



# SOHO HOUSE & CO Inc.

# Forward Looking Statements

## Forward Looking Statements

This presentation contains forward-looking statements that are based on management's beliefs and assumptions and on information currently available to management. In some cases, you can identify forward-looking statements by the following words: 'may,' 'will,' 'could,' 'would,' 'should,' 'expect,' 'intend,' 'plan,' 'anticipate,' 'believe,' 'estimate,' 'predict,' 'project,' 'potential,' 'continue,' 'ongoing,' 'targeting,' or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words.

These statements involve risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that these statements are based on a combination of facts and factors currently known by us and our projections of the future, about which we cannot be certain.

These assumptions and our future performance results involve risks and uncertainties (many of which are beyond our control). As a result of these risks, we cannot assure you that the forward-looking statements in this presentation will prove to be accurate. Furthermore, if the forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. You should evaluate all forward-looking statements made in this presentation in the context of the risks and uncertainties disclosed in our filings with the Securities and Exchange Commission ("SEC"). All of the Company's SEC filings are available online at [www.sec.gov](http://www.sec.gov), [www.sohohouseco.com](http://www.sohohouseco.com) or upon request from Soho House & Co Inc. The forward-looking statements included in this presentation are made only as of the date hereof. The Company undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Market data and industry information used throughout this presentation are based on management's knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management's review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable as of their respective dates, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

## Non-GAAP Financial Measures

This presentation contains certain financial measures, including Adjusted EBITDA, House-Level Contribution and Margin, Other Contribution and Margin, Net Debt and certain financial measures presented on a Constant Currency basis that are not required by, or presented in accordance with, accounting principles generally accepted in the United States of America ("GAAP"). We refer to these measures as 'non-GAAP financial measures.' We use these non-GAAP financial measures when planning, monitoring and evaluating our performance. While we believe that these non-GAAP financial measures are useful in evaluating our business, this information should be considered as supplemental in nature and is not meant as a substitute for revenues or net income (loss), in each case as recognized in accordance with GAAP. In addition, other companies may calculate one or more of these measures differently, which reduces the usefulness of any such measure as a comparative measure. See Appendix for a definition of these non-GAAP financial measures and a reconciliation to the most directly comparable GAAP financial measures.

The information in this presentation should be read in conjunction with our Quarterly Report on Form 10-Q and other information that we file with the SEC. The reconciliations of non-GAAP financial measures are an integral part of the information presented herein. You can access these documents on our website, [www.sohohouseco.com](http://www.sohohouseco.com), free of charge, as well as amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained on our website is not incorporated by reference into, and should not be considered a part of, this presentation. In addition, the SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers, including the Company, that file electronically with the SEC at [www.sec.gov](http://www.sec.gov).

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# Today's Agenda

1

**Q2 2023 HIGHLIGHTS**

2

**EXECUTING STRATEGIC PRIORITIES**

3

**Q2 2023 FINANCIAL PERFORMANCE**

4

**UPDATED 2023 GUIDANCE**



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# Membership Growth and Operational Initiatives Drive Greater Profitability in Q2 2023



Soho House membership was 176k, up 24% YoY and up 5% QoQ

- Total SHCO membership grew 28% YoY and 4% QoQ
- SHCO waitlist stands at an all time high ~95k, up from ~89k in Q1 2023 and 16% YoY



Adjusted EBITDA\* of \$32m, up \$16m YoY

- Strong total revenues growth of 19% YoY and 13% QoQ
- Continued growth in recurring Membership revenues, up 35% YoY and 7% QoQ
- Operational excellence drove continued EBITDA growth above expectations

**Raising Midpoint of Guidance Across All Metrics**

\*Reconciliation of GAAP to non-GAAP financial measures can be found in the Appendix

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1

Q2 2023 HIGHLIGHTS

2

**EXECUTING STRATEGIC PRIORITIES**

3

Q2 2023 FINANCIAL PERFORMANCE

4

UPDATED 2023 GUIDANCE



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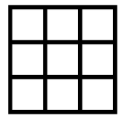


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# Focusing on Membership and Profitability

## Grow and Enhance Membership

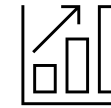
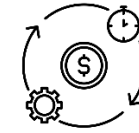


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**We are focused on growing and enhancing membership value proposition to drive long-term recurring revenue**

- Growing and enhancing membership remains the core driver of our business; strong foundations in place
- Focusing on core Soho House business as key driver of global expansion and improved profitability
- Optimized new House growth to deliver the best experience at our existing Houses

## Operational Excellence to Drive Profitability



**We are focused on delivering operational excellence to drive profitability and free cash flow**

- Implemented a series of initiatives to drive enhanced profitability
  - ✓ Adjusted expenses
  - ✓ Re-focused G&A
  - ✓ Optimized events and menus
  - ✓ Enacted procurement savings
  - ✓ Rationalized supply chain

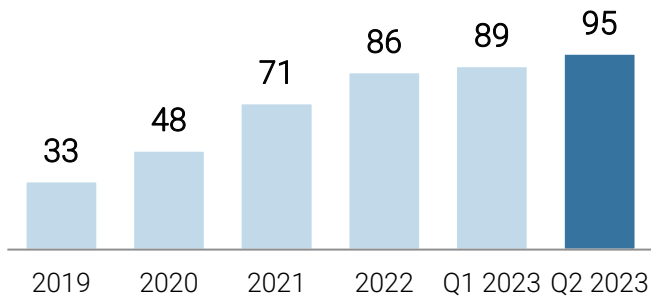
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# Grow and Enhance Membership

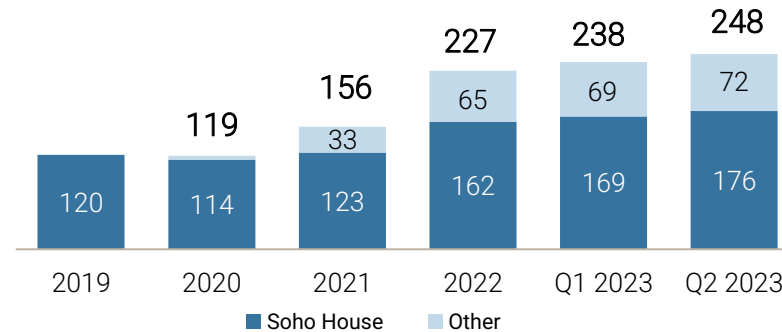
- Focused roll out of initiatives over past few quarters has improved member experiences and is leading to elevated profitability across our Houses
- Member spend per visit improved QoQ driven by:
  - Focused changes across Houses on seasonal menu offerings
  - New services standards and focused training in North America
  - Marquee member events and loyalty recognition to Founding members
  - New dining concepts at Houses in London, LA, New York and Berlin
- Friends platform remains popular, leading to Other membership growth of 40% YoY
- Introduced River House “pop up” in UK and Scorpios residency at Little Beach House Malibu
- Opening four Houses by year-end: Bangkok (opened Feb ‘23), Mexico City, Portland, São Paulo



SHCO Waitlist ('000)



SHCO Members ('000)



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# Operational Excellence to Drive Profitability



## Long-Term Guideposts

- Leveraging data and member insight to operate and scale efficiently
- Expanding In-House margins
- Operating discipline

## Q2 2023 Highlights

- Positive cash flow from operations
- Achieved Q2 2023 Adjusted EBITDA\* of \$31.8m, an increase of \$16.4m compared to Q2 2022
- Operating wages as a percent of revenues improved ~250bps vs. Q2 2022 and ~50bps vs. Q2 2019
- Food and beverage margins at our Houses rose 240bps vs. Q2 2019 on a like-for-like basis
- Focus on driving accommodations performance resulted in Q2 2023 House RevPAR growth of 13% vs. Q2 2022 and 36% vs. Q2 2019 on a like-for-like basis

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\*Reconciliation of GAAP to non-GAAP financial measures can be found in the Appendix



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1

Q2 2023 HIGHLIGHTS

2

EXECUTING STRATEGIC PRIORITIES

3

Q2 2023 FINANCIAL PERFORMANCE

4

UPDATED 2023 GUIDANCE



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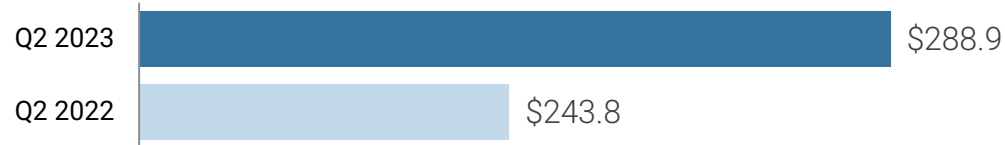
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# Q2 2023 Financial Highlights

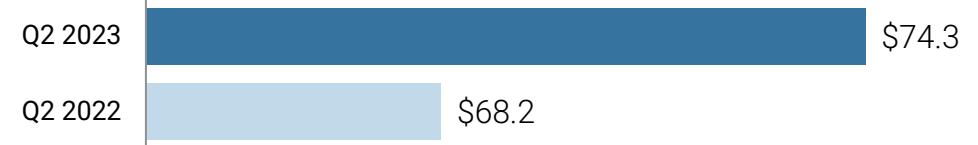
## Total revenues (\$M)

+19%



## Other revenues (\$M)

+9%



## Membership revenues (\$M)

+35%



## House-Level Contribution\* (\$M)

+45%



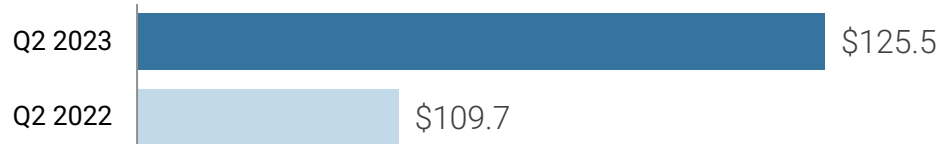
Margin

26%

22%

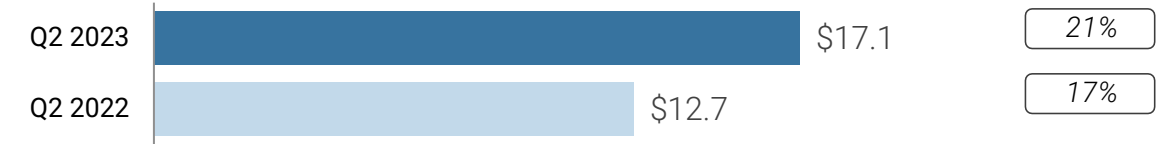
## In-House revenues (\$M)

+14%



## Other Contribution\* (\$M)

+35%



21%

17%

\*For non-GAAP financial measures, please refer to the Appendix for a reconciliation to the most directly comparable GAAP financial measure.

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# Q2 2023 YoY Revenue Bridge

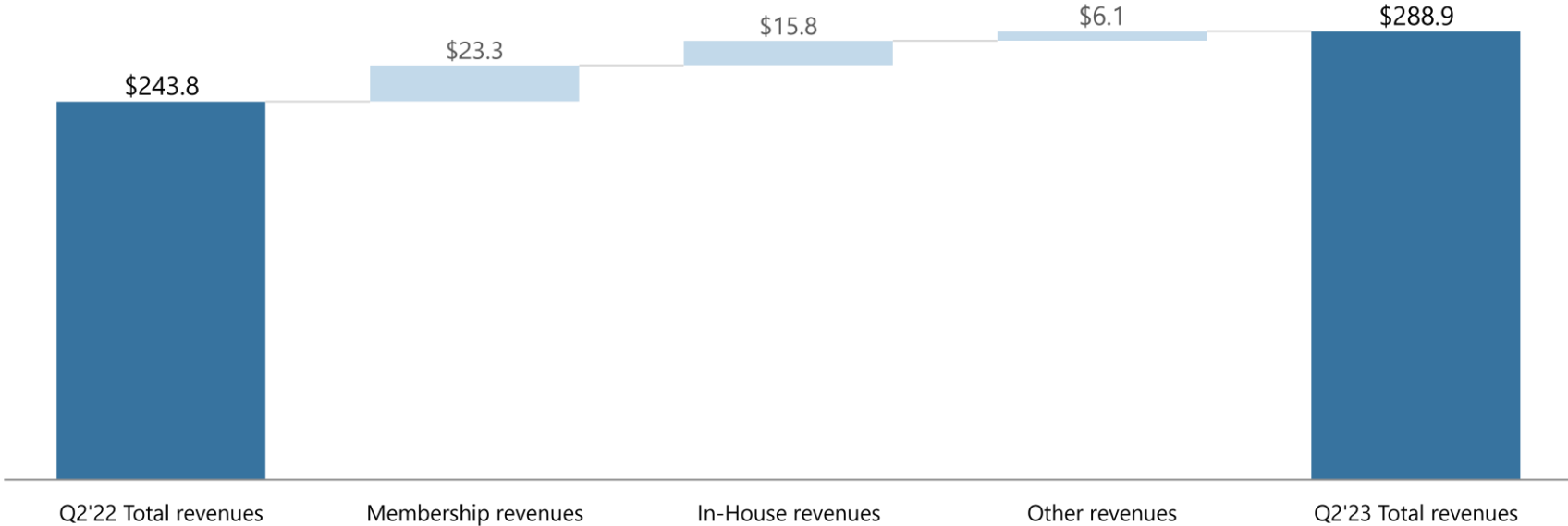


Year-on-year growth in Total revenues was driven by continued strong membership growth, In-House revenues and Other revenues.

**YoY Increase in Adult paying Soho House members:**

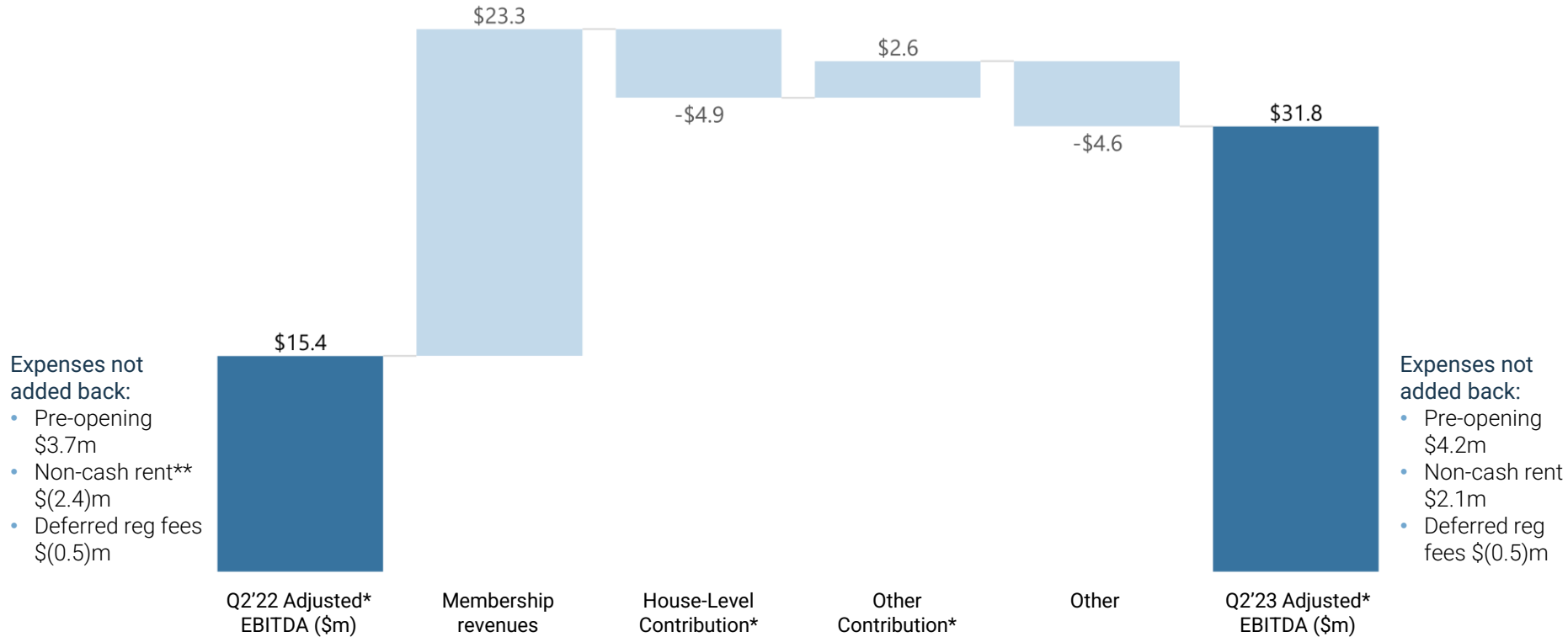
- +880 from 2023 openings
- +7,217 from 2022 openings
- +20,391 from pre-2022 Houses

As well as +20,646 Other members



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# Q2 2023 YoY Adjusted EBITDA Bridge



\*For non-GAAP financial measures, please refer to the Appendix for a reconciliation to the most directly comparable GAAP financial measure.

\*\* Non-cash rent for the 13 weeks ended July 3, 2022 includes an out of period operating lease liability adjustment of \$6,185. If this was excluded, Non-cash rent would have been \$3,772



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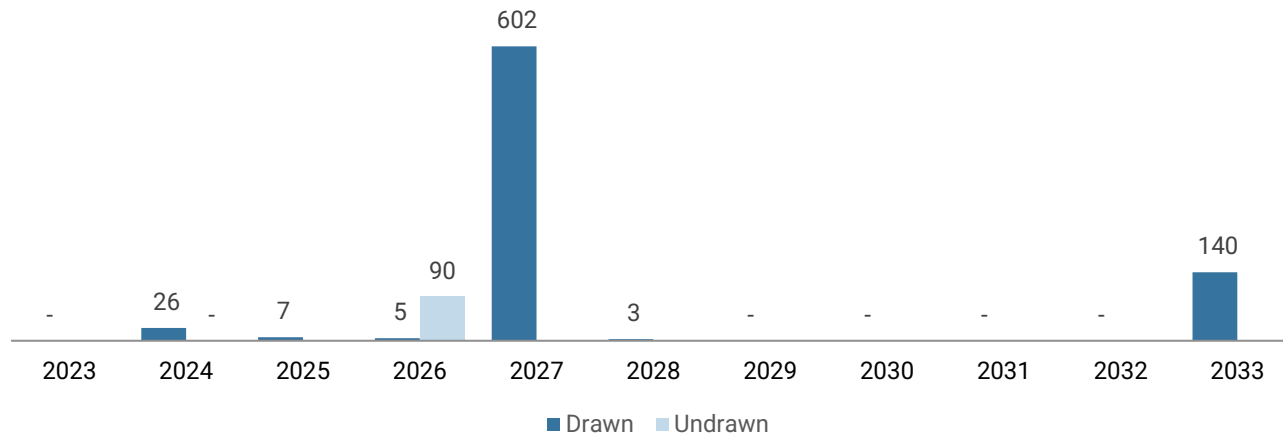


# Balance Sheet and Capitalization

## Cash and Debt as of July 3, 2023

Total Cash and Cash Equivalents (including Restricted cash)	\$177m
Total Debt	\$768m
Net Debt*	\$590m

## Loan Expiry Profile \$m's



## Q2 2023 Highlights

- Positive cash flow from operations
- \$32m Adjusted EBITDA\*
- \$2m non-cash rent
- \$(7)m cash interest
- \$(1)m cash taxes
- \$(23)m capital expenditure
- Full year 2023 capital investments to be lower than 2022
- \$40m of cash restricted as of July 3, now freely available following removal of restriction
- Refinanced mortgage debt on Soho Beach House Miami at 6.99% and increased size from \$117m to \$140m

\*For non-GAAP financial measures, please refer to the Appendix for a reconciliation to the most directly comparable GAAP financial measure.

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1

Q2 2023 HIGHLIGHTS

2

EXECUTING STRATEGIC PRIORITIES

3

Q2 2023 FINANCIAL PERFORMANCE

4

**UPDATED 2023 GUIDANCE**



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# Updated 2023 Guidance

2023 Guidance (as of May 12, 2023)	2023 Guidance (as of August 11, 2023)	Change (at midpoint)	2023 Growth Guidance vs. 2022 Results
Total Soho House Members <b>&gt;190,000</b>	Total Soho House Members <b>&gt;191,000</b>	Total Soho House Members <b>1,000</b>	<b>&gt;18%</b>
Membership revenues <b>\$355m – \$365m</b>	Membership revenues <b>\$360m – \$367m</b>	Membership revenues <b>\$3.5m</b>	<b>32% – 34%</b>
Total revenues* <b>\$1.10b – \$1.20b</b>	Total revenues* <b>\$1.12b – \$1.19b</b>	Total revenues* <b>\$5m</b>	<b>15% – 22%</b>
Adjusted EBITDA** <b>\$122m – \$132m</b>	Adjusted EBITDA** <b>\$126m – \$134m</b>	Adjusted EBITDA** <b>\$3m</b>	<b>106% – 120%</b>

\*Assumes ~\$25m YoY headwind from FX, reflecting EUR/USD at 1.06 and GBP/USD at 1.20 for 2023

\*\*Without adding back pre-opening costs, non-cash rent and deferred registration fees of ~\$25-30m combined for fiscal 2023 as a whole

We provide earnings guidance using both GAAP and non-GAAP financial measures. A reconciliation of the Company's Adjusted EBITDA guidance to the most directly comparable GAAP financial measure cannot be provided without unreasonable efforts and is not provided herein because of the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including adjustments that are made for future changes in foreign exchange and the other adjustments reflected in our reconciliation of historical non-GAAP financial measures, the amounts of which, could be material.

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# SHCO: The Only Global Membership Platform



Strong growth in membership and revenues, underpinned by **robust retention** and **waitlist** at all-time highs



**Clear strategic** priorities are driving profitability and positive cash flow from operations, ahead of initial expectations



Laser focused on delivering for our members and growing **membership value**; achieving this through revised offerings



Confident in the future as a **unique global membership business** with significant growth opportunities ahead

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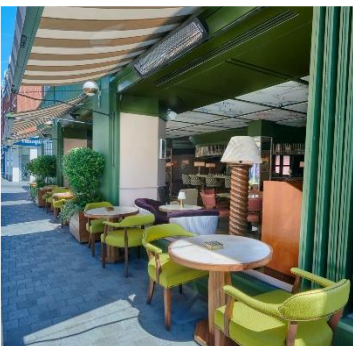
# Appendix



## Supplemental Materials and Reconciliations to GAAP Measures

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# Soho House



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# Soho House Portfolio

# Houses	# Countries	House Name	Country	Territory	Opening	Years of Operation	Club Space	Bedrooms	Screening/ Cabaret Room	Gym/Health Club	Spa	Pool	Public F&B/ Friends Studio	Beach
1	1	40 Greek Street	UK	UK	Jan-95	28	✓	-	-	-	-	-	-	-
2	1	Babington House	UK	UK	Sep-98	24	✓	33	✓	✓	✓	✓	-	-
3	1	Electric House	UK	UK	Apr-02	21	✓	-	✓	-	-	-	✓	-
4	2	Soho House New York	USA	Americas	Jun-03	20	✓	44	✓	-	✓	✓	-	-
5	2	High Road House	UK	UK	Jul-06	17	✓	14	-	-	-	-	✓	-
6	2	Shoreditch House	UK	UK	Jun-07	16	✓	26	✓	✓	✓	✓	-	-
7	2	Soho House West Hollywood	USA	Americas	Mar-10	13	✓	-	✓	-	-	-	-	-
8	3	Soho House Berlin	Germany	Europe	May-10	13	✓	89	✓	✓	✓	✓	✓	-
9	3	Soho Beach House Miami	USA	Americas	Oct-10	12	✓	50	✓	✓	✓	✓	✓	✓
10	3	Little House Mayfair	UK	UK	Apr-12	11	✓	-	-	-	-	-	-	-
11	4	Soho House Toronto	Canada	Americas	Oct-12	10	✓	-	-	-	-	-	-	-
12	4	Soho House Chicago	USA	Americas	Aug-14	8	✓	40	✓	✓	✓	✓	✓	-
13	5	Soho House Istanbul	Turkey	Europe	Apr-15	8	✓	87	✓	✓	✓	✓	✓	-
14	5	Soho Farmhouse	UK	UK	Jun-15	8	✓	114	✓	✓	✓	✓	-	-
15	5	76 Dean Street	UK	UK	Aug-15	7	✓	-	✓	-	-	-	-	-
16	5	Little Beach House Malibu	USA	Americas	May-16	7	✓	-	-	-	-	-	-	✓
17	5	Ludlow House	USA	Americas	Jul-16	7	✓	-	-	-	-	-	-	-
18	6	Soho House Barcelona	Spain	Europe	Oct-16	6	✓	57	✓	✓	✓	✓	✓	-

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# Soho House Portfolio (cont'd)

# Houses	# Countries	House Name	Country	Territory	Opening	Years of Operation	Club Space	Bedrooms	Screening Room	Gym/Health Club	Spa	Pool	Public F&B/ Friends Studio	Beach
19	6	Kettner's	UK	UK	Jan-18	5	✓	33	-	-	-	-	✓	-
20	6	White City House	UK	UK	May-18	5	✓	45	✓	✓	✓	✓	✓	-
21	6	DUMBO House	USA	Americas	May-18	5	✓	-	-	-	-	✓	✓	-
22	7	Soho House Amsterdam	The Netherlands	Europe	May-18	5	✓	79	✓	✓	✓	✓	✓	-
23	7	Little Beach House Barcelona	Spain	Europe	Aug-18	4	✓	17	-	-	✓	-	-	✓
24	8	Soho House Mumbai	India	Asia	Nov-18	4	✓	38	✓	✓	✓	✓	✓	✓
25	9	Soho House Hong Kong	Hong Kong	Asia	Sep-19	3	✓	-	✓	✓	-	✓	-	-
26	9	Soho Warehouse, DTLA	USA	Americas	Oct-19	3	✓	48	-	✓	-	✓	-	-
27	10	Soho Roc House	Greece	Europe	Jul-20	3	✓	44	-	✓	-	✓	-	✓
28	11	Soho Beach House Canouan	St Vincent & The Grenadines	Americas	Apr-21	2	✓	40	-	✓	-	-	-	✓
29	11	180 House	UK	UK	Apr-21	2	✓	-	-	-	-	✓	✓	-
30	11	Soho House Austin	USA	Americas	May-21	2	✓	46	✓	-	-	✓	-	-
31	12	Soho House Tel Aviv	Israel	Europe	Aug-21	1	✓	24	-	-	-	✓	-	-
32	13	Soho House Paris	France	Europe	Sep-21	1	✓	36	✓	✓	-	✓	-	-
33	14	Soho House Rome	Italy	Europe	Oct-21	1	✓	69	✓	✓	✓	✓	✓	-
34	14	Soho House Nashville	USA	Americas	Feb-22	1	✓	47	✓	✓	-	✓	-	-
35	14	Brighton Beach House	UK	UK	Mar-22	1	✓	-	-	-	-	✓	-	✓
36	14	Soho House Holloway	USA	Americas	May-22	1	✓	34	-	-	-	-	-	-

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# Soho House Portfolio (cont'd)

# Houses	# Countries	House Name	Country	Territory	Opening	Years of Operation	Club Space	Bedrooms	Screening Room	Gym/Health Club	Spa	Pool	Public F&B/ Friends Studio	Beach
37	14	<b>Little House Balham</b>	UK	UK	Jul-22	1	✓	-	-	-	-	-	-	-
38	15	<b>Soho House Copenhagen</b>	Denmark	Europe	Jul-22	1	✓	-	-	-	-	-	-	-
39	16	<b>Soho House Stockholm</b>	Sweden	Europe	Dec-22	0	✓	-	-	-	-	-	-	-
40	16	<b>Miami Pool House</b>	USA	Americas	Dec-22	0	✓	-	-	-	-	✓	-	-
41	17	<b>Soho House Bangkok</b>	Thailand	Asia	Feb-23	0	✓	-	✓	-	-	✓	-	-

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# Summary on Other Businesses

## Soho Works

- London
  - 180 Works
  - Dean Street Works
  - Shoreditch Works
  - White City Works
  - Redchurch Works
- North America
  - 875 Washington Works, NYC
  - 55 Water Works, NYC
  - 10 Jay Works, NYC
  - 9000 Sunset Works, Los Angeles

## Soho Home

- Chelsea, London
- Bicester Village, Oxfordshire, UK
- Westbourne Grove, London
- Melrose, Los Angeles

## Scorpios

- Mykonos, Greece

## Soho Friends

- London Studios (2)

## The Line

- Los Angeles
- Washington, DC
- Austin
- San Francisco

## Saguaro

- Palm Springs

## The Ned

- London
- New York
- Doha

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# Revenue by Region – Q2 2023

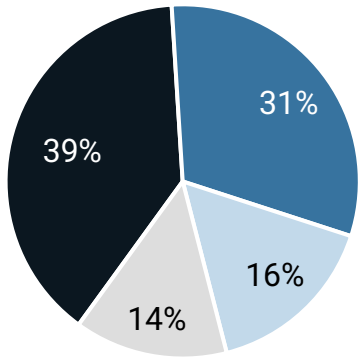
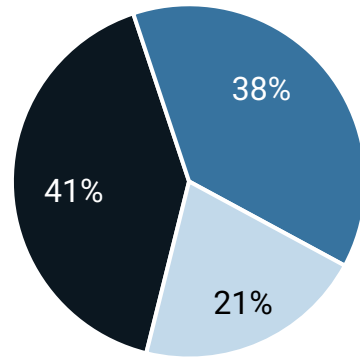
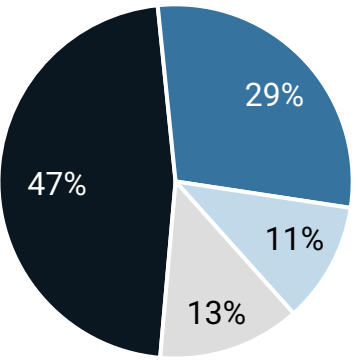
**At the end of Q2 2023, we had 41 Houses and 248,071 SHCO members spread across North America, United Kingdom, Europe and rest of world.**

Membership revenues

In-House revenues

Total revenues

- North America
- United Kingdom
- Europe / ROW
- All Other



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# Key Performance and Operating Metrics Evaluated by Management

<b>Number of Soho Houses</b>	<p>The number of Soho Houses reflects the total number of Soho Houses in operation in any period, irrespective of whether each House is (i) controlled by us, (ii) operated through a non-controlling interest in a joint venture or (iii) operated through a management contract. We review the number of members from all Houses to assess new member growth, total House Revenues, and House-Level Contribution.</p>
<b>Number of Soho House Members</b>	<p>Member count is the primary driver of Membership Revenues and is also a critical factor in In-House Revenues as members utilize the offerings that are provided within the Houses. Soho House members include all active, frozen and non-paying members.</p>
<b>Soho House Member Retention</b>	<p>Soho House Member Retention is defined as the number of Adult Paying Members (being all Soho House members excluding child members and complimentary member) at the beginning of a period less the number of Adult Paying Members who cancelled their membership during that same period (without giving any effect to Adult Paying Members who froze their memberships during such period), as a proportion of total Adult Paying Members at the beginning of such period.</p>
<b>Number of Other Members</b>	<p>Other members include members of Soho Works club, Soho Friends and SOHO HOME+ and are key to our growth strategy and enhancing our Soho House member experience. Like Soho House members, other memberships are an integral part of our business, and we believe will have a significant impact on our profitability and financial performance in the future.</p>
<b>Frozen Members</b>	<p>Frozen members refers to Soho House members who have elected to suspend their membership payments on a six-, nine- or twelve-month basis during which period the member is not able to gain access to a Soho House site as a member, access our membership Apps, or book bedrooms or Cowshed treatments or products on discounted member rates. Frozen Members are not included in Adult Paying Members but are included in the total number of Soho House members.</p>
<b>Membership Revenues</b>	<p>Membership Revenues are comprised of House Membership Revenues (as defined below) and Non-House Membership Revenues (as defined below). House Membership Revenues and Non-House Membership Revenue are each comprised primarily of annual membership fees and one-time registration fees which are amortized over 20 years. Membership Revenues are a function of the number of members, membership mix, and membership pricing. For GAAP, we report Membership Revenues only from Houses and sites in which we own a controlling interest. Our membership pricing varies by geographic segment and membership offering and, as such, our mix of House and Soho Works club openings can affect our revenue growth and profitability over time. Prices are generally higher in North America and the rest of the world compared with the UK and Europe. Membership Revenues provide a stable and recurring source of revenues which have few direct costs and, as such, is a reliable and predictable source of cash flow.</p>

SOHO HOUSE & CO Inc.



SOHO HOME



SOHO WORKS





# Key Performance and Operating Metrics Evaluated by Management (cont'd)

<b>House Introduction Credits</b>	New members admitted after April 4, 2022 are required to purchase House Introduction Credits as part of their membership, per the House Rules. House Introduction Credits are of a value equivalent to cash within Houses and will be redeemable against purchases of food and beverage items, and bedroom stays, at the Houses. House Introduction Credits will be usable in the first three months from the date they are issued before expiring, where legally permitted, if not utilized or if the Company terminates a member's House membership. House Introduction Credits are recognized upon issuance as deferred revenue on our unaudited condensed consolidated balance sheets. Revenue from House Introduction Credits are recognized as In-House revenues when redeemed by members, and as breakage revenue within Membership revenues upon expiration or in the period that we are able to reliably estimate expected breakage. House Introduction Credits expire three months from the date of issue
<b>House Membership Revenues</b>	House Membership Revenues are comprised primarily of annual membership fees and one-time legacy registration fees from Soho House members which are amortized over 20 years. The one-time registration fee is no longer applicable to new members admitted from April 4, 2022, see House Introduction Credits above.
<b>In-House Revenues</b>	In House Revenues refer to all revenues realized within our Houses, and primarily includes revenues from food and beverage, accommodation, and spa products and treatments.
<b>House Revenues</b>	House Revenues is defined as House Membership Revenues plus In-House Revenues, less Non-House Membership Revenues. Our management views House Membership Revenues and In-House Revenues as interrelated and their aggregation as important in tracking House performance. Although there is no minimum spend for any member on In-House offerings, nevertheless in practice most members consume food and beverage, accommodations and other offerings at our Houses. The pricing of our In-House offerings is reflective of the fact that the significant majority of In-House offerings that generate In-House revenues are consumed by members who also pay a membership fee in relation to that House, with pricing of such In-House offerings being identical for both members and non-members.
<b>Other Revenues</b>	Other Revenues are defined as total revenues that are not realized within our Houses, including revenues from Scorpios, Soho Works and our stand-alone restaurants, procurement fees from Soho House Design, Soho Home and Cowshed retail products and other revenues from products and services that we provide outside of our Houses, as well as management fees from the Ned.
<b>Non-House Membership Revenues</b>	Non-House Membership Revenues are comprised of Soho Works membership revenue, Soho Friends membership revenue and SOHO HOME+ membership revenue.

SOHO HOUSE & CO Inc.



SOHO HOME



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# Key Performance and Operating Metrics Evaluated by Management (cont'd)

<b>Active App Users</b>	Active App Users is defined as unique users who have logged into any of our membership Apps within the last three months.
<b>House-Level Contribution and Margin</b>	House-Level Contribution is defined as House Revenues less In-House Operating Expenses, which includes expense items such as food and beverage costs, labor costs, variable overheads and fixed costs, such as rent. It does not reflect the impact of depreciation, amortization, impairment, gain or loss on sale of property, or general and administrative expenses. House-Level Contribution Margin is defined as House-Level Contribution as a percentage of our House Revenues and is a key determinant of our performance and profitability and our return on the investment we make in each of our Houses. Our management considers House-Level Contribution and House-Level Contribution Margin to be an important management measure to evaluate the performance and profitability of each House, and growth in aggregate House-Level Contribution allows us to leverage our general and administrative costs and improve overall profitability.
<b>Other Contribution and Margin</b>	Other Contribution is defined as Other Revenues less Other Operating Expenses, which includes expense items not related to the operation of Houses, such as labor costs, variable overheads and fixed costs, such as rent. It does not reflect the impact of depreciation, amortization, impairment, gain or loss on sale of property, or general and administrative expenses. Other Contribution Margin defined as Other Contribution as a percentage of our Other Revenues and is a key determinant of our performance and profitability and our return on the investment in our non-House business. Our management considers Other Contribution and Contribution Margin to be an important management measure.
<b>Adult Paying Members</b>	Adult Paying Members refers to all Soho House members excluding child members and complimentary members.
<b>Net Debt</b>	Net Debt reflects the total debt, comprising long-term debt, property mortgage loans and related party loans, less cash, cash equivalents and restricted cash. Net Debt is an important measure to monitor leverage and evaluate the balance sheet. A limitation associated with using Net Debt is that it subtracts cash, cash equivalents and restricted cash and therefore may imply that there is less Company debt than the most comparable GAAP measure indicates. Management believes that investors may find it useful to monitor leverage and evaluate the balance sheet.
<b>Average Daily Rate (ADR)</b>	Average Daily Rate represents the average rental income per paid occupied room
<b>Revenue Per Available Room (RevPAR)</b>	The key industry standard for measuring hotel-operating performance is RevPAR, which is calculated by multiplying the percentage of occupied rooms to available rooms by the average daily rate realized. Where this is presented on a like-for like basis, RevPar is adjusted for new or divested sites, for example Houses that were not open in the comparison period.

SOHO HOUSE & CO Inc.



SOHO HOME



SOHO WORKS



# Consolidated Statement of Operations

<i>(in thousands, except for per share data)</i>	For the 13 Weeks Ended	
	July 2, 2023	July 3, 2022
<b>Revenues</b>		
Membership revenues	\$ 89,193	\$ 65,889
In-House revenues	125,480	109,685
Other revenues	74,250	68,196
Total revenues	<u>288,923</u>	<u>243,770</u>
<b>Operating expenses</b>		
In-House operating expenses (exclusive of depreciation and amortization of \$12,903 and \$14,136 for the 13 weeks ended July 2, 2023 and July 3, 2022, respectively)	(152,353)	(131,673)
Other operating expenses (exclusive of depreciation and amortization of \$7,259 and \$8,552 for the 13 weeks ended July 2, 2023 and July 3, 2022, respectively)	(66,226)	(62,758)
General and administrative expenses	(37,243)	(26,647)
Pre-opening expenses	(4,206)	(3,741)
Depreciation and amortization	(25,249)	(22,688)
Share-based compensation	(5,657)	(4,274)
Foreign exchange gain (loss), net	21,584	(57,176)
Other	21	(301)
Total operating expenses	<u>(269,329)</u>	<u>(309,258)</u>
<b>Operating income (loss)</b>	19,594	(65,488)
<b>Other (expense) income</b>		
Interest expense, net	(22,027)	(18,778)
Gain on sale of property and other, net	(92)	(122)
Share of income of equity method investments	1,587	1,342
Total other expense, net	<u>(20,532)</u>	<u>(17,558)</u>
<b>Income (loss) before income taxes</b>	(938)	(83,046)
Income tax benefit	(1,349)	(509)
<b>Net income (loss)</b>	<u>(2,287)</u>	<u>(83,555)</u>
Net income (loss) attributable to noncontrolling interests	(357)	1,596
<b>Net income (loss) attributable to Soho House &amp; Co Inc.</b>	<u>\$ (2,644)</u>	<u>\$ (81,959)</u>
Net income (loss) per share attributable to Class A and Class B common stock		
Basic and diluted (Note 15)	\$ (0.01)	\$ (0.41)
Weighted average shares outstanding		
Basic and diluted (Note 15)	195,662	201,204

SOHO HOUSE & CO Inc.



SOHO HOME



SOHO WORKS



# Consolidated Statement of Cash Flows

<i>(in thousands)</i>	For the 26 Weeks Ended	
	July 2, 2023	July 3, 2022
<b>Cash flows from operating activities</b>		
Net income (loss)	\$ (18,303)	\$ (144,181)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	49,713	45,519
Non-cash share-based compensation (Note 13)	11,058	11,605
Deferred tax benefit	(836)	(560)
Gain on sale of property and other, net	(589)	(1,541)
Share of (income) loss of equity method investments	(2,458)	(1,740)
Amortization of debt issuance costs	1,461	2,344
Loss on debt extinguishment	3,278	—
PIK interest (settled), net of non-cash interest	18,450	16,886
Distributions from equity method investees	209	573
Foreign exchange (gain) loss, net	(34,597)	74,250
Changes in assets and liabilities:		
Accounts receivable	(11,849)	(17,610)
Inventories	(5,688)	(20,229)
Operating leases, net	(2,428)	16,608
Other operating assets	(24,770)	(41,249)
Deferred revenue	11,920	21,724
Accounts payable and accrued and other liabilities	13,710	51,262
Net cash provided by operating activities	<u>8,281</u>	<u>13,661</u>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(33,313)	(33,799)
Proceeds from sale of assets	1,362	665
Purchase of intangible assets	(8,823)	(11,112)
Net cash used in investing activities	<u>(40,774)</u>	<u>(44,246)</u>

SOHO HOUSE & CO Inc.



SOHO HOME



SOHO WORKS



# Consolidated Statement of Cash Flows (cont'd)

<i>(in thousands)</i>	For the 26 Weeks Ended	
	July 2, 2023	July 3, 2022
<b>Cash flows from financing activities</b>		
Repayment of borrowings (Note 11)	(117,202)	(540)
Payment for debt extinguishment costs (Note 11)	(1,686)	—
Issuance of related party loans	—	3,217
Proceeds from borrowings (Note 11)	140,000	104,829
Payments for debt issuance costs	(2,822)	(1,860)
Principal payments on finance leases	(134)	(137)
Principal payments on financing obligation	—	(779)
Distributions to noncontrolling interests	(390)	(364)
Purchase of treasury stock (Note 14)	—	(19,508)
Additional IPO costs	—	(269)
Net cash provided by financing activities	17,766	84,589
Effect of exchange rate changes on cash and cash equivalents, and restricted cash	2,077	(8,340)
Net (decrease) increase in cash and cash equivalents, and restricted cash	(12,650)	45,664
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of period	190,043	220,662
End of period	<b>\$ 177,393</b>	<b>\$ 266,326</b>

SOHO HOUSE & CO Inc.



SOHO HOME



SOHO WORKS



# Reconciliation of GAAP to Non-GAAP Financial Measures

A reconciliation of Net loss to Adjusted EBITDA, and Reconciliation of Operating loss House-Level Contribution & Other Contribution for the 13 Weeks Ended July 2, 2023 and July 3, 2022 is set forth below:

	For the 13 Weeks Ended			For the 13 Weeks Ended			For the 13 Weeks Ended	
	July 2, 2023	July 3, 2022		July 2, 2023	July 3, 2022		July 2, 2023	July 3, 2022
	Actuals			Actuals			Actuals	
	(Unaudited, dollar amounts in thousands)			(Unaudited, dollar amounts in thousands)			(Unaudited, dollar amounts in thousands)	
<b>Net income (loss)</b>	\$ (2,287)	\$ (83,555)	<b>Operating gain (loss)</b>	\$ 19,594	\$ (65,488)	<b>Operating income (loss)</b>	\$ 19,594	\$ (65,488)
Depreciation and amortization	25,249	22,688	General and administrative	37,243	26,647	General and administrative	37,243	26,647
Interest expense, net	22,027	18,778	Pre-opening expenses	4,206	3,741	Pre-opening expenses	4,206	3,741
Income tax benefit	1,349	509	Depreciation and amortization	25,249	22,688	Depreciation and amortization	25,249	22,688
<b>EBITDA</b>	46,338	(41,580)	Share-based compensation	5,657	4,274	Share-based compensation	5,657	4,274
Loss on sale of property and other, net	92	122	Foreign exchange (gain) loss, net	(21,584)	57,176	Foreign exchange (gain) loss, net	(21,584)	57,176
Share of income of equity method investments	(1,587)	(1,342)	Other	(21)	301	Other	(21)	301
Foreign exchange (gain) loss, net <sup>(2)</sup>	(21,584)	57,176	Non-House membership revenues	(9,078)	(7,269)	House membership revenues	(80,115)	(58,620)
Share of equity method investments adjusted EBITDA	2,840	2,365	Other revenues	(74,250)	(68,196)	In-House revenues	(125,480)	(109,685)
Share-based compensation expense <sup>(2)</sup>	5,657	4,274	Other operating expenses	66,226	62,758	In-House operating expenses	152,353	131,673
Membership credits expense <sup>(3)</sup>	—	555	<b>House-Level Contribution</b>	<u>\$ 53,242</u>	<u>\$ 36,632</u>	<b>Total Other Contribution</b>	<u>\$ 17,102</u>	<u>\$ 12,707</u>
Out of period operating lease liability adjustment <sup>(4)</sup>	—	(6,185)	Operating margin	7%	(27)%	Operating margin	7%	(27)%
<b>Adjusted EBITDA</b>	<u>\$ 31,756</u>	<u>\$ 15,385</u>	House-Level Contribution Margin	26%	22%	Other Contribution Margin	21%	17%

SOHO HOUSE & CO Inc.



SOHO HOME



SOHO WORKS



# Reconciliation of GAAP to Non-GAAP Financial Measures

A reconciliation of Net Debt as of July 2, 2023 and July 3, 2022 is set forth below:

	As of	
	July 2, 2023	July 3, 2022
Current portion of debt, net of debt issuance costs	\$ 26,901	25,617
Debt, net of current portion and debt issuance costs	603,433	579,904
Property mortgage loans, net of debt issuance costs	137,220	116,187
<b>Total Debt</b>	767,554	721,708
Cash and cash equivalents	(129,285)	(182,115)
Restricted cash	(48,108)	(7,928)
<b>Net Debt</b>	<u>\$ 590,161</u>	<u>531,665</u>

SOHO HOUSE & CO Inc.



SOHO HOME



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