

**The Gym Group plc**  
**(‘The Gym Group’, ‘the Group’ or ‘the Company’)**  
**2025 Interim Results**

**Next Chapter growth plan continues to deliver strong progress**

Leading low cost gym operator, The Gym Group, announces its interim results for the six month period ended 30 June 2025.

**Key financial metrics<sup>1</sup>**

	Six months ended 30 June 2025	Six months ended 30 June 2024	Movement
Revenue (£m)	121.0	112.1	+8%
Group Adjusted EBITDA (£m)	48.3	41.7	+16%
Group Adjusted EBITDA Less Normalised Rent (£m)	27.4	22.1	+24%
Adjusted Profit before tax (£m)	4.9	0.5	+£4.4m
Statutory Profit before tax (£m)	3.3	0.2	+£3.1m
Statutory Profit after tax (£m)	3.3	0.2	+£3.1m
Adjusted Diluted Earnings per share (p)	2.7	0.3	+2.4p
Statutory Diluted Earnings per share (p)	1.8	0.1	+1.7p
Free cash flow <sup>2</sup> (£m)	25.1	23.3	+8%
Non-Property Net Debt (£m) (as at period end)	(51.2)	(54.6)	Reduced by £3.4m

**Financial highlights**

- Revenue for the period increased by 8%, with average members up 4% and average revenue per member per month (‘ARPM’) up 4%; like-for-like<sup>3</sup> revenue grew 3%; closing membership up 5% year on year
- Group Adjusted EBITDA Less Normalised Rent at £27.4m was 24% ahead of the prior year period as revenue growth continues to outpace cost inflation
- Strong free cash flow generated in H1, up 8% to £25.1m, funding new sites, enhancements to existing sites and continued technology investment, including new member management and payment capabilities
- Non-Property Net Debt at £51.2m, reduced by £10.1m in the period (Dec 2024: £61.3m); Adjusted Leverage<sup>4</sup> reduced to 1.0x; bank facilities increased to £102m (was £90m) and maturity extended to June 2028

**Business and operational highlights**

- Both mature sites and new sites performing well, reflecting benefits of Next Chapter growth plan, and driving growth in Group Adjusted EBITDA Less Normalised Rent
- Sustained pricing opportunity supporting yield growth, plus advantaged, labour-light business model, delivering strong growth in site performance
- Data-driven approach to revenue growth levers continues to deliver benefits, supported by steps to further increase appeal to Gen Z member demographic in particular, through targeted marketing and enhanced site experience
- Five new sites opened year to date (three in H1) and currently on site at a further eight; on track to open 14-16 new sites in 2025, in line with our plan to open circa 50 sites over three years, funded from free cashflow
- Continued to build on high levels of member engagement and satisfaction, with 94% of members rating The Gym Group 4 or 5 out of 5 for overall satisfaction; proportion of members visiting 4+ times a month increased by 108bps

**Current trading and outlook**

- Trading momentum continued in July and August underpinning confidence that we will deliver c.3% like-for-like revenue growth for the full year
- Expect full year Group Adjusted EBITDA Less Normalised Rent to be at the top end of analysts’ forecast range<sup>5</sup>

<sup>1</sup> Refer to the ‘Definition of non-statutory measures’ section for definitions of non-statutory measures used in the table.

<sup>2</sup> Free cash flow for the six months ended 30 June 2024 has been restated to reallocate £1.2m of Technology and Data spend from Expansionary capital expenditure to Maintenance capital expenditure.

<sup>3</sup> Like-for-like revenue vs 2024 includes all sites open as at 31 December 2022.

<sup>4</sup> Adjusted Leverage calculated as Non-Property Net Debt divided by LTM Group Adjusted EBITDA Less Normalised Rent.

<sup>5</sup> Current Company-compiled analysts’ forecast range for Group Adjusted EBITDA Less Normalised Rent is £50.6m-£52.8m.

**Will Orr, CEO of The Gym Group, commented:**

"This strong set of half year results reflects continued progress against the strategic objectives set out in our Next Chapter growth plan 18 months ago. Our high value, low cost proposition continues to resonate, with members visiting the gym more often than ever.

Encouragingly, the sites opened this year, which reflect new design features, are performing ahead of expectations, and we are on track to deliver our target of opening 14-16 new gyms this year, all funded from free cash flow, taking us beyond 250 sites. In a growing sector, we have once again increased membership, revenue and profit and are well set to deliver full year results at the top end of market expectations<sup>6</sup>."

A live audio webcast of the analyst presentation will be available at 9:00 a.m. today via the following link: <https://storm-virtual-uk.zoom.us/join/96KBJ1VfSiSaQwatE2NGSQ>.

A copy of the presentation and recording of the webcast will be published on the Company's website.

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**Forward-looking statements**

This announcement includes statements that are, or may be deemed to be, 'forward-looking statements'. By their nature, such statements involve risk and uncertainty since they relate to future events and circumstances. Actual results may, and often do, differ materially from any forward-looking statements. Any forward-looking statements in this announcement reflect management's view with respect to future events as at the date of this announcement. Save as required by law or by the Listing Rules of the UK Listing Authority, the Company undertakes no obligation to publicly revise any forward-looking statements in this announcement following any change in its expectations or to reflect subsequent events or circumstances following the date of this announcement.

**Notes for editors**

The Gym Group was a pioneer of the low cost gym model, offering 24/7 opening and flexible, no contract membership. As at 10 September 2025, we operate 249<sup>7</sup> high quality sites across the UK with over 900,000 members nationwide. Our gyms have over 65 million visits per annum and score highly on member satisfaction. The Gym Group is the UK's first carbon neutral chain of gyms.

<sup>6</sup> Current Company-compiled analysts' forecast range for Group Adjusted EBITDA Less Normalised Rent is £50.6m-£52.8m.

<sup>7</sup> Opened the year with 245 gyms with three new openings and one closure in the first half and two additional openings since 1 July to date. Sites opened in 2025 to date are: London Stratford, Stevenage, London Greenford, Edinburgh Meadowbank and Norwich Sweet Briar which is currently open to view.

## CEO Review

The Gym Group has a winning 'high value, low cost' proposition and operates in a growing market for health, fitness and gyms. With a clear plan and a strong team in place, we are more confident than ever about our prospects for sustained growth.

Our first half results demonstrate continuing strong progress in the Next Chapter growth plan. We have delivered consistent like-for-like revenue growth, in line with our guidance, against a testing macroeconomic background; strong growth in Group Adjusted EBITDA Less Normalised Rent of 24%, driven by further progress in our mature sites; and excellent growth in free cash flow which we are continuing to reinvest to generate further growth.

### **Strengthen the core**

The first element of the 3-part Next Chapter growth plan is 'Strengthen the core'. As the key measure of success for the 'Strengthen the core' programme, we set a target to achieve an average ROIC on our mature sites of c.30% over the medium term, compared with the starting point of 21% in FY23, with a four percentage point improvement achieved in FY24. We will update on our progress towards this target in the full year, but growth in our mature sites made a significant contribution to the first half growth in Group Adjusted EBITDA Less Normalised Rent.

We are driving like-for-like growth in our existing estate through a combination of pricing and revenue management, cost-effective member acquisition, and improving member retention.

### **Optimising pricing and revenue management**

We continue to harness data and AB testing to increase yield. Industry and customer pricing analysis, provided by Simon-Kucher and regularly updated, shows that the value that our members ascribe to their gym subscription continues to be substantially higher than the price they pay. This element of discretionary spending remains a priority, particularly for our Gen Z members, who form an important cohort of our membership. In line with many other sectors, the low cost gym segment as a whole has seen the cost of subscriptions move up, and we have maintained our competitive position despite our ongoing programme to optimise pricing.

Meanwhile, the gap between the mid-market and the low cost sector is, if anything, widening further which leaves plenty of headroom for further yield improvements. According to our own analysis, the average mid-market competitor now has a premium of 57% in monthly subscription rate compared with our current average.

Yield improvements in the first half were predominantly driven by price increases. As well as our existing suite of membership options (Off-peak, Standard, Ultimate, Saver and Student) we have launched some unbundled 'add-on' offers such as Guest pass and Multi-site access which are proving popular with our Standard members. Growth in our Saver proposition – a nine or twelve month pay upfront option – has continued to progress strongly, from a low base.

As at 30 June 2025, Off-peak accounted for 13% of our member base, in line with our expectations. The appeal of our Ultimate membership remained strong, and this accounted for 30% of our member base at the same point in time (31% at 30 June 2024).

In aggregate, average revenue per member per month was up 4% in the first half, to £21.16, reflecting average yield growth in our mature sites of 3%, as well as more rapid yield progression in our new sites that are not yet fully mature. We have achieved this whilst maintaining our already high member satisfaction levels and holding overall member volumes flat, supported by our retention actions.

### **Targeting customer acquisition**

We continue to focus on marketing effectiveness and improving the returns on our investment. Our local focus in messaging and media deployment continues to grow awareness and consideration near our gyms; and our website optimisation programme also continues to deliver a steady stream of incremental gains in website conversion.

We are also working to increase our appeal to both existing and potential Gen Z members, building followers and reach in both national and local social media, by investing in capability and content. We are also evolving the visual presentation of the brand to drive appeal, memorability and cut through across channels.

### **Improving retention**

Under our 'Strengthen the core' strategy, our aim is to drive yield whilst at least maintaining member volumes, so as to maximise our revenue opportunity. There is a natural slight drag each year in member volumes from price increases, as well as from competitor rollout activity, which we aim to offset. In the first half of the year, we have continued to maintain member volumes at 100%.

A key driver to improving retention is building frequency of visit to form a habit. We have seen continuing progress in members visiting 4x per month, up 108bps in the first half of 2025 to 55.7% (vs H1 24). This is also a key contributor to growth in Social Value<sup>8</sup> which underpins our sustainability objectives.

<sup>8</sup> The Social Value Model created by Sheffield Hallam University focuses on member participation and the health benefits of regular exercise. It calculates the financial value resulting from reduced GP visits, enhanced life satisfaction, personal development and the growth of social and community connections.

We have continued to focus on early life interactions with new members. We have seen strong progress in 'Kickstart' inductions offered to new members, which are up 37% in H1, and deliver significant churn reduction among participating members. We are also increasing focus on maximising rejoinder rates. Rejoiners form a significant cohort of our members, so we are making CRM and digital journey enhancements to make it as easy as possible for them to return.

By employing behavioural science in our email engagement with new and rejoining members; upgrading our highly rated and well-utilised app; and improving in-gym interaction with new members, we have seen continuing improvement in the average tenure of our membership base in 2025 to date.

### ***Improving value perception***

We have maintained our value for money score of 7.9 according to Simon-Kucher analysis, after a double digit increase in yield over the past two years. Customer satisfaction metrics show continuing strength, with 94% of our members rating The Gym Group 4 or 5 out of 5 for overall satisfaction (62% 5/5) and we continue to outperform our closest high value, low cost competitors.

We are mindful of the need to continue to demonstrate value for money to our members as well as to increase our appeal to Gen Z. To that end, we are taking a step forward in 2025 with our refurbishment programme. As well as our normal programme of upgrading equipment and introducing new in-demand kit, including brands new to us, such as Booty Builder, we are taking elements of the elevated design that we have been rolling out in our new sites (see below) and retro-fitting existing sites within our existing maintenance programme.

The associated capital expenditure will be prioritised towards sites where our analysis shows there is significant headroom for new members within the catchment area and will be supported by a targeted marketing effort to deliver a return on this investment. By the end of 2025, we expect that over 40 sites will be operating with elements of this new design. We expect property maintenance capital expenditure will continue to be in the range of 5-6% of revenue.

### ***Accelerating rollout of quality sites***

Our Next Chapter growth plan targets an accelerating rollout of high quality sites, delivering 30% ROIC and funded from free cash flow. Latest data from Leisure DB State of the UK Fitness Industry Report 2025 shows that gym penetration (by number of members) in the UK has risen from 15.9% to 16.6% over the past 12 months, underscoring the continuing potential for site expansion.

Alongside our work with Savills and local agents to expand our site pipeline, we are using technology tools, including a fully bespoke machine learning data model, to optimise site identification and improve our site selection, and catchment modelling to deliver more accurate site appraisal, at higher speed.

To date in 2025, we have opened five new sites and are currently on site at a further eight. As last year, our opening programme is back-end weighted and we expect to open 14-16 in total by the year end, in line with our previous guidance. The pipeline for 2026 is well supplied, and we expect to open 18-22 gyms next year, with a more even weighting through the year to the opening programme.

### ***Evolving our proposition***

The Gym Group's current proposition is highly successful and extremely well rated by its members. The strong performance of recent new site openings clearly demonstrates the power of our low cost, high value format and its attractions to Gen Z gym goers in particular, who accounted for more than 40% of new members in 2024. According to our survey of 2,071 respondents aged 16-28, almost  $\frac{3}{4}$  of this group exercise at least twice a week. They prioritise spending on health and fitness, with 44% ranking it as first or second on spending choices, ahead of streaming services and going out to eat or drink. As we evolve our proposition, with a number of new design initiatives to make the gyms more on-trend and "premium", we are increasing their appeal to both existing and potential Gen Z members.

We conducted a site visit in June for analysts and investors to our Elephant & Castle gym, which opened in December 2024. This site, alongside other recent new openings, shows how our proposition is evolving to establish a fresh, compelling, contemporary design for new sites and a scalable, cost-effective model for refurbishing the existing estate within our existing maintenance capital expenditure budgets.

Our site design activity operates in tandem with ongoing cost efficiency projects to refine the operating model, optimise energy usage and innovate in-build cost management. We are also incorporating smart value engineering, such as utilising the exposed shell of the gym and darker paintwork which requires less frequent maintenance. These enhancements further underpin our confidence that new sites will continue to deliver average ROIC of c.30%, in line with our plan.

We have continued to refine our approach to launching our new gyms, resulting in a more rapid ramping up of member volumes; and all new sites opened since the introduction of enhanced tailoring of marketing and gym product to local markets are performing ahead of historical maturity curves. For example, our Elephant & Castle gym exceeded its appraised target for members within three months of opening.

### ***Investing in data and technology platforms***

As indicated in our 2024 full year results statement, we have commenced a programme of investment to upgrade our major technology and data platforms. This is focused on introducing a new set of market-leading business and member capabilities,

accelerating the pace of innovation and creating a step change in operational performance, scalability and efficiency when it comes to delivering tech-enabled strategic initiatives.

This will include new member management and payment capabilities, enabling us to consider new member facing innovations such as member-get-member and new payment options. We are using tested technology that will be customised to our requirements and the implementation is being staged over two years to minimise any risks as we transition to new systems. We expect these developments to accelerate the already strong progress we are seeing from the Next Chapter growth plan.

### **Broaden our growth**

With headroom on both mature site performance and accelerating site rollout, most of our focus is currently in those two parts of the Next Chapter plan. We have, however, continued to assess a number of options to further broaden sources of growth.

One area we have investigated here is new channels, to reach incremental sources of customer demand. The Gym Group already has a number of corporate partners providing access to our gyms to their employees and is growing this revenue stream. To accelerate this, we have launched a pilot partnership with Wellhub, a corporate wellness platform which provides employees of its clients access to wellness partners through workplace benefits. This will initially involve 190 of our gyms. Wellhub is a scaled B2B2C channel, and the pilot will test its potential for incremental membership growth.

As well as new channels, we are actively assessing other adjacent sources of growth, aligned to our core competencies, and will provide a further update on this as and when appropriate.

### **Summary and Outlook**

The Gym Group has a winning high value, low cost proposition that is well placed to thrive in the growing health and fitness market. Through our clear Next Chapter growth plan, we have identified multiple opportunities to drive like-for-like revenue growth. With significant white space opportunity suggesting a decade of rollout potential, we are accelerating our self-funded rollout of c.50 sites over three years that are expected to deliver an average 30% ROIC.

Trading momentum has continued through July and August, increasing our confidence that we will deliver c.3% like-for-like revenue growth for the full year, with Group Adjusted EBITDA Less Normalised Rent at the top end of the analysts' forecast range<sup>9</sup>.

<sup>9</sup> Current Company-compiled analysts' forecast range for Group Adjusted EBITDA Less Normalised Rent is £50.6m-£52.8m.

## Financial Review

### Presentation of results

This Financial Review uses a combination of statutory and non-statutory measures to discuss performance in the period. The definitions of the non-statutory key performance indicators can be found in the 'Definition of non-statutory measures' section.

To assist stakeholders in understanding the financial performance of the Group, aid comparability between periods and provide a clearer link between the Financial Review and the consolidated financial statements, we have also adopted a three-column format for presenting the Group income statement in which we separately disclose underlying trading and non-underlying items.

Non-underlying items are income or expenses that are material by their size and/or nature and are not considered to be incurred in the normal course of business. They are classified as non-underlying items on the face of the Group income statement within their relevant category. Further details on non-underlying items are provided later in this report.

### Summary<sup>10</sup>

	Six months ended 30 June 2025	Six months ended 30 June 2024	Movement
Total number of gyms at period end	247	237	+4%
Total number of members at period end ('000)	949	905	+5%
Revenue (£m)	121.0	112.1	+8%
Group Adjusted EBITDA (£m)	48.3	41.7	+16%
Group Adjusted EBITDA Less Normalised Rent (£m)	27.4	22.1	+24%
Adjusted Profit before tax (£m)	4.9	0.5	+£4.4m
Statutory Profit before tax (£m)	3.3	0.2	+£3.1m
Statutory Profit after tax (£m)	3.3	0.2	+£3.1m
Net cash inflow from operating activities (£m)	55.5	52.0	+7%
Free cash flow <sup>11</sup> (£m)	25.1	23.3	+8%
Non-Property Net Debt (£m) (as at period end)	(51.2)	(54.6)	Reduced by £3.4m
Adjusted Leverage	1.0	1.3	Reduced by 0.3x

<sup>10</sup> Refer to the 'Definition of non-statutory measures' section for definitions of non-statutory measures used in the table and throughout this section.

<sup>11</sup> Free cash flow for the six months ended 30 June 2024 has been restated to reallocate £1.2m of Technology and Data spend from Expansionary capital expenditure to Maintenance capital expenditure.

## Results for the period

	Six months ended 30 June 2025			Six months ended 30 June 2024		
	Underlying result	Non-underlying items	Total	Underlying result	Non-underlying items	Total
	£m	£m	£m	£m	£m	£m
Revenue	121.0	-	121.0	112.1	-	112.1
Cost of sales	(1.4)	-	(1.4)	(1.5)	-	(1.5)
<b>Gross profit</b>	<b>119.6</b>	<b>-</b>	<b>119.6</b>	<b>110.6</b>	<b>-</b>	<b>110.6</b>
Operating expenses (before depreciation, amortisation and impairment)	(73.8)	(0.9)	(74.7)	(69.9)	-	(69.9)
Depreciation, amortisation and impairment	(30.5)	(0.6)	(31.1)	(29.7)	(0.1)	(29.8)
<b>Operating profit</b>	<b>15.3</b>	<b>(1.5)</b>	<b>13.8</b>	<b>11.0</b>	<b>(0.1)</b>	<b>10.9</b>
Finance costs	(10.6)	(0.1)	(10.7)	(10.7)	(0.2)	(10.9)
Finance income	0.2	-	0.2	0.2	-	0.2
<b>Profit before tax</b>	<b>4.9</b>	<b>(1.6)</b>	<b>3.3</b>	<b>0.5</b>	<b>(0.3)</b>	<b>0.2</b>
Tax (charge)/credit	-	-	-	-	-	-
<b>Profit for the period attributable to shareholders</b>	<b>4.9</b>	<b>(1.6)</b>	<b>3.3</b>	<b>0.5</b>	<b>(0.3)</b>	<b>0.2</b>
<b>Earnings per share</b>						
<b>Basic (p)</b>	<b>2.8</b>		<b>1.9</b>	<b>0.3</b>		<b>0.1</b>
<b>Diluted (p)</b>	<b>2.7</b>		<b>1.8</b>	<b>0.3</b>		<b>0.1</b>

### Revenue

Trading in the first half of 2025 has continued to be robust, with good growth in both membership and yield. Revenue increased by 8% to £121.0m (H1 24: £112.1m), reflecting 4% higher average membership numbers throughout the period and a 4% increase in yield.

The average membership number in the period was 953,000 compared with 914,000 in the six months ended 30 June 2024. We closed the period with 949,000 members which was up 5% on June 2024 and 7% on 31 December 2024.

The average headline price of a Standard membership increased to £25.10 in June 2025 compared with £23.94 in June 2024 and £24.53 in December 2024, largely as a result of higher joining fees and price increases for new members, as well as some selective repricing of the base membership. As a result, Average Revenue Per Member Per Month ('ARPM') in the first half of 2025 was up 4% to £21.16 compared with £20.44 in the first half of 2024. The proportion of members taking our premium membership was 30% in June 2025 compared with 31% in June 2024 and 30% in December 2024.

Like-for-like revenue (based on all sites open as at 31 December 2022) increased by 3% year on year.

### Cost of sales

Cost of sales, which includes the costs associated with the generation of ancillary income as well as call centre costs and payment processing costs, were £1.4m (H1 24: £1.5m), broadly in line with the prior year.

**Underlying operating expenses (before depreciation, amortisation and impairment)**

Underlying operating expenses (before depreciation, amortisation and impairment) are made up as follows:

	Six months ended 30 June 2025	Six months ended 30 June 2024
	£m	£m
Site costs before Normalised Rent	57.9	56.4
Site Normalised Rent	20.7	19.4
<b>Site costs including Normalised Rent</b>	<b>78.6</b>	<b>75.8</b>
Central Support Office costs before Normalised Rent	13.4	12.5
Central Support Office Normalised Rent	0.2	0.2
<b>Central Support Office costs including Normalised Rent</b>	<b>13.6</b>	<b>12.7</b>
Share based payments	2.5	1.0
	<b>94.7</b>	<b>89.5</b>
Less: Normalised Rent	(20.9)	(19.6)
<b>Underlying operating expenses (before depreciation, amortisation and impairment)</b>	<b>73.8</b>	<b>69.9</b>

**Site costs including Normalised Rent**

In the first half of 2025, site costs increased by 3% to £57.9m (H1 24: £56.4m). Excluding the impact of new sites opened in FY24 and FY25, site costs decreased by 1%.

The fixed costs associated with running the sites (predominantly building rates and service charges) increased by £1.6m, as a result of the larger estate and increased Uniform Business Rates ('UBRs').

Controllable site costs were flat year on year as the impact of the larger estate size and higher National Living Wage and national insurance contributions in both staff and cleaning costs, were offset by the continued normalisation of utilities prices and phasing of repairs and maintenance spend.

Site Normalised Rent, which is defined as the contractual rent payable, recognised in the monthly period to which it relates, increased by £1.3m in the period, reflecting the larger estate size and rent increases.

**Central Support Office costs including Normalised Rent**

Central Support Office costs in the period increased to £13.4m (H1 24: £12.5m), reflecting inflationary pay increases and higher fixed costs (building rates and service charges) associated with the new head office. Normalised Rent remained flat at £0.2m.

**Share based payments**

The charge for share based payments (including related employer's national insurance) in the period amounted to £2.5m (H1 24: £1.0m). The lower first half charge in the prior year reflects delays in granting awards under the 2024 schemes until changes to the Group's remuneration policy were approved by shareholders at the AGM in May 2024.

In January 2024, the Group established an Employee Benefit Trust ('EBT') to purchase shares in order to minimise dilution associated with the share based payments. During the period, the EBT purchased 1,433,184 shares at a cost of £2.0m (H1 24: 1,399,973 shares at a cost of £1.5m).

**Underlying depreciation and amortisation**

Underlying depreciation and amortisation charges in the period amounted to £30.5m (H1 24: £29.7m). The increase year on year reflects the increased estate size and continuing investment in technology, partly offset by the impact of the revision of the useful economic life of certain gym and other equipment from 1 January 2025 as noted in the Annual Report and Accounts 2024 (page 132).



### Group Adjusted EBITDA Less Normalised Rent

The Group's key profit metric is Group Adjusted EBITDA Less Normalised Rent as the Directors believe that this measure best reflects the underlying profitability and cash generation of the business. Group Adjusted EBITDA Less Normalised Rent is reconciled to Operating profit as follows:

	Six months ended 30 June 2025	Six months ended 30 June 2024
	£m	£m
<b>Operating profit</b>	<b>13.8</b>	<b>10.9</b>
Non-underlying operating items (see below)	1.5	0.1
Share based payments	2.5	1.0
Underlying depreciation and amortisation	30.5	29.7
<b>Group Adjusted EBITDA</b>	<b>48.3</b>	<b>41.7</b>
Normalised Rent <sup>12</sup>	(20.9)	(19.6)
<b>Group Adjusted EBITDA Less Normalised Rent</b>	<b>27.4</b>	<b>22.1</b>

Group Adjusted EBITDA Less Normalised Rent at £27.4m was 24% ahead of the prior year period (H1 24: £22.1m), as the increased revenue was only partially offset by increased site operating costs and the growth in Central Support Office costs.

### Underlying finance costs

Underlying finance costs decreased in the period by £0.1m to £10.6m (H1 24: £10.7m). The finance costs associated with our bank borrowings (comprising interest payable and fee amortisation less capitalised interest) decreased by £0.5m to £2.5m (H1 24: £3.0m), due largely to lower interest rates. The average interest rate paid in the period on drawn funds was 7.4% (H1 24: 8.5%).

The implied interest relating to the lease liabilities was £8.1m (H1 24: £7.7m).

### Non-underlying items

Non-underlying items are costs or income which the Directors believe, due to their size or nature, are not the result of normal operating performance. They are therefore separately disclosed on the face of the income statement to allow a more comparable view of underlying trading performance.

	Six months ended 30 June 2025	Six months ended 30 June 2024
	£m	£m
<b>Affecting operating expenses (before depreciation, amortisation and impairment)</b>		
Costs of major strategic projects and investments	1.0	-
Restructuring and reorganisation costs/(income) (including site closures)	(0.1)	-
	<b>0.9</b>	<b>-</b>
<b>Affecting depreciation, amortisation and impairment</b>		
Impairment of property, plant and equipment, right-of-use assets and intangible assets	0.5	-
Amortisation of business combination intangible assets	0.1	0.1
	<b>0.6</b>	<b>0.1</b>
<b>Affecting finance costs</b>		
Refinancing costs and remeasurement of borrowings	0.1	0.2
	<b>0.1</b>	<b>0.2</b>
<b>Total all non-underlying items before tax</b>	<b>1.6</b>	<b>0.3</b>
Tax on non-underlying items	-	-
<b>Total non-underlying charge in income statement</b>	<b>1.6</b>	<b>0.3</b>

Non-underlying items affecting operating expenses (before depreciation, amortisation and impairment) in the period amounted to £0.9m (H1 24: £nil) and relate predominantly to the costs incurred to date on the implementation of new member management and payment systems to replace legacy technology and introduce market-leading business and member capabilities to further accelerate delivery of our strategic initiatives.

<sup>12</sup> Normalised Rent is the contractual rent payable, recognised in the monthly period to which it relates. Property lease payments differ to Normalised Rent by £0.3m (H1 24: £0.1m) due to timing differences and rent refunds.

Non-underlying costs affecting depreciation, amortisation and impairment in the period amounted to £0.6m (H1 24: £0.1m), of which £0.5m (H1 24: £nil) relates to the impairment of one site. The remaining £0.1m (H1 24: £0.1m) relates to the amortisation of business combination intangibles acquired as part of the Lifestyle, easyGym and Fitness First acquisitions.

Non-underlying items affecting finance costs amounted to £0.1m (H1 24: £0.2m) and relate to the remeasurement of the RCF and Term Loan as a result of the amendment and extension in the period of the Group's banking facilities.

#### **Taxation**

The tax charge for the period was £nil (H1 24: £nil) and the effective tax rate on the statutory profit before tax for the period ended 30 June 2025 was therefore 0% (H1 24: 0%).

The net deferred tax asset recognised at 30 June 2025 was £18.2m (31 December 2024: £18.2m; 30 June 2024: £16.3m). Deferred tax assets are recognised in respect of tax losses and other temporary differences only to the extent it is considered probable that the assets will be recoverable. This involves an assessment of when those assets are likely to be recovered, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets.

The financial forecast used in the Going Concern assessment was also used to assess the deferred tax recoverability at 30 June 2025, and the Directors believe that this forecast provides convincing evidence to support the continued recognition of the deferred tax assets that were recognised at 31 December 2024.

#### **Earnings**

As a result of the factors discussed above, the statutory profit before tax in the period was £3.3m (H1 24: £0.2m) and the statutory profit after tax was £3.3m (H1 24: £0.2m).

Adjusted profit before tax is calculated by taking the statutory profit before tax and adding back the non-underlying items. Adjusted profit before tax was £4.9m (H1 24: £0.5m). Adjusted profit after tax was £4.9m (H1 24: £0.5m).

The basic and diluted earnings per share was 1.9p and 1.8p respectively (H1 24: basic and diluted earnings per share of 0.1p), and the basic and diluted adjusted earnings per share was 2.8p and 2.7p respectively (H1 24: basic and diluted earnings per share of 0.3p).

#### **Dividend**

We are a growth company, in a growth market, with a clear capital allocation policy. Whilst dividends and other returns of capital to shareholders will be considered by the Directors in the future, we are not proposing an interim dividend for the current year as we continue to see significant opportunities, with attractive returns, to invest our free cash flow in growing the business.

## Cash flow

	Six months ended 30 June 2025	Six months ended 30 June 2024 <sup>13</sup>
	£m	£m
<b>Group Adjusted EBITDA Less Normalised Rent</b>	<b>27.4</b>	<b>22.1</b>
Movement in working capital	8.0	10.7
Maintenance capital expenditure	(7.3)	(5.5)
<b>Free cash flow before non-underlying items, interest and tax</b>	<b>28.1</b>	<b>27.3</b>
Non-underlying items	(0.5)	(0.5)
Net interest paid	(2.5)	(3.5)
<b>Free cash flow<sup>14</sup></b>	<b>25.1</b>	<b>23.3</b>
Expansionary capital expenditure	(12.6)	(10.0)
Purchase of own shares by EBT	(2.0)	(1.5)
Net cost of share schemes settlement	(0.1)	-
Refinancing fees	(0.3)	-
<b>Cash flow before movement in debt</b>	<b>10.1</b>	<b>11.8</b>
Net decrease in non-property lease indebtedness	(1.8)	(2.9)
Net repayment of borrowings	(2.0)	(3.0)
<b>Net cash flow</b>	<b>6.3</b>	<b>5.9</b>

Free cash flow generated in the period was £25.1m (H1 24: £23.3m). The increase year on year reflects the strong trading profits and a short term timing difference on interest payments made, partly offset by a return to more normal levels of working capital inflow and higher maintenance capital expenditure as we continue to invest in existing sites.

Expansionary capital expenditure in the period amounted to £12.6m (H1 24: £10.0m) and relates predominantly to the fit-out of new gyms, as well as spend on technology projects.

## Balance sheet and net debt

	At 30 June 2025	At 30 June 2024	At 31 December 2024
	£m	£m	£m
Non-current assets	574.2	555.5	573.1
Current assets	15.0	15.4	12.5
Current liabilities	(80.5)	(77.4)	(77.6)
Net current liabilities	(65.5)	(62.0)	(65.1)
Non-current liabilities	(373.9)	(365.9)	(376.4)
<b>Net assets</b>	<b>134.8</b>	<b>127.6</b>	<b>131.6</b>
<b>Non-Property Net Debt</b>	<b>(51.2)</b>	<b>(54.6)</b>	<b>(61.3)</b>

Non-current assets increased in the period by £1.1m to £574.2m as property, plant and equipment acquired (predominantly in relation to new gyms) more than offset the depreciation charged in the period.

Net current liabilities increased by £0.4m, largely as a result of short term timing differences in working capital balances.

Non-current liabilities decreased by £2.5m largely as a result of a reduction in drawings under the Group's RCF.

As at 30 June 2025, the Group had Non-Property Net Debt of £51.2m (31 December 2024: £61.3m; 30 June 2024: £54.6m) comprising drawn facilities of £59.0m and non-property leases of £1.5m, less cash of £9.3m. The Directors believe that this measure of net debt best reflects the financial health of the business. In addition, it is a key constituent of the Adjusted Leverage covenant included in the Group's banking agreement. At 30 June 2025, Adjusted Leverage was 1.0 times (31 December 2024 and 30 June 2024: 1.3 times), significantly below the banking covenant threshold of 3.0 times; and Fixed Charge Cover was 2.1 times (31 December 2024: 1.9 times; 30 June 2024: 1.8 times).

<sup>13</sup> The cash flow for the six months ended 30 June 2024 has been restated to reallocate £1.2m of Technology and Data spend from Expansionary capital expenditure to Maintenance capital expenditure.

<sup>14</sup> A reconciliation of Net cash inflow from operating activities to Free cash flow has been included in Note 11 to the Interim Financial Statements.

**Banking facilities**

On 12 June 2025, the Group agreed a one-year extension to the existing bank facilities as well as an increase in the available RCF facility of £12m. As a result, the Group now has in place a combined £102m facility, consisting of £45m of Term Loan and £57m of RCF, which is due to mature in June 2028.

Funds borrowed under the facility agreement continue to bear interest at a minimum annual rate of 2.75% above the Sterling Overnight Index Average ('SONIA'); and undrawn funds under the RCF continue to bear interest at a minimum annual rate of 1.1%.

The facilities agreement also continues to be subject to quarterly financial covenant tests on Adjusted Leverage and Fixed Charge Cover (both terms defined on page 14). Adjusted Leverage must not exceed 3.0 times and the Fixed Charge Cover must be greater than 1.5 times.

Terms permit the distribution of surplus cashflow to shareholders in line with our capital allocation policy, which prioritises organic growth.

**Going concern**

The Board has reviewed the financial forecast and downside scenarios of the Group and has a reasonable expectation that the Group has adequate resources to continue in operational existence for the period to 31 December 2026. As a result, the Directors continue to adopt the going concern basis in preparing the Interim Financial Statements. In making this assessment, consideration has been given to the current and future expected trading performance; the Group's current and forecast liquidity position; and the mitigating actions that can be deployed in the event of reasonable downside scenarios. Further detail is provided in Note 2 to the Interim Financial Statements.

**Current trading and outlook**

Trading in July and August showed continued positive momentum. So, after a strong first half, and continued encouraging trading throughout the summer, we expect to deliver like-for-like revenue growth for the full year of c.3%, with like-for-like cost growth at c.2%. As a result, we expect full year Group Adjusted EBITDA Less Normalised Rent to be at the top end of the analysts' forecast range of £50.6m-£52.8m<sup>15</sup>.

We expect to incur c.£3m of non-underlying costs in 2025 in relation to the investment in the Group's member management and payments systems.

We reiterate our plan to open 14-16 sites in 2025, with all new sites continuing to be financed from free cash flow. Net debt will therefore trend back towards the December 2024 level as the pipeline is weighted towards the second half of the year.

<sup>15</sup> Current Company-compiled analysts' forecast range for Group Adjusted EBITDA Less Normalised Rent is £50.6m-£52.8m.

**Principal risks and uncertainties**

The Directors take very seriously their responsibility for operating a robust risk management and internal controls process, and for reviewing its effectiveness at least annually. The risk management framework is designed to effectively identify, assess and mitigate risks, whilst enabling the Group to deliver its strategic and operational objectives.

During the period, there has been a continued focus on risk management. Key risk indicators are monitored quarterly, and functional risk registers have been updated during the period. We also continue to monitor the ongoing macroeconomic and geopolitical environment and assess the impact this could have on the Group's principal risks.

The principal risks and uncertainties that the Group expects to be exposed to in the second half of the year are the same as those described in the 'Principal risks and uncertainties' section of the Group's Annual Report and Accounts 2024 (pages 52-59), a summary of which is provided below.

- Operational gearing
- Member experience
- Trading environment
- Our people
- IT dependency
- Cyber and data security
- Reputation, brand and trust
- Reliance on key suppliers

Climate change, Artificial intelligence and Weight loss drugs (as described on page 60 of the Group's Annual Report and Accounts 2024) continue to be considered as emerging risks for the Group.

**Responsibility statement**

The Directors confirm that, to the best of their knowledge:

- the condensed consolidated financial statements ('Interim Financial Statements') have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted for use in the United Kingdom and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group for the period ended 30 June 2025 as required by the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority ('DTR') 4.2.4R.
- the half year results announcement includes a fair review of the significant events during the first six months of the financial year and a description of principal risks and uncertainties for the remaining six months of the financial year as required by DTR 4.2.7R.
- the notes to the condensed consolidated financial statements include a fair review of related party transactions and changes thereto as required by DTR 4.2.8R.

The Directors of the Company are listed on pages 66 and 67 of the Group's Annual Report and Accounts 2024. A list of the current Directors is maintained on the Group's website at [www.tggplc.com](http://www.tggplc.com).

On behalf of the Board

**Luke Tait**  
**Chief Financial Officer**  
**10 September 2025**

## Definition of non-statutory measures

- *Group Adjusted EBITDA* – operating profit before depreciation, amortisation, share based payments and non-underlying items.
- *Normalised Rent* – the contractual rent payable, recognised in the monthly period to which it relates.
- *Group Adjusted EBITDA Less Normalised Rent* – Group Adjusted EBITDA after deducting Normalised Rent. A reconciliation of Operating profit to Group Adjusted EBITDA Less Normalised Rent is included below the Consolidated Statement of Comprehensive Income in the Interim Financial Statements.
- *Adjusted Profit before tax* – profit before tax before non-underlying items.
- *Adjusted Earnings* – profit for the period before non-underlying items and the related tax.
- *Basic Adjusted EPS* – Adjusted Earnings divided by the basic weighted average number of shares.
- *Free cash flow* – Group Adjusted EBITDA Less Normalised Rent and movement in working capital, less maintenance capital expenditure, cash non-underlying items, bank and non-property lease interest and tax. A reconciliation of Net cash inflow from operating activities to Free cash flow is included in Note 11 to the Interim Financial Statements.
- *Non-Property Net Debt* – bank and non-property lease debt less cash and cash equivalents. See Note 9 to the Interim Financial Statements for the breakdown.
- *Mature gym site EBITDA Less Normalised Rent* – Group Adjusted EBITDA Less Normalised Rent contributed by mature sites. Mature sites are defined as those sites that will have been open for 24 months or more at the year end and exclude acquisition sites.
- *Return on Invested Capital ('ROIC') of mature gym sites* – Mature gym site EBITDA Less Normalised Rent divided by total capital initially invested in the mature sites (after capital contributions and rent free amounts).
- *Maintenance capital expenditure* – costs of replacement gym equipment and premises refurbishment and maintenance technology spend.
- *Expansionary capital expenditure* – costs of fit-out of new gyms (both organic and acquired), technology projects and other strategic projects. It is stated net of contributions from landlords.
- *Adjusted Leverage* – Non-Property Net Debt divided by LTM Group Adjusted EBITDA Less Normalised Rent.
- *Fixed Charge Cover* – LTM Group Adjusted EBITDA divided by LTM Finance costs (excluding interest costs on property leases) less Finance income plus Normalised Rent.

# Consolidated Statement of Comprehensive Income

For the period ended 30 June 2025

	Note	6 months ended 30 June 2025			6 months ended 30 June 2024		
		Unaudited			Unaudited		
		Underlying	Non-underlying (Note 4)	Total	Underlying	Non-underlying (Note 4)	Total
		£m	£m	£m	£m	£m	£m
Revenue	3	121.0	-	121.0	112.1	-	112.1
Cost of sales		(1.4)	-	(1.4)	(1.5)	-	(1.5)
<b>Gross profit</b>		<b>119.6</b>	<b>-</b>	<b>119.6</b>	<b>110.6</b>	<b>-</b>	<b>110.6</b>
Operating expenses (before depreciation, amortisation and impairment)		(73.8)	(0.9)	(74.7)	(69.9)	-	(69.9)
Depreciation, amortisation and impairment		(30.5)	(0.6)	(31.1)	(29.7)	(0.1)	(29.8)
<b>Operating profit</b>		<b>15.3</b>	<b>(1.5)</b>	<b>13.8</b>	<b>11.0</b>	<b>(0.1)</b>	<b>10.9</b>
Finance costs		(10.6)	(0.1)	(10.7)	(10.7)	(0.2)	(10.9)
Finance income		0.2	-	0.2	0.2	-	0.2
<b>Profit before tax</b>		<b>4.9</b>	<b>(1.6)</b>	<b>3.3</b>	<b>0.5</b>	<b>(0.3)</b>	<b>0.2</b>
Tax (charge)/credit	5	-	-	-	-	-	-
<b>Profit for the period attributable to equity shareholders</b>		<b>4.9</b>	<b>(1.6)</b>	<b>3.3</b>	<b>0.5</b>	<b>(0.3)</b>	<b>0.2</b>
Other comprehensive income for the period		-	-	-	-	-	-
<b>Total comprehensive income attributable to equity shareholders</b>		<b>4.9</b>	<b>(1.6)</b>	<b>3.3</b>	<b>0.5</b>	<b>(0.3)</b>	<b>0.2</b>
<b>Earnings per share (p)</b>	6						
Basic		2.8		1.9	0.3		0.1
Diluted		2.7		1.8	0.3		0.1

## Reconciliation of Operating profit to Group Adjusted EBITDA Less Normalised Rent<sup>1</sup>

		6 months ended 30 June 2025	6 months ended 30 June 2024
		Unaudited	Unaudited
	Note	£m	£m
<b>Operating profit</b>		<b>13.8</b>	<b>10.9</b>
Add back: Non-underlying operating items	4	1.5	0.1
Share based payments (included in Operating expenses)	13	2.5	1.0
Underlying depreciation and amortisation		30.5	29.7
<b>Group Adjusted EBITDA</b>		<b>48.3</b>	<b>41.7</b>
Less: Normalised Rent <sup>2</sup>		(20.9)	(19.6)
<b>Group Adjusted EBITDA Less Normalised Rent<sup>1</sup></b>		<b>27.4</b>	<b>22.1</b>

<sup>1</sup> Group Adjusted EBITDA Less Normalised Rent is a non-statutory metric used internally by management and externally by investors. It is calculated as operating profit before depreciation, amortisation, share based payments and non-underlying items, and after deducting Normalised Rent.

<sup>2</sup> Normalised Rent is the contractual rent payable, recognised in the monthly period to which it relates. Property lease payments differ to Normalised Rent by £0.3m (H1 24: £0.1m) due to timing differences and rent refunds.

# Consolidated Statement of Financial Position

As at 30 June 2025

		30 June 2025	30 June 2024	31 December 2024
		Unaudited	Unaudited	Audited
	Note	£m	£m	£m
<b>Non-current assets</b>				
Intangible assets		91.8	91.7	92.2
Property, plant and equipment	7	185.2	171.1	181.2
Right-of-use assets	8	278.0	275.4	280.5
Investments in financial assets		1.0	1.0	1.0
Deferred tax assets	5	18.2	16.3	18.2
<b>Total non-current assets</b>		<b>574.2</b>	<b>555.5</b>	<b>573.1</b>
<b>Current assets</b>				
Inventories		0.7	0.6	0.7
Trade and other receivables		5.0	7.4	8.8
Cash and cash equivalents		9.3	7.4	3.0
<b>Total current assets</b>		<b>15.0</b>	<b>15.4</b>	<b>12.5</b>
<b>Total assets</b>		<b>589.2</b>	<b>570.9</b>	<b>585.6</b>
<b>Current liabilities</b>				
Trade and other payables		53.0	49.0	49.5
Lease liabilities	8	27.0	28.4	27.6
Provisions		0.5	-	0.5
<b>Total current liabilities</b>		<b>80.5</b>	<b>77.4</b>	<b>77.6</b>
<b>Non-current liabilities</b>				
Borrowings	9	59.2	56.8	61.3
Lease liabilities	8	312.4	307.4	312.9
Provisions		2.3	1.7	2.2
<b>Total non-current liabilities</b>		<b>373.9</b>	<b>365.9</b>	<b>376.4</b>
<b>Total liabilities</b>		<b>454.4</b>	<b>443.3</b>	<b>454.0</b>
<b>Net assets</b>		<b>134.8</b>	<b>127.6</b>	<b>131.6</b>
<b>Capital and reserves</b>				
Own shares held		0.1	0.1	0.1
Share premium		189.9	189.8	189.9
Own shares reserve - EBT	13	(4.8)	(1.4)	(3.0)
Merger reserve		39.9	39.9	39.9
Retained deficit		(90.3)	(100.8)	(95.3)
<b>Total equity shareholders' funds</b>		<b>134.8</b>	<b>127.6</b>	<b>131.6</b>



# Consolidated Statement of Changes in Equity

For the period ended 30 June 2025

		Own shares held	Share premium	Own shares reserve - EBT	Merger reserve	Retained deficit	Total
	Note	£m	£m	£m	£m	£m	£m
<b>At 1 January 2025</b>		0.1	189.9	(3.0)	39.9	(95.3)	<b>131.6</b>
Profit for the period		-	-	-	-	3.3	<b>3.3</b>
Other comprehensive income for the period		-	-	-	-	-	-
<b>Profit for the period and total comprehensive income</b>		-	-	-	-	<b>3.3</b>	<b>3.3</b>
Purchase of own shares	13	-	-	(2.0)	-	-	<b>(2.0)</b>
Exercise of share options		-	-	0.2	-	(0.3)	<b>(0.1)</b>
Share based payments	13	-	-	-	-	2.0	<b>2.0</b>
<b>At 30 June 2025 (Unaudited)</b>		<b>0.1</b>	<b>189.9</b>	<b>(4.8)</b>	<b>39.9</b>	<b>(90.3)</b>	<b>134.8</b>

# Consolidated Statement of Changes in Equity

For the period ended 30 June 2024

		Own shares held	Share premium	Own shares reserve - EBT	Merger reserve	Retained deficit	Total
	Note	£m	£m	£m	£m	£m	£m
<b>At 1 January 2024</b>		0.1	189.8	-	39.9	(101.8)	<b>128.0</b>
Profit for the period		-	-	-	-	0.2	<b>0.2</b>
Other comprehensive income for the period		-	-	-	-	-	-
<b>Profit for the period and total comprehensive expense</b>		-	-	-	-	<b>0.2</b>	<b>0.2</b>
Purchase of own shares	13	-	-	(1.5)	-	-	<b>(1.5)</b>
Exercise of share options		-	-	0.1	-	(0.1)	-
Share based payments	13	-	-	-	-	0.9	<b>0.9</b>
<b>At 30 June 2024 (Unaudited)</b>		<b>0.1</b>	<b>189.8</b>	<b>(1.4)</b>	<b>39.9</b>	<b>(100.8)</b>	<b>127.6</b>

# Consolidated Cash Flow Statement

For the period ended 30 June 2025

		6 months ended 30 June 2025	6 months ended 30 June 2024
		Unaudited	Unaudited
	Note	£m	£m
<b>Cash flows from operating activities</b>			
Profit before tax		3.3	0.2
<i>Adjustments for:</i>			
Finance costs		10.7	10.9
Finance income		(0.2)	(0.2)
Non-underlying operating items		1.5	0.1
Underlying depreciation of property, plant and equipment	7	11.7	12.2
Underlying depreciation of right-of-use assets	8	15.5	14.6
Underlying amortisation of intangible assets		3.3	2.9
Share based payments and associated NICs	13	2.5	1.0
Loss on disposal of property, plant and equipment		-	0.1
Decrease in inventories		0.1	0.1
Decrease in trade and other receivables		3.8	3.5
Increase in trade and other payables		3.8	7.2
Decrease in provisions		-	(0.1)
<b>Cash generated from operations</b>		<b>56.0</b>	<b>52.5</b>
Tax paid/received		-	-
<b>Net cash inflow from operating activities before non-underlying items</b>		<b>56.0</b>	<b>52.5</b>
Non-underlying operating items		(0.5)	(0.5)
<b>Net cash inflow from operating activities</b>	11	<b>55.5</b>	<b>52.0</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(16.9)	(12.2)
Purchase of intangible assets		(3.0)	(3.3)
Bank interest received		0.2	0.2
<b>Net cash outflow used in investing activities</b>		<b>(19.7)</b>	<b>(15.3)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liability principal		(14.4)	(15.2)
Lease interest paid		(8.1)	(7.7)
Bank interest paid		(2.6)	(3.4)
Payment of financing fees		(0.3)	-
Repayment of bank loans		(2.0)	(3.0)
Purchase of own shares by EBT		(2.0)	(1.5)
Settlement of share based payments through EBT		(0.1)	-
<b>Net cash outflow from financing activities</b>		<b>(29.5)</b>	<b>(30.8)</b>
<b>Net increase in cash and cash equivalents</b>		<b>6.3</b>	<b>5.9</b>
Cash and cash equivalents at the start of the period		3.0	1.5
<b>Cash and cash equivalents at the end of the period</b>		<b>9.3</b>	<b>7.4</b>

# Notes to the Interim Financial Statements

## 1. General information

The Directors of The Gym Group plc ('the Company') and its subsidiaries ('the Group') present their interim report and unaudited condensed consolidated financial statements ('Interim Financial Statements') for the six months ended 30 June 2025. The Group operates low cost, high quality, 24/7, no contract gyms.

The Company is a public limited company whose shares are publicly traded on the London Stock Exchange and is incorporated and domiciled in the United Kingdom. The registered address of the Company is 2<sup>nd</sup> Floor, Arding & Hobbs, 7 St John's Road, SW11 1QN, United Kingdom.

The Interim Financial Statements were approved by the Board of Directors on 9 September 2025. They have not been audited or formally reviewed by the auditors.

## 2. Basis of preparation

The Interim Financial Statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted for use in the UK, and the Listing Rules and the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority (where applicable).

The Interim Financial Statements provide comparative information in respect of the previous period. The financial information shown for the half year periods ended 30 June 2025 and 30 June 2024 does not constitute statutory financial statements within the meaning of section 434 of the Companies Act 2006. The information shown for the year ended 31 December 2024 has been extracted from the Group's Annual Report and Accounts 2024 and does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Interim Financial Statements should be read in conjunction with the Group's Annual Report and Accounts 2024. The consolidated financial statements for the year ended 31 December 2024 have been filed with the Registrar of Companies. The independent auditor's report on the Group's Annual Report and Accounts for 2024 was unqualified and did not contain a statement under 498(2) or (3) of the Companies Act 2006.

The functional currency of each entity in the Group is pound sterling. The Interim Financial Statements are presented in pound sterling and all values are rounded to the nearest one hundred thousand pounds, except where otherwise indicated.

### **Accounting policies**

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those described in the Group's Annual Report and Accounts 2024, except for new standards effective as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

One change in accounting standards applies for the first time in 2025.

### **Lack of exchangeability - Amendments to IAS 21**

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. The amendments did not have a material impact on the Group's financial statements.

## 2. Basis of preparation (continued)

### **Going concern**

The Interim Financial Statements have been prepared on a going concern basis under the historical cost convention as modified by the recognition of derivative financial instruments, financial assets and other financial liabilities at fair value through the profit and loss and the recognition of financial assets at fair value through other comprehensive income.

In assessing the going concern position of the Group for the period ended 30 June 2025, the Directors have considered the following:

- the Group's trading performance in the first half of 2025 and throughout July and August;
- future expected trading performance to December 2026 (the going concern period), including membership levels and behaviours in light of the continued difficult macroeconomic environment; and
- the Group's financing arrangements and relationship with its lenders and shareholders.

In the first half of 2025, we have seen continued strong trading, with membership at 30 June 2025 reaching 949,000, an increase of 7% from the end of 2024. Average Revenue Per Member Per Month ('ARPM') in the first half of 2025 was up 4% to £21.16 compared with £20.44 in the first half of 2024; and the proportion of members taking our premium membership was 30% in June 2025 compared with 31% in June 2024 and 30% in December 2024. Like-for-like revenue (based on all sites open as at 31 December 2022) increased by 3% year on year. As a result, revenue for the period was £121.0m, up 8% on the prior year; and Group Adjusted EBITDA Less Normalised Rent at £27.4m was 24% higher than in the first half of 2024, as the growth in revenue outpaced cost inflation.

The Group also reported strong cash generation in the period, with free cash flow of £25.1m (see Note 11 to the Consolidated financial information for a reconciliation to Net cash inflow from operating activities) being generated and used to fund three new site openings and a number of major refurbishments and enhancements, as well as significant investment in technology.

On 12 June 2025, the Group agreed a one-year extension to the existing bank facilities as well as an increase in the available RCF facility of £12m. As a result, the Group now has in place a combined £102m facility, consisting of £45m of Term Loan and £57m of RCF, which is due to mature in June 2028. Drawings under the facilities continue to be subject to quarterly financial covenant tests on Adjusted Leverage and Fixed Charge Cover (both terms defined on page 14). Adjusted Leverage must not exceed 3.0 times and the Fixed Charge Cover must be greater than 1.5 times.

As at 30 June 2025, the Group had Non-Property Net Debt of £51.2m (31 December 2024: £61.3m; 30 June 2024: £54.6m) comprising drawn facilities of £59.0m and non-property leases of £1.5m, less cash of £9.3m. The Directors believe that this measure of net debt best reflects the financial health of the business. In addition, it is a key constituent of the Adjusted Leverage covenant included in the Group's banking agreement. At 30 June 2025, Adjusted Leverage was 1.0 times (31 December 2024: 1.3 times), significantly below the banking covenant threshold of 3.0 times; and Fixed Charge Cover was 2.1 times (31 December 2024: 1.9 times). Headroom under the banking facilities was £52.3m.

Despite the continued robust trading performance, the Directors have continued to take a cautious approach to planning. The base case forecast for the period to 31 December 2026 anticipates some growth in yields across the whole estate as a result of pricing optimisation actions identified as part of the Next Chapter growth plan. Modest increases in membership levels are driven largely by the sites opened in 2024 and 2025, and not by growth in the mature estate.

In addition, the Directors have continued to take a measured approach to new site openings throughout the plan period, with all new sites assumed to be self-financed. Under this scenario, the financial covenants are passed with headroom, and the Group can operate comfortably within its financing facilities.

The Directors have also considered a severe downside scenario in which membership numbers in the mature estate decline by 3-4%. Yields continue to grow, but at a much more modest rate than in the base case. In this scenario, the number of new site openings is reduced to conserve cash, expenditure on maintenance and marketing is reduced slightly, and discretionary performance-related bonuses and share based payment funding are removed. Under this scenario, the financial covenants continue to be passed, and the Group continues to operate within its financing facilities.

### **Conclusion**

The Board has reviewed the financial forecast and downside scenario of the Group and has a reasonable expectation that the Group has adequate resources to continue in operational existence for the period to 31 December 2026. As a result, the Directors continue to adopt the going concern basis in preparing the Interim Financial Statements. In making this assessment, consideration has been given to the current and future expected trading performance; the Group's current and forecast liquidity position; and the mitigating actions that can be deployed in the event of reasonable downside scenarios.

### 3. Revenue

The principal revenue streams for the Group are membership income, rental income from personal trainers and ancillary income. The majority of revenue is derived from contracts with members and all revenue arises in the United Kingdom.

#### *Disaggregation of revenue*

In the following table, revenue is disaggregated by major products and service lines and timing of revenue recognition.

	6 months ended 30 June 2025	6 months ended 30 June 2024
	Unaudited	Unaudited
	£m	£m
<b>Major products/service lines</b>		
Membership income	115.0	106.4
Rental income from personal trainers	4.2	4.1
Ancillary income	1.8	1.6
	<b>121.0</b>	<b>112.1</b>
<b>Timing of revenue recognition</b>		
Products transferred at a point in time	2.2	2.0
Products and services transferred over time	118.8	110.1
	<b>121.0</b>	<b>112.1</b>

Contract liabilities at 30 June 2025 amounted to £15.6m (H1 24: £13.4m).

Contract liabilities relate to membership fees received at the start of a contract, where the Group has the obligation to provide a gym membership over a period of time, and are included within trade and other payables. The contract liability balance increases as the Group's membership numbers increase. The Group does not receive any consideration greater than 12 months in advance from members.

The Group operates in a market that experiences a small degree of seasonality. The majority of members join during the first quarter of the year as a result of a post-Christmas drive to improve fitness levels and general health. A second wave of new joiners is experienced in September and October as students return to university, with quieter periods experienced during the school holidays. Marketing expenditure is phased towards peak joining periods, particularly the January/February campaign.

#### 4. Non-underlying items

	6 months ended 30 June 2025	6 months ended 30 June 2024
	Unaudited	Unaudited
	£m	£m
<b>Affecting operating expenses (before depreciation, amortisation and impairment)</b>		
Costs of major strategic projects and investments	1.0	-
Restructuring and reorganisation costs/(income) (including site closures)	(0.1)	-
<b>Total affecting operating expenses (before depreciation, amortisation and impairment)</b>	<b>0.9</b>	<b>-</b>
<b>Affecting depreciation, amortisation and impairment</b>		
Impairment of property, plant and equipment, right-of-use assets and intangible assets	0.5	-
Amortisation of business combination intangible assets	0.1	0.1
<b>Total affecting depreciation, amortisation and impairment</b>	<b>0.6</b>	<b>0.1</b>
<b>Total affecting operating expenses</b>	<b>1.5</b>	<b>0.1</b>
<b>Affecting finance costs</b>		
Refinancing costs and remeasurement of borrowings	0.1	0.2
<b>Total affecting finance costs</b>	<b>0.1</b>	<b>0.2</b>
<b>Total all non-underlying items before tax</b>	<b>1.6</b>	<b>0.3</b>
Tax on non-underlying items	-	-
<b>Total non-underlying charge in income statement</b>	<b>1.6</b>	<b>0.3</b>

Non-underlying items affecting operating expenses (before depreciation, amortisation and impairment) in the period amounted to £0.9m (H1 24: £nil) and relate predominantly to the costs incurred to date on the implementation of new member management and payment systems to replace legacy technology and introduce market-leading business and member capabilities to further accelerate delivery of our strategic initiatives.

Non-underlying costs affecting depreciation, amortisation and impairment in the period amounted to £0.6m (H1 24: £0.1m), of which £0.5m (H1 24: £nil) relates to the impairment of one site. The remaining £0.1m (H1 24: £0.1m) relates to the amortisation of business combination intangibles acquired as part of the Lifestyle, easyGym and Fitness First acquisitions.

Non-underlying items affecting finance costs amounted to £0.1m (H1 24: £0.2m) and relate to the remeasurement of the RCF and Term Loan as a result of the amendment and extension in the period of the Group's banking facilities.

#### Reconciliation of non-underlying operating items to cash flow

	6 months ended 30 June 2025	6 months ended 30 June 2024
	Unaudited	Unaudited
	£m	£m
<b>Non-underlying items affecting operating expenses</b>	<b>1.5</b>	<b>0.1</b>
Less: Non-underlying items affecting depreciation, amortisation and impairment	(0.6)	(0.1)
Add: opening accruals	-	0.5
Less: closing accruals	(0.4)	-
<b>Cash outflow from non-underlying operating items</b>	<b>0.5</b>	<b>0.5</b>

## 5. Taxation

The tax charge in the Consolidated Statement of Comprehensive Income of £nil (H1 24: £nil) has been calculated based on management's best estimate of the annual income tax rate expected for the full financial year, applied to the profit before tax for the half year ended 30 June 2025. The effective tax rate on the statutory profit before tax for the period ended 30 June 2025 was therefore 0% (H1 24: 0%).

The net deferred tax asset recognised at 30 June 2025 was £18.2m (31 December 2024: £18.2m; 30 June 2024: £16.3m). Deferred tax assets are recognised in respect of tax losses and other temporary differences only to the extent it is considered probable that the assets will be recoverable. This involves an assessment of when those assets are likely to be recovered, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets.

The financial forecast used in the Going Concern assessment was also used to assess the deferred tax recoverability at 30 June 2025, and the Directors believe that this forecast provides convincing evidence to support the continued recognition of the deferred tax assets that were recognised at 31 December 2024.

## 6. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of Ordinary shares outstanding during the period, excluding unvested shares held pursuant to The Gym Group plc's share based long term incentive schemes.

Diluted earnings per share is calculated by adjusting the weighted average number of Ordinary shares outstanding to assume conversion of all dilutive potential Ordinary shares. During the period ended 30 June 2025, the Group had potentially dilutive shares in the form of share options and unvested shares issued pursuant to The Gym Group plc's share based long term incentive schemes.

	6 months ended 30 June 2025	6 months ended 30 June 2024
	Unaudited	Unaudited
<b>Profit (£m)</b>		
Profit for the period attributable to equity shareholders	3.3	0.2
Adjustment for non-underlying items	1.6	0.3
Adjusted profit for the period attributable to equity shareholders	4.9	0.5
Weighted average number of ordinary shares for basic earnings per share	176,335,271	177,602,527
Effect of dilution from share options	8,503,147	4,671,582
Weighted average number of ordinary shares adjusted for the effect of dilution	184,838,418	182,274,109
<b>Earnings per share (p)</b>		
Basic earnings per share	1.9	0.1
Diluted earnings per share	1.8	0.1
Adjusted basic earnings per share	2.8	0.3
Adjusted diluted earnings per share	2.7	0.3

The weighted average number of ordinary shares excludes the shares that are held by the EBT (see Note 13) as these are classified as Own shares reserve - EBT.

## 7. Property, plant and equipment

For the period ended 30 June 2025

	Assets under construction	Leasehold improvements	Fixtures, fittings and equipment	Gym and other equipment	Computer equipment	Total
	£m	£m	£m	£m	£m	£m
<b>Cost</b>						
At 1 January 2025	0.9	273.5	12.1	92.2	7.8	386.5
Additions	3.1	9.5	0.5	2.2	0.4	15.7
Disposals	-	-	-	(1.4)	-	(1.4)
Transfers	(0.6)	0.6	-	-	-	-
<b>At 30 June 2025 (Unaudited)</b>	<b>3.4</b>	<b>283.6</b>	<b>12.6</b>	<b>93.0</b>	<b>8.2</b>	<b>400.8</b>
<b>Accumulated depreciation</b>						
At 1 January 2025	-	(126.7)	(10.4)	(62.4)	(5.8)	(205.3)
Charge for the period	-	(8.4)	(0.2)	(2.6)	(0.5)	(11.7)
Disposals	-	-	-	1.4	-	1.4
<b>At 30 June 2025 (Unaudited)</b>	<b>-</b>	<b>(135.1)</b>	<b>(10.6)</b>	<b>(63.6)</b>	<b>(6.3)</b>	<b>(215.6)</b>
<b>Net book value</b>						
<b>At 30 June 2025 (Unaudited)</b>	<b>3.4</b>	<b>148.5</b>	<b>2.0</b>	<b>29.4</b>	<b>1.9</b>	<b>185.2</b>

For the period ended 30 June 2024

	Assets under construction	Leasehold improvements	Fixtures, fittings and equipment	Gym and other equipment	Computer equipment	Total
	£m	£m	£m	£m	£m	£m
<b>Cost</b>						
At 1 January 2024	1.8	251.2	11.9	94.3	6.3	365.5
Additions	3.1	6.2	0.1	1.9	0.5	11.8
Disposals	(0.1)	-	-	-	-	(0.1)
Transfers	(1.9)	1.6	-	0.2	-	(0.1)
<b>At 30 June 2024 (Unaudited)</b>	<b>2.9</b>	<b>259.0</b>	<b>12.0</b>	<b>96.4</b>	<b>6.8</b>	<b>377.1</b>
<b>Accumulated depreciation</b>						
At 1 January 2024	-	(111.4)	(10.1)	(67.5)	(4.8)	(193.8)
Charge for the period	-	(8.0)	(0.3)	(3.5)	(0.4)	(12.2)
<b>At 30 June 2024 (Unaudited)</b>	<b>-</b>	<b>(119.4)</b>	<b>(10.4)</b>	<b>(71.0)</b>	<b>(5.2)</b>	<b>(206.0)</b>
<b>Net book value</b>						
<b>At 30 June 2024 (Unaudited)</b>	<b>2.9</b>	<b>139.6</b>	<b>1.6</b>	<b>25.4</b>	<b>1.6</b>	<b>171.1</b>

Included within additions for the period is £0.1m of capitalised interest (H1 24: £nil) and £1.2m of accrued capital expenditure (H1 24: £3.3m).

The Group had £8.1m of commitments that were contracted but not provided as at 30 June 2025 relating to contracts for the fit-out of new gyms where works have not yet commenced (H1 24: £6.5m).



## 8. Right-of-use assets and Leases

Amounts recognised in the Consolidated Statement of Financial Position in respect of right-of-use assets are as follows:

### For the period ended 30 June 2025

	Property leases	Non-property leases	Total
	£m	£m	£m
<b>Cost</b>			
At 1 January 2025	463.8	18.4	482.2
Additions	14.2	-	14.2
Disposals	(4.5)	-	(4.5)
<b>At 30 June 2025 (Unaudited)</b>	<b>473.5</b>	<b>18.4</b>	<b>491.9</b>
<b>Accumulated depreciation</b>			
At 1 January 2025	(195.1)	(6.6)	(201.7)
Charge for the period	(14.3)	(1.2)	(15.5)
Impairment	(0.5)	-	(0.5)
Disposals	3.8	-	3.8
<b>At 30 June 2025 (Unaudited)</b>	<b>(206.1)</b>	<b>(7.8)</b>	<b>(213.9)</b>
<b>Net book value</b>			
<b>At 30 June 2025 (Unaudited)</b>	<b>267.4</b>	<b>10.6</b>	<b>278.0</b>

### For the period ended 30 June 2024

	Property leases	Non-property leases	Total
	£m	£m	£m
<b>Cost</b>			
At 1 January 2024	434.3	18.3	452.6
Additions	12.0	-	12.0
Disposals	(1.9)	-	(1.9)
<b>At 30 June 2024 (Unaudited)</b>	<b>444.4</b>	<b>18.3</b>	<b>462.7</b>
<b>Accumulated depreciation</b>			
At 1 January 2024	(170.4)	(4.1)	(174.5)
Charge for the period	(13.3)	(1.3)	(14.6)
Disposals	1.8	-	1.8
<b>At 30 June 2024 (Unaudited)</b>	<b>(181.9)</b>	<b>(5.4)</b>	<b>(187.3)</b>
<b>Net book value</b>			
<b>At 30 June 2024 (Unaudited)</b>	<b>262.5</b>	<b>12.9</b>	<b>275.4</b>

The split of lease liabilities between current and non-current is as follows:

	30 June 2025	30 June 2024	31 December 2024
	Unaudited	Unaudited	Audited
	£m	£m	£m
Current	27.0	28.4	27.6
Non-current	312.4	307.4	312.9
<b>Total Lease liabilities</b>	<b>339.4</b>	<b>335.8</b>	<b>340.5</b>

## 9. Borrowings and Non-Property Net Debt

The carrying value of the Group's bank borrowings at 30 June 2025 was £59.2m (31 December 2024: £61.3m; 30 June 2024: £56.8m).

Up until 12 June 2025, the Group had in place a combined £90m Revolving Credit Facility ('RCF') (H1 24: £80m) which was syndicated to a three-lender panel of NatWest, HSBC and Barclays. The facility was due to mature in June 2027 and funds borrowed under the facility agreement bore interest at a minimum annual rate of 2.75% (H1 24: 2.85%) above the Sterling Overnight Index Average ('SONIA'). Undrawn funds bore interest at a minimum annual rate of 1.1% (H1 24: 1.14%).

On 12 June 2025, the Group agreed a one-year extension to the existing bank facilities as well as an increase in the available RCF facility of £12m. As a result, the Group now has in place a combined £102m facility, consisting of £45m of Term Loan and £57m of RCF, which is due to mature in June 2028. All other terms remain unchanged.

Drawings under the facilities are subject to quarterly financial covenant tests on Adjusted Leverage and Fixed Charge Cover (both terms defined on page 14). Adjusted Leverage must not exceed 3.0 times and the Fixed Charge Cover must be greater than 1.5 times.

The average interest rate paid in the period on drawn funds was 7.4% (H1 24: 8.5%).

The Group's borrowings are held at amortised cost using the effective interest method. Each reporting period, the Group reviews its cash flow forecasts and if these have changed since the previous reporting period (other than as a result of changes in floating interest rates), the borrowings are remeasured using the original effective interest rate. Any remeasurement of borrowings is treated as non-underlying and excluded from Adjusted earnings.

At 30 June 2025, the Group had drawn down £59.0m under the facilities agreement (30 June 2024: £56.0m). Adjusted Leverage was 1.0 times (H1 24: 1.3 times) and Fixed Charge Cover was 2.1 times (H1 24: 1.8 times).

Non-Property Net Debt at the period end was made up as follows:

	30 June 2025	30 June 2024	31 December 2024
	Unaudited	Unaudited	Audited
	£m	£m	£m
Bank borrowings	59.0	56.0	61.0
Less: Cash and cash equivalents	(9.3)	(7.4)	(3.0)
Non-Property Net Debt excluding non-property leases	<b>49.7</b>	<b>48.6</b>	<b>58.0</b>
Non-property leases (Note 10)	1.5	6.0	3.3
<b>Non-Property Net Debt</b>	<b>51.2</b>	<b>54.6</b>	<b>61.3</b>

## 10. Financial liabilities

The table below sets out the changes in liabilities arising from financing activities.

### For the period ended 30 June 2025

	Borrowings	Non-property lease liabilities	Property lease liabilities	Total lease liabilities
	£m	£m	£m	£m
At 1 January 2025	61.3	3.3	337.2	340.5
Repayments of interest and principal	(4.6)	(1.9)	(20.6)	(22.5)
Interest expense	2.5	0.1	8.0	8.1
New leases and modifications	-	-	14.2	14.2
Lease disposals	-	-	(0.9)	(0.9)
<b>At 30 June 2025 (Unaudited)</b>	<b>59.2</b>	<b>1.5</b>	<b>337.9</b>	<b>339.4</b>

### For the period ended 30 June 2024

	Borrowings	Non-property lease liabilities	Property lease liabilities	Total lease liabilities
	£m	£m	£m	£m
At 1 January 2024	58.9	8.9	330.3	339.2
Repayments of interest and principal	(6.4)	(3.2)	(19.7)	(22.9)
Interest expense	2.9	0.3	7.4	7.7
New leases and modifications	-	-	12.0	12.0
Lease disposals	-	-	(0.2)	(0.2)
Other	1.4	-	-	-
<b>At 30 June 2024 (Unaudited)</b>	<b>56.8</b>	<b>6.0</b>	<b>329.8</b>	<b>335.8</b>

## 11. Net cash inflow from operating activities

The Directors believe that Free cash flow is the measure that best reflects the amount of cash available to the Group for investing in new sites and technology, and for enhancing existing sites. As such, Free cash flow is included within the Key performance indicators section of the Annual Report and Accounts 2024 and referenced in both the Financial Review and Going concern note. A reconciliation of Net cash inflow from operating activities to Free cash flow is included below.

### Reconciliation of Net cash inflow from operating activities to Free cash flow

	30 June 2025	30 June 2024
	Unaudited	Unaudited
	£m	£m
<b>Net cash inflow from operating activities</b>	<b>55.5</b>	<b>52.0</b>
Less: Property lease payments made (Note 10)	(20.6)	(19.7)
Less: Maintenance capital expenditure (including funded by lease)	(7.3)	(5.5)
Less: Bank and non-property lease interest paid	(2.7)	(3.7)
Add: Bank interest received	0.2	0.2
<b>Free cash flow</b>	<b>25.1</b>	<b>23.3</b>

## 12. Issued capital

The total number of Ordinary shares in issue as at 30 June 2025 was 179,335,918 (30 June 2024: 179,258,422).

### **13. Share based payments and Employee Benefit Trust**

The Group operates share based compensation arrangements under The Gym Group plc Share Incentive Plan ('SIP'), The Gym Group plc Performance Share Plan ('PSP'), The Gym Group plc Restricted Stock Plan ('RSP'), The Gym Group plc Long Service Award Plan and The Gym Group plc Save as You Earn Plan ('SAYE').

During the period, a total of 4,277,990 (H1 24: 64,502) shares were granted under the PSP, the RSP, the SIP and the SAYE. The PSP and RSP awards vest over three years and are subject to continued employment. The PSP options are also subject to achievement of certain performance targets. A total of 1,273,278 RSP options and 2,964,804 PSP options were issued.

For the period ended 30 June 2025, the Group recognised a total charge of £2.5m (H1 24: £1.0m) in respect of the Group's share based payment arrangements and related employer's national insurance.

In January 2024, the Group established an Employee Benefit Trust ('EBT') to purchase shares in order to minimise dilution associated with the share based payments. During the period ended 30 June 2025, the EBT purchased 1,433,184 shares at a cost of £2.0m (H1 24: 1,399,973 shares at a cost of £1.5m). As at 30 June 2025, the EBT held 3,790,226 shares at a value of £4.8m (30 June 2024: 1,399,973 shares at a value of £1.5m). The shares held in the EBT have been classified as Own shares held - EBT in the Consolidated Statement of Financial Position.

During the period, the Group made income tax payments on behalf of employees of £0.1m (H1 24: £nil) in the form of cash as part of a net settlement process on share based payments. The settlement in cash reduced the future funding requirement to the EBT and has accordingly been classified as a financing activity in the consolidated cash flow statement.

### **14. Related party transactions**

The Group's significant related parties are as disclosed in Note 27 on page 157 of the Group's Annual Report and Accounts 2024. There have been no significant changes to the nature of the Group's related parties during the period.

### **15. Subsequent events**

On 12 August 2025, the loan notes held in Fiit Limited were converted into equity. This conversion has given the Group a small non-controlling stake in Fiit Limited.