



# **The Gym Group plc** **(‘the Company’)**

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

## **Notice of Annual General Meeting 2022**

Notice is hereby given that the Annual General Meeting of The Gym Group plc will be held at 11.00am on Thursday 12 May 2022 at No 1 Croydon, 12-16 Addiscombe Road, Croydon CR0 0XT to consider and, if thought fit, pass resolutions 1 to 20 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 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 instruction or instrument appointing a proxy must be received by the Company’s registrar, 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 Tuesday 10 May 2022.

Shareholders are encouraged to appoint the Chair of the meeting as their proxy, as explained in the Chair’s letter (under Voting Arrangements).

Please note no Proxy Form will accompany these documents. If you would prefer to use a paper proxy form to appoint your proxy, you may request one from the Company’s registrar, Link Group, by calling the shareholder helpline. Details of the helpline and further information on how to appoint a proxy to vote on your behalf are set out in the Notice on page 11 of this document.

**12 April 2022**

**Dear Shareholder,**

**Notice of Annual General Meeting 2022**

I am pleased to inform you that the Company's Annual General Meeting (the 'AGM') will be held at No 1 Croydon, 12-16 Addiscombe Road, Croydon CR0 0XT on Thursday 12 May 2022 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, together with the 2022 Directors' Remuneration Policy for shareholders' approval.

**Attendance and voting**

At the time of writing this document, we anticipate being able to welcome shareholders to our AGM in person. However, I and the Board remain mindful that the situation regarding COVID-19 in the UK is subject to change, and my priority is the health and safety of members, colleagues and attendees alike. In order to help organise the meeting better, shareholders intending to attend the AGM are asked to register their intention as soon as practicable (and no later than 12 noon on 11 May 2022) by sending an email to the Company Secretary at [company.secretary@thegymgroup.com](mailto:company.secretary@thegymgroup.com) confirming their attendance.

Shareholders are strongly encouraged to register their vote in advance, using the methods set out in this Notice, appointing the Chair of the meeting to act as their proxy and giving voting instructions. Shareholders should ensure their voting instructions are submitted no later than 11.00am on Tuesday 10 May 2022. Appointing the Chair of the meeting as your proxy will not prevent you from attending the AGM and voting in person should you so wish.

There will be an opportunity for you to ask questions at the AGM.

**Voting arrangements**

If you would like to vote on the resolutions, we encourage you to appoint the Chair of the meeting as your proxy, with voting instructions. 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 appointments should reach the Company's registrar, Link Group, by no later than 11.00am on Tuesday 10 May 2022. Appointing a proxy will not prevent you from attending the AGM and voting in person should you so wish, Government guidelines permitting.

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.

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 in person, 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 20 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**

Chair of the Board

The Gym Group plc

Registered Office: Fifth Floor, No 1 Croydon, 12-16 Addiscombe Road, Croydon, England, CR0 0XT  
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# 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 Thursday 12 May 2022 at No 1 Croydon, 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 16 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 17 to 20 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 2021.
2. To approve the Directors' Remuneration Policy in the form set out on pages 91 to 99 of the audited Annual Report and Accounts for the financial year ended 31 December 2021.
3. To approve the Annual Statement from the Remuneration Committee Chair and the Annual Report on Remuneration for the financial year ended 31 December 2021 set out on pages 86 to 90 and pages 100 to 108 (inclusive) of the Company's Annual Report and Accounts for the financial year ended 31 December 2021.
4. To re-elect Penny Hughes 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-elect Wais Shaifta as a Director.
11. To re-elect Rio Ferdinand as a Director.
12. To elect Ann-marie Murphy as a Director.
13. 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.
14. To authorise the Audit and Risk Committee for and on behalf of the Board to determine the remuneration of the auditors.
15. 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 2023 or, if sooner, the conclusion of the Annual General Meeting of the Company to be held in 2023.

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

16. THAT:

- (a) the Directors be authorised, in accordance with article 7 of the Company's Articles of Association and section 551 of the Companies Act 2006, to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:
  - (i) up to a maximum nominal amount of £5,925.06 (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 £5,925.06); and
  - (ii) comprising equity securities (as defined in article 8 of the Company's Articles of Association) up to a maximum nominal amount of £11,851.90 (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 2023; 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

17. THAT, if Resolution 16 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 £888.85,

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 2023), 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.

18. THAT, if Resolution 16 is passed, and in addition to any authority granted under Resolution 17, 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 16 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 £888.85; 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 2023) 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.

19. 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 17,776,956;
  - (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 2023, or, if earlier, on 30 June 2023 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.
20. 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

**Nadira Hussein**  
Company Secretary

12 April 2022

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

# Directors' Biographies

## Penny Hughes

Non-Executive Chair of the Board

### Committees

Nomination Committee  
Remuneration Committee  
Sustainability 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 Chair of the Board. 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 – Adviser  
Riverstone Living – Chair  
Form3 – Non-Executive Director and Chair of Strategic Advisory Board  
Motherclub Ltd – Director

## Richard Darwin

Chief Executive Officer

### Committees

Nomination Committee  
Sustainability 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 through the disruption of the pandemic, including continuing to develop a talented and stable 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 and sets high standards. He has evolved and strengthened the Company's finance function and successfully secured new bank and equity financing, ensuring that the business is well placed to deliver its accelerated growth strategy.

### Other appointments

None

## Ann-marie Murphy

Chief Operating Officer

### Committees

None

### Career

Ann-marie joined The Gym Group in April 2018 and has over 15 years' experience across a variety of senior Human Resources roles, particularly in the travel and retail industries. Before joining The Gym Group, Ann-marie was Group Human Resources Director at New Look Retailers. Ann-marie was promoted to the position of Chief Operating Officer in February 2022.

### Board skills and experience

Ann-marie brings her strong leadership and talent management experience to the Board and Executive Team. Ann-marie provides essential insight to the operational aspects of the business and keeps people at the heart of the Board's strategy.

### Other appointments

None

## John Treharne

Founder Director

### Committees

Nomination Committee  
Sustainability 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  
Frame – Chairman  
Jigsaw South East – Chair of Trustees

## Emma Woods

Senior Independent 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 was the former CEO at Wagamama and previously has held Marketing Director roles at Merlin Entertainments plc, Pizza Express and Unilever. Emma is a customer and marketing champion.

### 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 former executive leader, she offers perspective on the challenges facing hospitality and leisure businesses. Emma brings relevant challenge and support to the executive team with particular focus on meeting customer expectations.

### Other appointments

Tortilla Mexican Grill plc – Chair of Board of Directors  
Great Portland Estates plc – Non-Executive Director

## David Kelly

Non-Executive Director

### Committees

Nomination Committee  
Audit and Risk Committee  
Remuneration Committee  
Sustainability Committee

### Career

David is an experienced 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 matters to all his committee memberships and Board responsibilities.

### Other appointments

Reach plc – Independent Non-Executive Director  
On the Beach plc – Non-Executive Director and Chair of Remuneration Committee  
Simply Business (Xbridge Limited) – Non-Executive Chair and Chair of Audit, Remuneration, and Social Impact committees

## Rio Ferdinand

Non-Executive Director

### Committees

Nomination Committee  
Remuneration Committee

### Career

Following his football career, Rio has pursued a number of interests in business, broadcasting and charity work, including #5Magazine, a lifestyle brand that spans online content and fashion. Rio is a television pundit for BT Sport as well as an author and filmmaker and works collaboratively with young people through the Rio Ferdinand Foundation. Rio is a passionate advocate for fitness, mental health and wellbeing, and diversity.

### Board skills and experience

Rio's advocacy for fitness, mental health and wellbeing and diversity means that he brings a unique perspective to the Board on our colleague and membership profile, which will form a key part of the Board's strategy in recovery. Rio's insight into our key market demographics will support our continued pursuit of our purpose and our strategic priorities as we recover to grow again.

### Other appointments

FE Luxury Travel, Football Escapes, Legacy Sports and Education Foundation, Rio Ferdinand Foundation – Director

## Wais Shaifta

Non-Executive Director

### Committees

Nomination Committee  
Audit and Risk Committee  
Sustainability Committee

### Career

Wais has gathered substantial e-commerce expertise from a number of leading online businesses. As the former CEO at Push Doctor, one of the leading digital healthcare companies in Europe, Wais worked in partnership with the NHS to connect thousands of patients each week with clinicians. Before joining Push Doctor, Wais was Director of Global Operations at Treatwell, and prior to that was International Operations Director at Just Eat.

### Board skills and experience

Wais' background in leading technology businesses gives him a strong understanding of the vital role technology plays in our drive to be ever more relevant to members. Wais is an executive leader in a healthcare business and is well aligned with our purpose to provide access to affordable fitness for all.

### Other appointments

Revaia Capital – Non-Executive Director  
Planity – member of Board of Directors  
Pacaso Global – General Manager and Vice President of Sales

# Explanatory Notes to the Notice of Annual General Meeting

Resolutions 1 to 16 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 17 to 20 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 '2021 Annual Report') to the AGM.

## **Resolution 2 – To approve the Directors' Remuneration Policy**

Shareholders will be asked to receive and approve the Directors' Remuneration Policy (the '2022 Policy') as set out on pages 91 to 99 of the 2021 Annual Report. The 2022 Policy sets out the Company's policy on remuneration and potential payments to Directors, including payments for loss of office, and it is intended to take effect immediately following approval at the Meeting. In accordance with UK law, the Directors' Remuneration Policy must be approved by a binding shareholder vote (by means of a separate resolution) at least once every three years. Unless requested earlier, approval of the Directors' Remuneration Policy will next be sought at the Annual General Meeting in 2025.

If resolution 2 is not passed, the current Directors' Remuneration Policy approved at the 2019 Annual General Meeting will continue in effect until a new Directors' Remuneration Policy is approved by shareholders.

## **Resolution 3 – 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 Chair 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 86 to 90 of the 2021 Annual Report and the Annual Report on Remuneration can be found on pages 100 to 108 (inclusive). Resolution 3 is an advisory vote only and the Directors' entitlement to remuneration is not conditional on it.

## **Resolutions 4 to 12 – 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, John Treharne, Richard Darwin, Mark George, David Kelly, Emma Woods, Wais Shaifta and Rio Ferdinand are retiring from office and are submitting themselves for re-election by shareholders at the 2022 AGM. Ann-marie Murphy, who was appointed to the Board in April 2022, is submitting herself for election by shareholders for the first time at the 2022 AGM. Although Mark George has notified the Company of his resignation as Chief Financial Officer and Executive Director, as announced on 20 January 2022, he is expected to remain with the Company until July 2022, a date after the AGM, and so is standing for re-election in accordance with the Company's Articles of Association.

The Board believes that each Director should be elected or 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 elect or re-elect 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.tgplc.com](http://www.tgplc.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 Chair of the Board has confirmed that following an externally facilitated effectiveness review in January 2022, the performance of each Director standing for re-election continues to be effective and demonstrates commitment to the role. More details of this effectiveness review can be found on page 81 of the 2021 Annual Report and Accounts.

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 election or re-election of each Director.

## **Resolutions 13 and 14 – Reappointment and remuneration of auditors**

The Board, on the recommendation of the Audit and Risk Committee, is proposing the reappointment of Ernst & Young LLP. Resolution 14 gives authority to the Audit and Risk Committee to determine the auditor's remuneration.



### **Resolution 15 – 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 15 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 15 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 15 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 2023 or the conclusion of the Annual General Meeting of the Company to be held in 2023.

### **Resolution 16 – To authorise the Directors to allot Ordinary shares**

At the Annual General Meeting held in May 2021, 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 2022 Annual General Meeting or, if earlier, at the close of business on 30 June 2022. 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 2023. Resolution 16 will be proposed as an ordinary resolution.

Paragraph (a)(i) of Resolution 16 will allow the Directors to allot Ordinary shares up to a maximum nominal amount of £5,925.06 representing approximately one third (33.33%) of the Company's existing issued Ordinary share capital and calculated as at 31 March 2022 (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 16 will allow Directors to allot, including the Ordinary shares referred to in paragraph (a)(i) of Resolution 16, 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 £11,851.90, representing approximately two thirds (66.67%) of the Company's existing issued Ordinary share capital and calculated as at 31 March 2022 (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 31 March 2022, the Company held in treasury: (i) no Ordinary shares, and (ii) 48,050 non-voting Deferred Ordinary shares of £1 each.

### **Resolutions 17 and 18 – 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 17 and 18.

Resolution 17 gives the Directors limited power 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 £888.85 (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 2023, whichever is earlier.

Resolution 18 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 £888.85 (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 2023, whichever is earlier.

# Explanatory Notes to the Notice of Annual General Meeting continued

The authority granted by Resolution 18 would be in addition to the general authority to disapply pre-emption rights under Resolution 17. The maximum nominal value of equity securities which could be allotted for cash on a non pre-emptive basis if both authorities were used would be £1,777.70, which represents approximately 10% of the issued Ordinary share capital of the Company as at 31 March 2022 (being the latest practicable date prior to publication of this circular).

## **Resolution 19 – 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.

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 19, 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 17,776,956 Ordinary shares representing approximately 10% of the issued Ordinary share capital of the Company at 31 March 2022 (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 31 March 2022 (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 5,175,055. The proportion of issued Ordinary share capital that they represented at that time was 2.91% 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 3.61%. As at 31 March 2022 the Company did not hold any Ordinary shares in treasury.

Resolution 19 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 2023 Annual General Meeting, or, if earlier, on 30 June 2023, unless renewed before that time.

## **Resolution 20 – 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 unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. Annual General Meetings will always be held on at least 21 clear days' notice.

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 20, 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

If you wish to attend the Annual General Meeting in person, you are asked to register your attendance as soon as practicable (and no later than noon, 11 May 2022) by sending an email to the Company Secretary at [company.secretary@thegymgroup.com](mailto:company.secretary@thegymgroup.com). It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity to the Company's registrar, Link Group (the 'Registrar'), prior to being admitted to the Annual General Meeting.

## 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.

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 Group (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. 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.

The appointment of a proxy will not prevent a member from attending the Annual General Meeting and voting in person instead of the proxy if they wish. You must inform the Registrar in writing of any termination of the authority of a proxy.

All proxy appointments must be received by no later than 11am on Tuesday 10 May 2022 to be valid.

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 and giving voting instructions online

You can appoint a proxy and give voting instructions vote either:

- by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions: If you have not previously registered, you will first be asked to register as a new user, for which you will require your investor code (which can be found on your share certificate and dividend confirmation), family name and postcode (if resident in the UK).
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
- proxy appointments must be received by no later than 11:00am on Tuesday 10 May 2022 to be valid.

## 4. Appointment of a proxy using a Form of Proxy

You may request a hard copy form of proxy directly from the registrars, Link Group, on Tel: 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. Lines are open between 9.00am – 5.30pm, Monday to Friday excluding public holidays in England and Wales.

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 Group, PXS 1, 10th Floor, Central Square, 29 Wellington Street, LEEDS, LS1 4DL 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 require additional Forms of Proxy, please contact the Registrar.

## 5. Holders within the Gym Group Nominee voting instructions

No Form of Instruction is included with this mailing. You may instruct how you want your votes cast electronically by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions given on the website. If you have not previously registered, you will first be asked to register as a new user, for which you will require your investor code. This can be obtained by contacting the Registrar on their shareholder helpline.

Votes should be cast no later than 11.00am on 9 May 2022 or 72 hours (excluding non business days) before any adjourned meeting.

## 6. 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](http://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](http://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.

# IMPORTANT NOTES continued

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).

## 7. 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.

## 8. 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).

## 9. 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 10 May 2022 (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.

## 10. 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.

## 11. 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.

## 12. 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](http://www.tggplc.com).

## 13. 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 31 March 2022 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 177,769,561 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 31 March 2022 were 177,769,561 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 Chair 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 Chair in advance by sending them electronically to [company.secretary@thegymgroup.com](mailto:company.secretary@thegymgroup.com).

Members who have any queries about the Annual General Meeting should contact the Company's Registrars, Link Group, by email at [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk) or 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. Lines 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 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 10.00am 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.

## 17. Personal data

Personal data provided by shareholders at or in relation to the Meeting will be processed in line with the Company's privacy policy.