

Investor Presentation

COVID-19 update &
Results for the quarter ended 31 March 2021

19 May 2021

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 and acquisition strategy, plans and objectives of management for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and 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 and future business strategies and 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 and 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 and 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.

Use of non-IFRS financial information

Certain parts of this report contain non-IFRS measures and ratios. We believe that these measures are useful indicators of our ability to incur and service our indebtedness and can assist certain investors, security analysts and other interested parties in evaluating us. 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 and Run-Rate Adjusted EBITDA are not measures of our financial performance or liquidity under IFRS and should 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 and financing activities as a measure of our ability to meet our cash needs or (c) any other measures of performance under IFRS.

Introduction & overview

COVID-19 update

- Denmark reopened on 6 May – albeit with "*Coronapas*" restrictions
- All 505 gyms are now open across the group[1]

Q1 2021 financial results

- Financial results for Q1 2021 were materially adversely impacted by COVID-19
- Excellent cash control & operational management mitigated the impact to some degree
- Successful issuance of €45 million of Euro Notes in March
- £231m available liquidity as at end of Q1 2021[2]

Reopening update

- Early indicators are in line with expectations overall – UK particularly strong
- Membership has grown by 170k to 1.55m as at 9 May 2021
- LFL member numbers and visits are recovering quicker than after lockdown 1
- 11 new sites opened in April, all performing well and confirming latent demand

Outlook

- Favourable market dynamics continue to fuel an optimistic outlook
- The evolving supply/demand balance has positive implications for pricing



Notes:
1. Includes 4 sites which are temporarily closed for refurbishment or provision of vaccination facilities
2. Comprising cash & undrawn RCF facilities. Subject to a quarterly £30m minimum liquidity covenant test. £41m of deferred payments (net) were outstanding at 31-Mar-2021 (comprising £47m of deferred payments outstanding, offset by £6m of Government receipts due)

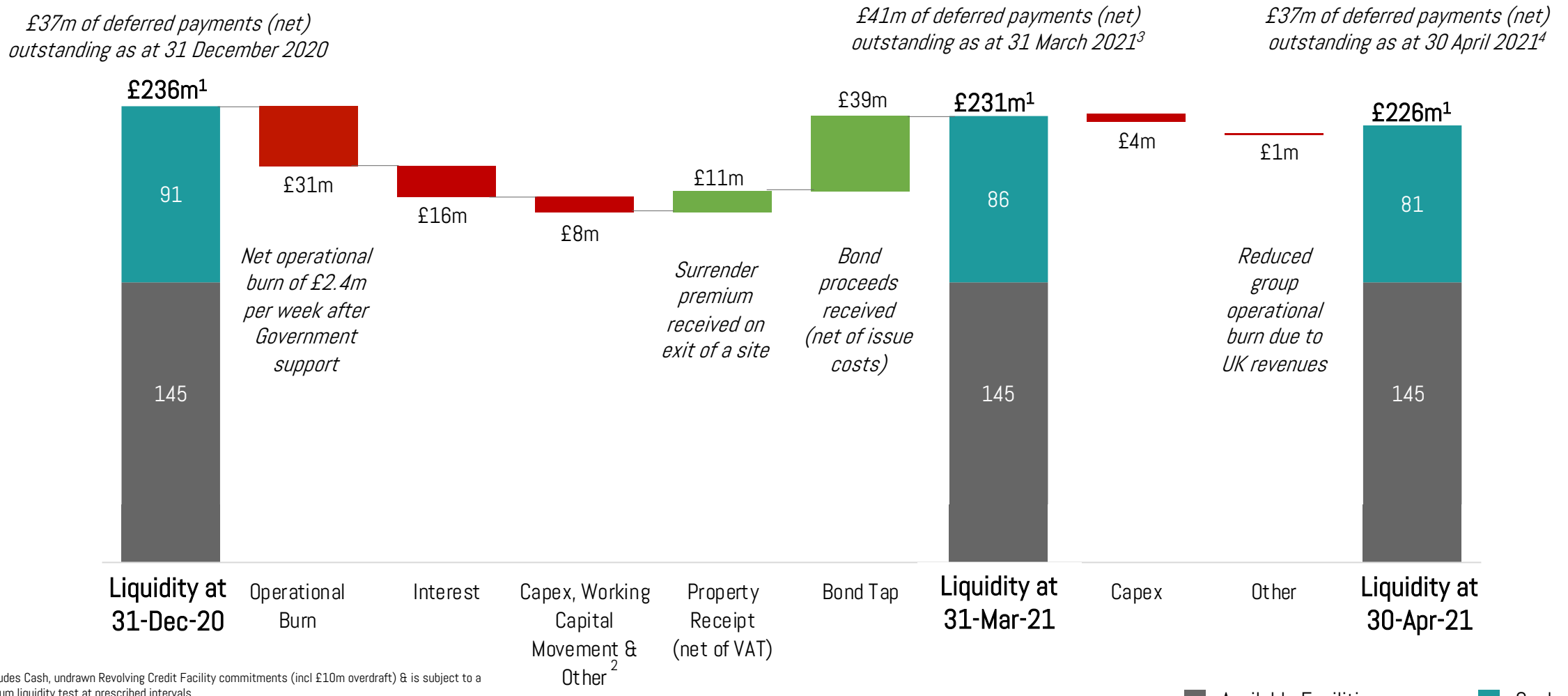


Q1 2021 Financial Results

Financial results materially impacted by full closure throughout the quarter

Q1 2021 cash flow & liquidity position

Liquidity evolution (13 weeks)



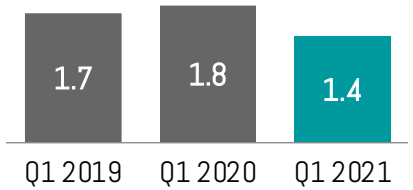
Notes:
1. Liquidity includes Cash, undrawn Revolving Credit Facility commitments (incl £10m overdraft) & is subject to a £30m minimum liquidity test at prescribed intervals
2. Includes committed capex, increase in deferred payments, working capital timings & small revenue collections
3. £41m of deferred payments (net) comprises £47m of deferred payments outstanding and £6m of government receipts due as at 31 March 2021
4. £37m of deferred payments (net) comprises £43m of deferred payments outstanding and £6m of government receipts due as at 30 April 2021

Group results Q1 2021

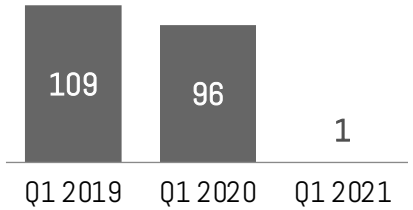
£m

Revenue & membership

Closing members

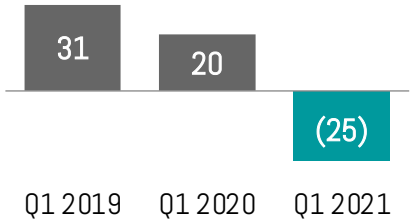


Revenue

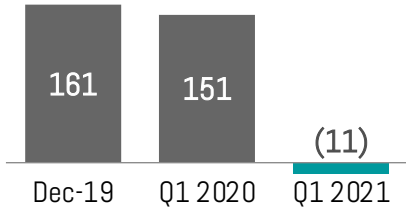


Adjusted EBITDA

Adj EBITDA[1]

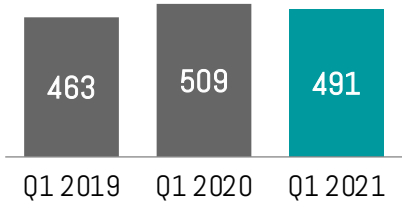


Run Rate Adj EBITDA

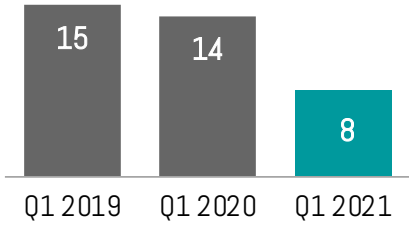


Group estate

Gyms in estate

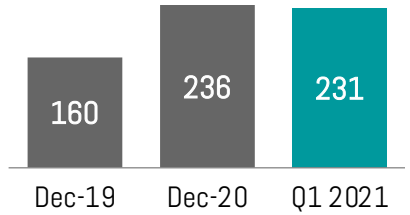


Capex

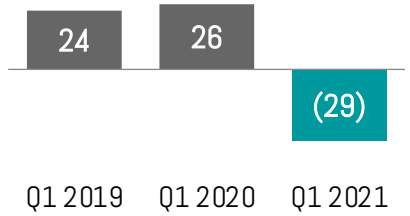


Cash flow & liquidity

Available liquidity

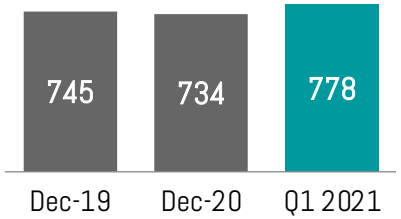


Operating cash flow



Senior Secured Net Debt

SS Net Debt



Notes:
2020 represents the results of the Combined Group, including Fitness World from 14 January 2020
2019 includes the results of Fitness World on a pro forma basis, except for available liquidity which is based on PureGym UK only
All figures stated to the nearest £million, except for closing members (millions) and gyms in estate (number)
1. In 2021, the cash rent adjustment excludes the impact of COVID-19 rent deferments. Therefore, Adjusted EBITDA more closely reflects the underlying trading results of the Group for the period

Q1 2021 capital expenditure

Significant reduction in capital expenditure to preserve liquidity

- Expansionary capex mainly comprised investment in completion of sites started in Q4 2020:
  - 10 new UK sites, opened April 21
  - 1 new Swiss site, opened April 21
- Expenditure on maintenance and refurbishment has been curtailed to preserve liquidity during lockdown

Group capital expenditure

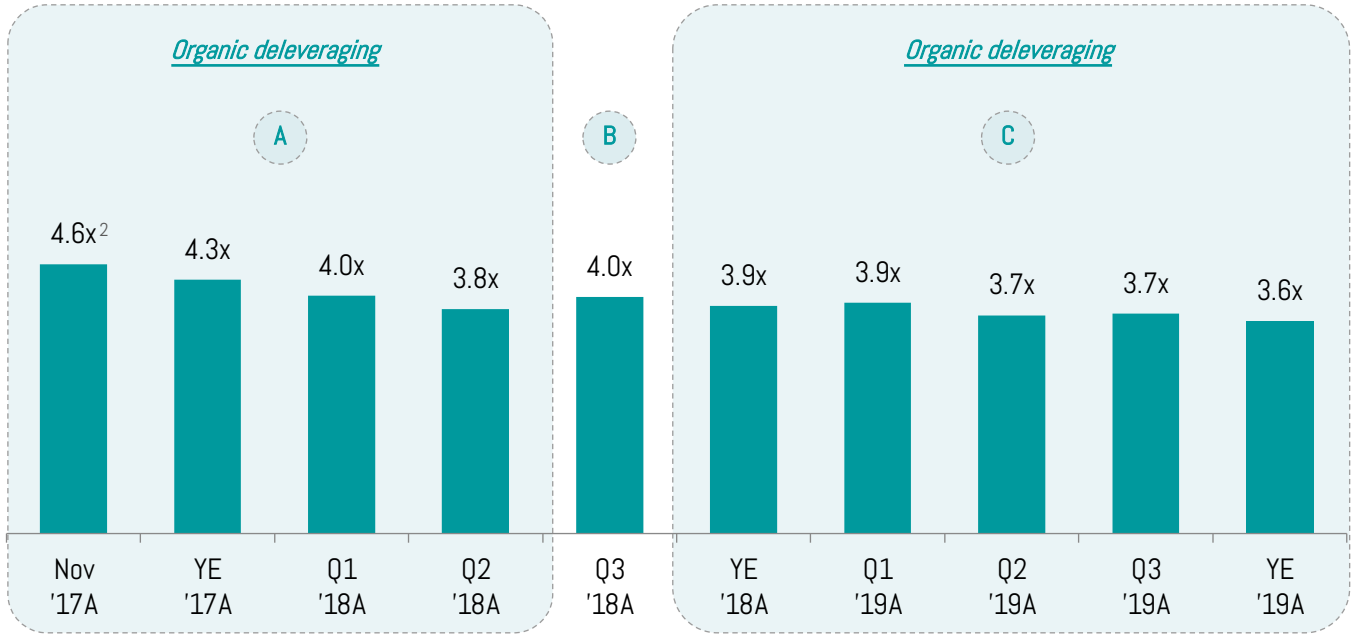
£m	Q1 '20	Q1 '21
Expansionary capital expenditure	10.6	5.8
Maintenance & refurb capital expenditure	3.7	1.7
Total capital expenditure	**14.3**	**7.5**

c.50% reduction in capital expenditure across the group in Q1 2021 to preserve liquidity

Net Debt of £778m beginning to reflect COVID-19 closure impact

Leverage: Senior Secured Net Debt[1] / RR adj. EBITDA

Standalone PureGym: a track record of deleveraging



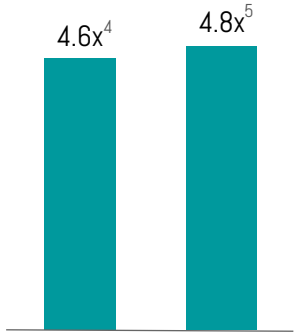
A ***Q1 2018:*** *£360m SSN placing by Leonard Green & Partners for the acquisition of PureGym*

B ***Q3 2018:*** *£30m SSN placing to finance the acquisition of Soho Gyms*

C ***Q2 2019:*** *£40m bond tap[3]*

Pro Forma (Combined Group)

Illustrative Q1'21A Senior Secured leverage is based on £161m RR Adj. EBITDA as at Dec-19 Pro-Forma



SS Net Debt	£745m	£778m
Liquidity[6]	£160m	£231m

Q1'21 Net Debt (Combined Group)

As at 31 March 2021	£m
Cash	89
Senior Secured Sterling Notes 6.375%	(430)
Senior Secured EUR Notes 5.5%	(437)
Senior Secured Net Debt	**(778)**
Non-property leases	(18)
Total Net Debt	(796)
FY19 Pro Forma RR Adj EBITDA	161
Illustrative leverage[5]	*4.8x*

Notes: All years stated under IFRS; December year end.
1. Senior Secured Net Debt ("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
2. Net leverage based on LTM Sep-17A Run-rate Adj. EBITDA of £78.6m, pro-forma for the acquisition by LGP
3. Proceeds not used & remained as cash on the balance sheet
4. Based on Dec-19A Senior Secured Net Debt of £745m (consisting of the Sterling Notes (£430m), the Euro Bridge Facility (£380m, converted using LTM average FX rate of EUR 1.1711 to £1) less cash (£65m as converted at average rates of exchange for the LTM period) & including certain adjustments) & Dec-19A Pro-forma Run-Rate Adj. EBITDA of £161m
5. Based on Mar-21A Senior Secured Net Debt of £778m (consisting of the Sterling Notes (£430m), the Euro Notes (£437m, converted using LTM average FX rate of EUR 1.1221 to £1) less cash (£89m as converted at average rates of exchange for the LTM period)) & Dec-19A Pro-forma Run-Rate Adj. EBITDA of £161m
6. Liquidity defined as cash plus available RCF facilities



Reopening

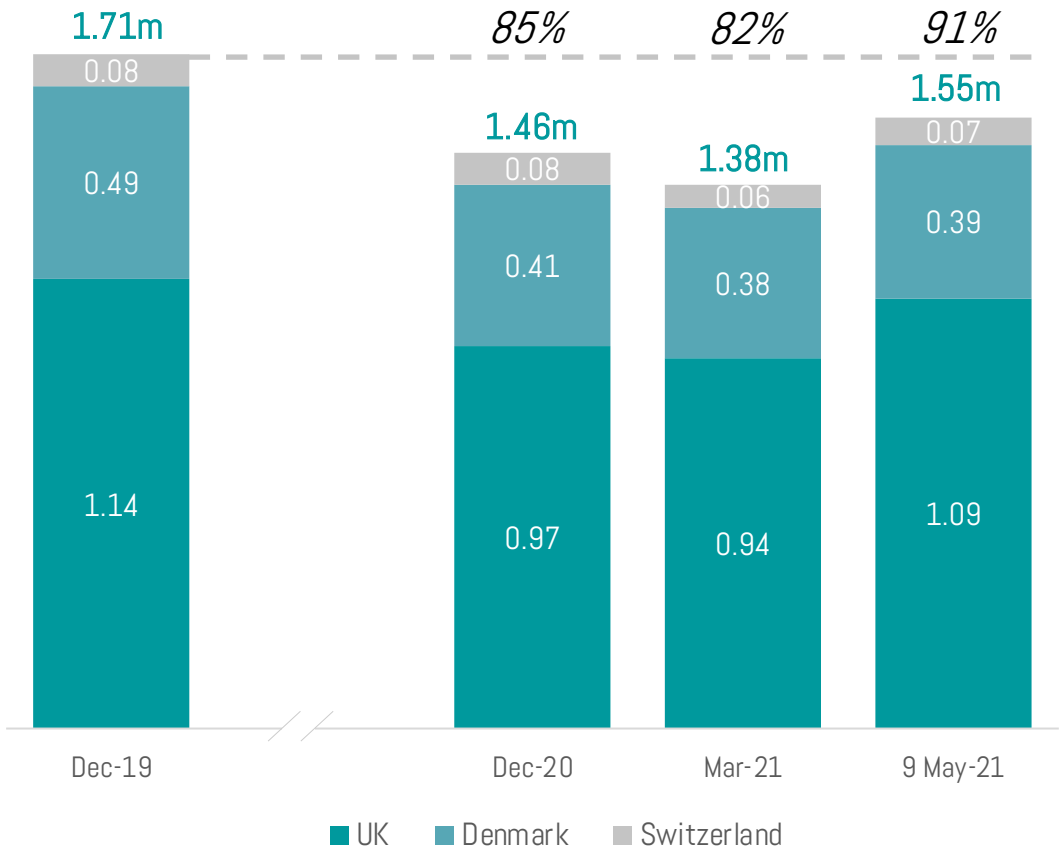
Early indicators are positive

Group membership has grown by 170k to 1.55m as at 9 May

Early member response has been positive

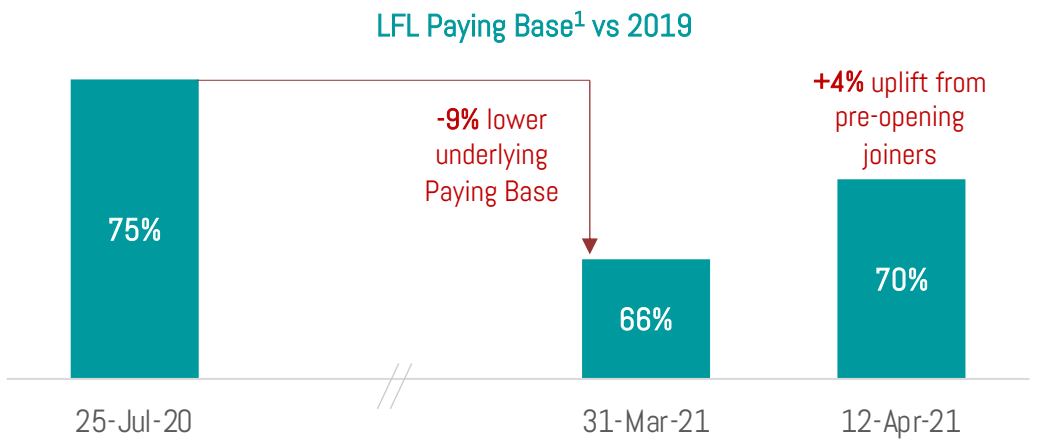
- UK reopening has gone smoothly, with robust member recovery so far:
  - 150k net membership growth from the end of March to 9 May
  - Volume growth achieved without resorting to excess marketing or promotional activity
- Swiss reopening was also successful
  - Repositioning of monthly rolling membership well received
  - Strong demand for premium packages and bolt-ons
- Denmark reopened on 6 May
  - Early signs are positive
  - Covid passport *"Coronapas"* restrictions apply and will likely be required for 1-3 months

Total group membership levels

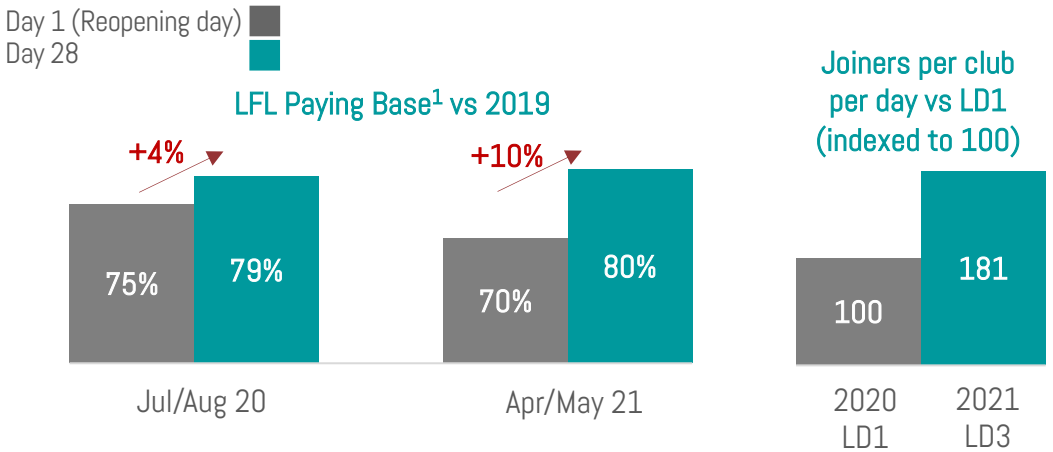


Recovery in England indicates positive trends/performance vs the exit from lockdown 1

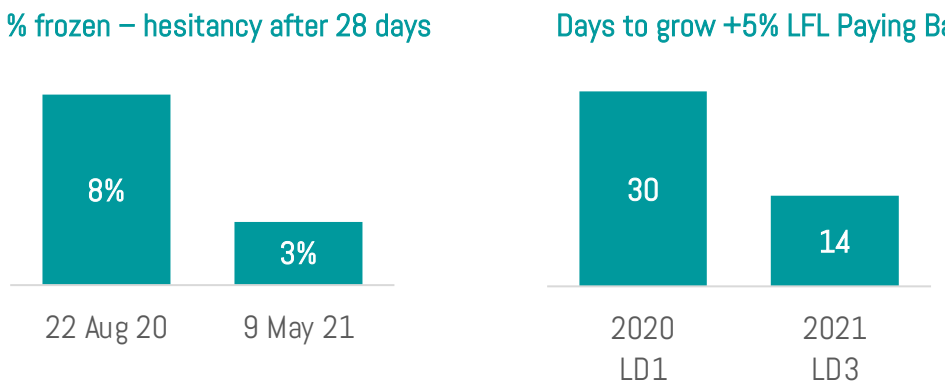
The starting position was worse...



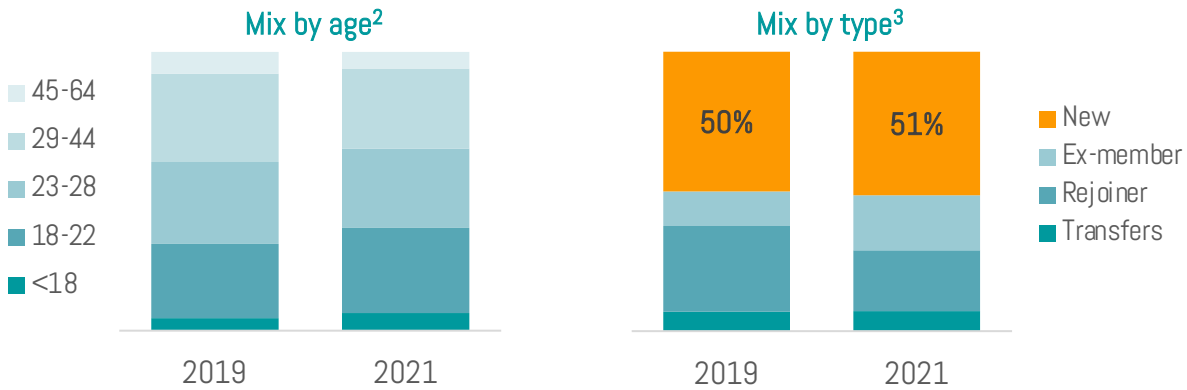
...but recovery in demand has been stronger...



...and member confidence appears higher...



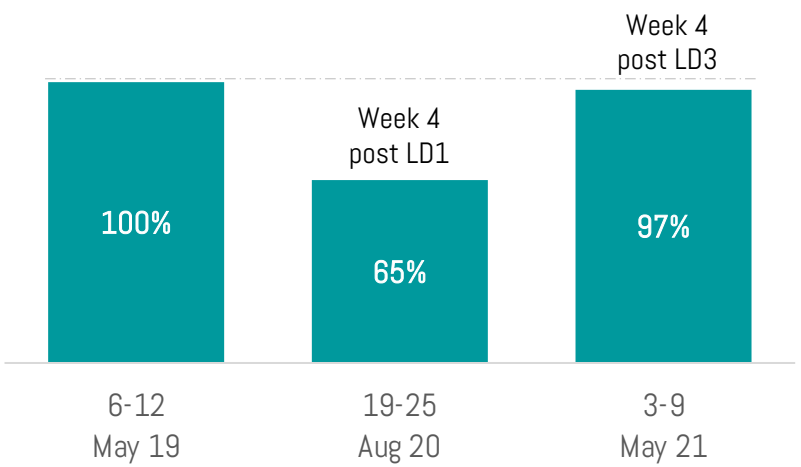
...whilst the joiner mix is as healthy as pre-pandemic



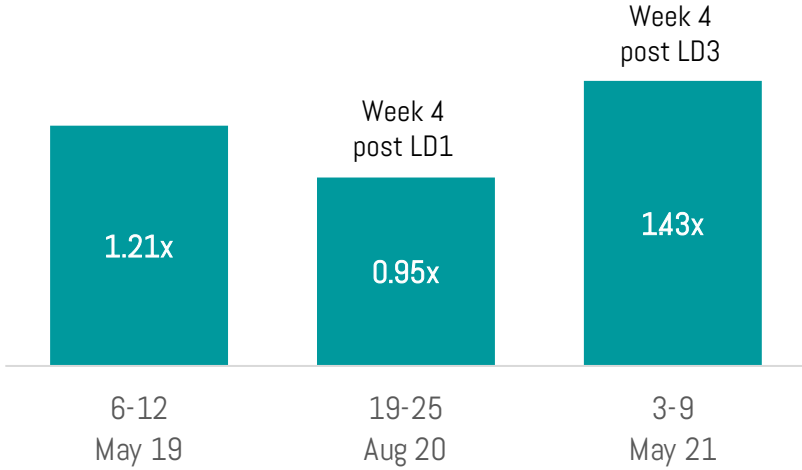
Notes:
1. Paying member base excludes all members who have opted to accept a free freeze in the UK on their membership for a period immediately following reopening
2. 2019 relates to the 28 days from 15-Apr to 12-May 2019. 2021 relates to the 28 days from 12-Apr to 9-May 2021
3. Ex-member = a joiner whose last subscription ended over a year ago. Rejoiner = a joiner whose last subscription ended within a year. Transfer = a member whose transferred their membership from one PureGym to another

Furthermore, levels of activity and member satisfaction underscore firmly the strength of demand for our products and services

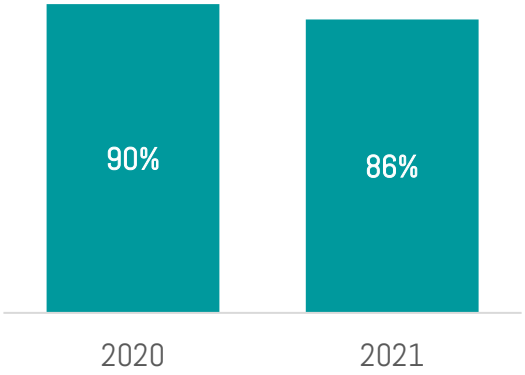
LFL visits far better than LD1 & close to 2019



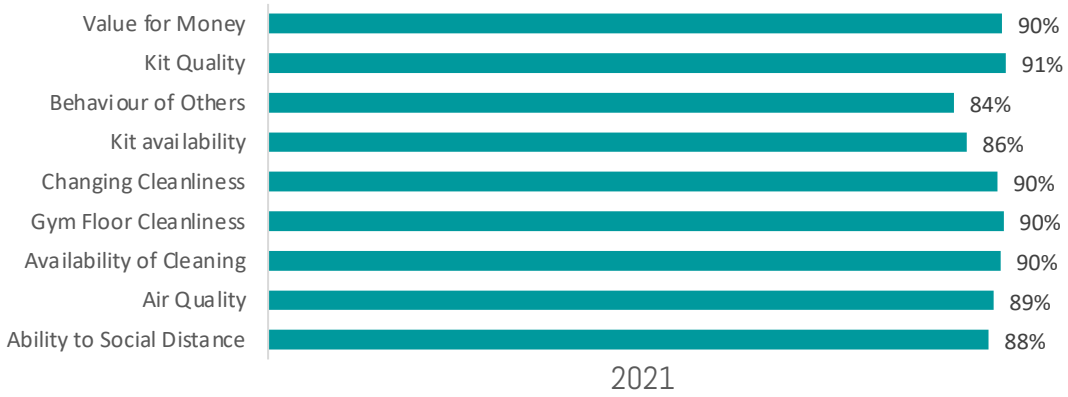
Visits per member per week are higher than 2019



Overall member feedback is overwhelmingly positive[1]



No weak links across the board[1]



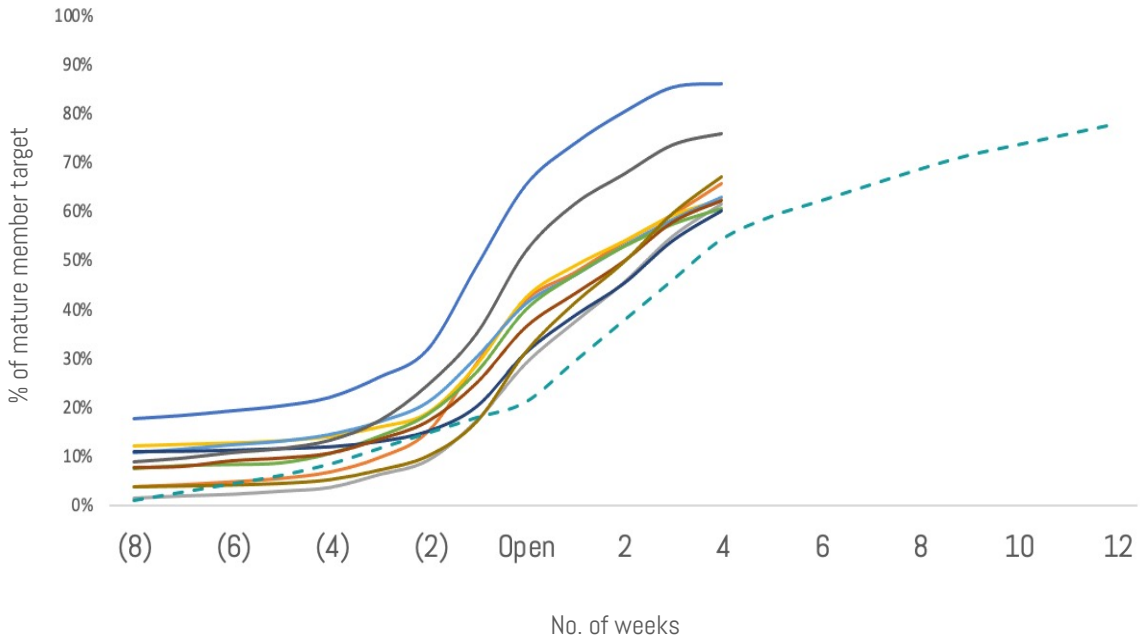
Note:
1. 2020 relates to the 28 days from 25-Jul to 22-Aug 2020. 2021 relates to the 28 days from 12-Apr to 9-May 2021

Good performance of new sites provides further evidence of healthy member demand for gyms and fitness facilities

10 new sites in England were opened in April and all are ramping up in line with expectations

- New site member levels are ahead of feasibility targets, which were set pre-COVID-19
- This provides confidence that underlying member appetite continues to be strong in new markets for PureGym
- These results have been achieved despite limited pre-market activity
- The launch of a single new site in Switzerland has also gone very well and is trading ahead of expectations
- Overall, these trends continue the pattern of successful new site openings we saw in 2020, despite the pandemic

10 new UK gyms: member levels vs target





Strategic Outlook

Favourable market dynamics mean there are many reasons to be positive

Favourable "macro" market dynamics offer an optimistic framework for the future

1 Large global gym operators have tackled COVID-19 very effectively

- Operators have held membership through the pandemic
- Recovery in utilisation has been rapid and robust when gyms have been able to open
- Cost management has reduced cash burn to manageable levels
- Health & safety record has been excellent, with very little evidence to suggest COVID-19 transmission in gyms

2 Medium to long-term outlook is very positive for strong businesses like PureGym

- Health & fitness remains a key trend across all age groups & demographics, we believe this will be intensified by COVID-19
- Propensity to return to the gym when open remains very strong
- Sector has seen some supply rationalisation as smaller, less well capitalised operators have failed
- Significantly improved availability of new units on attractive lease terms as the whole retail sector has weakened
- Challenging economic outlook will favour low price operators offering flexibility & great value

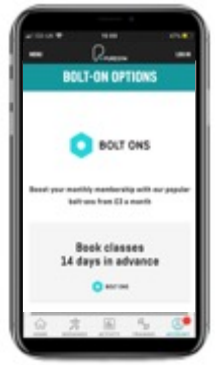
3 Digital engagement with members is value enhancing & here to stay

- Digital fitness trends have accelerated during the pandemic e.g. live on-demand classes, contactless access, virtual coaching
- Presents an opportunity to extend engagement into new areas e.g. nutrition, mindfulness/meditation
- Members now wanting to connect outside of the gym environment
- Ability for gym operators to play a key role in members' health & fitness journey represents a huge opportunity
- Only scale players will be able to afford the investments necessary in technology and digital

Robust demand coupled with supply side evolution and the overall macro situation creates favourable conditions to increase prices

Wider backdrop of price rises post-COVID-19

- Many businesses are increasing prices e.g. BT, Sky, Spotify, Netflix, P&G, Coca Cola
- Pricing activity previously focused on new joiners
- We have built goodwill to allow existing member price progression
- Trials suggest modest £1-2 increases for existing members are low risk



Members are willing to pay more for more

- Members are willing to upgrade to *Multi* or *Plus* and raise our ARPM
- In some markets (e.g. CH) 35–45% of joiners are willing to upgrade
- Premium members stay longer
- We make upgrading easy
- Facilitating customer choice is key with bolt-ons (e.g. 'early class booking')



The key is tailoring price to the individual club

- Our technology facilitates variable pricing of all/any club and products
- Used extensively in the UK (see above) we are introducing variable pricing to CH and DK
- We raise prices when demand outstrips capacity/clubs get too busy
- Members tolerate higher pricing for less busy clubs
- We reduce prices to build volume where needed and broaden appeal



Increased sophistication in promotional marketing

- Targeted promotion favoured over estate-wide campaigns
- Comprehensive toolkit (pre-sale, £0 joining fee, 1 month free) allows control
- Short sharp campaigns targeting less than 100 days pa
- Discipline is key to driving yield



Conclusion

Conclusion

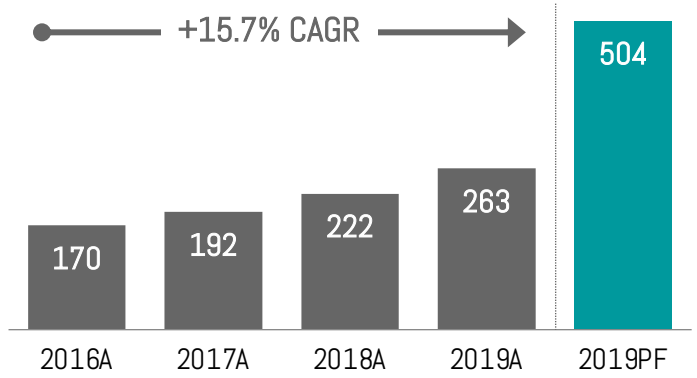
1. Q1-2021 results materially adversely impacted by COVID-19 with full closure throughout the quarter
2. Excellent liquidity position, £226m available as at 30 April 2021
3. Successful reopening of the group post quarter end, with all gyms now trading
4. Membership has grown by 170k to 1.55m as at 9 May 2021
5. Good evidence that LFL members & visits are recovering quicker than after lockdown 1
6. 11 new sites opened in April, all performing well and confirming the strength of underlying demand
7. Strong supply/demand dynamics support a positive outlook overall for both volume & pricing



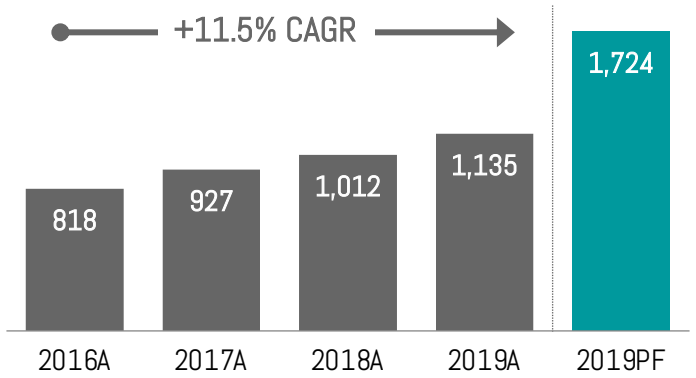
Appendix

Our pre-COVID track record speaks for itself

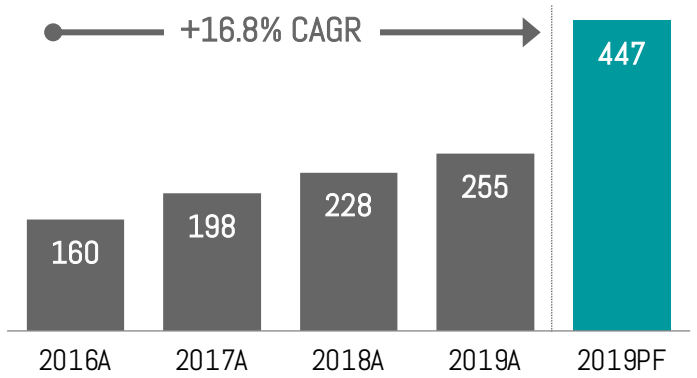
Gyms (number)[1]



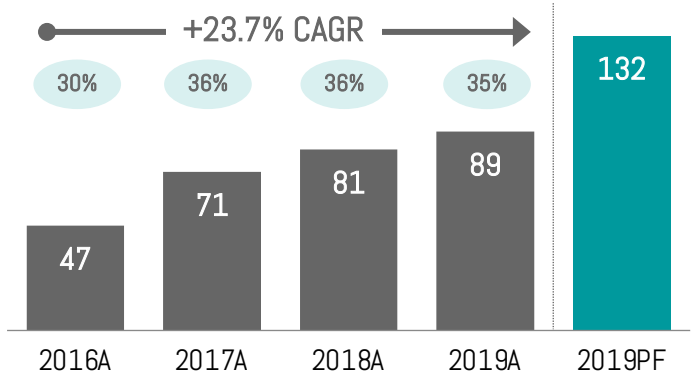
Members (k)[1]



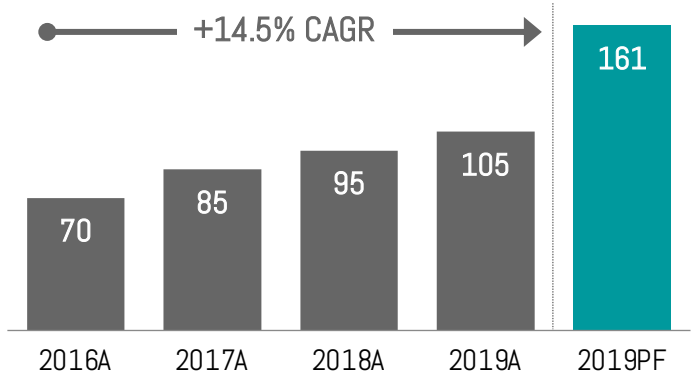
Revenue (£m)



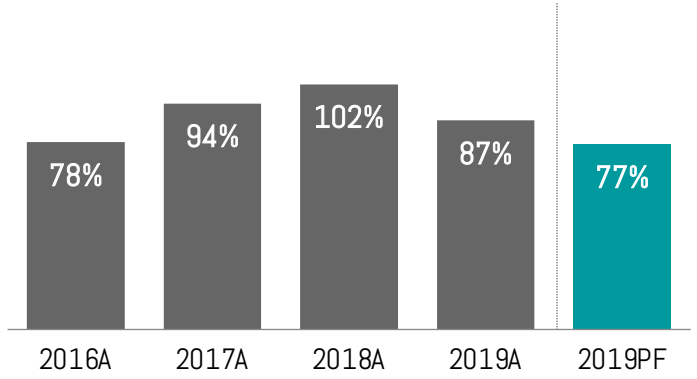
Adjusted EBITDA (£m)[2]



RR Adjusted EBITDA (£m)[3]

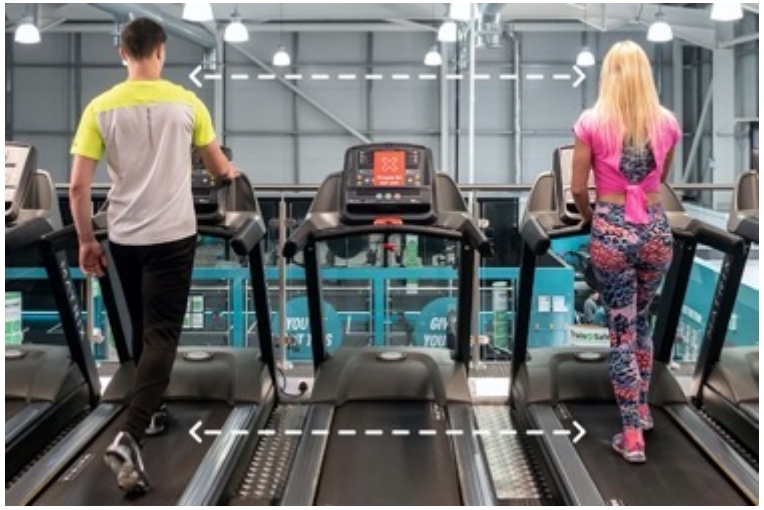


Op FCF conversion (%)[4]



Notes: All years stated under IFRS; for 12 months ended 31 December & relate to PureGym only, except where shown as proforma for the acquisition of Fitness World
1 2016A-2019A gyms includes PureGym branded sites at year-end (excludes unconverted LAF and Soho sites). # of members excludes pre-opening members and members at unconverted LAF and Soho gyms
2 Adj. EBITDA is before pre-opening costs & adjusted for non-cash expenses
3 Calculated as Adj. EBITDA plus immature units (open for less than 36 months) EBITDA at maturity less actual contribution of immature units
4 Op. FCF calculated as Adj. EBITDA less maintenance, refurb, & corporate capex & change in NWC, but before expansion capex. Operating cash flow conversion is calculated as operating cash flow divided by Adj. EBITDA

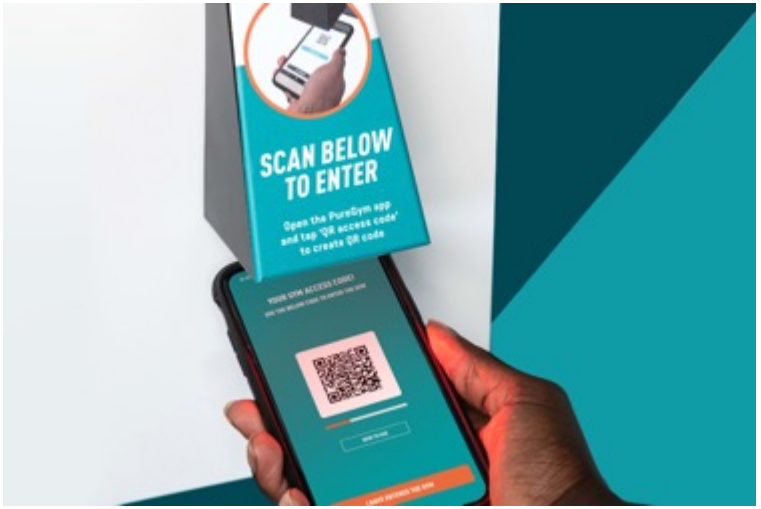
Proven ability to operate within COVID-19 restrictions & manage capacity constraints well



Large facilities, with dedicated workout areas to maintain social distancing

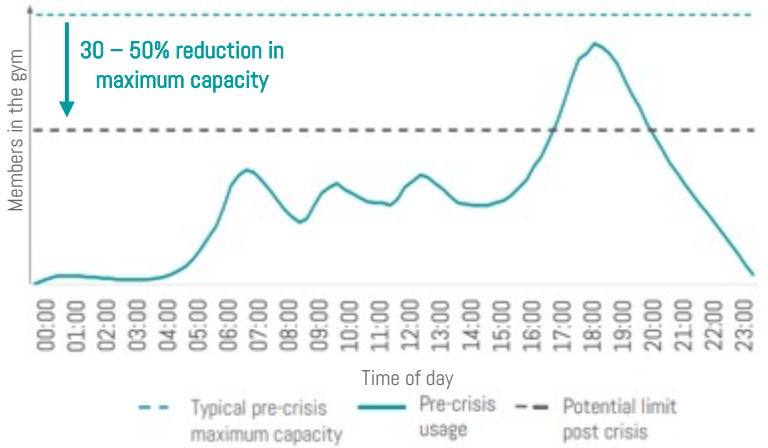


Self cleaning stations coupled with extensive staff cleaning regime



Industry leading technology platform enables contactless entry, slot bookings and variable pricing

Actual usage vs potential limit (average across large box format estate[1])



Proven ability to "flatten the peak" & operate within capacity constraints

Notes:
1. Based on actual member usage data for a typical gym in 2020

Q1 2021 lockdown government support

Government support extended (but only covers 31% of PureGym Group operational outgoings[1])

Geography	Support	Mitigation (£m/week)	Total Q1 2021 (£m)	Comments
UK	Furlough	0.4	5.5	Extended at a level in line with prior lockdowns
	Business rates	0.4	4.8	Rates holiday extended, capped at £2m in total post June 2021
	Property grants	0.3	4.0	New Q1 2021 lockdown & reopening grants
Denmark	Furlough	0.5	6.6	Extended at a level in line with prior lockdowns
	Fixed overhead compensation	0.8	10.0	Extended at a level in line with prior lockdowns
Switzerland	Furlough	0.1	1.4	Extended at a level in line with prior lockdowns
	Fixed overhead compensation	0.1	0.6	New Q1 2021 lockdown support
Total		**2.5**	**32.9[2]**	

Notes:
1. Based on £8m of unmitigated operational cost burn, excluding interest
2. As at 31 March 2021, £27m has been received in the quarter, with the remaining £6m due to be received in April / May

Illustrative membership breakeven points

Site Adj. EBITDA breakeven at 62% of PY members

- If membership exceeds certain levels of prior year then breakeven achieved:
  - Gym Adjusted EBITDA – 62%
  - Group Operating Cash Flow – 78%
  - Operating Cash Flow after Interest – 89%
- Illustrative breakeven points based on 2019 pro forma combined group financials
- £50m illustrative annual interest payments reflect current group financing arrangements

Total Combined Group (£m)	2019 Pro forma	Breakeven points: Gym Adj. EBITDA	Group Operating Cash Flow	Group Operating Cash Flow After Interest
Membership % of 2019 base	**100%**	**62%**	**78%**	**89%**
Revenue	447	277	346	396
Gym Adjusted EBITDA	170	-	69	119
Group Adjusted EBITDA	131		30	80
Maintenance & refurbishment capex[1]	(30)		(30)	(30)
Operating Cash Flow	101		-	50
Operating Cash Flow Conversion	*77%*		*n/a*	*62%*
Interest	(50)			(50)
Operating Cash Flow after Interest	51			-

1. Maintenance & refurbishment capex net of working capital movement. Excludes growth capex.

Group cash flow Q1 2021

Cash flow for the quarter impacted by COVID-19

- Group Adjusted EBITDA impacted by full estate closure
- Maintenance & refurbishment capital expenditure includes 2 major site refurbishments in Q1 2021
- Operating cash out flow minimised through swift management action
- £9m expansionary capex reflects expenditure on the completion of 11 new sites where work commenced in Q4 2020 and the sites opened after the quarter end
- Exceptional items primarily relates to an £11m surrender premium received on exit of a site
- £39m of bond proceeds received on issue of €45m of Euro notes

(£m)	Quarter ended 31 Mar 2021	Quarter ended 31 Mar 2020	12 months ended 31 Dec 2020	12 months ended 31 Dec 2019
Group Adjusted EBITDA[1]	**(25)**	**20**	**11**	**89**
Movement in working capital	(2)	10	10	4
Maintenance & refurb capital expenditure	(2)	(4)	(10)	(15)
Group operating cash flow	**(29)**	**26**	**11**	**78**
Operating cash flow conversion	n/a	*87%*	*103%*	*87%*
Expansionary capital expenditure	(9)	(11)	(37)	(52)
Exceptional items	11	(6)	(14)	(4)
Tax, interest, & debt issue costs	(15)	(26)	(70)	(27)
Other	1	2	16	(4)
Net cash flow before acquisition & financing	**(41)**	**(14)**	**(93)**	**(9)**
Net investment in Fitness World	-	(226)	(226)	(3)
Acquisition finance	-	348	263	-
Issue of senior secured notes	39	-	-	41
Finance lease capital repayments	(2)	(1)	(6)	(1)
Equity injection	-	-	101	-
Net cash flow	**(4)**	**106**	**38**	**28**

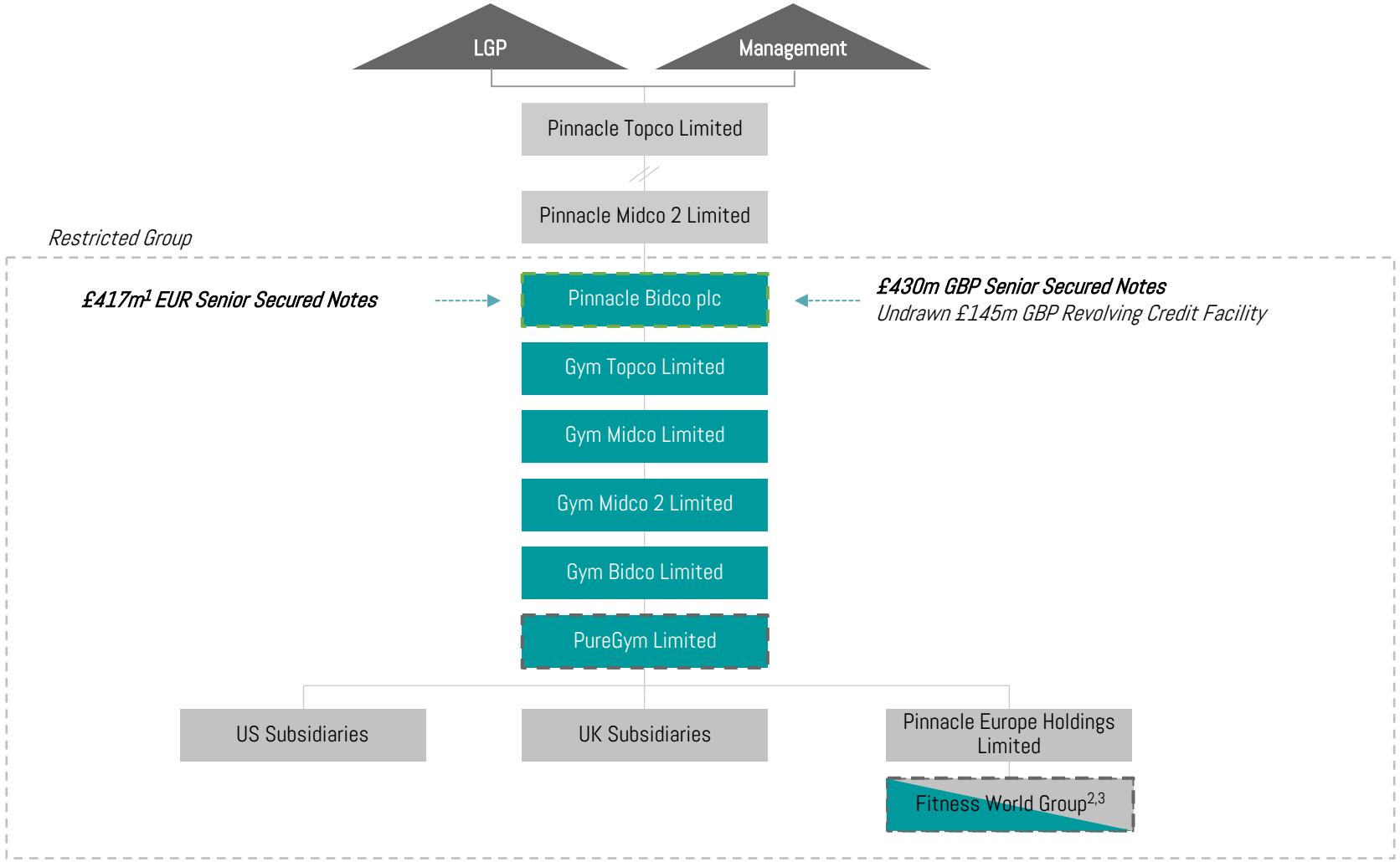
Notes:
1. In 2021, the cash rent adjustment excludes the impact of COVID-19 rent deferments. Therefore, Adjusted EBITDA more closely reflects the underlying trading results of the Group for the period

Segmental performance

	Pro forma basis (£m)						Reported basis (£m)					
	Quarter ending 31 March			12 months ending 31 December			Quarter ending 31 March			12 months ending 31 December		
	2021	2020	Change %	2020	2019	Change %	2021	2020	Change %	2020	2019	Change %
PureGym UK	-	63	(99)%	142	255	(44)%	-	63	(99)%	142	255	(44)%
Fitness World	-	39	(100)%	135	193	(30)%	-	32	(100)%	128	-	n/a
Denmark	-	33	(100)%	109	159	(31)%	-	27	(100)%	103	-	n/a
Switzerland	-	7	(100)%	25	27	(7)%	-	5	(100)%	24	-	n/a
Poland[1]	-	-	n/a	-	7	(100)%	-	-	n/a	-	-	n/a
Total Revenue	1	103	(99)%	277	447	(38)%	1	96	(99)%	270	255	4%
PureGym UK	(14)	18	n/a	7	89	(92)%	(14)	18	n/a	7	89	(92)%
Fitness World	(12)	4	n/a	5	43	(88)%	(12)	2	n/a	4	-	n/a
Denmark	(9)	4	n/a	6	38	(85)%	(9)	2	n/a	4	-	n/a
Switzerland	(3)	-	n/a	-	3	n/a	(3)	-	n/a	-	-	n/a
Poland[1]	-	-	n/a	-	1	n/a	-	-	n/a	-	-	n/a
Total Adjusted EBITDA[2]	(25)	22	n/a	12	132	(91)%	(25)	20	n/a	11	89	(88)%
PureGym UK	n/a	28%		5%	35%		n/a	28%		5%	35%	
Fitness World	n/a	9%		4%	22%		n/a	7%		3%	-	
Denmark	n/a	12%		5%	24%		n/a	9%		4%	-	
Switzerland	n/a	(5)%		(1)%	12%		n/a	(4)%		-	-	
Poland[1]	n/a	-		-	16%		n/a	-		-	-	
Adjusted EBITDA margin	n/a	21%		4%	29%		n/a	21%		4%	35%	

Notes:
1. The 2020 results of Poland have been excluded as the business was sold in the year and is treated as a discontinued operation in the group financial statements
2. In 2021, the cash rent adjustment excludes the impact of COVID-19 rent deferments. Therefore, Adjusted EBITDA more closely reflects the underlying trading results of the Group for the period

Corporate structure



1. EUR denominated €490 million Senior Secured Notes (converted to pounds sterling at the 31 March 2021 closing rate of €1.1737 to £1.0000)
2. The parent entity of Fitness World Group is Forward TopCo A/S
3. Material Danish and Swiss entities within the Fitness World Group have joined the material UK entities as Guarantors of the Senior Secured Notes and RCF. The Guarantors accounted for 98% of Group Run-Rate Adjusted EBITDA for the year ended 31 December 2020, and substantially all of the group's total assets as of 31 December 2020

Key performance indicators

£m	Quarter ended 31 March 2021A	Quarter ended 31 March 2020A	12 months ended 31 December 2020A	12 months ended 31 December 2019A	12 months ended 31 December 2019PF
Total number of PureGyms	273	266	274	263	263
Total number of Fitness World Group Gyms	218	243	218	n/a	241
Total number of gyms	491	509	492	263	504
Total number of members ('000s)	1,384	1,789	1,451	1,135	1,724
Average number of members ('000s)	1,411	1,764	1,629	1,124	n/a
Average number of members per gym	2,869	3,667	3,331	4,710	3,610
Average revenue per member per month (£)	0.13	18.32	13.98	18.90	21.86
Reported EBITDA (£ million)	(7.1)	39.0	87.9	125.2	209.1
Adjusted EBITDA[2] (£ million)	(25.4)	20.2	10.9	89.1	131.6
Adjusted EBITDA margin	n/a	20.8%	4.0%	34.9%	29.4%
Gym Site Adjusted EBITDA (£ million)	(18.8)	31.8	49.8	113.0	170.9
Gym Site Adjusted EBITDA margin	n/a	32.8%	18.4%	44.3%	38.2%
Run-Rate Adjusted EBITDA (LTM) (£ million)[1]	(10.9)	151.2	37.7	104.5	161.2
Operating Cash Flow (£ million)	(28.9)	26.4	11.3	77.8	101.4
Operating Cash Flow Conversion	n/a	130.4%	103.2%	87.4%	77.0%
Senior Secured Net Debt (£ million)	777.8	753.4	733.9	378.4	744.6
Ratio of Senior Secured Net Debt to LTM Run-Rate Adjusted EBITDA[1]	n/a[3]	5.0x	19.5x	3.6x	4.6x
Ratio of LTM Run-Rate Adjusted EBITDA[1] to Pro Forma Net Interest Expense	n/a[3]	3.1x	0.7x	3.7x	3.1x

Note: 2020 figures represent the results of the Combined Group, including Fitness World from 14 January 2020. 2019A figures include the results of PureGym only. 2019PF figures include the combined results of PureGym and Fitness World on a pro forma basis

1. 2020 LTM Run Rate Adjusted EBITDA represents the Combined Group on a pro forma basis. The 2019PF and Q1 2020A Run Rate Adjusted EBITDA includes £4.5m of synergy benefits. Management still believe that these synergies will be delivered but, in the context of reporting on the COVID-19 impacted year, can no longer be separated out from the underlying operations of the Combined Group
2. In 2021, the cash rent adjustment excludes the impact of COVID-19 rent deferments. Therefore, Adjusted EBITDA more closely reflects the underlying trading results of the Group for the period
3. As Q1 2021 Run Rate Adjusted EBITDA is negative, the ratios calculated with this KPI do not provide useful benchmarks and are therefore not applicable. If the ratios were to be calculated in line with the definitions, the Ratio of Senior Secured Net Debt to LTM Run Rate Adjusted EBITDA would be (71.3)x and the Ratio of LTM Run Rate Adjusted EBITDA to Pro Forma Net Interest Expense would be (0.2)x

Reconciliation from Loss to Adj EBITDA & Run-Rate Adj EBITDA

£m	Quarter ended 31 March 2021A	Quarter ended 31 March 2020A	12 months ended 31 December 2020A	12 months ended 31 December 2019A	12 months ended 31 December 2019PF
Loss for the year/period	(54.7)	(35.4)	(193.8)	(26.9)	(39.6)
Income tax	(6.0)	(1.3)	(20.8)	3.4	0.1
Net finance cost	23.0	41.2	128.5	83.4	114.9
Operating loss from discontinued operation	-	(0.2)	(1.8)	-	-
Depreciation of property, plant & equipment	27.1	27.8	113.7	53.7	108.9
Amortisation of intangible fixed assets	5.5	5.3	24.5	2.9	18.4
Impairment of property, plant & equipment & intangible fixed assets	3.8	-	31.4	0.3	0.3
(Profit) / loss on disposal of property, plant & equipment	(0.2)	0.1	2.5	0.4	0.2
Profit on lease modifications	-	-	(0.1)	(0.4)	(0.4)
Exceptional administrative expenses	(5.6)	1.5	3.8	8.3	6.2
Reported EBITDA	(7.1)	39.0	87.9	125.2	209.1
Other extraordinary items	1.4	0.5	-	-	0.8
Share based payment charge	0.1	0.1	04	0.3	0.3
Pre-Opening Costs	0.4	0.5	1.6	3.5	3.6
Cash Rent Adjustment[3]	(20.2)	(19.8)	(78.9)	(39.9)	(82.1)
Adjusted EBITDA	(25.4)	20.2	10.9	89.1	131.6
Head office costs	6.5	11.6	38.9	23.9	39.3
Gym Site Adjusted EBITDA	(18.8)	31.8	49.8	113.0	170.9
LTM Adjusted EBITDA[1]	(41.8)	122.6	12.4	89.1	131.6
Run-Rate Adjustment	30.9	24.1	25.3	15.4	25.1
Adjustment for synergies[2]	-	4.5	-	-	-
Run-Rate Adjusted EBITDA (LTM)[2]	(10.9)	151.2	37.7	104.5	161.2

Note: 2020 figures represent the results of the Combined Group, including Fitness World from 14 January 2020. 2019A figures include the results of PureGym only. 2019PF figures include the combined results of PureGym and Fitness World on a pro forma basis

1. 2020 LTM Adjusted EBITDA represents the Combined Group on a pro forma basis
2. The 2019PF Run Rate Adjusted EBITDA includes £4.5m of synergy benefits. Management still believe that these synergies will be delivered but, in the context of reporting on the COVID-19 impacted year, can no longer be separated out from the underlying operations of the Combined Group
3. In 2021, the cash rent adjustment excludes the impact of COVID-19 rent deferments. Therefore, Adjusted EBITDA more closely reflects the underlying trading results of the Group for the period

Glossary

Term	Definition
Adjusted EBITDA	The profit or loss for a certain period before income tax expense, net finance cost, depreciation and impairment of property, plant & equipment & right of use assets, amortisation and impairment of intangible fixed assets, profit/loss on disposal of property, plant & equipment, profit/loss on lease modifications, exceptional administrative expenses, & other extraordinary items, after adding back Pre-Opening Costs & share based payment charges, & subtracting the Cash Rent Adjustment.
Adjusted EBITDA Margin	Adjusted EBITDA for that period divided by revenue for that period.
Average Number of Members	The average of the number of members as at the beginning of the first month & the end of every month in that period.
Average Revenue Per Member Per Month	Revenue for that period divided by the number of months in that period & further divided by the average number of members during that period. The average number of members during that period is calculated as the average of the number of members as of the beginning of the first month & the end of every month in that period.
Basefit	Refers to Basefit.ch AG, the brand that Fitness World operates under in Switzerland.
Cash Rent Adjustment	The deduction of the cash rent payable during the period which otherwise was not reflected in EBITDA (as reported on an IFRS16 basis). From 2021 onwards, the Cash Rent Adjustment excludes the cash impact of COVID-19 rent deferments. Therefore, Adjusted EBITDA more closely reflects the underlying trading results of the group for the period.
Combined Group	Refers to Pure Gym & Fitness World.
EBITDA	The profit or loss for a certain period before income tax expense, net finance cost, depreciation and impairment of property, plant & equipment & right of use assets, amortisation and impairment of intangible fixed assets, profit/loss on disposal of property, plant & equipment, profit/loss on lease modifications & exceptional administrative expenses.
Expansionary Capital Expenditure	The Initial Capital Investment & the capital costs of expanding gym sites incurred in that period, and the capital costs of investments in technology in that period.
Fitness World or Fitness World Group	Refers to Forward TopCo A/S & its subsidiaries.
Gym Site Adjusted EBITDA	Adjusted EBITDA for that period, excluding Head Office Costs.
Gym Site Adjusted EBITDA Margin	Gym Site Adjusted EBITDA divided by revenue for that period.
Head Office Costs	All non-gym specific costs, other than depreciation & amortisation, related to the operation of head office functions in a given period.
Large Box Format (LBF)	Large Box Format (LBF) gyms are gyms that are typically over 12,000 square feet in size.

Glossary

Term	Definition
Maintenance & Refurbishment Capital Expenditures	The total capital expenditure incurred in a period less Expansionary Capital Expenditure incurred in that period.
Mature Gyms	The gyms that have been open as Pure Gyms for 24 months or more or as Fitness World clubs open as for 24 months or more as of the end of the relevant reporting period.
Net Debt	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.
New Gyms	The gyms that have been open as Pure Gyms for less than 24 months or Fitness World clubs for less than 24 months as of the end of the relevant reporting period.
Number of Gyms	The total number of gyms that are open & trading as of the specified date or the end date of the relevant period.
Operating Cash Flow	Adjusted EBITDA plus Working Capital Cash Flow & less Maintenance & Corporate Capital Expenditure cash flows for that period.
Operating Cash Flow Conversion	The Operating Cash Flow for that period divided by Adjusted EBITDA for that period.
Pre-Opening Costs	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.
Pro Forma Run Rate Adjusted EBITDA	Run Rate Adjusted EBITDA for the twelve months ended on the reporting date, after giving pro forma effect to the recent acquisition of Fitness World as if the acquisition occurred on the first day of the period & including synergies expected to be realised from the combined group.
Pro Forma Net Interest Expense	The net of interest payable/receivable for the twelve months ended on the reporting date after giving pro forma effect to borrowings as at the balance sheet date, as if those borrowings occurred on the first day of the period.
Run-Rate Adjusted	The adjustment made to 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	The Adjusted EBITDA including any Run Rate Adjustment.
Senior Secured Net Debt	The total senior secured indebtedness of the group (excluding finance lease liabilities as reported under IAS17), less cash & cash equivalents.
Small Box Format (SBF)	Small Box Format (SBF) gyms are gyms that are typically 6,000-9,000 square feet in size.
Working Capital Cash Flow	Cash movements in working capital.

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