed.
17. THAT a general meeting (other than an Annual General Meeting) may be called on not less than 14 clear days' notice, provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company.

By order of the Board

Katy Tucker
Company Secretary

28 April 2020

Registered Office: Fifth Floor, No 1 Croydon, 12-16 Addiscombe Road, Croydon, England, CR0 0XT
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Directors' Biographies

Penny Hughes

Independent Non-Executive Chairwoman

Committees

Nomination Committee
Remuneration Committee

Career

Penny has served on the boards of directors of firms across the consumer, media, technology and finance sectors.

The majority of Penny's executive career was spent at Coca-Cola, where she was appointed President of Coca-Cola Great Britain & Ireland in 1992.

Board skills and experience

Penny has taken a hands-on role in leading the business throughout her time as Chairwoman. Penny leads the Board in strategic matters, engages closely with the executive directors, visits operations extensively, and takes an active role in furthering initiatives across the business such as sustainability and diversity and inclusion.

Other appointments

iQ Student Accommodation – Chairwoman

John Treharne

Founder Director

Committees

Nomination Committee

Career

John founded The Gym in 2007 and has over 20 years' experience in the health and fitness industry.

John launched Dragons Health Club plc in 1991, before its flotation on AIM in 1997 and sale to Crown Sports plc in 2000.

Board skills and experience

John's wealth of operational and leadership experience and knowledge of industry trends offers the Board valuable context to develop its strategy and inform its decisions. As founder, John has an unmatched network of industry connections used to support our business.

Other appointments

Ukactive – Board Member
Jigsaw South East – Chair of Trustees
Frame – Chairman

Richard Darwin

Chief Executive Officer

Committees

Nomination Committee

Career

Richard possesses extensive experience working for leisure and FMCG companies in the UK and internationally, including The Rank Group, Hard Rock Café International and Diageo. He qualified as a chartered accountant with Coopers & Lybrand.

He has previously held the positions of Chief Financial Officer of Essenden plc (now Ten Entertainment Group plc) from 2009 to 2015 and Chief Financial Officer of Paramount Restaurants from 2003 to 2008.

Richard served as The Gym Group's Chief Financial Officer from 2015 to 2018.

Board skills and experience

Richard has led the business strongly during his first full year as CEO, including developing a talented team of executives. Richard's detailed knowledge of The Gym Group and background in leisure businesses supports his development of the business's strategy and financial delivery.

Other appointments

None

Mark George

Chief Financial Officer

Committees

None

Career

Mark has held senior roles in finance, strategy and general management in a number of leading consumer businesses including Tesco, Asos and most recently Auto Trader PLC, where he was Deputy CFO and a member of the Operational Leadership Team.

He started his career as a management consultant with McKinsey & Co.

Board skills and experience

Mark brings his quality experience in consumer plcs to the Board and executive team. Mark is diligent, sets high standards and has managed the financial operations of the business well in his first full year as CFO, including a programme of building and developing the finance function.

Other appointments

None

Paul Gilbert

Senior Independent Non-Executive Director

Committees

Nomination Committee
Audit and Risk Committee
Remuneration Committee

Career

Paul is an economics graduate from the University of Cambridge and a Chartered Accountant.

He has previously held the positions of Chief Financial Officer of TJ Hughes, National Car Parks and Matalan, and Non-Executive Chairman of Betterbathrooms (UK), Clothingsites.co.uk, Hiring Hub, and Sykes Cottages.

Paul was the Non-Executive Chairman of The Gym from February 2012 until September 2015.

Board skills and experience

Paul is a Chartered Accountant with a strong finance background and experience of multi-site retail businesses. As our Audit & Risk Committee Chair, Paul brings recent, relevant and robust financial experience to the Committee and the Board as a whole. Paul is available to all stakeholders in his capacity as SID.

Other appointments

New Look – Non-Executive Director
Grip-UK Limited – Non-executive chairman

David Kelly

Non-Executive Director

Committees

Nomination Committee
Audit and Risk Committee
Remuneration Committee

Career

David is an experienced technology and digital operating executive.

David was previously the Operations Director at Amazon in the UK from 1998 to 2000, the Chief Operating Officer at Lastminute.com from 2000 to 2003, the Vice President, Operations/Chief Operating Officer at eBay from 2003 to 2007 and Senior Vice President of International at Rackspace from 2010 to 2012.

Board skills and experience:

David draws on his extensive plc experience from a wide range of technology and product businesses. His understanding of technology development is particularly valuable to our development. David brings his thorough understanding of listed plc remuneration matters to the Remuneration Committee Chair.

Other appointments

Simply Business, Pure360, Camelot Global Lottery Solutions Ltd, Forest Holidays – Chairman
On The Beach plc – Senior Independent Director and Chair of the Remuneration Committee; Reach plc – Chair of the Remuneration Committee; Holiday Extras – Non-Executive Director

Emma Woods

Non-Executive Director

Committees

Nomination Committee
Audit and Risk Committee
Remuneration Committee

Career

Emma has wide-ranging marketing experience within the FMCG and leisure sector.

Emma is currently the Chief Executive Officer at Wagamama and previously has held Marketing Director roles at Merlin Entertainments plc, Pizza Express and Unilever.

Board skills and experience

Emma brings the Board valuable commercial and operational insights into multi-site leisure businesses, which is key to the Board's development of the Company's strategy. As a current executive leader she brings relevant challenge and support to the executive team with particular focus on meeting customer expectations.

Other appointments

Wagamama – Chief Executive Officer

Explanatory Notes to the Notice of Annual General Meeting

Resolutions 1 to 13 are being proposed as ordinary resolutions. For an ordinary resolution to be passed, a simple majority of the votes cast must be in favour of the resolution.

Resolutions 14 to 17 are being proposed as special resolutions. For a special resolution to be passed, at least 75% of the votes cast must be in favour of the resolution.

Resolution 1 – To receive the Annual Report and Accounts

The Directors are required to present the Company's Annual Report and Accounts (the '2019 Annual Report') to the AGM.

Resolution 2 – To approve the Directors' Remuneration Report

Under the Companies Act 2006 (the 'Act'), the Directors must prepare an annual report detailing the remuneration of the Directors for the previous year including a statement by the Chairman of the Remuneration Committee. The Act also requires that a resolution be put to shareholders each year for their approval of that report. The annual statement can be found on pages 61 to 64 of the 2019 Annual Report and the Annual Report on Remuneration can be found on pages 65 to 72 (inclusive). Resolution 2 is an advisory vote only and the Directors' entitlement to remuneration is not conditional on it.

Resolutions 3 to 9 – Election and re-election of Directors

The Company's Articles of Association require all Directors to retire at each Annual General Meeting and those wishing to serve again to submit themselves for re-election. Accordingly, Penny Hughes, Paul Gilbert, John Treharne, Richard Darwin, Mark George, David Kelly and Emma Woods are retiring from office and are submitting themselves for re-election by the shareholders at the 2020 AGM. Separate resolutions are proposed for each Director in accordance with the Company's Articles of Association.

The Board believes that each Director should be re-elected as they each have the requisite skills and experience, and demonstrate the necessary commitment, to contribute effectively to the deliberations of the Board. Biographical details of each of the Directors are provided in support of the Board's recommendation to re-appoint each of the Directors of the Company on pages 6 and 7 of this notice which, in the Board's view, illustrate why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success. Biographies are also available for viewing on the Company's website www.tggplc.com.

The Board believes each of the Directors has significant recent and relevant experience and expertise and brings unique insight to Boardroom discussions. Their breadth of experience encompasses a range of growth, expansionary, multi-site, retail and leisure businesses which ensures the Board demonstrates a diversity of skill, background and key individual strengths, encouraging informed debate.

The Chairwoman has confirmed that following the formal performance evaluation, the performance of each Director continues to be effective and demonstrates commitment to the role.

The Board is satisfied that each independent non-executive Director remains independent in character and judgement and that there are no relationships or circumstances likely to affect his or her character or judgement. It unanimously recommends the re-appointment of each Director.

Resolutions 10 and 11 – Re-appointment and remuneration of auditors

The Board, on the recommendation of the Audit and Risk Committee, is proposing the re-appointment of Ernst & Young LLP. Resolution 11 gives authority to the Audit and Risk Committee to determine the auditor's remuneration.

Resolution 12 – To authorise the Company to make political donations and incur political expenditure

Under the Act, political donations to any political parties, independent election candidates or political organisations other than political parties, or the incurring of political expenditure, are prohibited unless authorised by shareholders in advance. Aggregate donations made by the Group of £5,000 or less in any 12-month period will not be caught.

As the legislation is capable of wide interpretation, the terms 'political donation', a 'political party', a 'political organisation' or 'political expenditure' are not easy to define. For example, sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling public duties, and support for bodies representing the business community in policy review or reform, may fall within the scope of these matters.

Therefore, notwithstanding that the Company has not made a political donation in the past, and has no intention, either now or in the future, of making any political donation or incurring any political expenditure, the Board has decided to propose Resolution 12 in order to allow the Company to continue to support the community and put forward its views to wider business and government interests without running the risk of the Company or its subsidiaries inadvertently breaching the Act through the undertaking of routine activities.

As permitted under the Act, Resolution 12 also covers any political donations made, or political expenditure incurred, by all subsidiaries of the Company at the date on which this resolution is passed or at any time when this resolution has effect. Resolution 12 caps the amount of all forms of political donations and expenditure that the Company and its subsidiaries would be permitted to make at an aggregate of £50,000 and the authority will expire on the earlier of 30 June 2021 and the conclusion of the Annual General Meeting of the Company to be held in 2021.

Resolution 13 – To authorise the Directors to allot Ordinary shares

At the Annual General Meeting held in June 2019, shareholders authorised the Directors, under section 551 of the Companies Act 2006, to allot shares without the prior consent of shareholders for a period expiring at the conclusion of the 2020 Annual General Meeting or, if earlier, at the close of business on 30 June 2020. It is proposed to renew this authority and to give the Directors authority to allot shares or grant rights to subscribe for, or convert any security into, shares in the Company without the prior consent of shareholders until the conclusion of the next Annual General Meeting of the Company after the passing of the resolution, or, if earlier, at the close of business on 30 June 2021. Resolution 13 will be proposed as an ordinary resolution.

Paragraph (a)(i) of Resolution 13 will allow the Directors to allot Ordinary shares up to a maximum nominal amount of £5,527.44 representing approximately one third (33.33%) of the Company's existing issued ordinary share capital and calculated as at 24 April 2020 (being the latest practicable date prior to publication of this document). In accordance with institutional guidelines issued by the Investment Association, paragraph (a)(ii) of Resolution 13 will allow Directors to allot, including the Ordinary shares referred to in paragraph (a)(i) of Resolution 13, further of the Company's Ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £11,056.55, representing approximately two thirds (66.67%) of the Company's existing issued ordinary share capital and calculated as at 24 April 2020 (being the latest practicable date prior to publication of this document).

The Directors have no present intention of exercising this authority. If the Directors do exercise the authority, they intend to follow best practice as regards its use, as recommended by the Investment Association.

As at 24 April 2020, the Company held in treasury: (i) no Ordinary shares, and (ii) 48,050 non-voting Deferred Ordinary shares of £1 each.

Resolutions 14 and 15 – To authorise the Directors to disapply pre-emption rights (special resolutions)

Also at last year's meeting two separate special resolutions were passed, under sections 570 to 573 of the Companies Act 2006 and in line with institutional shareholder guidelines, empowering the Directors to allot equity securities for cash without first being required to offer such shares to existing shareholders. It is proposed that these authorities be renewed as set out in Resolutions 14 and 15.

Resolution 14 gives the Directors the power, in certain limited circumstances, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. Apart from in connection with rights issues and other pre-emptive offers, the power will be limited to the allotment of equity securities or sale of treasury shares for cash up to an aggregate nominal value of £829.20 (being approximately 5% of the issued ordinary share capital of the Company as at the latest practicable date before publication of this notice). The Directors will have due regard to the Pre-Emption Group's Statement of Principles published on 12 March 2015 (the '**Statement of Principles**') in relation to any exercise of this power, in particular to the requirement for advance consultation and explanation before making non-pre-emptive cash issues in excess of 7.5% of the share capital in any rolling three-year period (other than in connection with an acquisition or specified capital investment as described in the Statement of Principles). The authority will expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2021, whichever is earlier.

Resolution 15 gives the Directors additional limited power, in line with guidance issued by the Pre-Emption Group, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. The power will be limited to the allotment of equity securities or sale of treasury shares for cash up to an aggregate nominal value of £829.20 (being approximately 5% of the issued ordinary share capital of the Company as at the latest practicable date before publication of this notice) provided that the authority can only be used in connection with the financing or refinancing of an acquisition or specified capital investment (within the meaning given in the Statement of Principles) which is announced contemporaneously with the allotment or has taken place in the preceding six month period and is disclosed in the announcement of the allotment. The Directors will have due regard to the Statement of Principles in relation to any exercise of this power. The authority will expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2021, whichever is earlier.

The authority granted by Resolution 15 would be in addition to the general authority to disapply pre-emption rights under Resolution 14. The maximum nominal value of equity securities which could be allotted if both authorities were used would be £1,658.40, which represents approximately 10% of the issued ordinary share capital of the Company as at 24 April 2020 (being the latest practicable date prior to publication of this circular).

Resolution 16 – To approve the market purchase of the Company's own shares (special resolution)

A special resolution was also passed at last year's meeting empowering the Directors to purchase the Company's shares in the market. It is proposed that this authority be renewed. The Directors have no present intention of exercising the authority to purchase the Company's Ordinary shares but will keep the matter under review. The power given by the resolution will only be exercised if the Directors are satisfied that any purchase will increase the earnings per share of the ordinary share capital in issue after the purchase and, accordingly, that the purchase is in the interests of shareholders. The Directors will also give careful consideration to gearing levels of the Company and its general financial position. The purchase price would be paid out of distributable profits.

The Act permits certain listed companies to hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by the company. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under the Company's employees' share schemes.

Explanatory Notes to the Notice of Annual General Meeting continued

Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the treasury shares.

If the Directors exercise the authority conferred by Resolution 16, they may consider holding those shares in treasury, rather than cancelling them. The Directors believe that holding shares in treasury would provide the Company with greater flexibility in the management of its share capital. The Directors will also consider using the treasury shares to satisfy share options/awards under the Company's employees' share schemes.

The maximum number of shares which may be purchased under the proposed authority will be 16,583,992 Ordinary shares representing approximately 10% of the issued ordinary share capital of the Company at 24 April 2020 (being the latest practicable date before the date of this document). The price paid for shares will not be less than the nominal value. The price paid will not be more than the higher of 105% of the average of the middle-market quotation of the Company's Ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days preceding the day on which the shares are purchased and an amount equal to the higher of the price of the last independent trade of an Ordinary share and the highest current independent bid for an Ordinary share on the trading venue where the purchase is carried out.

As at 24 April 2020 (being the latest practicable date prior to the date of this circular), the total number of warrants over or options to subscribe for Ordinary shares that were outstanding was 3,577,282. The proportion of issued ordinary share capital that they represented at that time was 2.16% and the proportion of issued ordinary share capital that they will represent if the full authority to purchase shares (existing and being sought) is used is 2.64%. As at 24 April 2020 the Company did not hold any Ordinary shares in treasury.

Resolution 16 will be proposed as a special resolution to provide the Company with the necessary authority to purchase its own shares. If the resolution is passed, the authority will expire at the conclusion of the 2021 Annual General Meeting, or, if earlier, on 30 June 2021, unless renewed before that time.

Resolution 17 – Notice of general meetings other than Annual General Meetings (special resolution)

Under the Act, the notice period required for all general meetings of the Company is 21 clear days. Annual General Meetings will always be held on at least 21 clear days' notice but shareholders can approve a shorter notice period for other general meetings.

At last year's Annual General Meeting shareholders authorised the calling of general meetings (other than an Annual General Meeting) on not less than 14 clear days' notice, and it is proposed that this authority be renewed.

Resolution 17, if passed, authorises the calling of general meetings other than an Annual General Meeting on not less than 14 clear days' notice, and will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. The flexibility offered by this resolution will be used where, taking into account the circumstances, the Directors consider this appropriate in relation to the business to be considered at the meeting and in the interests of the Company and shareholders as a whole.

IMPORTANT NOTES

The following notes explain your general rights as a shareholder and your right to attend and vote at this Annual General Meeting or to appoint someone else to vote on your behalf.

1. Attending the Annual General Meeting in person (Coronavirus (Covid-19) impact on the AGM)

As noted in the Chairwoman's letter, compulsory government measures are in force at the time of writing requiring people to stay at home except for certain limited reasons and prohibiting, among other things, public gatherings of more than two people (the '**Stay at Home Measures**'). If the Stay at Home Measures remain in force as at the date of the AGM, shareholders must not attend the AGM in person and we will refuse entry to anyone who seeks to attend in person. We strongly urge all shareholders to register their vote in advance by appointing the Chairperson of the meeting as their proxy and giving voting instructions. We will make arrangements for a quorum to be present to transact the business of the AGM.

It is possible that the AGM arrangements set out in this Notice may change to reflect further developments over the next few weeks. Up to date information and any changes to the AGM arrangements contained in this Notice of AGM will be available at <https://www.tggplc.com/investors/shareholder-information/aggm>.

2. Appointment of proxies

Members are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the Annual General Meeting. A proxy need not be a member of the Company but must attend the Annual General Meeting to represent a member. To be validly appointed, a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying Form of Proxy.

Members can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Members cannot appoint more than one proxy to exercise the rights attached to the same share(s). If a member wishes to appoint more than one proxy, they should contact Link Asset Services (the '**Registrar**') by telephone on 0871 664 0391 (calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, call +44 371 664 0391. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9:00am – 5:30pm, Monday to Friday excluding public holidays in England and Wales) or by logging on to <https://www.signalshares.com>.

A member may instruct their proxy to abstain from voting on any resolution to be considered at the Annual General Meeting by marking the 'Vote Withheld' option when appointing their proxy. It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' or 'Against' the resolution.

You must inform the Registrar in writing of any termination of the authority of a proxy.

We strongly encourage all shareholders to appoint the Chairperson of the meeting as their proxy, with voting instructions. Other named proxies will not be allowed to attend the meeting if the Stay at Home Measures remain in force as at the date of the AGM.

A person who is not a member of the Company but who has been nominated by a member to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 10 below.

3. Appointment of a proxy online

As an alternative to appointing a proxy using the Form of Proxy or CREST (as described in notes 4 and 5 below), members can appoint a proxy online at: <https://www.signalshares.com>. In order to appoint a proxy using this website, members will need their Investor Code, which can be found on your share certificate. If for any reason a member does not have this information, they will need to contact the Registrar by telephone on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 9:00am – 5:30pm, Monday to Friday (excluding public holidays in England and Wales). To be valid, online proxy appointments must be received by the Registrar no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting.

4. Appointment of a proxy using a Form of Proxy

A Form of Proxy for use in connection with the Annual General Meeting is enclosed. To be valid, a Form of Proxy or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar (Link Asset Services) at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting.

If you do not have a Form of Proxy and believe that you should have one, or you require additional Forms of Proxy, please contact the Registrar.

IMPORTANT NOTES continued

5. Appointment of a proxy through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the following website: www.euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available by logging in at www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA10) no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed (a) voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

6. Appointment of proxy by joint holders

In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority shall be determined by the order in which the names of the joint holders stand in the Company's register of members in respect of the joint holding.

7. Corporate representatives

Any corporation which is a member can appoint one or more corporate representatives. Members can only appoint more than one corporate representative where each corporate representative is appointed to exercise rights attached to different shares. Members cannot appoint more than one corporate representative to exercise the rights attached to the same share(s). Please however note the information in note 1 above regarding attending the AGM in person.

8. Entitlement to attend and vote

To be entitled to vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), members must be registered in the Company's register of members at close of business on 25 May (or, if the Annual General Meeting is adjourned, at close of business on the day two days (excluding non-working days) prior to the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

9. Votes to be taken by a poll

At the Annual General Meeting all votes will be taken by a poll rather than on a show of hands.

It is intended that the results of the poll votes will be announced to the London Stock Exchange and published on the Company's website following the Annual General Meeting.

10. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the 'Act') to enjoy information rights (a 'Nominated Person') may, under an agreement between them and the member by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) on matters relating to their investments in the Company.

11. Website giving information regarding the Annual General Meeting

Information regarding the Annual General Meeting, including information required by section 311A of the Act, and a copy of this notice of Annual General Meeting is available from www.tggplc.com.

12. Audit concerns

Members should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the Act, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with the auditors of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

14. Voting rights

As at 24 April 2020 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 165,839,926 Ordinary shares, carrying one vote each. No Ordinary shares are held by the Company in treasury. The Company holds 48,050 non-voting Deferred Ordinary shares of £1 each in treasury. Therefore, the total voting rights in the Company as at 24 April 2020 were 165,839,926 votes.

15. Further questions and communication

In accordance with the provisions of the Companies Act, any shareholder attending the meeting has the right to ask questions. The Company will answer any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation of the AGM or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered. The Chairperson may also nominate a Company representative to answer a specific question after the AGM or refer the response to the Company's website. Shareholders are invited to submit questions to the Chairperson in advance by sending them electronically to company.secretary@thegymgroup.com.

Members who have any queries about the Annual General Meeting should contact the Company's Registrars, Link Asset Services by email at enquiries@linkgroup.co.uk or by telephone on 0871 664 0391. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0391. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 9:00am – 5:30pm, Monday to Friday excluding public holidays in England and Wales.

Members may not use any electronic address provided in this notice or in any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

16. Documents available for inspection

The following documents are available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and English public holidays excepted) from the date of this notice until the conclusion of the Annual General Meeting and on the date of the Annual General Meeting will be at the location of the meeting from 9:00am until the conclusion of the Annual General Meeting:

16.1. Copies of all contracts of service under which Directors are employed by the Company or any of its subsidiary undertakings; and

16.2. Copies of the Letters of Appointment of the Non-Executive Directors of the Company.

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