

10 January 2024

**The Gym Group plc**  
**(“The Gym Group” or “the Group”)**

**Pre-close trading update**

Leading low-cost gym operator, The Gym Group plc, is pleased to announce that the positive trading trends highlighted in our H1 results have continued throughout the remainder of the year, resulting in good growth in both membership and yield.

Revenue for the year ended 31 December 2023 increased by 18% to £204.0m (2022: £172.9m), with average members up 8% to 872,000 (2022: 808,000), and average revenue per member per month (ARPM) up 9% to £19.50 (2022: £17.82). Like-for-like revenue grew 8% year on year<sup>1</sup>, maintaining the momentum of the first half. We closed the year with 850,000 members compared with 821,000 at 31 December 2022, an increase of 4%. We opened six new sites in the year and closed two.

Net debt as at 31 December 2023 was £66.4m, compared with £76.1m at 31 December 2022. The reduction reflects strong working capital performance and the timing of spend on new site openings and other capital expenditure projects.

As anticipated in our previous guidance for FY23, revenue growth has offset utility-driven cost inflation and leverage<sup>2</sup> is expected to remain within the range of 1.5 to 2.0x.

We have implemented a 3-tier price architecture with the roll out of an Off-Peak membership to the entire estate following the successful trial. We expect to accelerate new site openings to 10-12 sites in 2024 and continue to reinvest in our existing estate, funded from free cashflow.

The Group will publish its full FY23 results and provide a strategy update together with guidance for FY24 on 13 March 2024.

Will Orr, CEO of The Gym Group, commented:

*“We have delivered good growth in both membership and revenue which will underpin FY23 results in line with guidance, and we are well-prepared for our key recruitment period in the coming quarter, with a flexible, high-value low-cost offer that makes gym membership even more accessible for everyone. These are strong foundations on which to build our “Next Chapter” growth plan and I will provide an update on this with our full year results in March.”*

**For further information, please contact:**

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<sup>1</sup> Like-for-like Revenue vs 2022 includes all sites open as at 31 December 2020

<sup>2</sup> Calculated as Non-Property Net Debt : Group Adjusted EBITDA Less Normalised Rent

**Notes for editors:**

The Gym Group was a pioneer of the low-cost gym model, and now operates 233 high quality sites across the UK. These gyms offer 24/7 opening and flexible, no-contract membership. As at 31 December 2023 there were 850,000 members nationwide. Our gyms have over 60 million visits per annum, score highly on member satisfaction and are consistently rated “excellent” on Trustpilot. The Gym Group is the UK’s first carbon neutral chain of gyms.

Sites opened in 2023 are: Accrington, Edinburgh Corstorphine, Wimbledon, Uxbridge, Stafford and Coventry.