Half Year Results

10 September 2025

the gym group

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Will Orr

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Luke Tait

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Will Orr

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Will Orr

Overview

Will Orr
Chief Executive Officer

Strong first half performance

Closing Membership at 30 June 2025 up 5%
to 949k (30 June 2024: 905k)

Yield up 4%
vs H1 2024

Revenue up 8%
vs H1 2024

LFL up 3%
vs H1 2024

Group Adj. EBITDA LNR up 24%
vs H1 2024

Robust & Growing Market

UK gym penetration reached new high, driven by structural growth tailwinds

Strengthening The Core

Driving further progress on mature site performance and ROIC

Accelerating Rollout of Quality Sites
On track to open 14-16 sites in 2025 and 18-22 in 2026; funded from free cash flow

Financial Results

Luke Tait
Chief Financial Officer

Financial summary

Average members	ARPMM[1]	Revenue	Group Adjusted EBITDA Less Normalised Rent (LNR)[1]
953k	**£21.16**	**£121.0m**	**£27.4m**
+4%	**+4%**	**+8%**	**+24%**
+39k vs PY	+£0.72 vs PY	+£8.9m vs PY	+£5.3m vs PY
(Jun 2024: 914k)	(Jun 2024: £20.44)	(Jun 2024: £112.1m)	(Jun 2024: £22.1m)

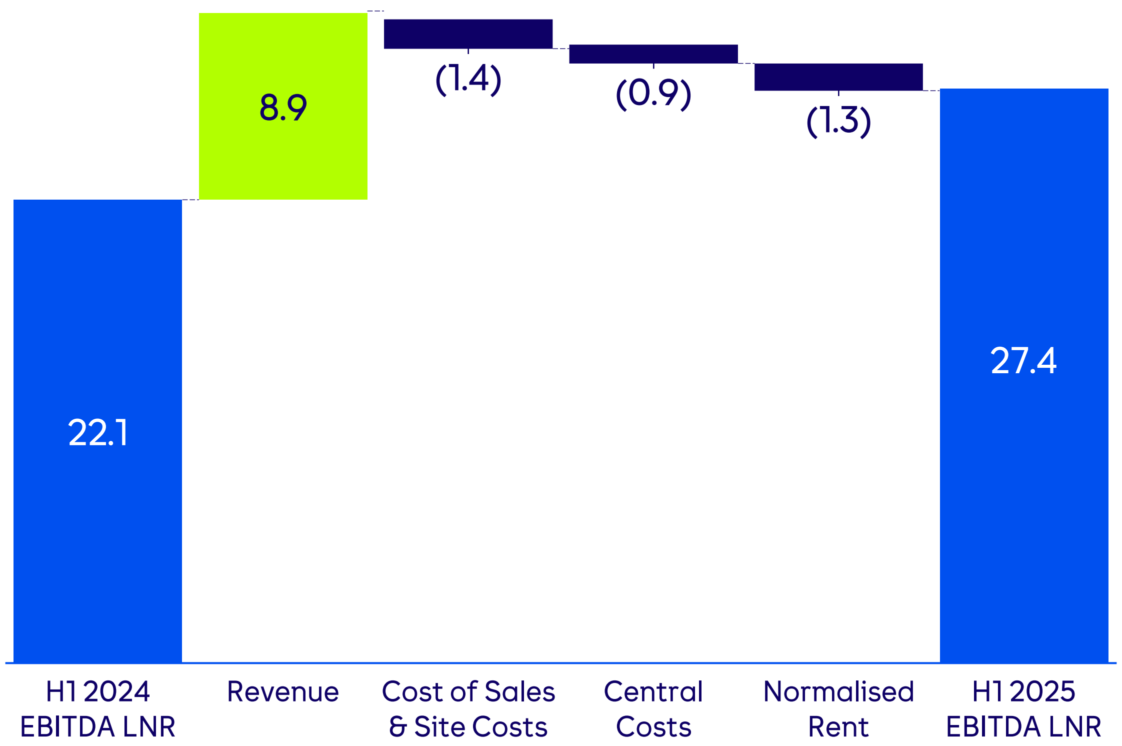
Statutory Profit before Tax	Free Cash Flow[1]	Non-Property Net Debt[1]	Leverage Ratio[1]
£3.3m	**£25.1m**	**£(51.2)m**	**1.0x**
+£3.1m	**+8%**	**Reduced by £10.1m**	**Reduced by 0.3x**
vs PY	+£1.8m vs PY	vs Dec 2024	vs Dec 2024
(Jun 2024: £0.2m)	(Jun 2024: £23.3m)[2]	(Dec 2024: £(61.3)m)	(Dec 2024: 1.3x)

[1] Refer to appendix for definitions of non-statutory measures
[2] 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

Strong EBITDA LNR[1] growth of 24%

£m	H1 2025	H1 2024	YoY	%
Revenue	121.0	112.1	8.9	8%
Cost of Sales	(1.4)	(1.5)	0.1	7%
Gross Profit	119.6	110.6	9.0	8%
Site Costs (Excl. Normalised Rent)	(57.9)	(56.4)	(1.5)	(3%)
Central Costs (Excl. Normalised Rent)	(13.4)	(12.5)	(0.9)	(7%)
Normalised Rent[2]	(20.9)	(19.6)	(1.3)	(7%)
Group Adjusted EBITDA LNR	27.4	22.1	5.3	24%
EBITDA LNR Margin	23%	20%	3%	14%
Add back Normalised Rent	20.9	19.6	1.3	
Share Based Payments	(2.5)	(1.0)	(1.5)	
Depreciation & Amortisation	(30.5)	(29.7)	(0.8)	
Net Financing Costs	(10.4)	(10.5)	0.1	
Group Adjusted Profit Before Tax	4.9	0.5	4.4	
Total Non-Underlying Items	(1.6)	(0.3)	(1.3)	
Profit Before Tax	3.3	0.2	3.1	

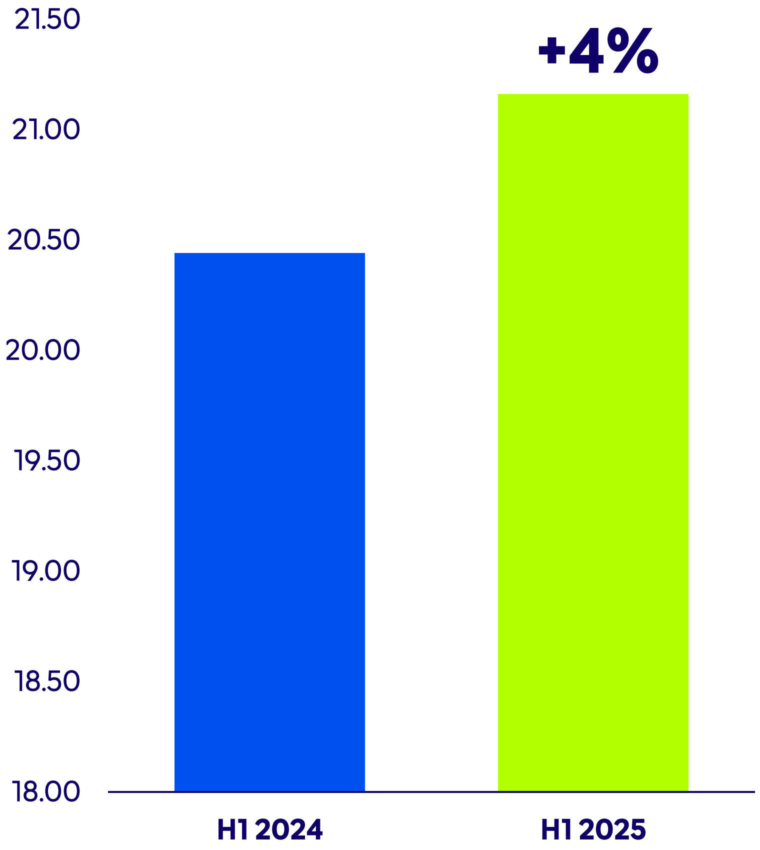
£m



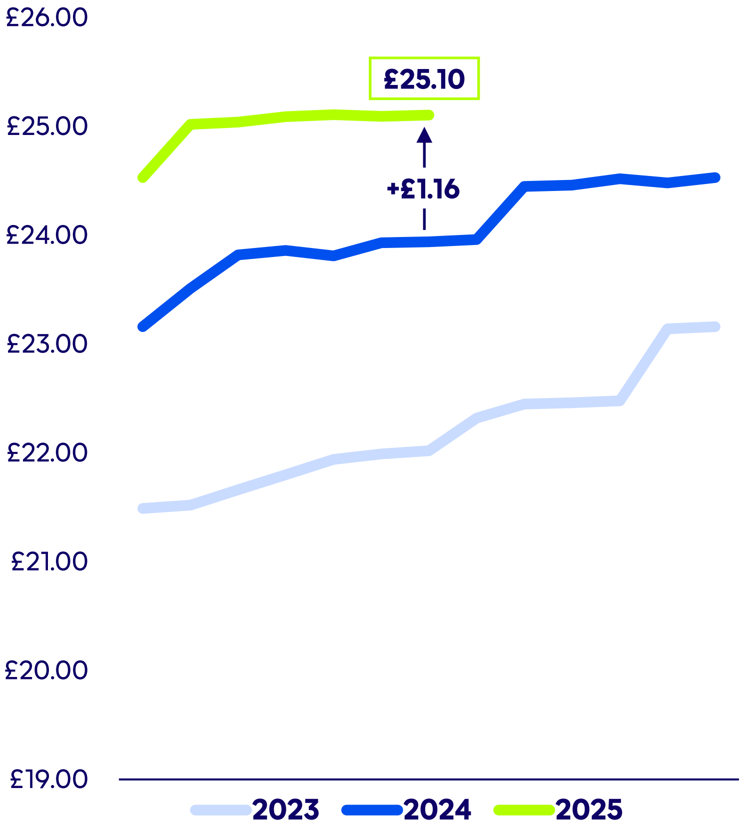
[1] Refer to appendix for definitions of non-statutory measures
[2] Normalised Rent includes £0.2m in each period relating to the central support office

Revenue growth of 8%

ARPMM



Average Standard Headline Rate (£)



Like-for-Like Revenue[1]

Members
100%

Yield
103%

Revenue
103%

[1] Like-for-like revenue vs 2024 includes all sites open as at 31 December 2022

Successful cost control in an inflationary environment

H1 - LFL site costs down 1%

- **Utilities**

  Commodity prices continued to normalise in H1 - £2m saving
  Benefit of energy optimisation programmes

- **Staff Costs**

  Efficiencies in staffing model and cleaning
  One quarter of National Living Wage and NIC increases

- **Business Rates**

  One quarter of increase in Uniform Business Rate
  Rates rebates received

H2 - expect LFL site costs to increase

- **Utilities**

  Q4 2025 non-commodity cost increases

- **Staff Costs**

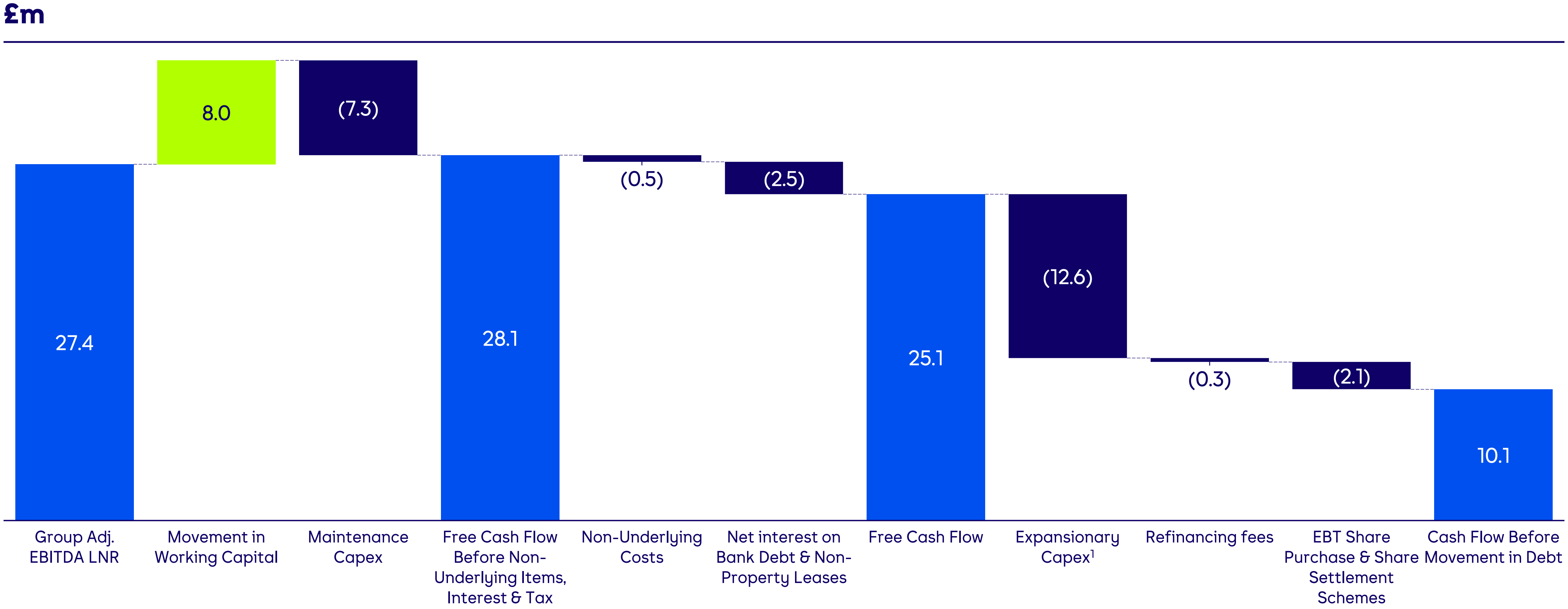
  Two quarters of National Living Wage and NIC increases

- **Business Rates**

  Two quarters of increase in Uniform Business Rate

Continue to expect LFL site costs up c.2% FY 2025

Strong free cash flow generated



Net Debt down by £10.1m in H1 2025

[1] Includes £0.7m on implementation of new member management and payment systems

Reinvesting Free Cash Flow[1] to drive the business

Maintenance

Property maintenance spend 5% of revenue in H1 2025 (H1 2024: 4%) as we continue to invest in existing sites

Expansionary

5 new sites opened year to date (3 in H1); on site at a further 8

Continued investment in Tech & Data to deliver the Next Chapter growth initiatives

Upgrading Member Management and Payments systems; and unlocking new functionality

Capital expenditure and additions

£m	H1 2025	H1 2024[2]	YoY
Property	6.2	4.3	44%
Tech & Data	1.1	1.2	(8%)
Maintenance Capex[1]	**7.3**	**5.5**	**33%**
New Sites	10.0	7.5	33%
Tech & Data	1.9	2.5	(24%)
Member Management & Payments systems	0.7	-	
Expansionary Capex[1]	**12.6**	**10.0**	**26%**
Total Cash Flow Capex	**19.9**	**15.5**	**28%**
Movement in Capex Creditor[3]	*(1.1)*	*(0.5)*	
Fixed Asset Additions	**18.8**	**15.0**	**25%**

[1] Refer to appendix for definitions of non-statutory measures
[2] Free Cash Flow and the capital expenditure analysis for the six months ended 30 June 2024 have been restated to reallocate £1.2m of Technology and Data spend from Expansionary capital expenditure to Maintenance capital expenditure
[3] H1 2025 includes movement in capex creditors of £1.2m in PPE and £0.1m of capitalised interest

Net debt reduced by £10.1m vs Dec 2024

£m	H1 2025	FY 2024	H1 2024
Bank facility	**102.0**	**90.0**	**80.0**
Bank borrowings	(59.0)	(61.0)	(56.0)
Cash & cash equivalents	9.3	3.0	7.4
Bank net debt	**(49.7)**	**(58.0)**	**(48.6)**
Non-property lease indebtedness	(1.5)	(3.3)	(6.0)
Non-Property Net Debt[1]	**(51.2)**	**(61.3)**	**(54.6)**
Adjusted Leverage[1]	**1.0x**	**1.3x**	**1.3x**
Fixed Charge Cover[1]	**2.1x**	**1.9x**	**1.8x**

Adjusted Leverage reduced to 1.0x

Amend & Extend

Agreed June 2025

Total facilities increased to £102m

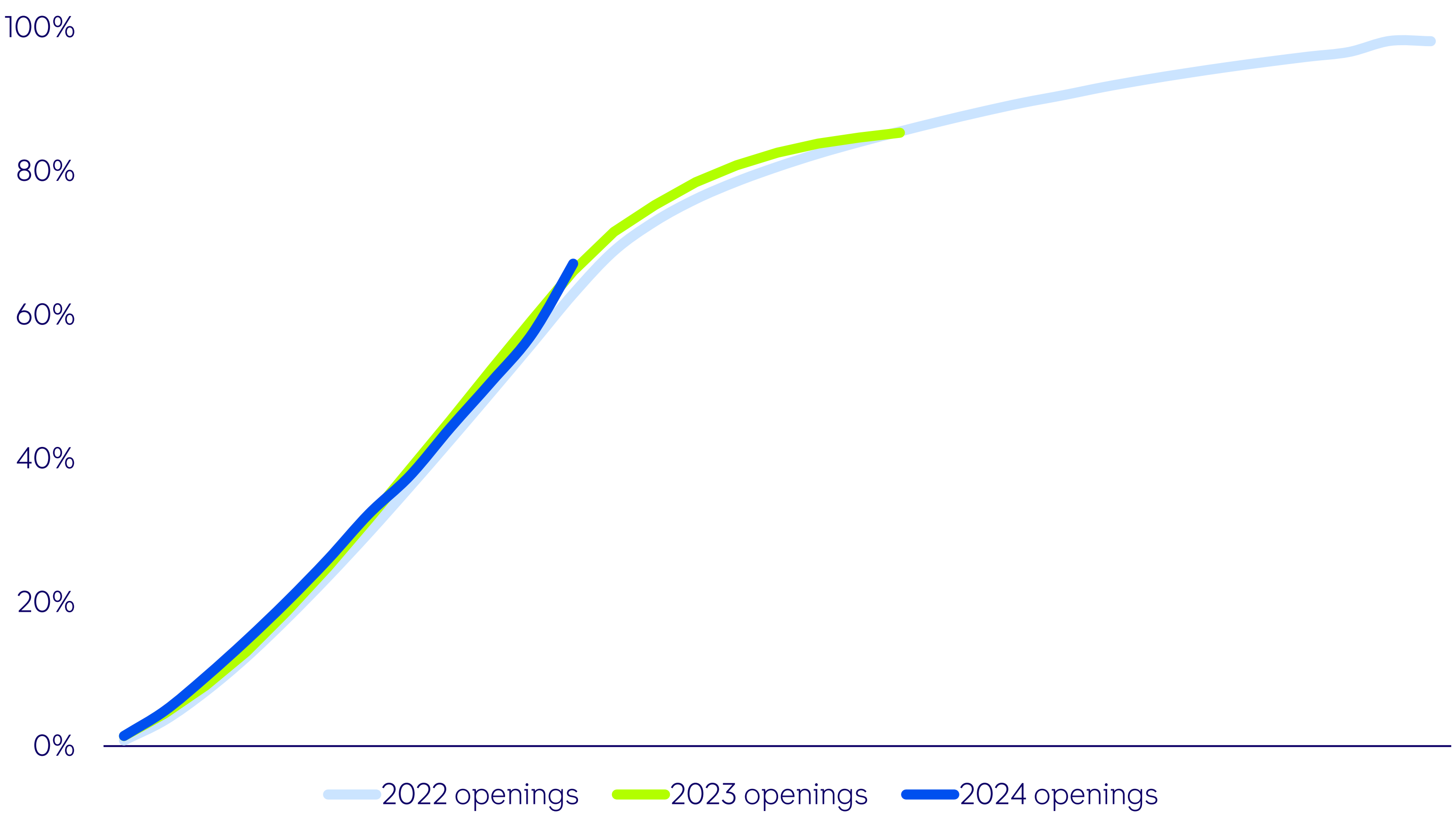
RCF £57m and Term Loan £45m

Maturity extended to June 2028

[1] Refer to appendix for definitions of non-statutory measures

New sites performing well

Revenue vs mature target



25 openings in 2022 on track to deliver 30% ROIC

6 openings in 2023 currently tracking to c.25%

12 openings in 2024 progressing well with strong initial volume

All averages above include a minimum of five open gyms

Current Trading and Full Year Outlook

Current Trading & Rollout

- Trading momentum continues in July and August
- Opened 5 new gyms to date; on site at a further 8

Full Year Outlook & Guidance

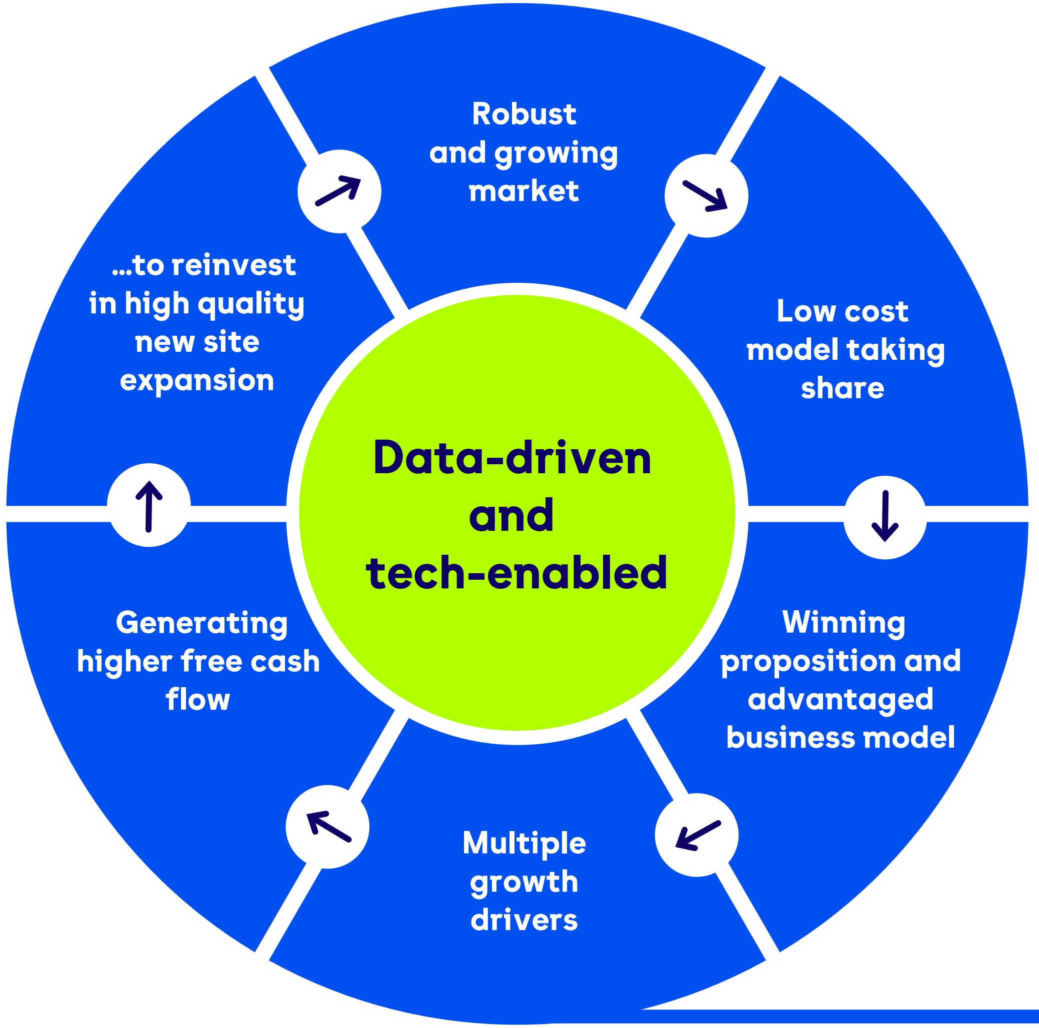
- LFL revenue expected to grow at c.3%
- LFL cost growth expected to be c.2%
- Expect full year Group Adj. EBITDA LNR at top end of analysts' forecast range[1]
- No cash tax expected to be paid before 2028
- On track to deliver 14-16 new openings in 2025 as per guidance; total capex expected to be c.£50m
- Net debt to trend back to Dec 2024 level as pipeline H2 weighted

1. Current Company-compiled analysts' forecast range for Group Adj. EBITDA LNR is £50.6m-£52.8m

Next Chapter Growth Plan – Progress Report

Will Orr
Chief Executive Officer

Investment case: sustained growth from free cash flow



Multiple growth drivers

- **Price** optimisation and yield enhancement
- **New customer volume** around existing sites
- **Retention** of members for longer
- **Quality new sites** in white space

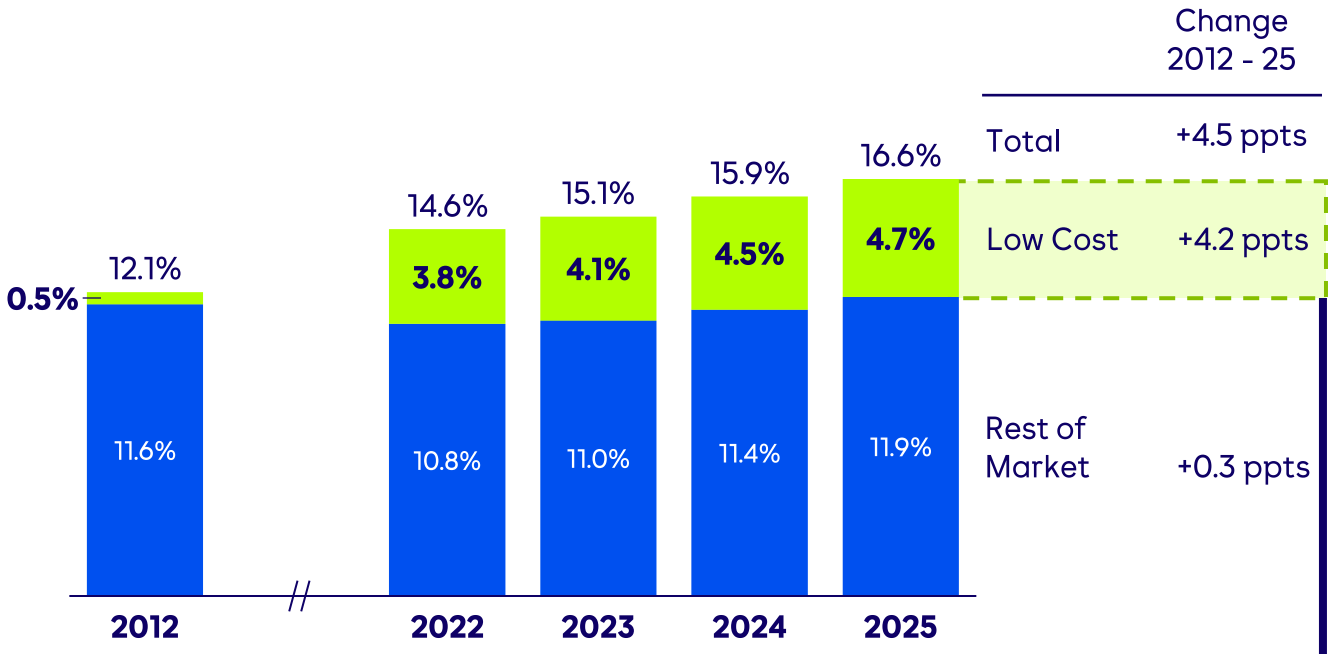
Demand for gyms continues to grow

UK Gym Market

£6.5bn
Market Size
4.1% CAGR 2012-25

11.3m
Gym Members
3.1% CAGR 2012-25

Gym Penetration
(% of Population)



Low Cost Share of Market
(% of Members)

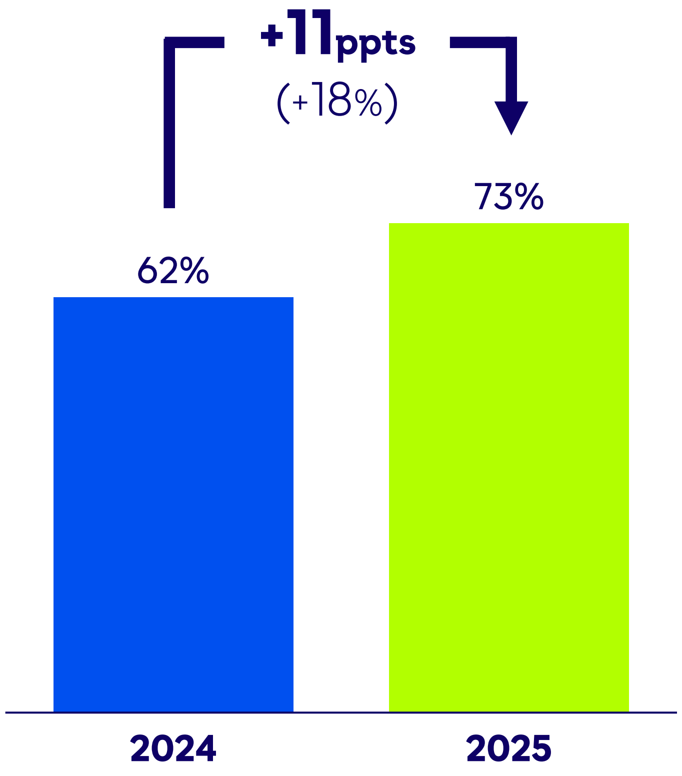
4% → 28% +24 ppts

Source: Leisure DB State of the UK Fitness Industry Report 2025, TGG analysis

Increasing tailwind from Gen Z

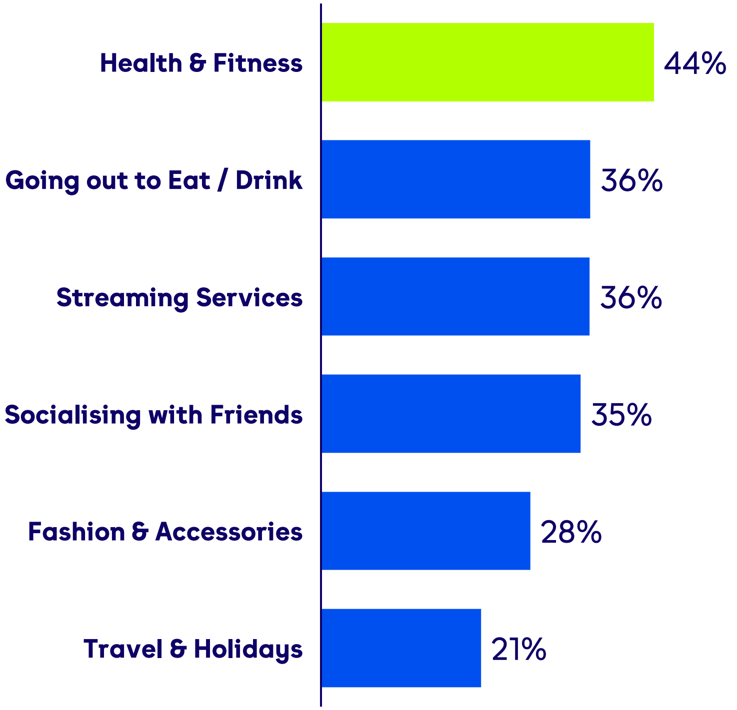
High & growing fitness engagement

% of Gen Z exercising at least 2x per week[1]



Fitness spend is a priority

% of Gen Z ranking category as 1st / 2nd priority for discretionary spend[2]



Key Gen Z fitness attitudes

Highly engaged
(gym visits & frequency)

Prioritise fitness & mental health

Strength training is key

Social media focused

Use gyms to socialise

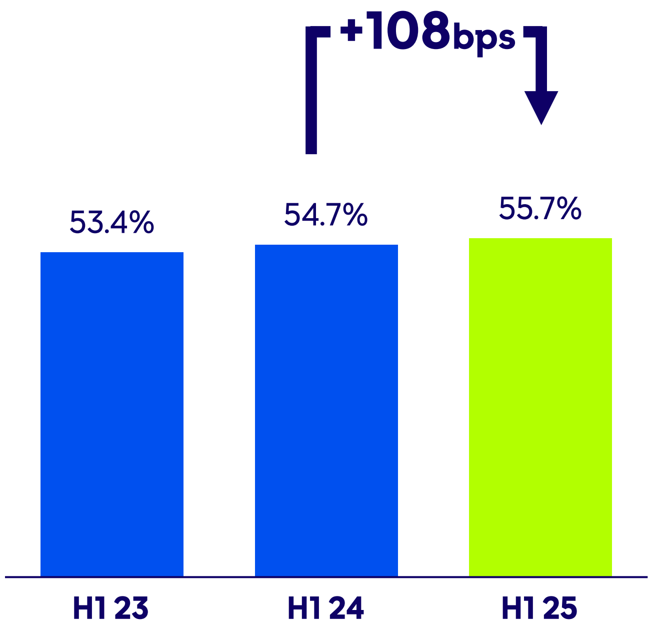
1. Survey question: How often, if at all, do you exercise?
2. Survey question: Thinking about your monthly spending, excluding fixed costs (e.g. rent, mortgage, utility bills) and weekly grocery shopping, please rank the following personal purchases based on how much you prioritise them when budgeting your monthly spending

Source: The Gym Group's Gen Z Fitness Pulse Report 2025; Survey conducted by FocalData; 2,071 respondents, aged 16-28

Our winning proposition continues to resonate well

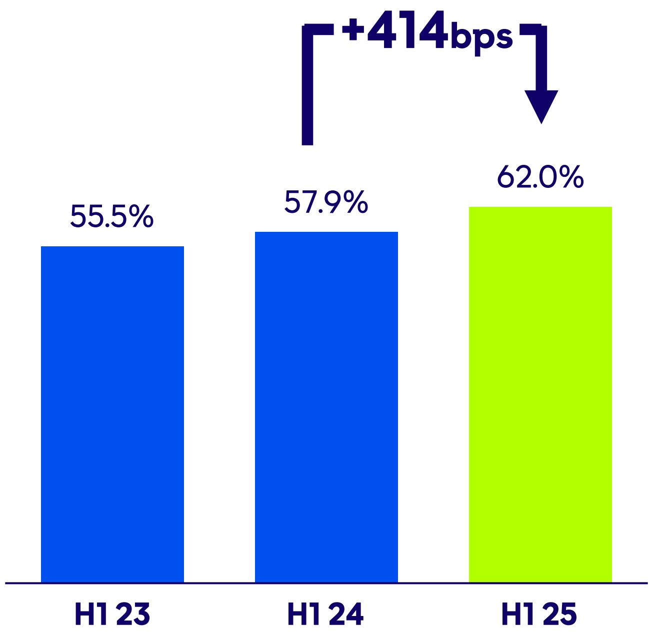
More members visiting 4x per month

% Members Visiting 4+ Times per Month[1],
H1 2023 vs H1 2024 vs H1 2025



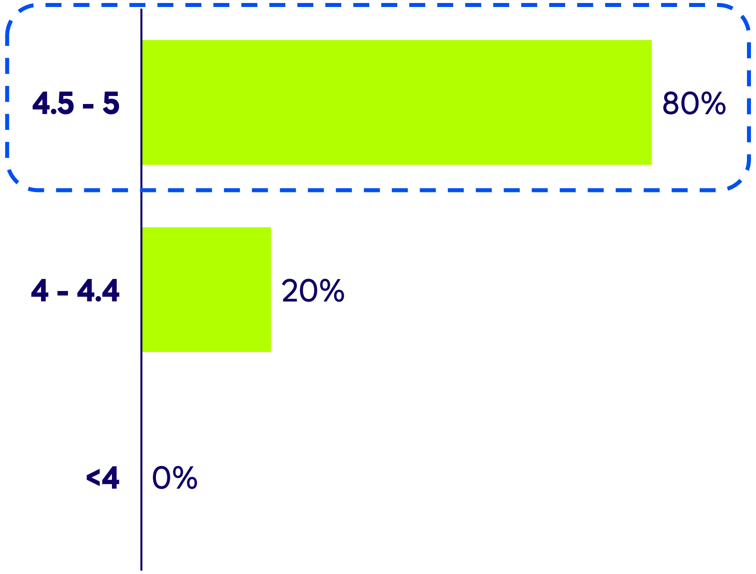
Higher proportion scoring us 5 / 5

% Member Satisfaction Scoring 5 out of 5[2],
H1 2023 vs H1 2024 vs H1 2025



Leading reviews in low cost sector

Distribution of Average Google Review Scores by Gym, July 2025



1. Visits data based on sites open at least 2 years before start of reporting year. Excludes freeze, saver and partial month members. H1 23 & H1 24 restated to align with updated definition
2. Member satisfaction based on sites open at least 2 years before start of reporting year and remain open throughout. Excludes June 2024 (switching survey provider)

Source: TGG visit data, TGG member satisfaction survey, Google

A clear plan: The Next Chapter

Drive like-for-like revenue and generate cash

Create funds for future growth options

Strengthen the core

Accelerate rollout of quality sites

Broaden our growth

Strengthen the core

Pricing & Revenue Management

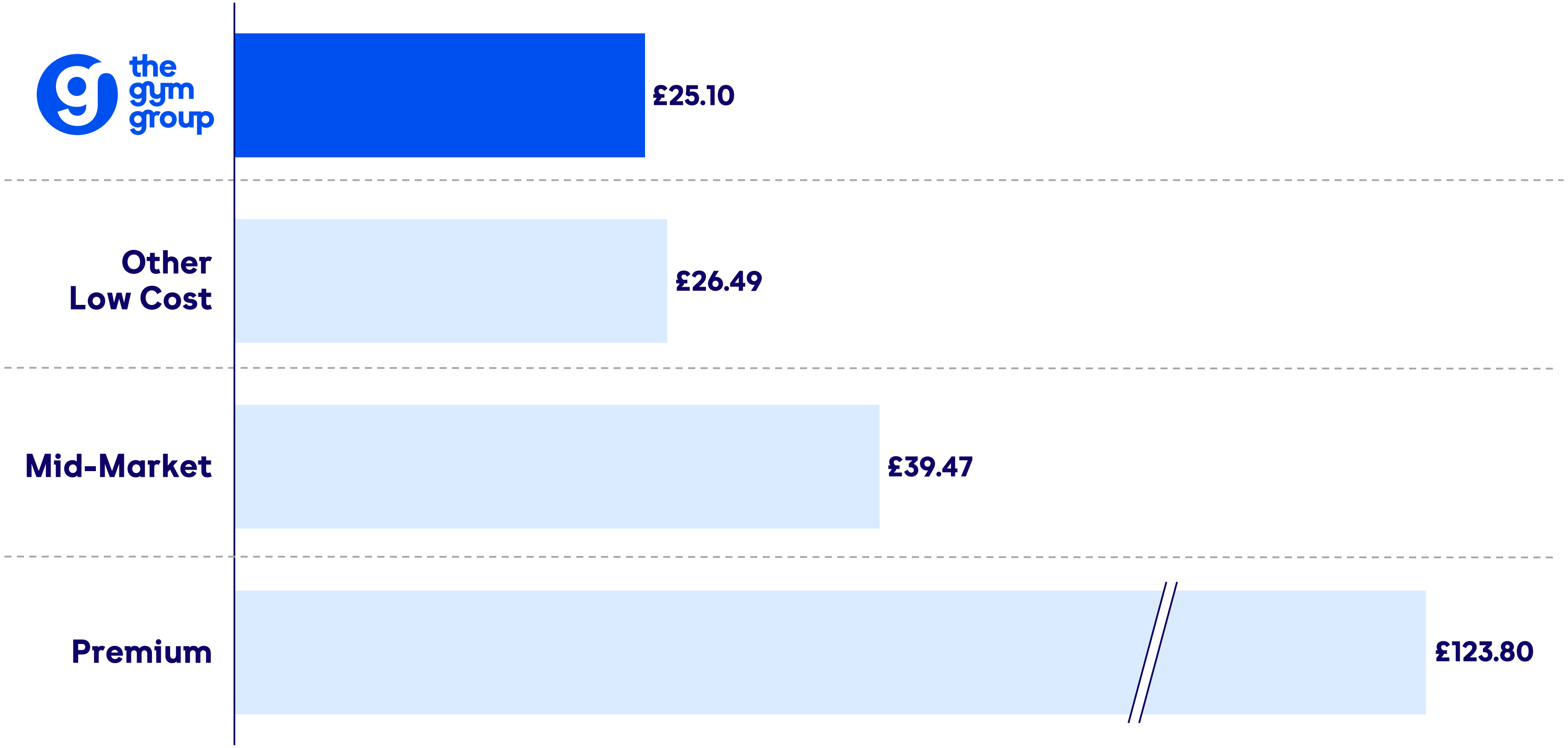
Member Acquisition

Member Retention

TGG offers excellent value compared to other major gyms

TGG remains the lowest cost national gym chain, with mid-market players priced 57% higher on average

Average monthly fee among top gym players (£, all locations)[1]



Price gap to TGG

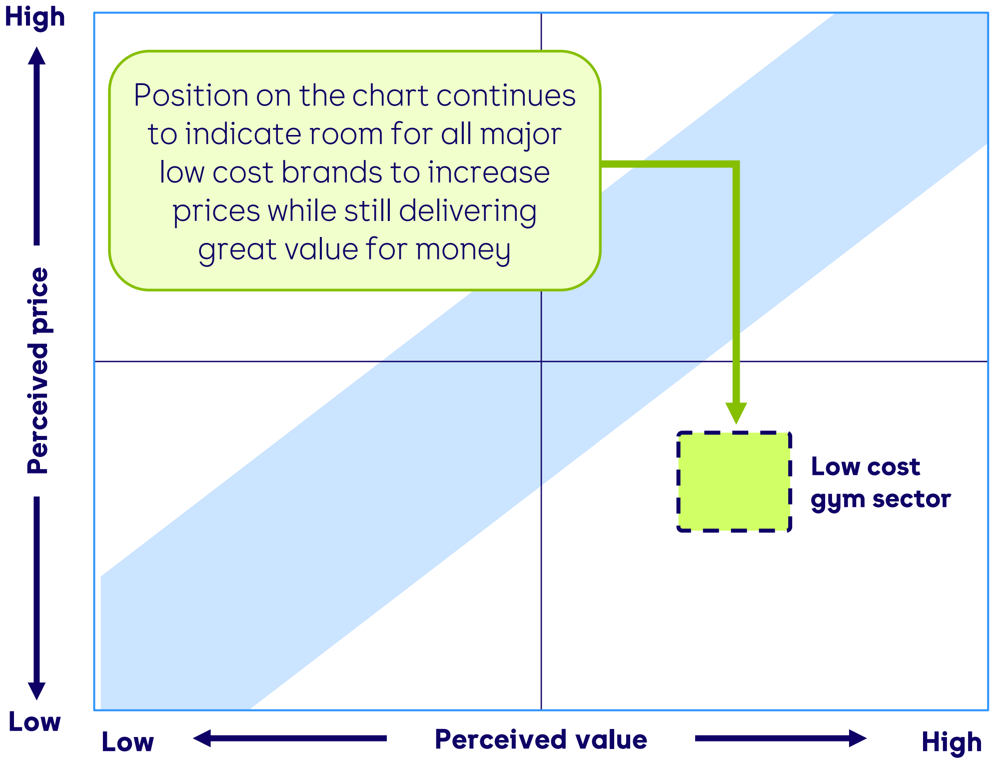
£	%
£1	+6%
£14	+57%
£99	+393%

1. Prices based on a single adult monthly peak membership fee, or closest equivalent as per LeisureDB methodology. Other Low Cost sector includes: PureGym, JD Gyms. Mid-Market: Energie Fitness, Everyone Active, Snap Fitness, Places Leisure, GLL, Everlast, Freedom Leisure, Anytime Fitness. Premium: Bannatyne, Nuffield Health, Virgin Active, David Lloyd. The Gym Group prices reflect actuals as of June 2025
Source: Leisure DB State of the UK Fitness Industry Report 2025, TGG analysis

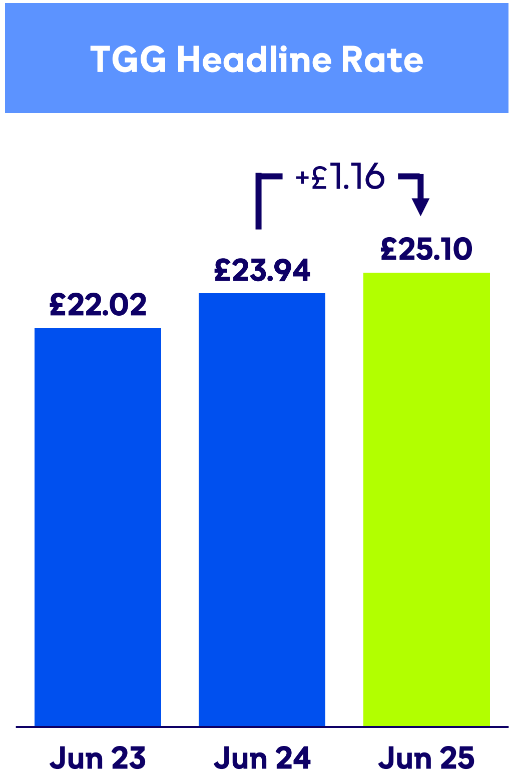
Pricing headroom remains an opportunity

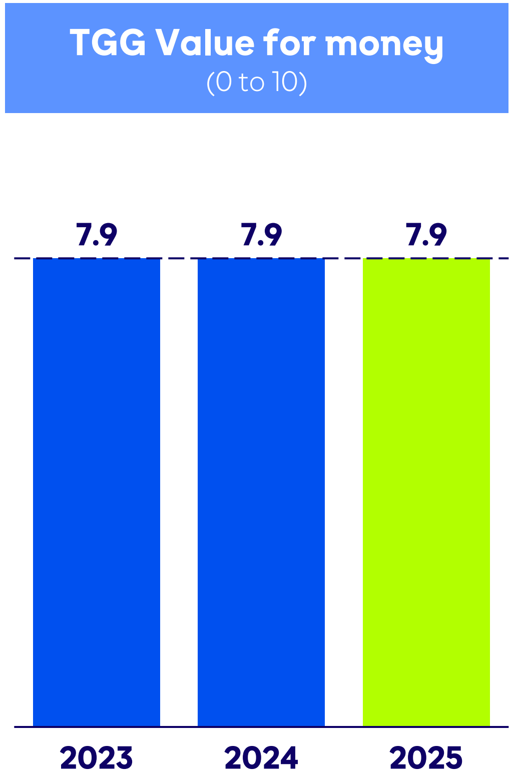
Continued opportunity to price ahead of inflation

Simon-Kucher Price / Value Map (Latest View Aug 2025)



Value for money maintained despite increasing prices





Source: Simon-Kucher Pricing Surveys, July-August 2023, 2024 & 2025

We continue to unlock clear opportunity for yield growth

Key Wins in H1 25

New Member Pricing
Continued to unlock long term pricing opportunity with increased headline rate. Gap to competitors maintained / expanded vs Dec 24

Optimising Promotions
Optimised commercial toolkit with promotion tests, including site level activation and lower discount / higher lifetime value variation

New Add-Ons Driving Yield & Revenue
Launched Guest Pass and Multi-Site Access add-ons for standard members (+18% ARPMM for participating members)

Targeting Local Opportunities
Analysis conducted to identify sites with local latent demand. Testing methods to unlock this with targeted commercial investment

We remain cheaper in competing locations

Average difference to The Gym Group in **competing locations**

	Dec 2023	Dec 2024	Jun 2025	Gap to TGG (%)
PUREGYM	+£2.06	+£1.45	+£1.46	+6%
JD GYMS	+£2.44	+£2.43	+£5.48	+25%

Ongoing gains in marketing effectiveness and returns

Key Wins in H1 25

Winning Brand Locally
Local focus in brand message continuing to grow awareness & consideration near our gyms

Ongoing Website Conversion Gains
Optimisation programme continuing to deliver steady stream of incremental gains in website conversion (9 tests executed in H1 25)

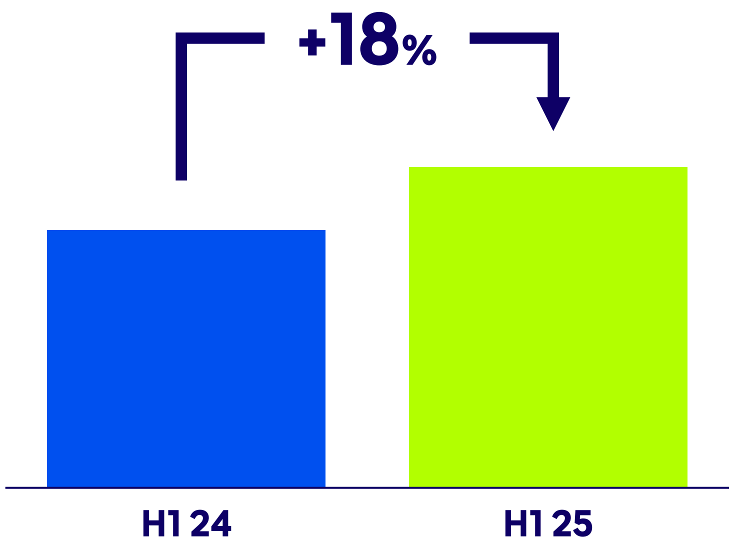
Increasing Social Media Influence
Continuing to build followers & reach in national & local social through increased content volume and resonance

Gen Z Marketing Appeal
Developed new brand visuals and expanded marketing toolkit to drive appeal, memorability and cut through across channels with Gen Z

Example – Growing Local Brand Awareness

Unprompted awareness near our gyms[1]

18-44 target audience within 3 miles of TGG gym



1. YouGov. % All survey respondents age 18-44 within 3m of a TGG gym (calculated by TGG). Data not collected monthly; H1 25 includes July. See appendix for full definition

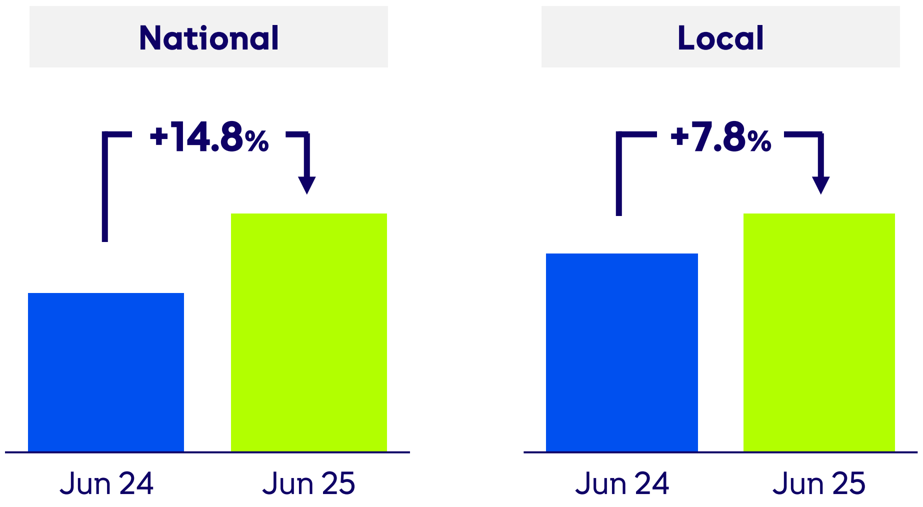
Increasing Gen Z appeal

Social

We are improving our capability and investment in local and national social channels

Key point of influence for Gen Z member prospects

Follower growth (Jun 24 – Jun 25)



Site Design & Marketing

We are evolving our brand visuals and site design to increase appeal to Gen Z

Rolling out across digital, new sites and refurbs

Retention progress throughout the member lifecycle

Key Wins in H1 25

Driving Early Life Visits
Encouraging early results using app “nudge” messages to drive initial ‘early life’ visit habits after member sign-up

New Joiner Experience
Ongoing in-gym focus on new joiners delivering further benefits. New ‘Kickstart’ induction +37% volume H1 YoY; participant retention +10%

Winning Back ‘Rejoiners’
Optimisation of CRM timing, messages and promotions driving increased ‘win back’ rate among previous members (+6% 6m win back rate H1 YoY)

Long Term Membership Growth
Long term ‘Saver’ memberships continuing to build from small base (+37% H1 YoY), driven by new renewal & payment options and purchase journey

Example – Early Life App Nudges

Impact of trial on initial Visits & Retention

Number of members visiting ↑

Frequency of visits ↑

Retention 1 month later ↑

The Next Chapter

Drive like-for-like revenue and generate cash

Create funds for future growth options

Strengthen the core

Accelerate rollout of quality sites

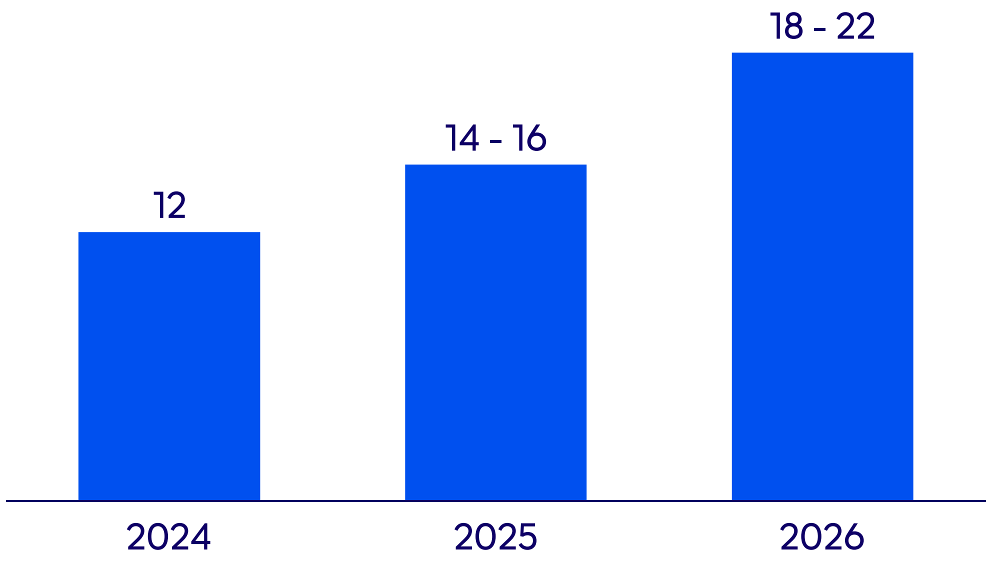
Broaden our growth

Accelerating rollout of 30% ROIC sites with proven characteristics

- c.50 new sites over 3 years with an average 30% ROIC
- Targeting same characteristics as our 180+ gyms that return an average of 30% or more
- 5 new sites opened in 2025 so far and performing ahead of expectations
- Developed fully bespoke machine learning data model to optimise site selection
- Elevating site experience for Gen Z

New Site targets by year, 2024 - 2026

c.50 new sites over 3 years with an average 30% ROIC



Elevating our site experience and driving value perception

Developed with 5 core principles

01 Build on current strengths & drivers of high customer satisfaction

02 Evolved look & feel for Gen Z; more 'on-trend' and premium

03 Evolved kit mix for latest trends (eg strength training, booty builder)

04 Shared spaces for socialising & hero zones for social media content

05 Smart cost engineering to reduce costs and improve returns

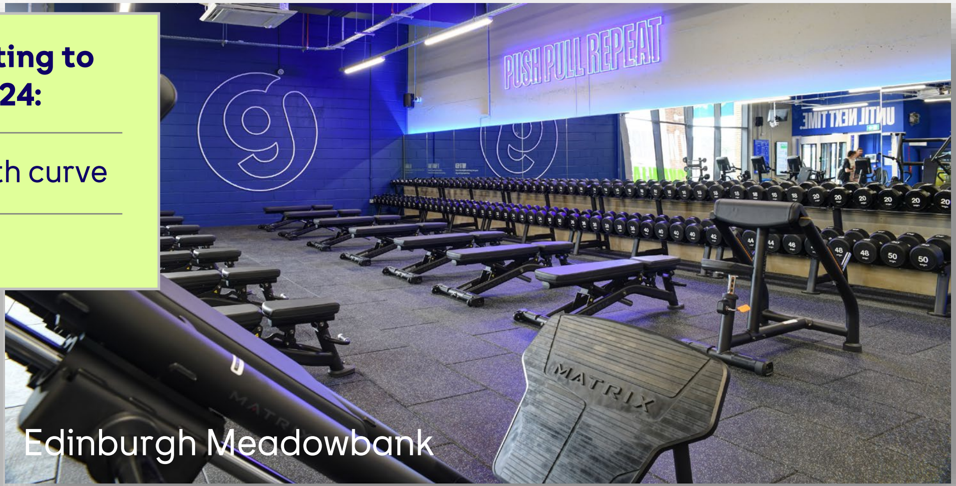
Strong initial performance of enhanced new sites

Performance in 8 new sites since starting to introduce enhanced design in Dec 24:

Membership well ahead of historic growth curve

Google Review rating 4.8

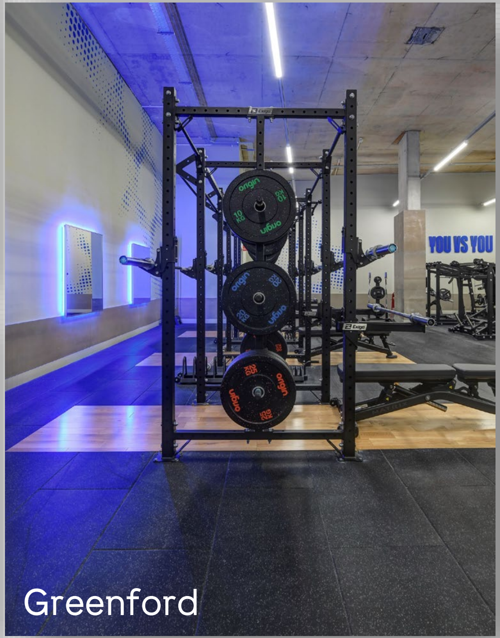
Elephant & Castle



Edinburgh Meadowbank

Stratford


Gillingham



Greenford

Shepherd's Bush

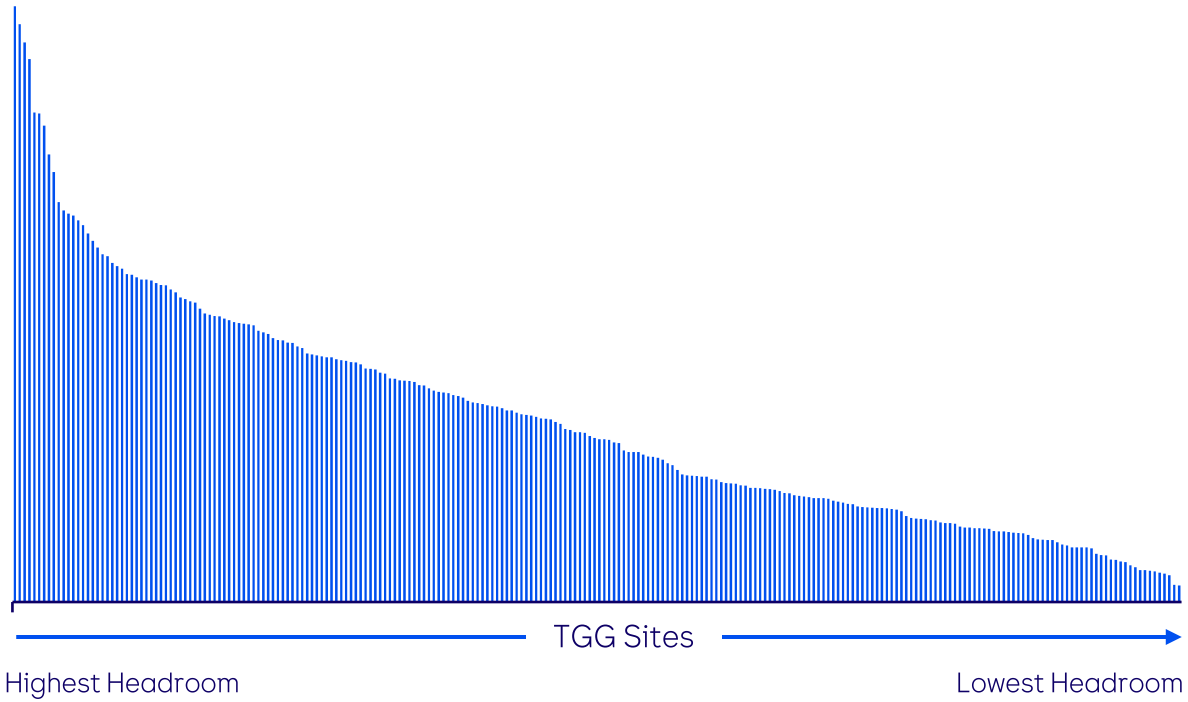

Surbiton

Stevenage

Prioritising mature estate investment based on headroom data

Local market analysis indicates significant latent demand around existing sites

Local member headroom by site



Two major applications

01 Site selection for major refits to maximise return on investment

02 Targeting local commercial performance enhancement

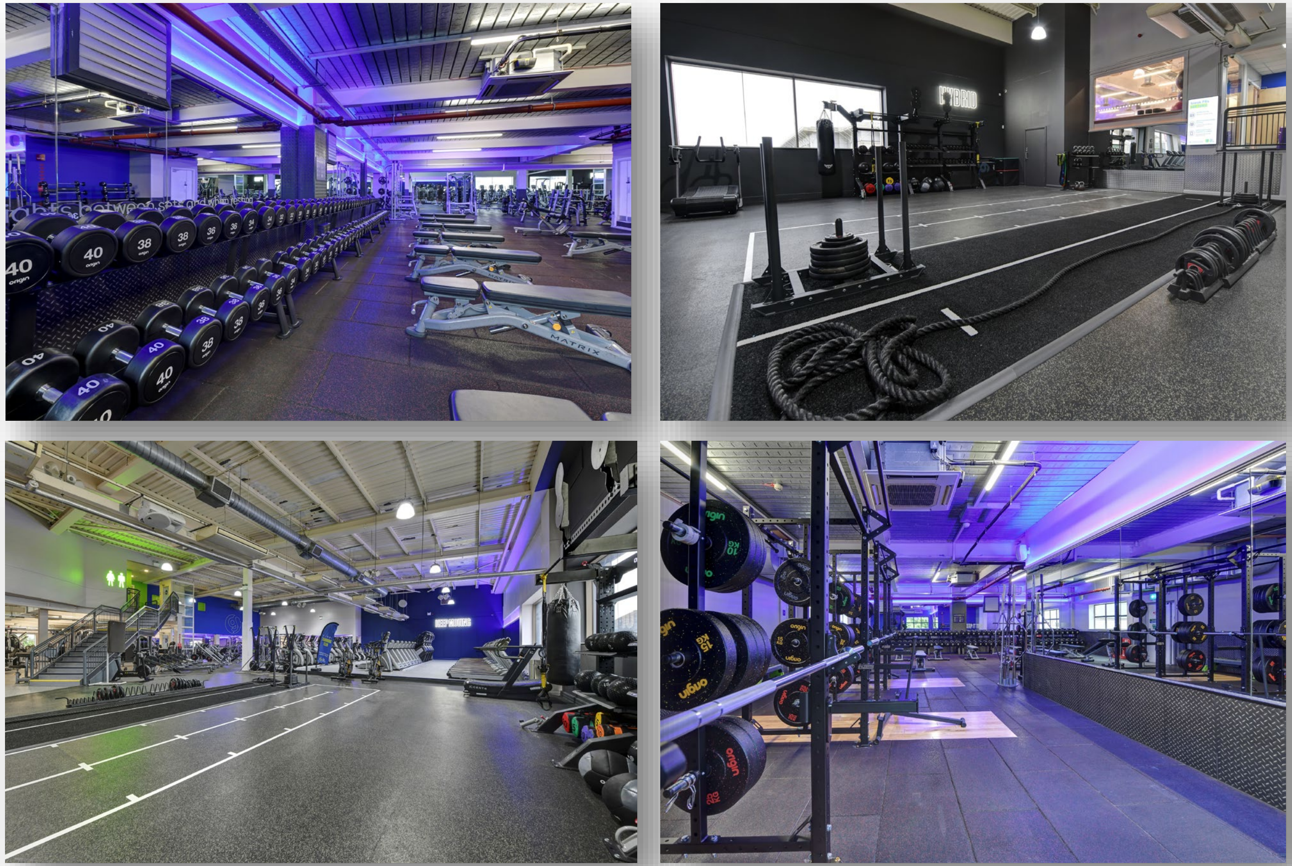
Source: Simon-Kucher Latent Demand Analysis, Dec 2024

Mature estate investment example: Bristol Longwell Green

Data suggested good local headroom and spare site capacity

Refurb conducted using maintenance capex budget

Encouraging early performance



The Next Chapter

Drive like-for-like revenue and generate cash

Create funds for future growth options

Broaden our growth

Pilot in scale B2B2C channel – Wellhub

Investigating adjacent opportunities, aligned to core competencies

Summary

Will Orr
Chief Executive Officer

Summary & Outlook

1. Large market with structural growth tailwinds
2. Advantaged, labour-light business model
3. Multiple LFL growth opportunities and significant white space
4. FY25 H1 Group Adjusted EBITDA LNR of +24%; further progress expected in mature site ROIC in 2025
5. Accelerating self-funded rollout, averaging 30% ROIC
6. Expecting 2025 Group Adjusted EBITDA LNR at top end of analysts' forecast range of £50.6m - 52.8m[1]

1. Current Company-compiled analysts' forecast range

Q&A

Appendix

Appendix - Business KPIs (5 year)

Financial (£m)	H1 2025	H1 2024	H1 2023	H1 2022	H1 2021	YoY
Revenue	121.0	112.1	99.8	84.2	29.3	8%
Group Adj. EBITDA Less Normalised Rent (LNR)[1]	27.4	22.1	17.2	17.0	(8.1)	24%
Free Cash Flow[1, 2]	25.1	23.3	14.2	6.9	(4.4)	8%
Expansionary Capital Expenditure[1, 2]	12.6	10.0	7.6	15.0	8.7	26%
Non-Property Net Debt[1]	(51.2)	(54.6)	(69.7)	(57.6)	(60.4)	6%

Operational

Gyms in operation	247	237	230	212	187	4%
Members at period end ('000)	949	905	867	790	730	5%
Average members ('000)	953	914	884	810	630	4%
Average revenue per member per month (ARPMM) (£)[1]	21.16	20.44	18.81	17.36	17.61	4%

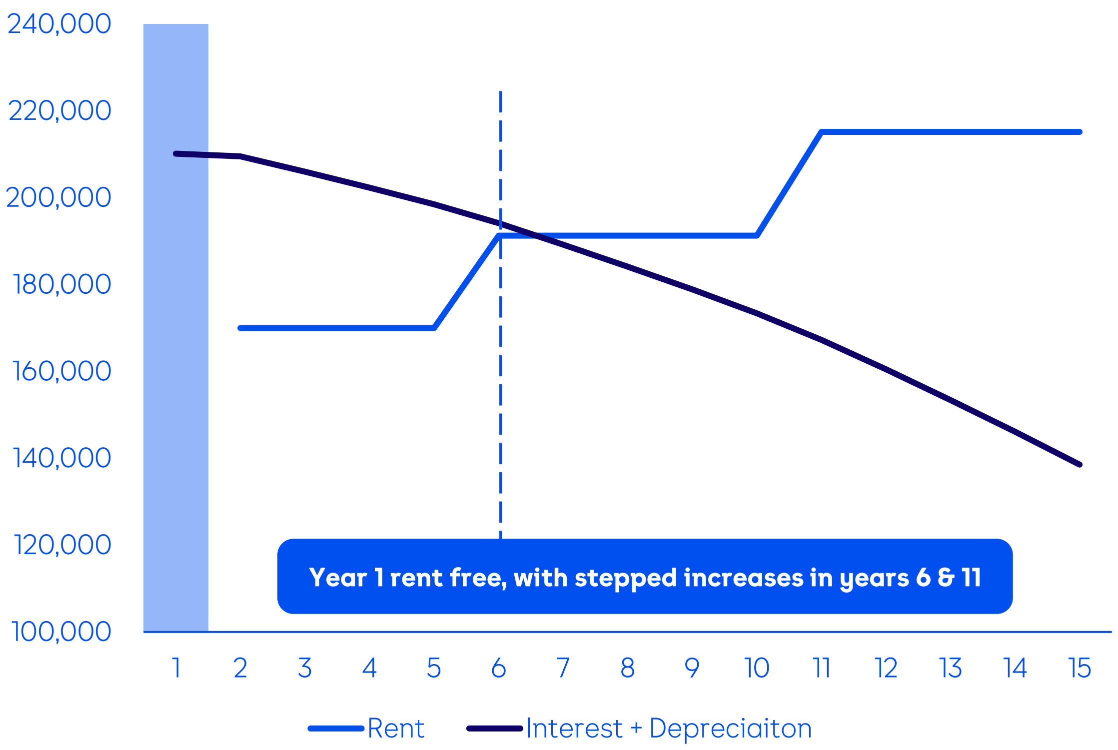
[1] Refer to page 43 for definitions of non-statutory measures
[2] Free Cash Flow and Expansionary Capital Expenditure for the six months ended 30 June 2024 have been restated to reallocate £1.2m of Technology and Data spend from Expansionary capital expenditure to Maintenance capital expenditure. No restatements have been made for the earlier periods

Appendix - IFRS16 charges are currently £2.4m higher than cash rent

Depreciation & Interest vs Property Payments

FY 2024	£m
Right of use asset depreciation	27.0
Property lease interest	15.0
Total	**42.0**
Property lease payment	**39.6**
Variance	*2.4*

IFRS 16 - Annual Charge



Anticipate IFRS16 charge and cash rent aligning in the next 2 years

Advantaged business model

Revenue – virtuous circle

- No contract & flexible membership options drives c.3x volume of members compared with contract gyms
- High volume (& low cost model) drives highly competitive headline rates

Kit-led gyms

- Gyms are kit-led
- No pools – water & heating & rent
- Kit focus reduces gym team size

Labour-light model

- Digital customer interactions – no sales team / receptionist
- Typically, 2 full time employees; 4 fitness trainers c.12 hrs per week
- Rental income for personal training hours offsets FT costs
- Net exposure to NIC changes in 2025 “only” c.£1.3m

Definition of non-statutory measures

Group Adjusted EBITDA Less Normalised Rent (LNR)
Operating profit before depreciation, amortisation, share based payments and non-underlying items; less Normalised Rent.

Normalised Rent
The contractual rent payable, recognised in the monthly period to which it relates.

Adjusted Profit before Tax
Profit before tax before non-underlying items.

Non-Property Net Debt
Bank and non-property lease debt less cash and cash equivalents.

Maintenance capital expenditure
Costs of replacement gym equipment and premises refurbishment and maintenance technology spend.

Brand Metric: Unprompted Awareness
Source: YouGov survey and TGG analysis
Question: Before taking this survey, which, if any, health clubs and/or gym brands had you EVER heard of?
Based on H1 2024 (research waves Jan 24, Feb 24, Apr 24, Jun 24) vs. H1 2025 (research waves Jan 25, Mar 25, Jul 25) for respondents up to 3 miles from a TGG gym for individuals aged 18-44. Data not collected monthly.

Free Cash Flow
Group Adjusted EBITDA LNR and movement in working capital, less maintenance capital expenditure, cash non-underlying items, bank and non-property lease interest and tax.

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 / Leverage Ratio
Non-Property Net Debt divided by LTM Group Adjusted EBITDA LNR.

Fixed Charge Cover
Group Adjusted EBITDA divided by Finance costs (excluding interest costs on property leases) less Finance income plus Normalised Rent.

Return On Invested Capital ('ROIC') of mature gym sites
Mature gym site EBITDA LNR divided by total capital initially invested in the mature sites (after capital contributions from landlords and rent free amounts).

Average Revenue per Member per Month (ARPMM)
Average revenue per member per month is calculated as revenue divided by the average number of members divided by the number of months in the period.