

# Investor Presentation

Results for the full year ended 31 December 2024

29 April 2025



# Disclaimer

## Forward-looking statements

This presentation may include forward-looking statements. All statements other than statements of historical facts included in this presentation, including those regarding the Group's financial position, business & acquisition strategy, plans & objectives of management for future operations are forward-looking statements. Such forward-looking statements involve known & unknown risks, uncertainties & other factors which may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present & future business strategies & the environment in which the Group will operate in the future. Many factors could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements. Forward-looking statements should, therefore, be construed in light of such risk factors & undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this presentation. The Group expressly disclaims any obligations or undertaking, except as required by applicable law & applicable regulations, to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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Certain parts of this report contain non-IFRS measures & ratios. We believe that these measures are useful indicators of our ability to incur & service our indebtedness & can assist certain investors, security analysts & other interested parties in evaluating the Group. Because all companies do not calculate these measures on a consistent basis, our presentation of these measures may not be comparable to measures under the same or similar names used by other companies. Accordingly, undue reliance should not be placed on these measures in this presentation. In particular, Adjusted EBITDA & Run-Rate Adjusted EBITDA are not measures of our financial performance or liquidity under IFRS & should therefore not be considered as an alternative to (a) net income/(loss) for the period as a measure of our operating performance, (b) cash flows from operating, investing & financing activities as a measure of our ability to meet our cash needs or (c) any other measures of performance under IFRS.

# Overview

## Business performance & results

- Strong growth in RR Adj EBITDA increasing to £184m<sup>1</sup> (+£34m vs Q4 2023)
- Strong Qtr on Qtr momentum with Q4 Adj EBITDA of £42m<sup>2</sup> (+£7m vs Q3 2024)
- SS Net Leverage of 4.3x RR Adj EBITDA as at the end of Q4 2024 (vs 4.4x at Q4 2023) after Blink acquisition, with a clear path for continued underlying deleveraging
- 102 new corporate sites in the year (56 Blink sites & 46 organic)
- £29m of investment in Denmark, underpinning & indeed driving 19% EBITDA growth
- Successful issuance of £150m equiv. Senior Secured Notes in September, primarily to fund the acquisition of Blink

## Strategic outlook & guidance

- **High confidence** the Blink acquisition will prove to be very value enhancing
- Plans underway to realise further EBITDA growth from the US in 2025 through synergies & operating model improvements (not currently reflected in RR Adj EBITDA)
- Successful Danish investment programme is driving EBITDA progression & on track to conclude in 2025
- Strong growth expected in Switzerland following shift in operating model, including CCTV investment to enable unmanned operations
- Expect **70+ high quality new sites** rolled out across the UK, CH & the US in 2025

Notes (1) £9m RR Adj EBITDA for Blink represents actual LTM Adjusted EBITDA for the 56 sites acquired to 31 December 2024 (being 11 months pre-acquisition plus 1 month post-acquisition). This does not include any proforma adjustments for synergies.  
(2) Includes £1m post-acquisition for Blink.





## Financial results

An excellent end to the year, demonstrating EBITDA growth across all geographies



# FY 2024 highlights

£184m RR Adj EBITDA for FY24, including £9m in relation to the Blink estate<sup>1</sup>

**£184m**

RR Adj EBITDA<sup>1</sup>  
(+£34m YoY)

**£154m**

Adj EBITDA in 2024<sup>2</sup>  
(+£22m YoY)

**+105**

New sites<sup>3</sup>

**+10%**

Revenue growth<sup>4,5</sup>  
vs FY 2023

**2.25m**

Members<sup>6</sup>

**81%**

Operating cash  
flow conversion

**38%**

ROCE<sup>7</sup>

**680**

Total open sites<sup>4,8</sup>

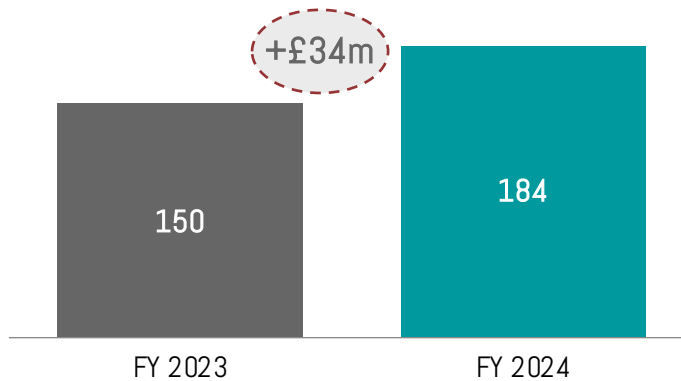
Notes: (1) £9m RR Adj EBITDA for Blink represents actual LTM Adjusted EBITDA for the 56 sites acquired to 31 December 2024 (being 11 months pre-acquisition plus 1 month post-acquisition). This does not include any proforma adjustments for synergies. (2) Includes £1m post-acquisition for Blink. (3) 56 sites acquired via Blink, 46 organic, corporate-owned sites & 3 franchise sites in the Middle East. (4) After 20 LTM site closures in DK. (5) Includes £8m post-acquisition revenue for Blink. (6) Includes 304k Blink members. (7) Represents UK gyms opened in 2021 & prior. Calculated using Adjusted EBITDA. (8) Gyms in estate includes 657 corporate-owned & 23 franchise gyms in the Middle East.



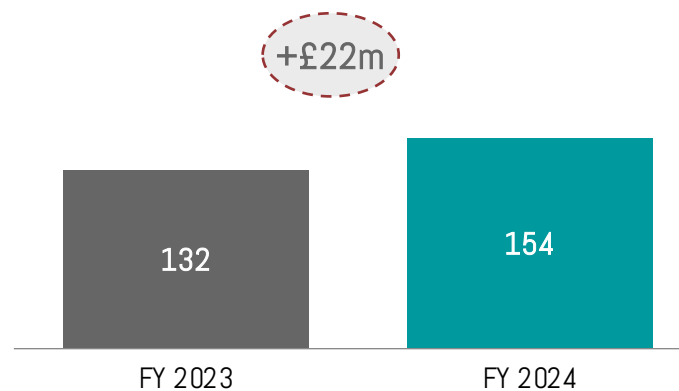
# FY 2024 financial results vs FY 2023 (1/2)

£154m of Adj EBITDA delivered in FY 2024, with growth across all geographies

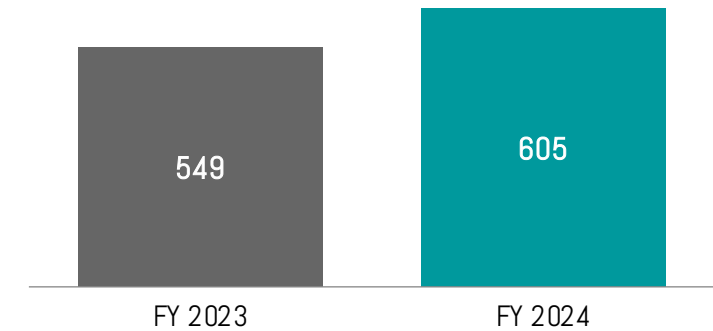
## Run-Rate Adj EBITDA (£m)<sup>1</sup>



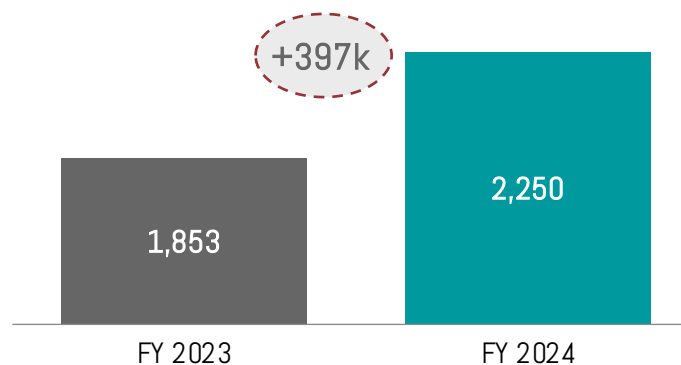
## Adj EBITDA (£m)



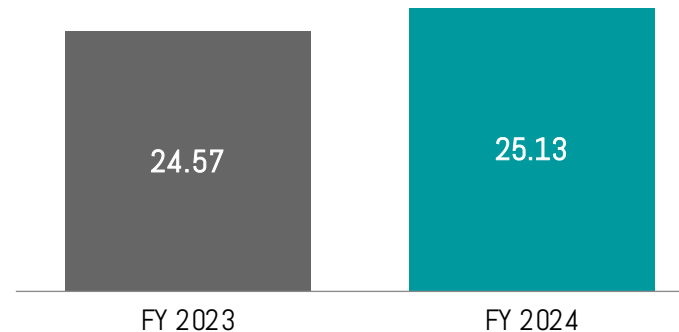
## Revenue (£m)



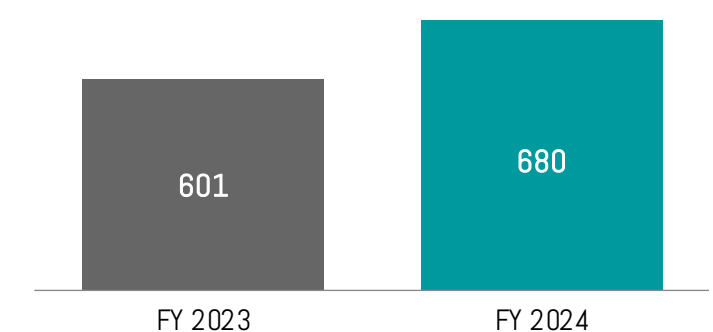
## Closing members (k)



## ARPM (£)



## Gyms in estate<sup>2</sup>



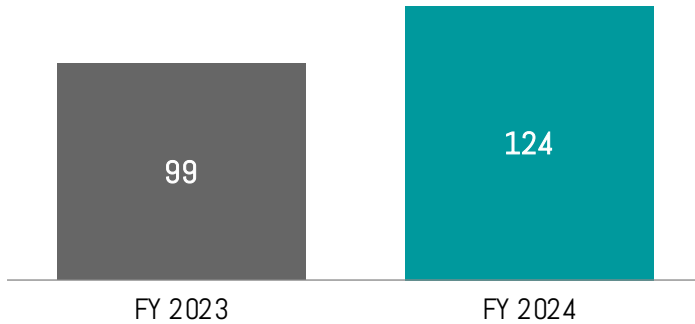
Notes: (1) The Run-Rate assumptions continue to be prudent & have been updated to more closely reflect latest trading performance for mature gyms. With effect from 31 December 2024, the calculation assumes LBF: £450k, MBF: £400k, SBF: £250k & VSBF: £200k. The impact of this change on RR Adj EBITDA is an increase of £2.3m vs previous assumptions. (2) FY 2024 Gyms in estate includes 657 corporate-owned & 23 franchise gyms in the Middle East. FY 2023 Gyms in estate includes 581 corporate-owned & 20 franchise gyms in the Middle East.



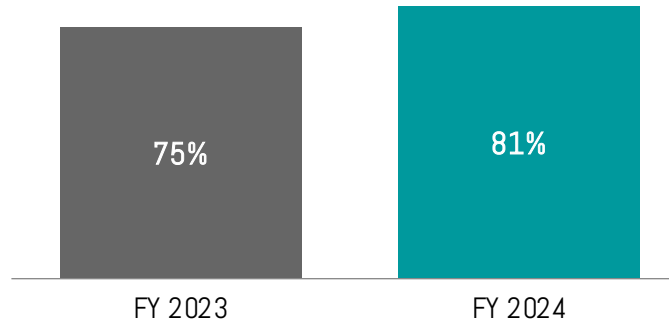
# FY 2024 financial results vs FY 2023 (2/2)

Leverage stable at 4.3x RR Adj EBITDA after the Blink Acquisition with strong cash and cashflow management evidenced

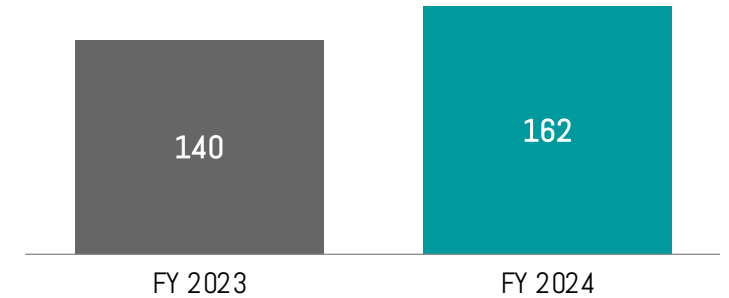
## Operating Cash Flow<sup>1</sup> (£m)



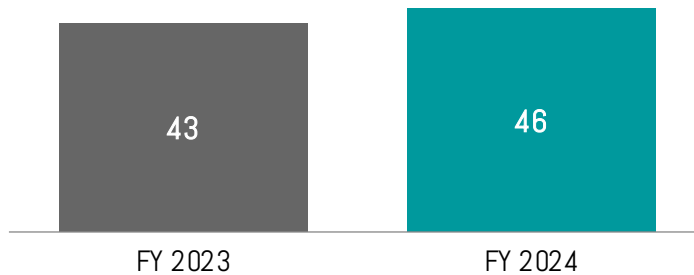
## Operating Cash Flow Conversion



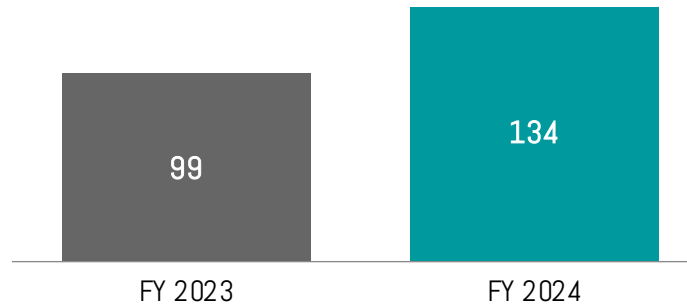
## Cash<sup>2</sup> (£m)



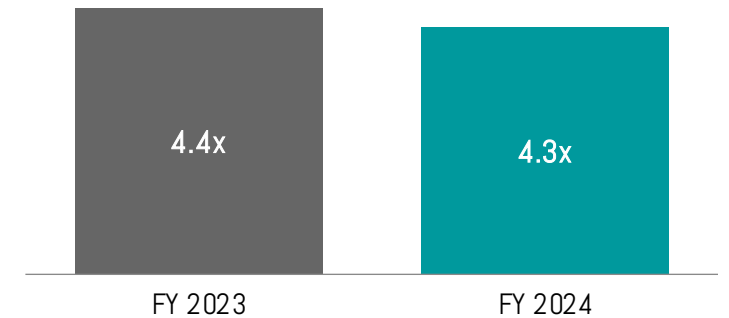
## New organic sites opened<sup>3</sup>



## Capex (£m)



## SS Net Leverage<sup>4</sup>



Notes: (1) Operating Cash Flow, stated after maintenance & refurbishment capex but before interest on borrowings or growth capex. (2) FY 2023 includes £32 million & FY 2024 includes £33 million cash held by parent, Pinnacle Topco Limited. (3) Organic sites are corporate-owned sites and exclude Blink. (4) SS Net Leverage defined as Senior Secured Net Debt ("SSND") divided by Run-Rate Adjusted EBITDA. SSND defined as total senior indebtedness (excl. finance leases) less cash & cash equivalents. For the purposes of the leverage calculation, SSND uses average rates of exchange for the last 12 month period.



# Capital expenditure

Careful investment into highly returning growth projects & high-quality new sites

- Average capex per new site was £1.2m & was well controlled in an inflationary environment (2023: £1.2m)<sup>1</sup>
- 46 new organic corporate owned site openings in FY 2024
- £29m invested in Denmark with over 70 kit drops completed in the year
- Investment in IT & related projects (e.g. CCTV in Switzerland) to deliver strong returns
- Sophisticated maintenance & refurbishment programme - investing to ensure a high-quality estate while optimising return on capital

£m	FY 2024	FY 2023
New site capital expenditure <sup>1</sup>	48	47
Danish estate investment	29	-
IT development & project capital expenditure	19	10
<b>Expansionary capital expenditure</b>	<b>96</b>	<b>57</b>
Maintenance & refurb capital expenditure	38	42
<b>Total capital expenditure</b>	<b>134</b>	<b>99</b>
Expansionary capex working capital movement	(17)	6
Maintenance & refurb capex working capital movement	(6)	(6)
<b>Total capital expenditure cash flow</b>	<b>111</b>	<b>99</b>

Notes: (1) Reported new site capex in the period may not directly correspond to the number of new sites opened in the period due to construction works spanning multiple periods.



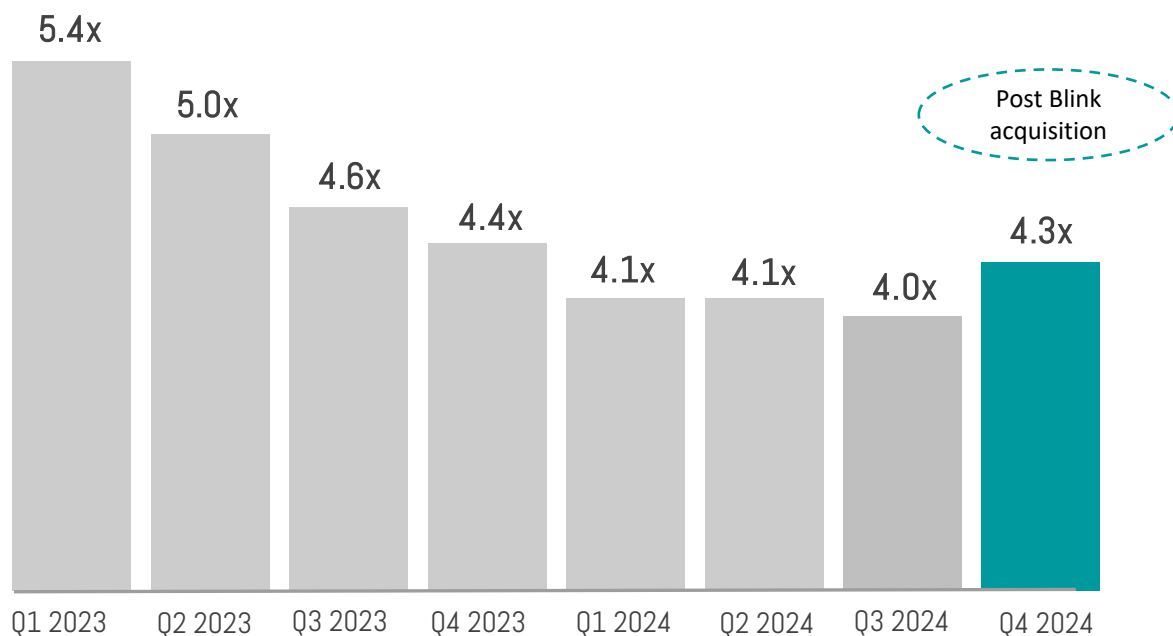


# Leverage of 4.3x RR Adj EBITDA as at the end of 2024

Leverage at 4.3x RR Adj EBITDA after the Blink acquisition & with a strong underlying deleveraging profile

## Senior Secured Net Leverage

RR Adj EBITDA	£120m	£128m	£139m	£150m	£159m	£164m	£165m	£184m
SS Net Debt <sup>1</sup>	£645m	£644m	£643m	£666m	£652m	£674m	£655m	£785m



## Net Debt & Interest Cover

As at 31 December 2024	£m
Cash <sup>2</sup>	163
Senior Secured GBP Notes	(520)
Senior Secured EUR Notes	(427)
<b>Senior Secured Net Debt</b>	<b>(785)</b>
Non-property leases/other	(1)
Net Debt	(786)
Q4 2024 RR Adj EBITDA	184
<b>Actual SS Net Leverage</b>	<b>4.3x</b>
<i>Pro Forma Net Interest Expense<sup>3</sup></i>	<i>84</i>
<b>Interest Cover</b>	<b>2.2x</b>

Notes: (1) Includes £33m held by parent company, Pinnacle Topco Limited at 31 December & 30 September 2024, £32m at 30 June & 31 March 2024 & 31 December 2023 & £31m at 30 September, 30 June & 31 March 2023. (2) £163m cash includes non-Sterling balances translated at average exchange rates for the LTM period, in line with banking document definitions. This is equivalent to £162m cash reported on slide 7 where non-Sterling balances are translated at closing exchange rates. Both figures include £33m held by parent company, Pinnacle Topco Limited. (3) The net interest expense for the Group for the LTM period, giving pro forma effect to the interest on the refinanced Senior Secured Notes & the recent bond tap as if they have been in issue for the full LTM period.





# Blink Fitness Update & Financials

High confidence that Blink will prove to be a very value-enhancing strategic acquisition



# Blink Overview

High confidence that Blink will prove to be a very value-enhancing strategic acquisition

- PureGym acquired 56 high quality assets out of Blink's Chapter 11 insolvency process
- Whilst the Blink corporate entity was strained, PureGym 'cherry picked' the best sites in New York (NY) & New Jersey (NJ) & bought them in a "trade & assets" deal, shedding unwanted sites & many of Blink's corporate liabilities
- The 56 sites acquired generated £29m of Gym EBITDA<sup>1</sup> (£510k average per site) in 2024
- The physical size & nature of the sites acquired are similar to PureGym so conversion will be relatively straightforward
- Clear opportunities exist to improve already robust gym operating performance & overhead productivity
- The purchase price of £97m represents very good value for a portfolio of this nature
- The assets represent a strong foothold into the world's largest fitness market & a solid platform for further growth

Notes: (1) Gym EBITDA is stated after rent costs which are calculated on a straight line basis over the life of the lease.





# High quality assets acquired in New York & New Jersey

£29m of Gym EBITDA acquired for £97m, plus an opportunity to realise HO overhead synergies over time

56

Total sites

£97m

Purchase price

£98m

Revenue

£29m

Gym EBITDA<sup>1</sup>

£510k

Average Gym EBITDA<sup>1</sup>  
per site

3.4x

Gym EBITDA<sup>1</sup>  
multiple<sup>2</sup>

5,539

Average members  
per club

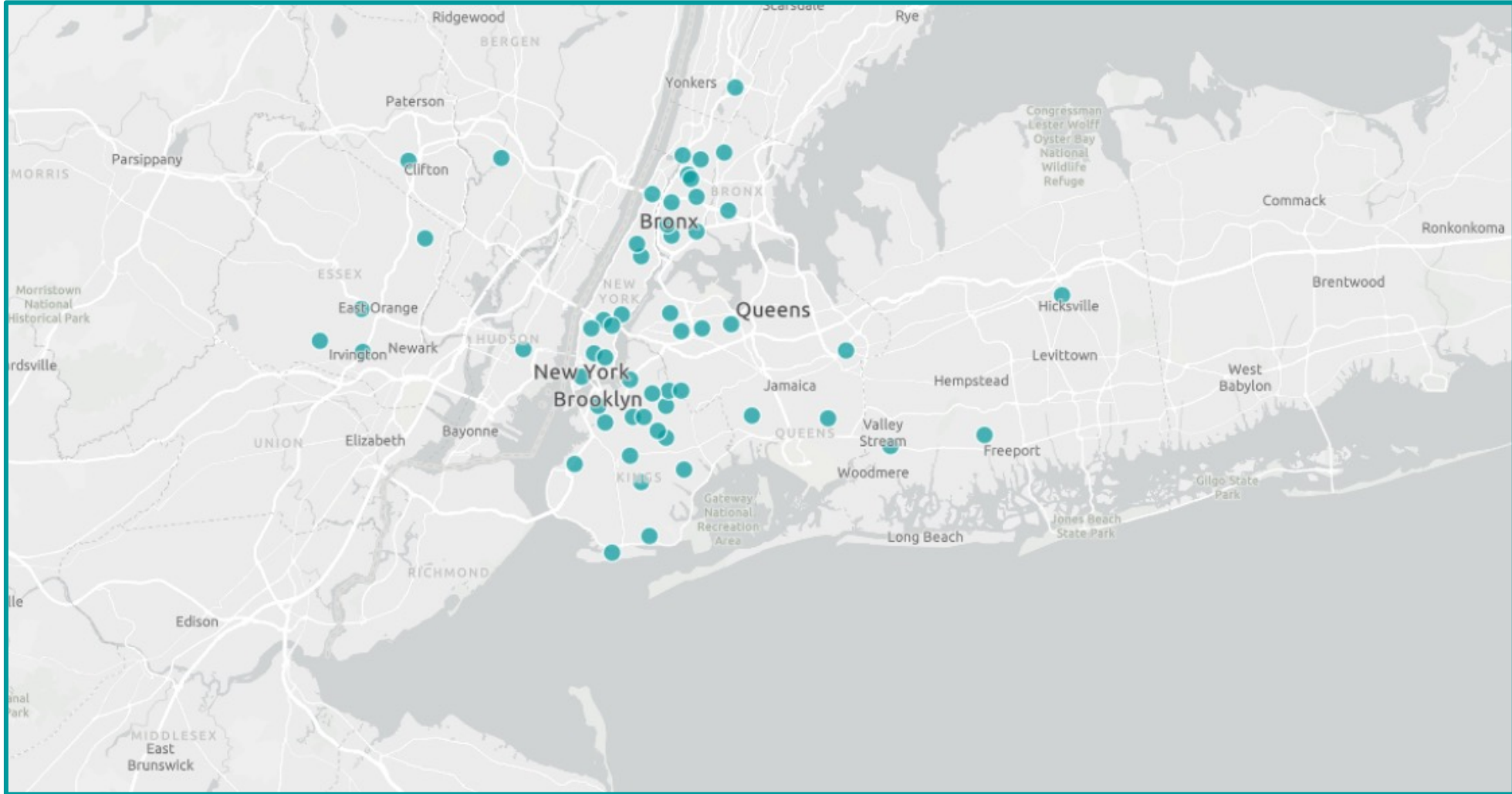
15k sqft

Average club size

Note: Figures are LTM to December 2024. (1) Gym EBITDA is stated after rent costs which are calculated on a straight line basis over the life of the lease. (2) Gym EBITDA multiple defined as purchase price divided by Gym EBITDA (presented figures may not recalculate due to rounding).

# High quality portfolio of locations acquired in New York & New Jersey

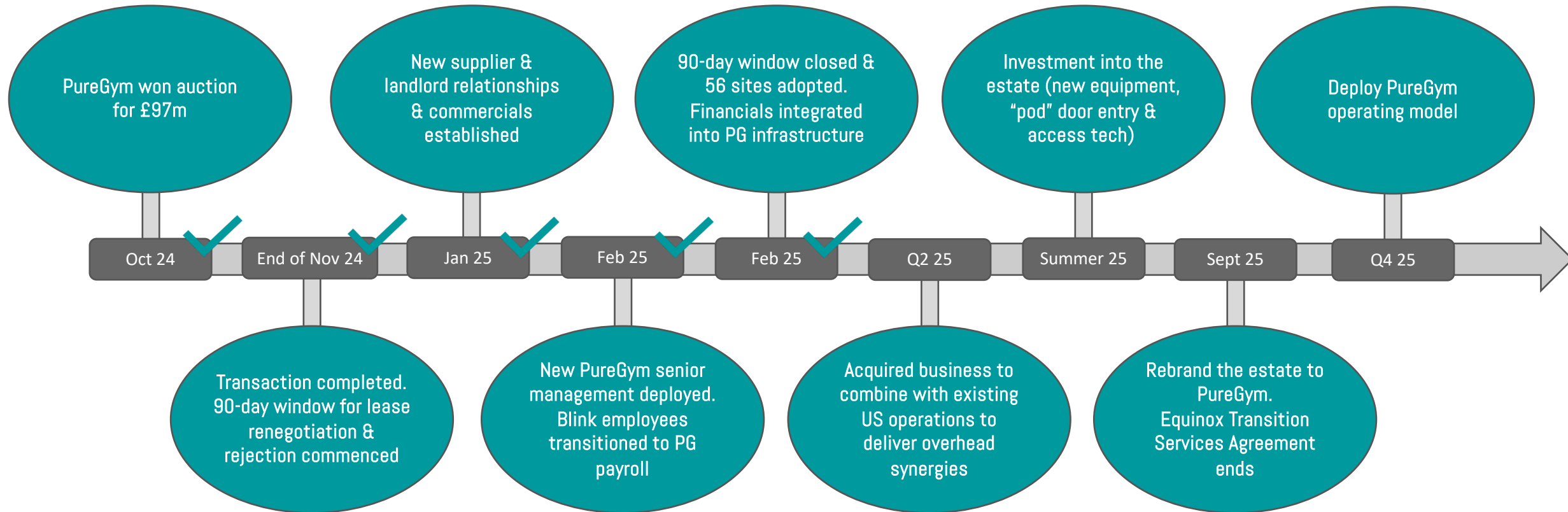
Represents a strong foothold & a meaningful platform for further organic growth





# An effective acquisition process with a clear plan for the future

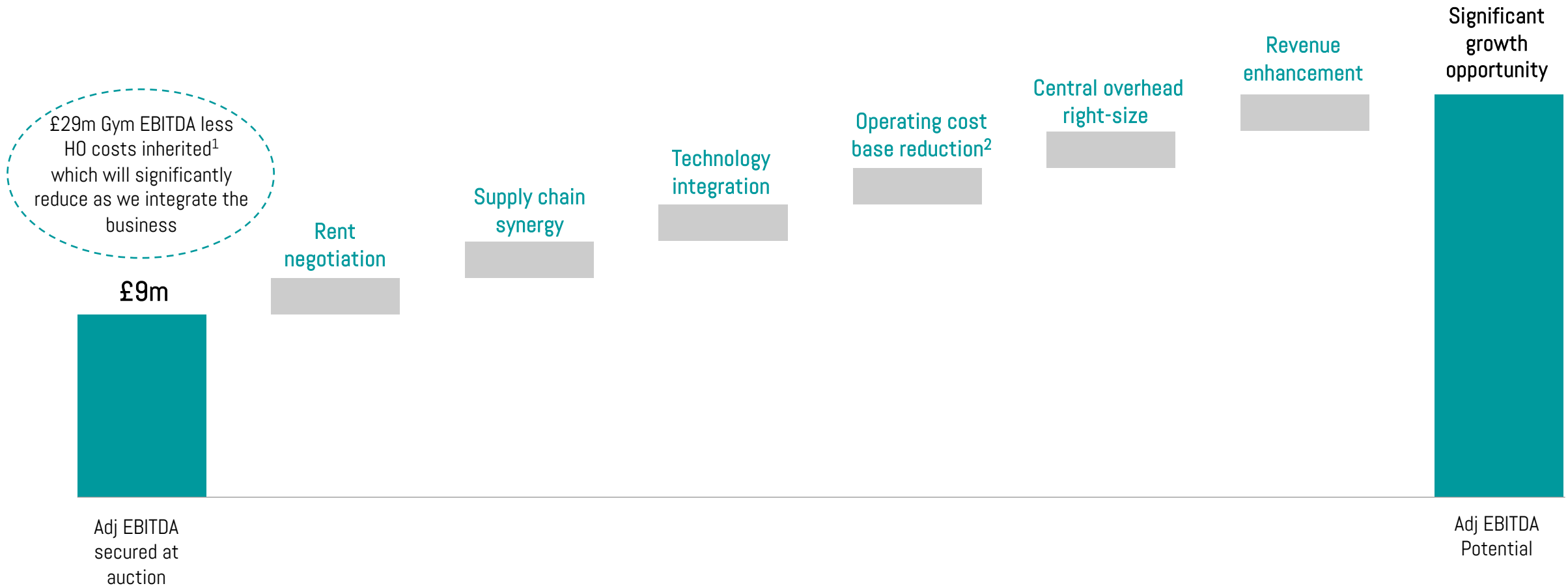
As part of the deal, PureGym negotiated a 90-day post-completion window for lease negotiation, which has proven extremely valuable



Note: PureGym secured the right to acquire the corporate operations of Blink Fitness & up to 67 sites in the states of New York & New Jersey. The purchase agreement allowed for a designation period of 90 days post completion for PureGym to negotiate directly with landlords & suppliers & agree suitable terms, with the right to reject any leases/supply contracts, should suitable terms not be reached.

# Strategic value creation plan for Blink throughout 2025 & 2026

A clear plan to realise significant EBITDA in the US is already progressing well & will deliver good results



Note: Chart is illustrative and not to scale. (1) HO costs and non-cash rent adjustment of £20m. (2) Adoption of PG model - access control, CCTV etc.



# IMPRESSO YOURSELF



## Strategic outlook & guidance

Systematic deployment of the proven PureGym operating model across all geographies



# Strategic outlook for 2025

## Summary of objectives

- Systematic deployment of the **proven PureGym operating model** across all geographies:
  - UK: deliver solid maturation of immature new sites & strong existing estate performance
  - DK: complete estate investment & consolidation programme in 2025 to deliver strong YoY EBITDA growth
  - CH: continue to optimise operational performance to deliver strong YoY EBITDA growth
  - US: deliver integration of acquired operations & realise EBITDA growth through overhead reduction
- Continued **high quality new site pipeline** across the UK & CH
- Build a strong new site pipeline for **future growth in the US**
- Continued focus on **strong cost control** across the group

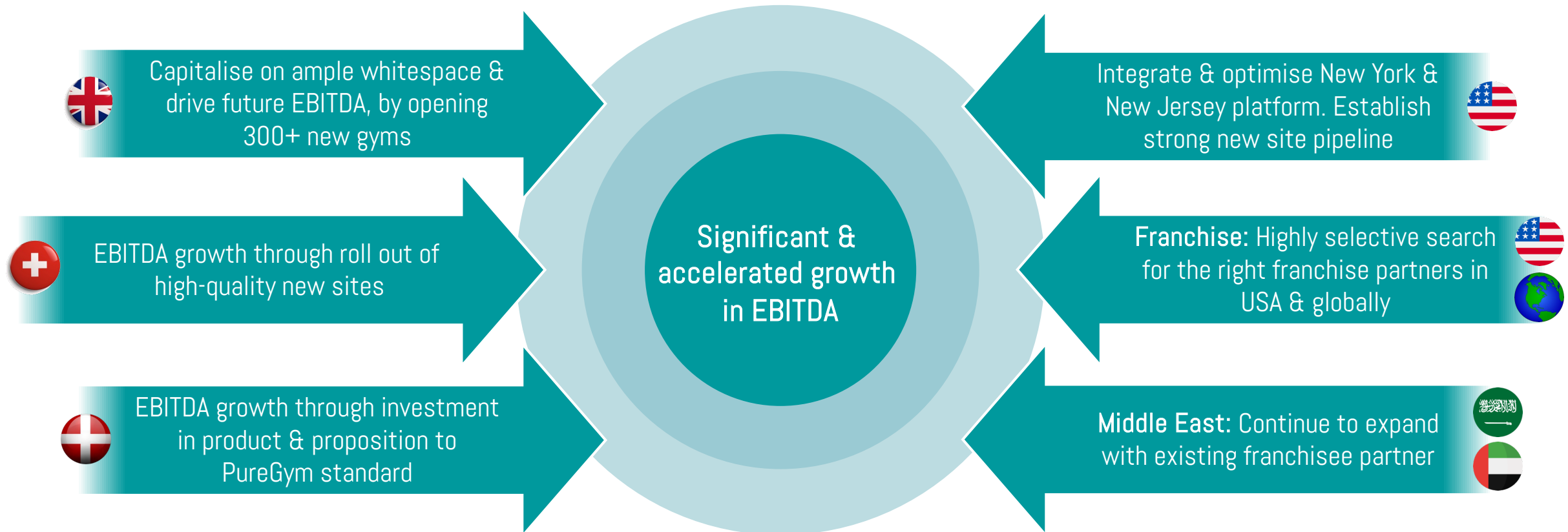




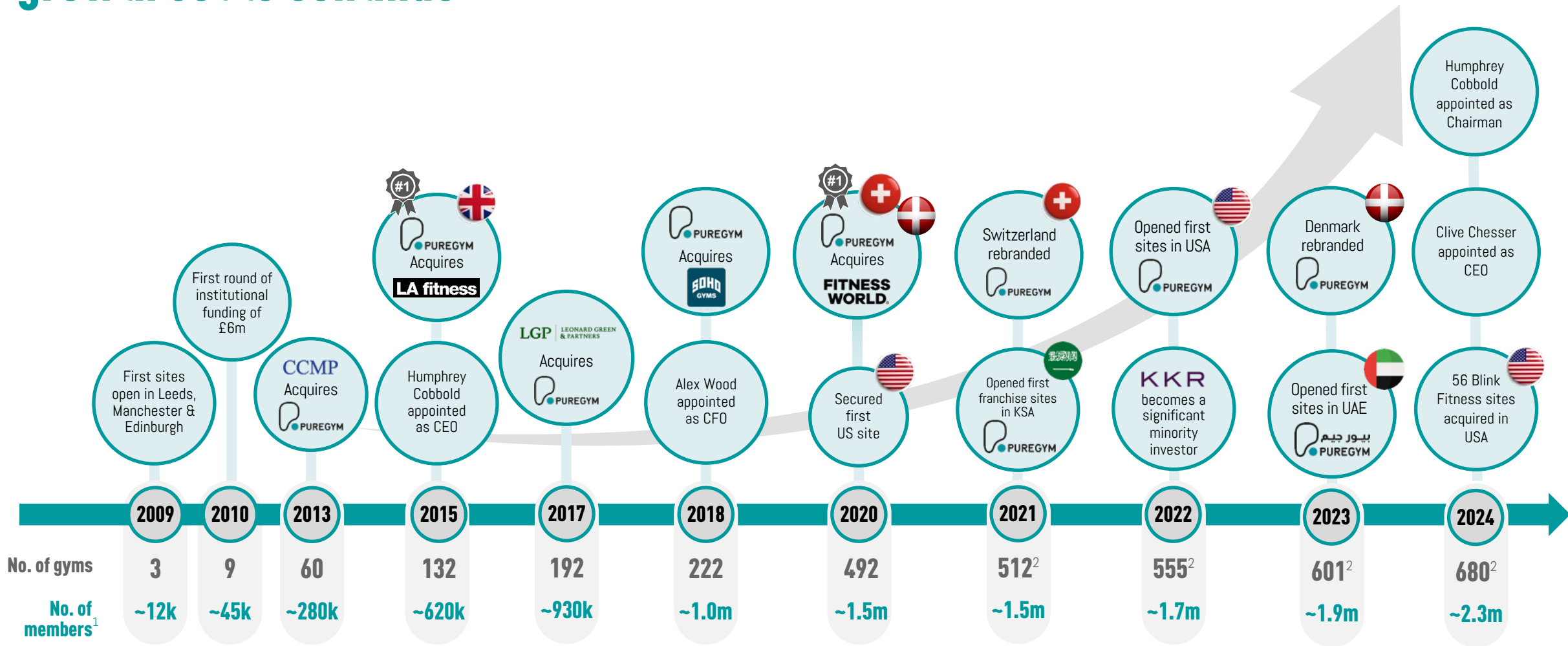
# Over the medium term, our strategy is to deliver on clear ambitions for continued performance & growth

## New site openings & investment in existing markets

## Growth in 'new' markets

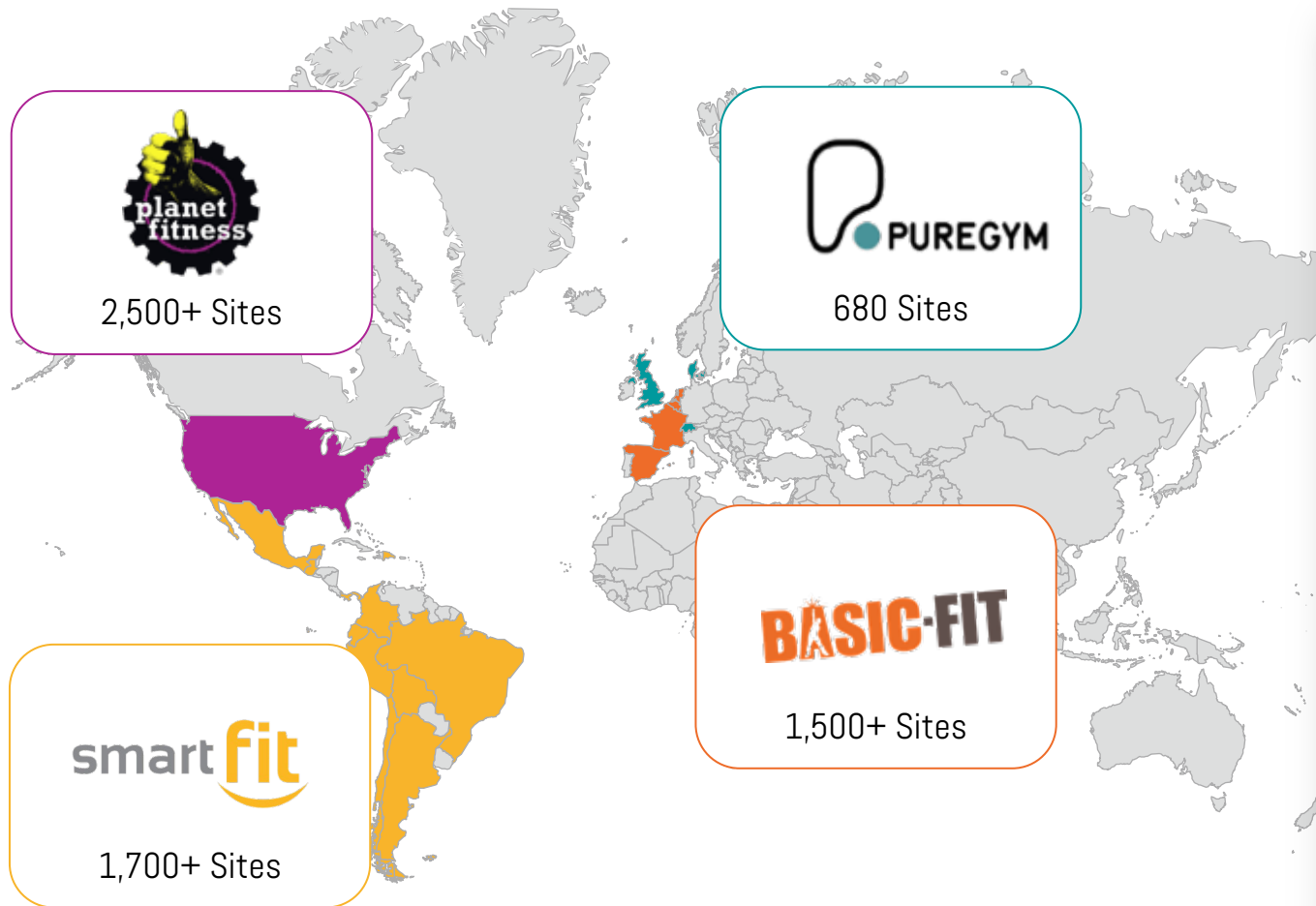


# The growth of the business is tried & tested with ongoing strong growth set to continue



Notes: (1) Number of members excludes pre-opening members, includes members at PureGym branded gyms only until the acquisition of Fitness World. (2) Includes 3 franchise sites in the Middle East at Dec 2021, 9 at Dec 2022, 20 at Dec 2023 & 23 at Dec 2024.

# ...& PureGym continues to be one of a small number of large scale, global leaders in the global fitness industry



## Key benefits accruing to the large-scale global leaders

- Value fitness model is “simpler” so can be scaled within & across geographies
- Brand, marketing & customer acquisition costs can be much lower for large players
- Large players can invest much more in technology to provide better customer experience (e.g. digital services), lower operational costs, & better yield/revenue management
- Procurement costs for equipment can be 30-40% lower for large players & fit out costs can be 10-20% lower
- Access to capital is much better for larger players & much lower cost
- Better management is drawn to larger players & are likely to run businesses better

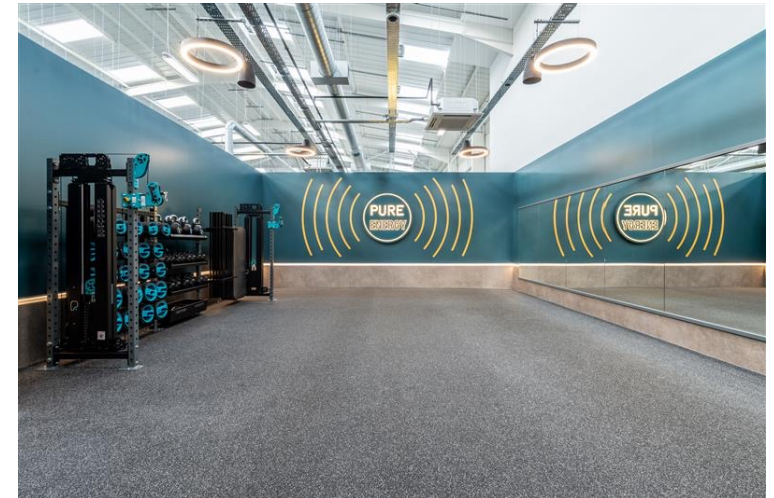


# Structurally low operating costs deliver very strong 4 wall EBITDA margin



Notes: (1) 4 wall EBITDA margin represents Gym site EBITDA margin.

**A reminder that the PureGym product is targeted at the premium end of value & seeks to offer a “boutique fitness experience at a value gym price”**

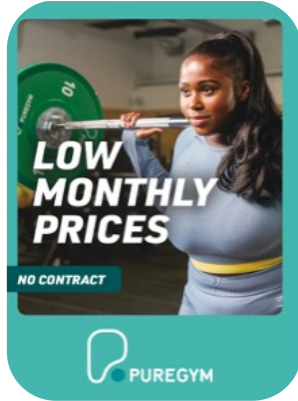








# Excellent commercial performance is enabled by industry-leading revenue management



'Premium value' positioning, with leading levels of brand awareness

- Premier Inn vs Travelodge
- Maintain investment in product... indeed make it better over time where performance is strong
- Invest digitally, nationally & locally to build brand awareness & consideration



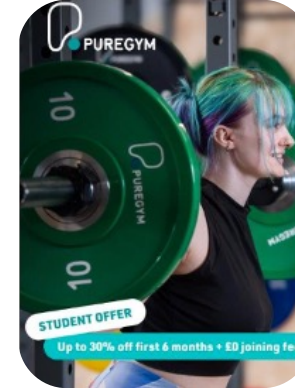
Low-cost, high volume member acquisition via highly invested web & app

- High levels of brand awareness
- Best in-class national, digital & local marketing consideration & purchase
- Partnerships access incremental audiences
- Results in very low cost of acquisition (CPA)



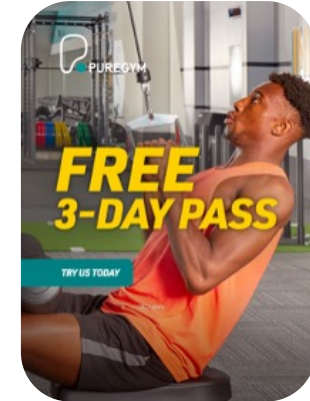
Highly sophisticated price & promotional management

- Market-leading variable pricing model
- New clubs managed on a 'volume first' basis, then yield managed for revenue
- Managed closely with promotional length & depth to maximise volume & ARPM



Extensive product suite accesses broad audience & increases yield

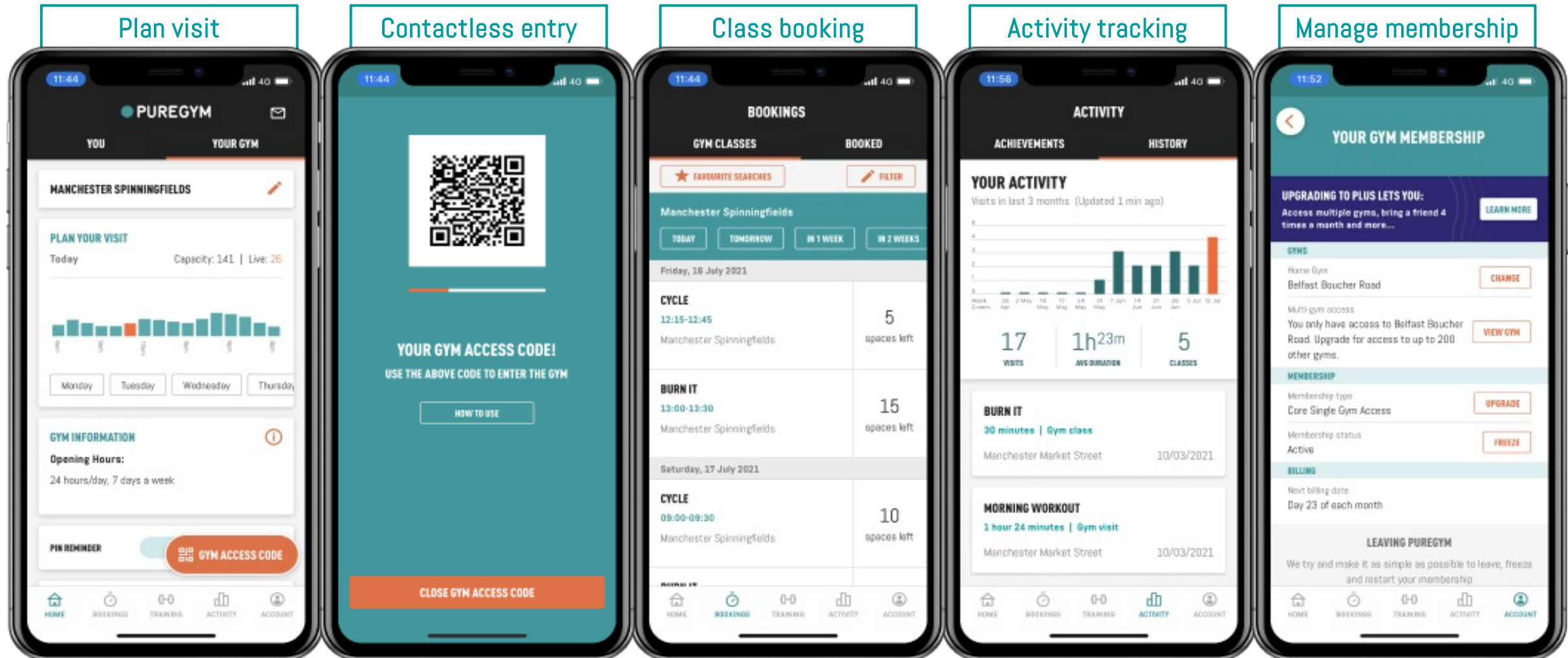
- Plus: £5-£10 extra per month – bundled product
- Bolt-ons: £3-£8 specific elements
- Members often upgrade club access with multi-gym & delivers further revenues



Best-in-class data, analytics & model to drive performance

- In house capability in data & analytics
- Proprietary tools & models deployed to manage commercial performance
- Supported by scale of data & insight

# PureGym's business model has always been highly “tech enabled” – as evidenced, for example, by the PureGym App...



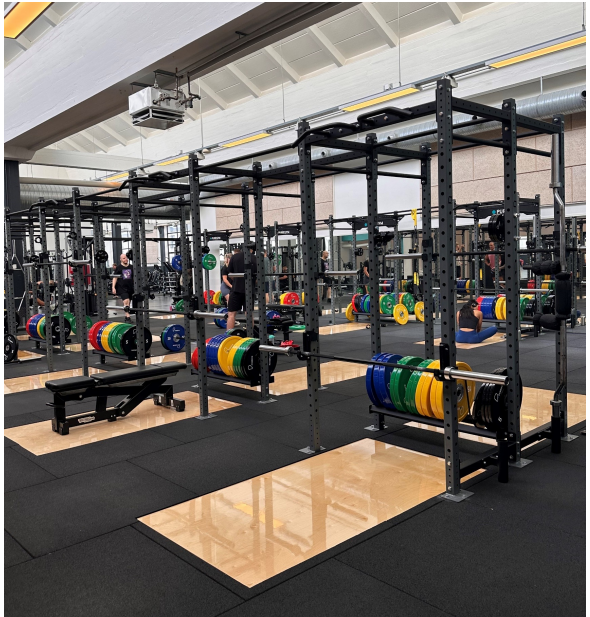


# ...and in Denmark we are investing to roll out our proven product & proposition, which is supporting 19% EBITDA growth YoY

Before



After





# 2025 guidance

## Healthy forward pipeline & robust base business performance

- 70+ new organic corporate sites expected across the group: mostly UK, but also CH & US
- LFL operating cost inflation across the group contained to under 3% YoY (including the c.£5m impact of the UK Autumn budget)
- Robust & consistent unit economics

## Strong underlying deleveraging & return on capital

- Leverage expected to decline & remain within our target range of 3.6-4.6x RR Adj EBITDA
- Continued strong cash conversion & underlying deleveraging
- c£1.2m average capex per new site & over 30% ROCE

## Blink

- £20m inherited Head Office cost will significantly reduce throughout 2025
- EBITDA growth through integration & operating model alignment

## Capex guidance

- £40-50m of refurbishment & maintenance investment
- c.£15m of investment into the US
- c.£10m to complete one-off investment in Danish estate





# Conclusions

A strong end to 2024 & a solid start to 2025



# Conclusions

- 1 Reliable, ongoing growth with RR Adj EBITDA of £184m (up +£34m vs FY 2023)
- 2 Strong momentum with Q4 Adj EBITDA of £42m (+£7m Qtr on Qtr), growing full year Adj EBITDA to £154m
- 3 Strong new site pipeline: 70+ expected in 2025
- 4 Excellent progress in Switzerland & a successful programme of investment in Denmark
- 5 Successful issuance of £150m equivalent Senior Secured Notes & acquisition of Blink Fitness
- 6 Seamless onboarding & handover to Clive Chesser as CEO, following Humphrey's move to Chairman
- 7 Overall, very strong foundations set for 2025 & beyond for continued, good operational performance & expansion



A photograph of two women in a gym setting. They are sitting on the floor, leaning back on their hands, and holding a large black medicine ball. The woman on the left is wearing a grey tank top and white sneakers, while the woman on the right is wearing a green camouflage tank top and white sneakers. They are both smiling and looking towards the left. In the background, there are shelves with kettlebells and dumbbells. A semi-transparent white banner is overlaid on the bottom half of the image.

# Appendices



# Operating cost inflation expected to be below 3% in 2025

Whilst we expect above inflationary increases in labour costs & marketing for 2025 these are offset by savings in utilities, insurance & maintenance giving an overall expected YoY of under 3%

## LFL average site opex per gym

2024: £0.6m pa

### Fixed Property Costs

- Rent
- Rates
- Service charge

### Staff – Management

### Staff – PT/FC

### Cleaning

### Marketing

### Utilities

Other – R&M, Tech, Insurance, Admin etc.

### Inflationary outlook for 2025

#### Property costs (+3%)

- UK: leases largely index-linked (mostly cap & collar at 1-3%)
- DK: 2024 saw several one-off benefits bringing down the cost per gym which are not expected to repeat in 2025
- CH: 2% inflationary increases

#### Staff (+6%)

- Main driver being UK Autumn budget with increases in both NLW & NI rates/bandings from April 2025
- DK: +6% inflationary increases alongside new heads to service membership
- CH: -8% reduction due to full year of new operating model

#### Cleaning (+4%)

- YoY reduction due to procurement & operational focus, offset by increases in NLW & NI (mainly UK)

#### Marketing (+17%)

- Increased focus on driving volume & re-branding across all territories

#### Utilities (-5%)

- Following a turbulent 2 years of market volatility, commodity charges now fixed giving an overall reduction YoY

#### Other (-5%)

- Procurement focus on driving down costs across R&M, & insurance

LFL opex costs expected to increase <3%. LFL yield progression offsets this in 2025

## Average site capex costs per gym<sup>1</sup>

2024: £1.2m

### Main construction

### Mechanical & engineering fit-out

### Gym equipment

### Acquisition costs

### Inflationary outlook for 2025

#### Main construction

- Dedicated team focused on cost engineering & evolution of the product. This, combined with site mix, contains average cost per site within £1.2m
- Construction costs include structural work & fit out
- Focus on smaller sites with less cash outlay & better returns to negate inflationary pressure on labour and materials

#### Mechanical & engineering fit-out

- In line with market inflation seen on other main construction lines

#### Gym equipment

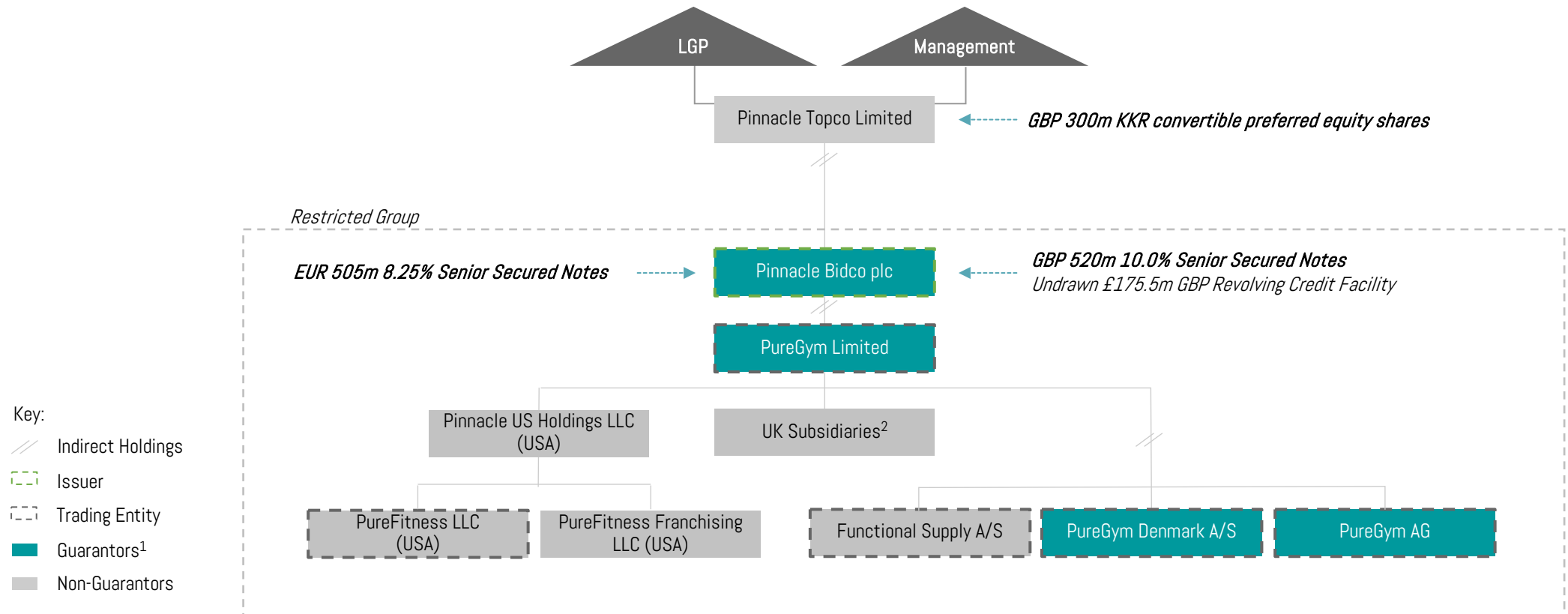
- Increase in equipment costs c.8%

#### Acquisition costs

- Slightly higher on some sites (ex Carpetright) but mostly absorbed in 2024

Underlying cost inflation – however fit out costs being managed down through effective value engineering

# Corporate structure



Notes: (1) The Guarantors accounted for 96% of Group Run-Rate Adjusted EBITDA for the year ended 31 December 2024, & substantially all of the Group's total assets as of 31 December 2024. (2) Includes LA Leisure Limited & Ovalhouse Limited.



# Key performance indicators

	For the three months ended 31 December		For the twelve months ended 31 December	
	2024	2023	2024	2023
Total number of owned gyms <sup>1</sup>	657	581	657	581
Franchised gyms	23	20	23	20
Total number of gyms <sup>1</sup>	680	601	680	601
Total number of members ('000s) <sup>1</sup>	2,250	1,853	2,250	1,853
Average number of members ('000s) <sup>1</sup>	2,059	1,902	1,902	1,862
Average number of members per gym <sup>1</sup>	3,405	3,300	3,372	3,297
Average revenue per member per month (£)	26.01	24.48	25.13	24.57
Reported revenue (£m)	160.7	139.7	604.6	549.0
Reported EBITDA (£m)	65.6	61.8	255.9	231.5
Group Adjusted EBITDA (£m)	42.0	35.3	154.3	132.2
Group Adjusted EBITDA margin	26.1%	25.3%	25.5%	24.1%
Gym Site Adjusted EBITDA <sup>2</sup> (£m)	59.6	48.4	218.8	193.4
Gym Site Adjusted EBITDA margin	37.1%	34.7%	36.2%	35.2%
Group Run-Rate Adjusted EBITDA (£m)	183.9	150.0	183.9	150.0
Group Operating Cash Flow (£m)	28.8	24.2	124.4	98.7
Group Operating Cash Flow Conversion	68.5%	68.5%	80.6%	74.7%
Senior Secured Net Debt <sup>3</sup> (£m)	784.7	665.8	784.7	665.8
Senior Secured Net Leverage	4.3x	4.4x	4.3x	4.4x
Interest Cover	2.2x	2.1x	2.2x	2.1x

(1) 2024 excludes gyms & members from 6 Blink sites which were closed in February 2025 as part of the lease negotiation process. (2) Represents a blended average including all new & immature sites across the group. (3) Senior Secured Net Debt at 31 December 2024 includes £33 million (£32 million at 31 December 2023) cash held by parent, Pinnacle Topco Limited.

# Segmental performance

£m	For the three months ended 31 December			For the twelve months ended 31 December		
	2024	2023	Change %	2024	2023	Change %
United Kingdom	107	94	14%	414	366	13%
Denmark	32	34	(6%) <sup>1</sup>	134	140	(4)% <sup>1</sup>
Switzerland	11	10	16%	42	38	12%
Other	10	1	733%	14	5	176%
<b>Total Revenue</b>	<b>161</b>	<b>140</b>	<b>15%</b>	<b>605</b>	<b>549</b>	<b>10%</b>
United Kingdom	32	29	10%	124	110	13%
Denmark	6	5	22%	24	21	19%
Switzerland	3	1	103%	6	3	154%
Other	1	(0)	n/m	(1)	(1)	13%
<b>Total Adjusted EBITDA</b>	<b>42</b>	<b>35</b>	<b>19%</b>	<b>154</b>	<b>132</b>	<b>17%</b>
United Kingdom	30%	31%		30%	30%	
Denmark	19%	14%		18%	15%	
Switzerland	24%	14%		15%	7%	
Other	9%	n/m		(4%)	n/m	
<b>Adjusted EBITDA margin</b>	<b>26%</b>	<b>25%</b>		<b>26%</b>	<b>24%</b>	

Notes: (1) Reduced revenue reported for Denmark YoY due to the closure of 20 sites as part of the estate optimisation & investment plans.



# Group cash flow Q4 2024

- Group Adjusted EBITDA of £42m in Q4 2024 up +19% on Q4 2023, converting to £29m of Operating Cash Flow for the quarter
- Q4 2024 working capital outflow of £5m is a timing impact & expected to unwind to some extent in Q1 2025
- Maintenance & refurb expenditure of £9m for Q4 2024, reflects continued investment in the existing estate & is lower than reported maintenance & refurb capital expenditure due to the timing of payments
- Expansionary capital expenditure for the period of £32m reflects investment in the 20 corporate-owned sites opened in the quarter & investment in c.30 kit drops in the Danish estate. It also includes a working capital inflow of £14m reflecting the timing of payments
- Tax, interest & debt issue costs for the period of £26m mainly relates to interest on the SSNs
- The acquisition of Blink Fitness represents cash paid to acquire the new gyms in New York & New Jersey
- Issue of notes of £149m represents the September 2024 bond tap

	For the three months ended 31 December		For the twelve months ended 31 December	
£m	2024	2023	2024	2023
<b>Group Adjusted EBITDA</b>	<b>42.0</b>	<b>35.3</b>	<b>154.3</b>	<b>132.2</b>
Movement in working capital	(4.8)	0.2	2.2	3.0
Maintenance & refurb capital expenditure	(8.5)	(11.4)	(32.2)	(36.3)
<b>Group Operating Cash Flow</b>	<b>28.8</b>	<b>24.2</b>	<b>124.4</b>	<b>98.7</b>
<i>Operating Cash Flow conversion</i>	<i>68.5%</i>	<i>68.5%</i>	<i>80.6%</i>	<i>74.7%</i>
Expansionary capital expenditure	(32.3)	(14.0)	(79.2)	(62.9)
Exceptional items	(3.9)	0.4	(4.1)	(1.2)
Tax, interest, & debt issue costs	(25.5)	(32.6)	(68.3)	(67.1)
Other	(2.2)	(0.6)	(8.0)	(9.8)
<b>Net cash flow before acquisition &amp; financing</b>	<b>(35.0)</b>	<b>(22.6)</b>	<b>(35.3)</b>	<b>(42.4)</b>
Acquisition of Blink Fitness	(96.7)	-	(96.7)	-
Repayment of notes	-	(50.3)	-	(50.3)
Issue of notes	-	-	149.3	-
Finance lease capital repayments	(0.5)	(1.1)	(2.3)	(3.9)
Other financing cash flows	-	(0.1)	6.4	(0.1)
<b>Net cash flow</b>	<b>(132.3)</b>	<b>(74.0)</b>	<b>21.4</b>	<b>(96.6)</b>

# Reconciliation from Loss to Adjusted EBITDA & Run-Rate Adjusted EBITDA

£m	For the three months ended 31 December		For the twelve months ended 31 December	
	2024	2023	2024	2023
<b>Loss for the period</b>	<b>(29.4)</b>	<b>(31.0)</b>	<b>(78.5)</b>	<b>(73.5)</b>
Income tax	(4.8)	(0.5)	(10.0)	(4.1)
Net finance cost	43.1	54.9	169.8	164.4
Operating profit	8.9	23.4	81.3	86.8
Depreciation and impairment of PPE	46.9	30.3	148.6	118.8
Amortisation and impairment of intangible assets	7.6	4.5	22.5	20.9
Profit / (loss) on disposal of property, plant & equipment	1.7	1.3	2.3	2.2
Profit on lease modifications	(4.5)	0.2	(5.8)	(0.8)
Exceptional administrative items	4.8	2.1	7.0	3.6
<b>Group Reported EBITDA<sup>1</sup></b>	<b>65.6</b>	<b>61.8</b>	<b>255.9</b>	<b>231.5</b>
Other adjustments <sup>2</sup>	4.3	0.9	7.0	3.6
Share based payment charge <sup>3</sup>	(0.2)	0.0	(0.2)	0.2
Pre-opening costs <sup>4</sup>	1.7	1.1	4.1	4.5
Cash rent adjustment <sup>5</sup>	(29.2)	(28.5)	(112.5)	(107.6)
<b>Adjusted EBITDA</b>	<b>42.0</b>	<b>35.3</b>	<b>154.3</b>	<b>132.2</b>
Head office costs	17.6	13.1	64.5	61.3
<b>Gym Site Adjusted EBITDA</b>	<b>59.6</b>	<b>48.4</b>	<b>218.8</b>	<b>193.4</b>
LTM Adjusted EBITDA	154.3	132.2	154.3	132.2
Run-Rate Adjustment <sup>6</sup>	29.5	17.8	29.5	17.8
<b>Run-Rate Adjusted EBITDA (LTM)</b>	<b>183.9</b>	<b>150.0</b>	<b>183.9</b>	<b>150.0</b>

Notes: (1) Group Reported EBITDA is defined as earnings before net finance cost, taxation, depreciation, amortisation, profit/loss on sale of property, plant & equipment, impairment, profit/loss on lease modifications & exceptional items. (2) Other adjustments includes the net impact of various one-off items not included in "Exceptional items" but which are not reflective of the underlying trade of the Group. (3) The share based payment charge relates to shares in the ultimate parent company, Pinnacle Topco Limited, issued to directors & certain employees. (4) Pre-opening costs represent the total of all gym site operating costs incurred prior to the opening of a new gym & primarily consist of staff costs & marketing. (5) Under IFRS 16, most lease costs are excluded from Group Reported EBITDA. To produce a comparable & more relevant EBITDA figure, the contractual property rent payments due during the accounting period are deducted & any property rent-related expenses included in Group Reported EBITDA are added back. Management believes that adjusting EBITDA to reflect cash rent is a better reflection of actual earnings. (6) The Run-Rate Adjustment reflects the impact of those gyms which are less than three years old at the end of the reporting period. These adjustments replace the Adjusted EBITDA earned by these sites in the last twelve month period with the projected Adjusted EBITDA for their third year of operation. Run-Rate Adjusted EBITDA therefore seeks to reflect the anticipated mature Adjusted EBITDA potential of those gyms which were trading at the end of the relevant period. Management forecasts EBITDA on a gym specific basis & regularly updates forecasts based on current & anticipated performance, taking into account seasonality & location-specific factors. At 31 December 2024, the Run-Rate Adjustment also reflects the results of 56 acquired Blink gyms for the first 11 months of 2024. This does not include any proforma adjustments for synergies.



# Glossary

Term	Definition
<b>Adjusted EBITDA</b>	The profit or loss for a certain period before income tax expense, net finance cost, depreciation & impairment of property, plant & equipment & right of use assets, amortisation & impairment of intangible fixed assets, profit/loss on disposal of property, plant & equipment, profit/loss on lease modifications, exceptional administrative expenses, & other adjustments, after adding back Pre-Opening Costs & share based payment charges & subtracting the Cash Rent Adjustment.
<b>Adjusted EBITDA Margin</b>	Adjusted EBITDA for that period divided by revenue for that period.
<b>Average Number of Members</b>	The average of the number of members as at the beginning of the first month & the end of every month in that period.
<b>Average Revenue Per Member Per Month</b>	Revenue for that period divided by the number of months in that period & further divided by the average number of members at during that period. The average number of members during that period is calculated as the average of the number of members at corporate gyms as of the beginning of the first month & the end of every month in that period.
<b>Cash Rent Adjustment</b>	The deduction of the cash rent payable during the period which otherwise was not reflected in EBITDA (as reported on a post-IFRS 16 basis).
<b>EBITDA</b>	The profit or loss for a certain period before income tax expense, net finance cost, depreciation & impairment of property, plant & equipment & right of use assets, amortisation & impairment of intangible fixed assets, profit/loss on disposal of property, plant & equipment, profit/loss on lease modifications & exceptional administrative expenses.
<b>Expansionary Capital Expenditure</b>	The initial Capital Investment & the capital costs of expanding corporate-owned gyms incurred in that period, & the capital costs of investments in technology in that period.
<b>Gym Site Adjusted EBITDA</b>	Adjusted EBITDA for that period, excluding Head Office Costs.
<b>Gym Site Adjusted EBITDA Margin</b>	Gym Site Adjusted EBITDA divided by revenue for that period.
<b>Head Office Costs</b>	All non-gym specific costs, other than depreciation & amortisation, related to the operation of head office functions in a given period.
<b>Interest Cover</b>	The ratio of Run-Rated Adjusted EBITDA to Pro Forma Net Interest Expense.
<b>Large Box Format (LBF)</b>	Large Box Format (LBF) gyms are gyms that are typically over 12,000 square feet in size.
<b>Maintenance &amp; Refurbishment Capital Expenditures</b>	The total capital expenditure incurred in a period less Expansionary Capital Expenditure incurred in that period.
<b>Mature Gyms</b>	Corporate-owned gyms that have been open for two full financial years or more as at the reporting date.

# Glossary

Term	Definition
<b>Medium Box Format (MBF)</b>	Medium Box Format (MBF) gyms are gyms that are typically 9,000-12,000 square feet in size.
<b>Net Debt</b>	Total indebtedness of the Group including finance lease liabilities as reported under IAS17 (excluding property lease liabilities recognised under IFRS 16) less cash & cash equivalents. For the purposes of the leverage calculation, SSND uses average rates of exchange for the last 12 month period.
<b>New Gyms</b>	Corporate-owned gyms that have been open for less than two full financial years as at the reporting date.
<b>Number of Gyms</b>	The total number of gyms that are open & trading as of the specified date or the end date of the relevant period.
<b>Operating Cash Flow</b>	Adjusted EBITDA plus Working Capital Cash Flow & less Maintenance & Refurbishment Capital Expenditure cash flows for that period.
<b>Operating Cash Flow Conversion</b>	The Operating Cash Flow for that period divided by Adjusted EBITDA for that period.
<b>Pre-Opening Costs</b>	The total of all gym site operating costs incurred during the pre-opening periods of gyms in that period. Pre-Opening Costs primarily consist of staff & marketing expenses.
<b>Pro Forma Net Interest Expense</b>	The net interest expense for the Group for the LTM period, giving pro forma effect to the interest on the recently refinanced Senior Secured Notes as if they have been in issue for the full LTM period.
<b>Senior Secured Net Leverage</b>	The ratio of Senior Secured Net Debt to Run-Rate Adjusted EBITDA.
<b>ROCE</b>	Return on capital employed, calculated as the Initial Capital Investment attributable to that portfolio of gyms divided by Adjusted EBITDA for the relevant portfolio of gyms for that period.
<b>Run-Rate Adjustment</b>	The adjustment made to both corporate-owned & franchise gyms which are less than three years old at the end of the reporting period. These adjustments replace the Adjusted EBITDA earned by these sites in the last twelve month period with the projected Adjusted EBITDA for their third year of operation. At 31 December 2024, the Run-Rate Adjustment also reflects the results of 56 acquired Blink gyms for the first 11 months of 2024. This does not include any proforma adjustments for synergies.
<b>Run-Rate Adjusted EBITDA</b>	The Adjusted EBITDA including any Run-Rate Adjustment.
<b>Senior Secured Net Debt</b>	The total senior secured indebtedness of the Group (excluding finance lease liabilities), less cash & cash equivalents. For the purposes of the leverage calculation, SSND uses average rates of exchange for the last 12 month period.
<b>Small Box Format (SBF)</b>	Small Box Format (SBF) gyms are gyms that are typically 6,000-9,000 square feet in size.
<b>Very Small Box Format (VSBF)</b>	Very Small Box Format (VSBF) gyms are gyms that are typically less than 6,000 square feet in size.
<b>Working Capital Cash Flow</b>	Cash movements in working capital.