

Interim Bondholder Update

14 July 2021

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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.

Total group membership has recovered to 92% of Dec-19

Steady recovery of member levels (despite ongoing restrictions[1])

- Total group membership as at 30 June 2021 was 92% of the total December 2019 level
- Within this, the UK was operating at 97%, Denmark 80% & Switzerland at 88% of the December 2019 member levels
- The LFL paying member base[2] as a % of 30 June 2019 was 83% in the UK, 82% in Denmark & 76% in Switzerland
- This performance represents a significant step up from March 2021 (66%, 71% & 76%, respectively)

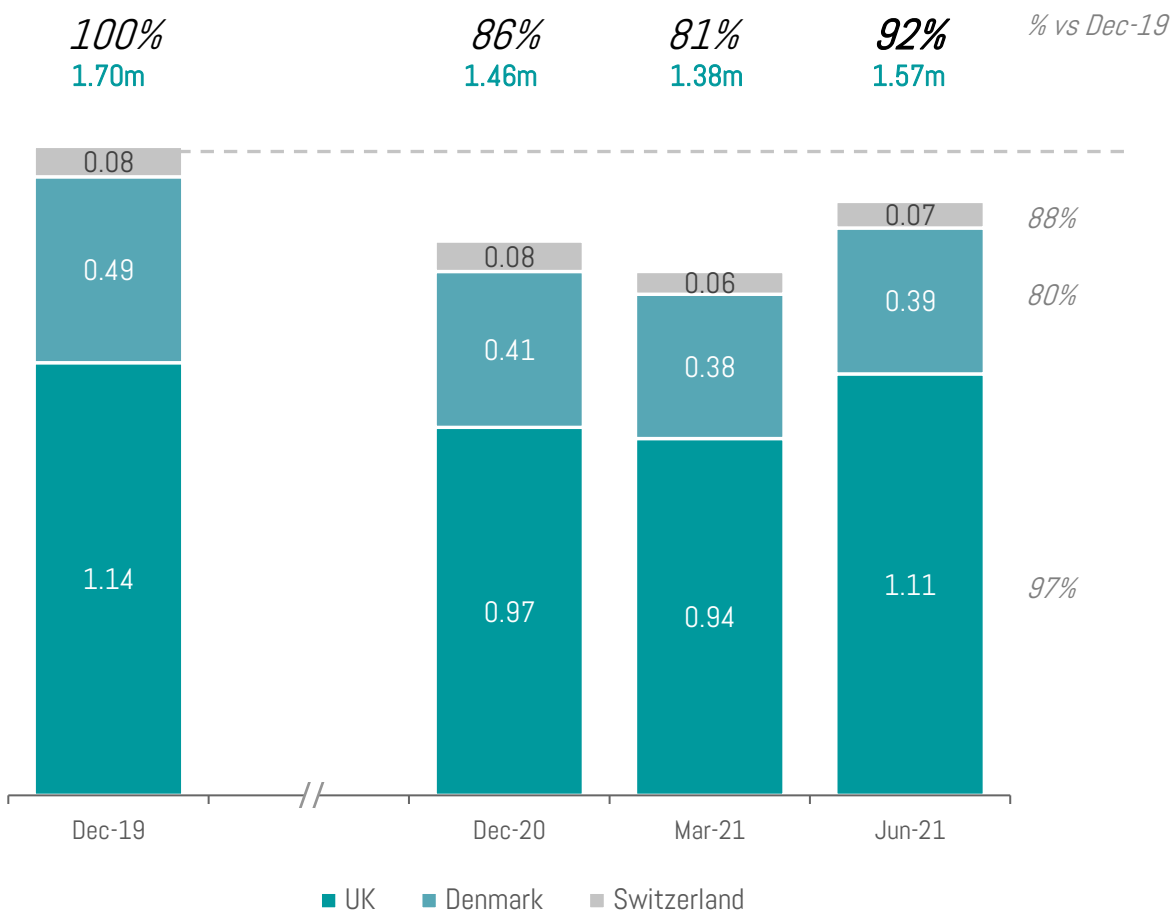
Group EBITDA "back into the black"

- The strong member recovery has underpinned a return to positive EBITDA generation in May & June

The Group continues to maintain a strong cash & liquidity position

- £221m available liquidity as at end of June 2021
- Comprising £76m cash & £145m undrawn RCF facilities (unaudited)

Total group membership levels[3]



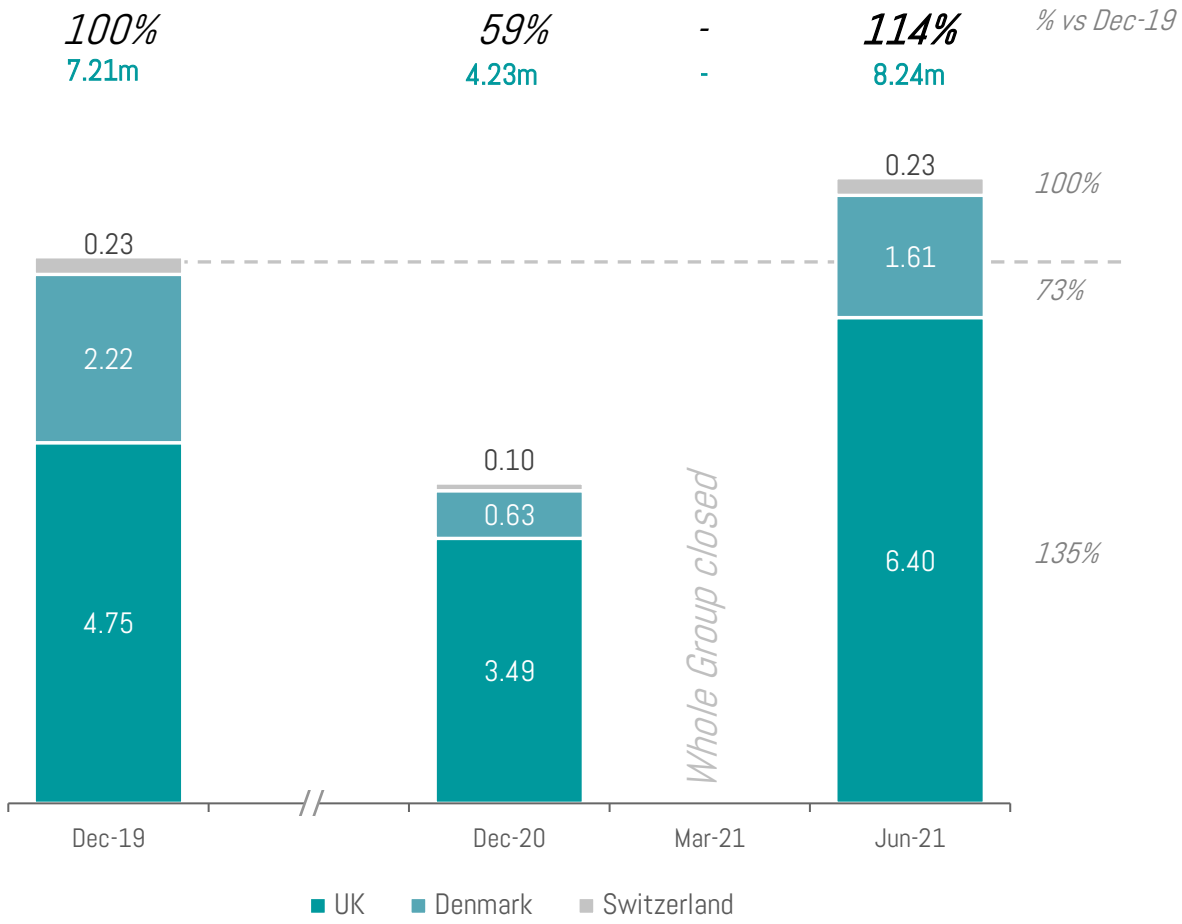
1. See overleaf. 2. Paying Members at gyms that have been open since 2017 excluding those who opted to freeze their membership. 3 Total members as a % of Dec-19 total members (excluding Poland). Totals are on an unrounded basis and have been adjusted as such from the 19 May presentation. The proportion of paying freezes are now returning towards pre covid levels. 4. As at 30 June 2021 we had 506 gyms, of which 502 were open (4 are closed due to non-Covid reasons, such as refurbishment)

Total group visits ahead of Dec-19, showing strong demand

Positive underlying visit trends (despite ongoing restrictions)

- Total group visits in the month of June 2021 were 114% of December 2019 levels and in line with June 2019 levels
- This is despite the ongoing operational constraints in all our territories:
  - Social distancing protocols were still in place across the group
  - In the UK, capacity limits have been in place
  - In Denmark, members were only allowed to attend a gym if they could produce a valid covid passport ("Coronapas")
  - In Switzerland, restrictions required members to wear masks while training
- Whilst total visits benefit from a number of new gyms in the UK, the data nevertheless provides reassuring evidence of strong demand
- LFL visits[1] in the month of June 2021 were at 91% in the UK, 80% in Denmark and 93% in Switzerland as a % of June 2019 (89% on a blended basis for the group as a whole)

Total group visits



1. LFL visits are at gyms that have been open since 2017. 2. As at 30 June 2021 we had 506 gyms, of which 502 were open (4 are closed due to non-Covid reasons, such as refurbishment)

The Group is considering capital raising to fund growth opportunities

- The PureGym Group believes it is well positioned to take advantage of post-pandemic recovery, increased interest in activity, health, and well-being, and the opportunities presented by competition having been weakened by the rigours of the last 18 months
- With this context, management has a strong belief that there will be significant opportunities to deploy capital to accelerate growth through opening many more new sites and also by investing further in existing sites and digital and technology assets
- The PureGym Group is in the early stages of considering options for potentially raising equity, including potentially in the public markets
- Management are therefore working closely with Leonard Green & Partners (who co-own PureGym alongside the management team) to review its strategic options

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.
Coronapas	The COVID-19 'vaccination' or 'test' passport required by individuals in Denmark to access a range businesses, including gyms.
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.

Glossary

Term	Definition
Large Box Format (LBF)	Large Box Format (LBF) gyms are gyms that are typically over 12,000 square feet in size.
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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