

Investor Announcement

£40m Senior Secured Notes Add-on

May 2019

Overview

Transaction Overview

PureGym completed a £40m add-on to existing 6.375% Senior Secured Notes due 2025 on 17 May 2019, with proceeds to be used for general corporate purposes

- PureGym believes that the property pipeline is significantly stronger than this time last year
- We are uniquely positioned to benefit from current property market dynamics given our strong landlord covenant and "tenant of choice" status, as well as our property team's strong expertise in selecting high quality sites
- With the add-on to the existing Senior Secured Notes due 2025, we will be in the financial position to secure attractive sites on favourable lease terms as they become available

Pro Forma Capitalisation

Capitalisation Table

£m	Dec-18A	x Adj. RR EBITDA[1]	Add-on	Pro-Forma for Add-On	x Adj. RR EBITDA[1]
Cash and Cash Equivalents	(23.3)	(0.2x)	(40.0)	(63.3)	(0.7x)
Senior Secured Notes 6.375%	390.0	4.1x		390.0	4.1x
Senior Secured Notes 6.375% - New Add-on	-	-	**40.0**	**40.0**	**04x**
Gym Equipment Finance Leases	3.5	0.0x		3.5	0.0x
Total Debt	**393.5**	**4.1x**		**433.5**	**4.6x**
Net Debt	**370.2**	**3.9x**		**370.2**	**3.9x**
Adjusted Run-Rate EBITDA[1]		**95.0**		**95.0**	

1 Adjusted EBITDA for the period including run-rate adjustment made to those gyms which are less than three years old at the end of the relevant 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

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