

Investor Presentation

Results for the quarter ended 30 September 2024

03 December 2024

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.

Use of non-IFRS financial information

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.

Introduction & overview

Business performance & results

- Performance in Q3 was in line with expectations with **Adj EBITDA of £35m** (+£2m vs Q3 2023)
- Steady, ongoing growth with **RR Adj EBITDA increasing to £165m** (+£26m vs Q3 2023)
- 6 new corporate sites opened in the quarter – on track to deliver 40-45 for the full year
- Continued progress in the Danish reinvestment programme with over 20 kit drops in the quarter
- Successful issuance of £150m equiv. Senior Secured Notes in September, primarily to fund the acquisition of Blink
- SS Net Leverage reduced to 4.0x RR Adj EBITDA in Q3 2024 (vs 4.6x at Q3 2023)

Acquisition of Blink Fitness

- PureGym has been successful in its bid to acquire the corporate operations of Blink Fitness & **up to 67 sites** in the states of New York & New Jersey
- Blink has setup & configuration that is **closely aligned to PureGym**
- **Acquisition price $121m** which we regard as good value for a portfolio of this nature
- The acquisition provides critical mass in the US market and a good platform for organic roll out & franchise expansion
- New CEO, Clive Chesser, closely involved in all aspects of the deal to ensure future "ownership"





Financial results

A solid quarter demonstrating EBITDA growth across all geographies

Q3 2024 highlights

Steady, ongoing growth of RR Adj EBITDA to £165m by the end of Q3 2024

£165m
RR Adj EBITDA[1]

£35m
Adj EBITDA in Q3
(+5% YoY)

38%
ROCE[2]

+5%
Revenue growth
vs Q3 2023
(after 16 LTM site closures in DK)

+4%
Member growth
vs Q3 2023
(after 16 LTM site closures in DK)

+1%
ARPM growth
vs Q3 2023

+8
New sites
(incl. 2 franchise)

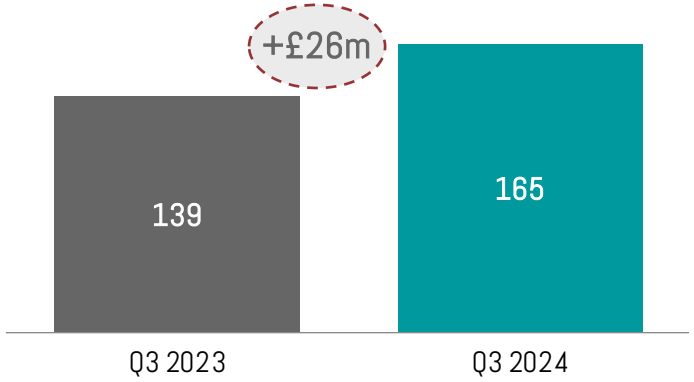
611
Total open sites[3]
(after 16 LTM site closures in DK)

Notes: (1) For the 12 months ended 30 September 2024. (2) Represents UK gyms opened in 2021 & prior. Calculated using Adjusted EBITDA. (3) Gyms in estate includes 589 corporate-owned & 22 franchise gyms in the Middle East.

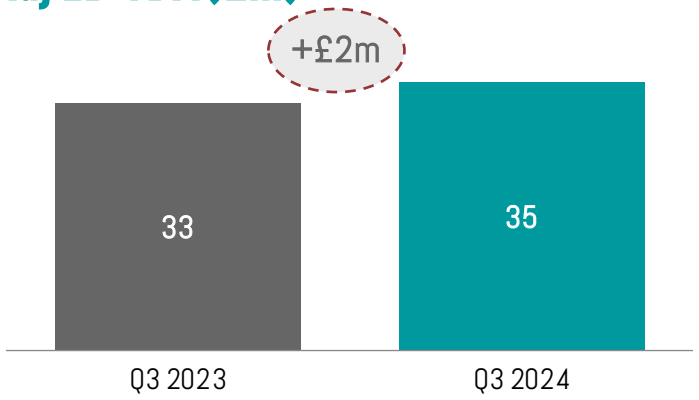
Q3 2024 financial results vs Q3 2023 (1/2)

£35m of Adj EBITDA delivered in Q3 2024, with growth across all geographies

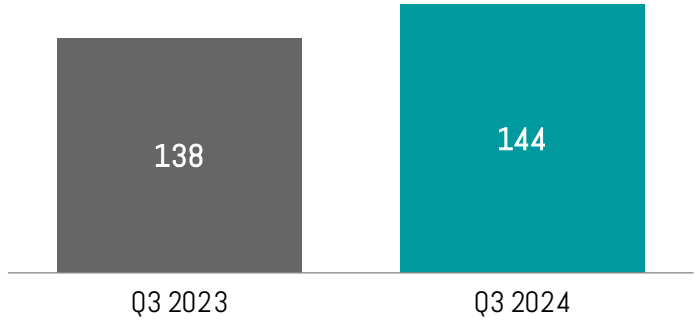
Run-Rate Adj EBITDA (£m)



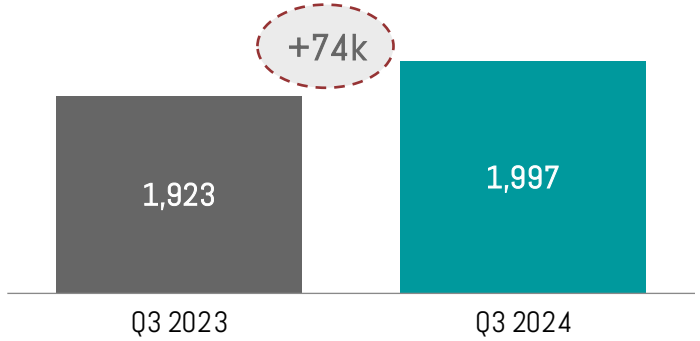
Adj EBITDA (£m)



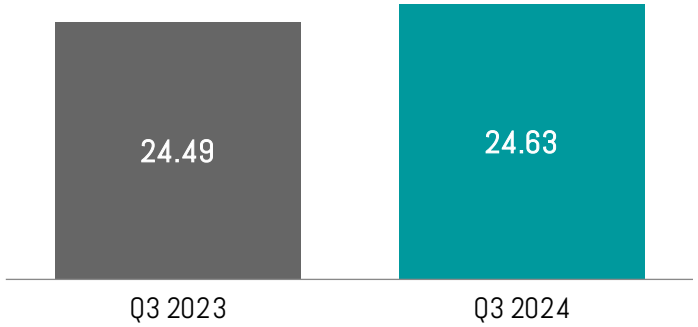
Revenue (£m)



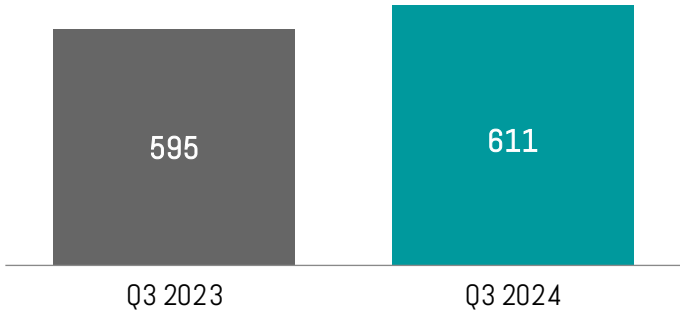
Closing members (k)



ARPM (£)



Gyms in estate[1]

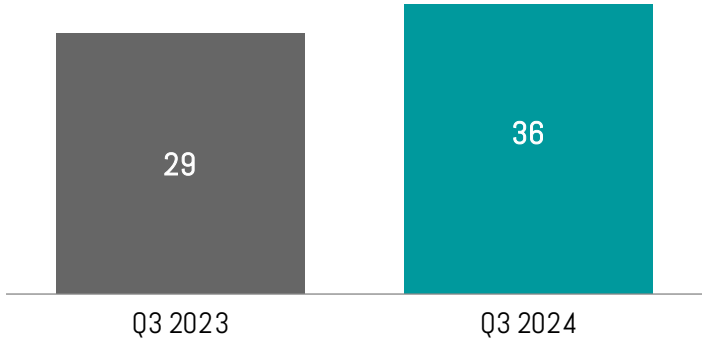


Notes: (1) Q3 2024 Gyms in estate includes 589 corporate-owned & 22 franchise gyms in the Middle East. Q3 2023 Gyms in estate includes 576 corporate-owned & 19 franchise gyms in the Middle East.

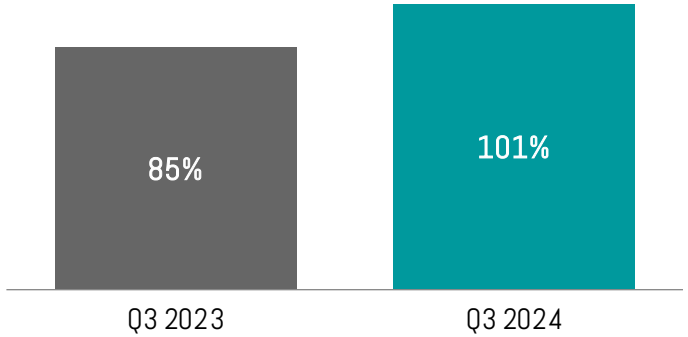
Q3 2024 financial results vs Q3 2023 (2/2)

Leverage reduced to 4.0x RR Adj EBITDA as cash is carefully invested into new high-quality sites

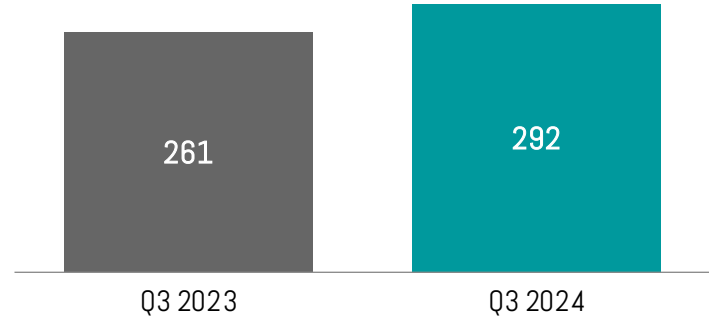
Operating Cash Flow[1] (£m)



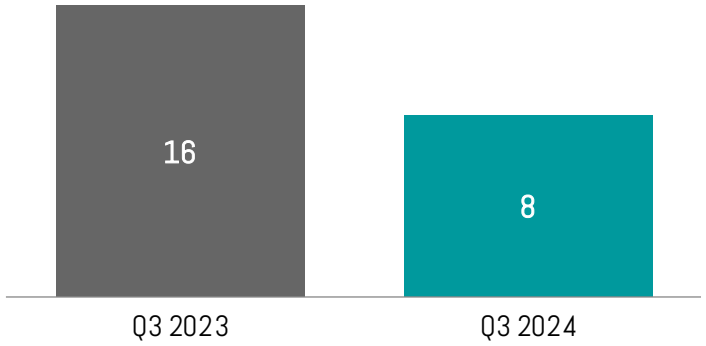
Operating Cash Flow Conversion



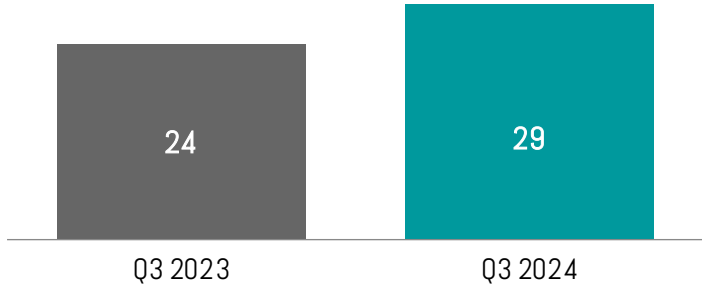
Cash[3] (£m)



New sites opened[2]



Capex (£m)



SS Net Leverage[4]



Notes: (1) Operating Cash Flow, stated after maintenance & refurbishment capex but before interest on borrowings or growth capex. (2) Q3 2023 new sites includes 13 corporate-owned sites & 3 franchise gyms in the Middle East. Q3 2024 new sites includes 6 corporate-owned sites & 2 franchise gyms in the Middle East. (3) Q3 2023 includes £31 million & Q3 2024 includes £33 million cash held by parent, Pinnacle Topco Limited. (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

Continued careful deployment of capital into high quality new site openings

- Average capex per new site was £1.2m & was well controlled in an inflationary environment (Q3 2023: £1.2m)[1]
- 6 new corporate owned site openings in Q3 2024
- Over 20 kit drops completed in Denmark in Q3 2024 as part of Danish estate reinvestment plan
- Sophisticated maintenance & refurbishment programme - investing to ensure a high quality estate while still optimising return on capital

£m	Q3 2024	Q3 2023
New site capital expenditure[1]	8	11
Danish estate investment	8	-
IT development capital expenditure	3	2
Expansionary capital expenditure	**19**	**13**
Maintenance & refurb capital expenditure	10	11
Total capital expenditure	**29**	**24**
Expansionary capex working capital movement	(6)	(1)
Maintenance & refurb capex working capital movement	(3)	-
Total capital expenditure cash flow	**19**	**23**



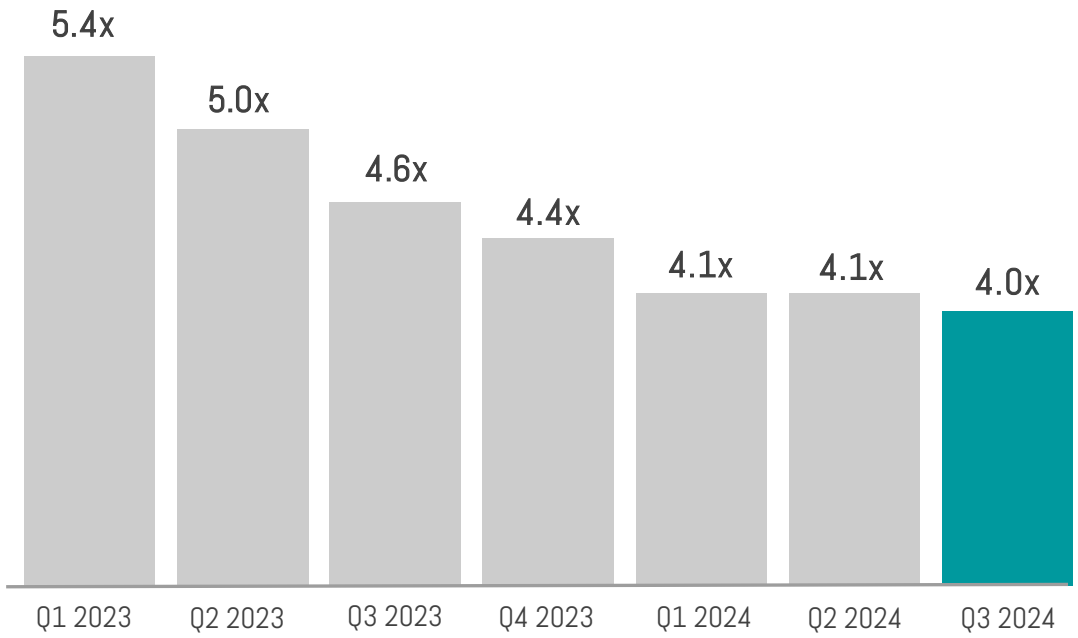
Notes: (1) Reported new site capex in the period may not directly correspond to the number of new sites opened in the period due to construction works spanning multiple periods.

Q3 Leverage at 4.0x RR Adj EBITDA

Strong deleveraging with disciplined investment of cash for growth

Senior Secured Net Leverage

RR Adj EBITDA	£120m	£128m	£139m	£150m	£159m	£164m	£165m
SS Net Debt[1]	£645m	£644m	£643m	£666m	£652m	£674m	£655m



Net Debt & Interest Cover

As at 30 September 2024	£m
Cash[2]	296
Senior Secured GBP Notes	(520)
Senior Secured EUR Notes	(431)
Senior Secured Net Debt	**(655)**
Non-property leases/other	(2)
Net Debt	(657)
Q3 2024 RR Adj EBITDA	165
Actual SS Net Leverage	*4.0x*
Pro Forma Net Interest Expense[3]	*85*
Interest Cover	*1.9x*

Notes: (1) Includes £33m held by parent company, Pinnacle Topco Limited at 30 September 2024, £32m at 30 June & 31 March 2024 & 31 December 2023 & £31m at 30 September, 30 June & 31 March 2023. (2) £296m cash includes non-Sterling balances translated at average exchange rates for the LTM period, in line with banking document definitions. This is equivalent to £292m 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.



Acquisition of Blink Fitness

A good business, a good price & a platform for business development in the United States

We are confident that Blink will be a value accretive strategic acquisition

Acquisition of Blink Fitness

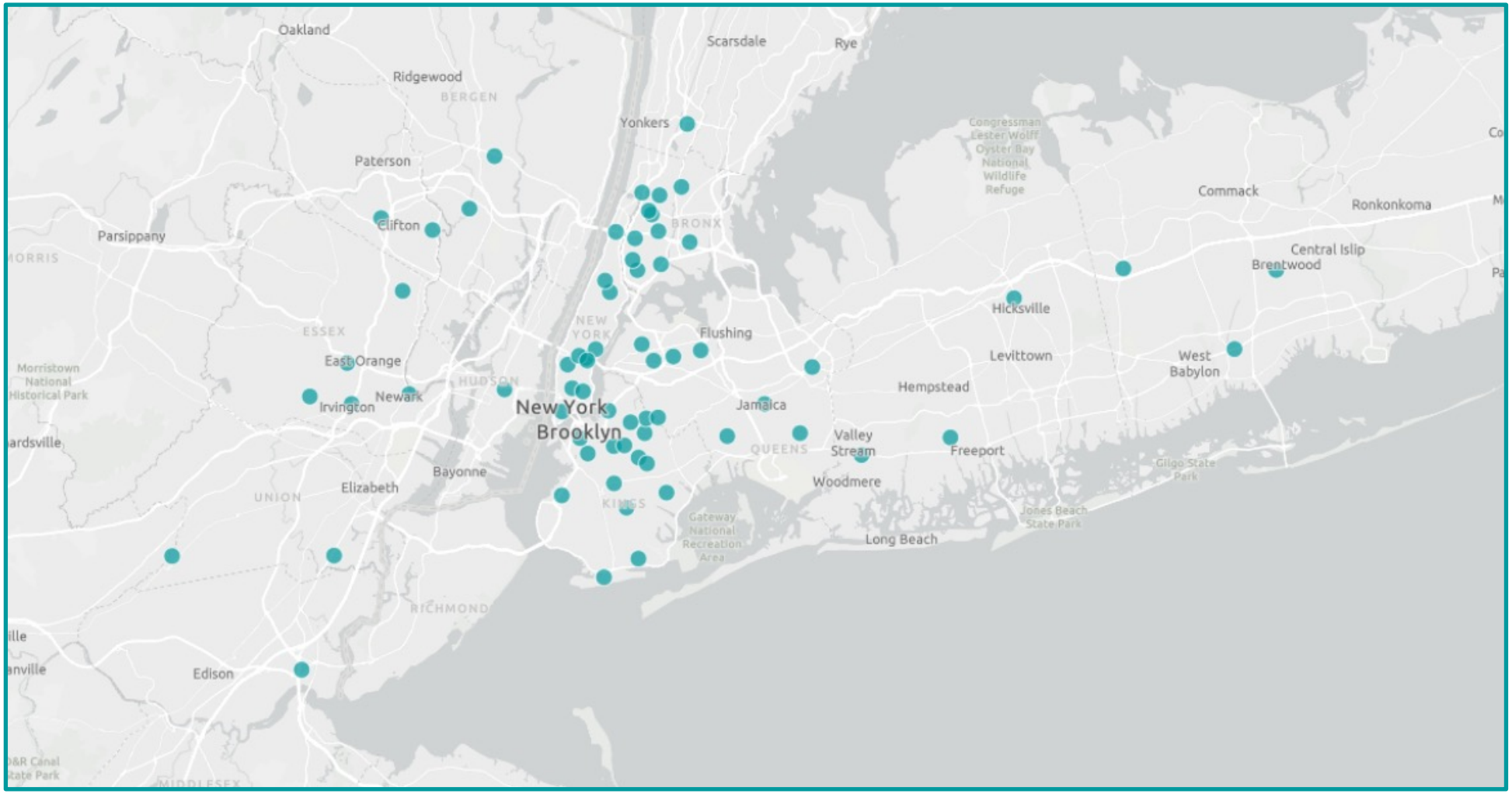
- On 29 November, PureGym acquired the corporate operations of Blink Fitness & **up to 67 sites** in the New York (NY) & New Jersey (NJ) areas
- The asset purchase agreement includes the **right to reject sites if suitable rent reductions from landlords are not forthcoming** within 3 months of the completion date
- We are in intense, 'live' negotiations with a large number of landlords & other vendors/suppliers
- While this process of negotiation concludes, we are working with our new colleagues to prepare detailed plans for transition & transformation

A strong strategic fit for the Group

- The operating model & format of the assets acquired are **closely aligned to PureGym**
- Clear opportunities to improve already robust gym level operating performance & overhead productivity
- In paying $121m, we believe the deal represents very good value for a portfolio of this nature & will be value accretive to PureGym
- **A strong foothold in the NY & NJ markets,** complementing existing sites in the Washington DC area
- Meaningful US presence **provides a platform for further growth** in the world's largest fitness market



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



Background to the Blink transaction

2018/19
First look

PureGym management team visit Blink, get to know sites & operating model as part of overall US market assessment

2022
Blink business put up for sale by Equinox

PureGym conducted significant diligence on the business but withdrew from the process due to high price expectations ($250m-$300m)

July 2024
Contacted by the Company's advisers

New sale process commenced

Submitted initial, non-binding offer

Became clear the business would file for Chapter 11

We saw this as a window of opportunity & quickly accelerated our efforts

August 2024
PureGym focuses on stalking horse bid

Company filed for Chapter 11

PureGym accelerated efforts to become the stalking horse bidder

This required significant investment in diligence & submission of a full APA

Process for executing the Blink Transaction

Step 1: Get the APA right to become "stalking horse bidder"

Step 2: Raise the cash & signal strong commitment to others

Step 3: Prepare for & win the auction vs Planet Fitness

Step 4: Convince Judge that USC/ Planet objections were invalid

Step 5: Work hard to complete transaction by end November





Early August — Late November



Guidance & Conclusions

Robust outlook for growth, continued progress in core business & exciting prospects in USA

Outlook/Guidance

2025 Guidance

- 70+ new organic corporate sites expected across the group, including 14 high-quality UK sites sourced via the Carpetright administration process
- Robust unit economics with mature estate averaging well over 30% ROCE
- Leverage expected to be <5x RR Adj EBITDA following the transaction but expect deleveraging from that point
- UK Autumn Budget impact estimated at c.£5m in 2025 (before mitigating actions)
- LFL operating cost inflation across the group should be contained to under 5% YoY
- c.£1.2m average capex per new site, £40-50m of refurbishment & maintenance investment

Newly acquired US operations

- Update on the Blink acquisition will be provided later in 2025 once the deal is finalised & transition to PureGym ownership is underway
- Bondholders should be reassured that the PureGym management team is taking full advantage of its extensive deal making experience to ensure this is a very good acquisition for the business



Highlights & Conclusions

1. Financial performance was robust & in line with expectations, with **Adj EBITDA of £35m**
2. Reliable, ongoing growth with **RR Adj EBITDA of £165m** (up +£26m vs Q3 2023)
3. Strong new site pipeline – 6 new corporate sites in Q3 & **on track to deliver 40-45 for the full year**
4. Excellent progress in Switzerland & with the **programme of product investment in Denmark**
5. Successful issuance of **£150m equivalent Senior Secured Notes** & acquisition of Blink Fitness
6. Seamless onboarding & early-stage handover to **new CEO Clive Chesser** & Humphrey's move to Chairman
7. Overall, **very strong foundations set for 2025 & beyond** for continued, good operational performance & expansion



Appendices

Operating cost inflation expected to be below 5% 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 growth of under 5%

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 (+4%)
- 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 (+5%)
- UK Autumn budget is main driver with increases in both NLW & NI rates/bandings from April 2025
- DK: +3% inflationary increase offset by operational efficiencies
- CH: -9% reduction due to full year of new operating model

Cleaning (+1%)
- YoY reduction due to procurement & operational focus, offset by increases in NLW & NI (mainly UK)

Marketing (+19%)
- Increased focus on driving volume and re-branding across all territories

Utilities (-6%)
- Following a turbulent 2 years of market volatility, commodity charges now fixed giving an overall reduction YoY

Other (-7%)
- Procurement driving down costs across R&M & insurance

LFL opex costs expected to increase <5%. LFL yield progression offsets this in 2025

Average site capex costs per gym[1]

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

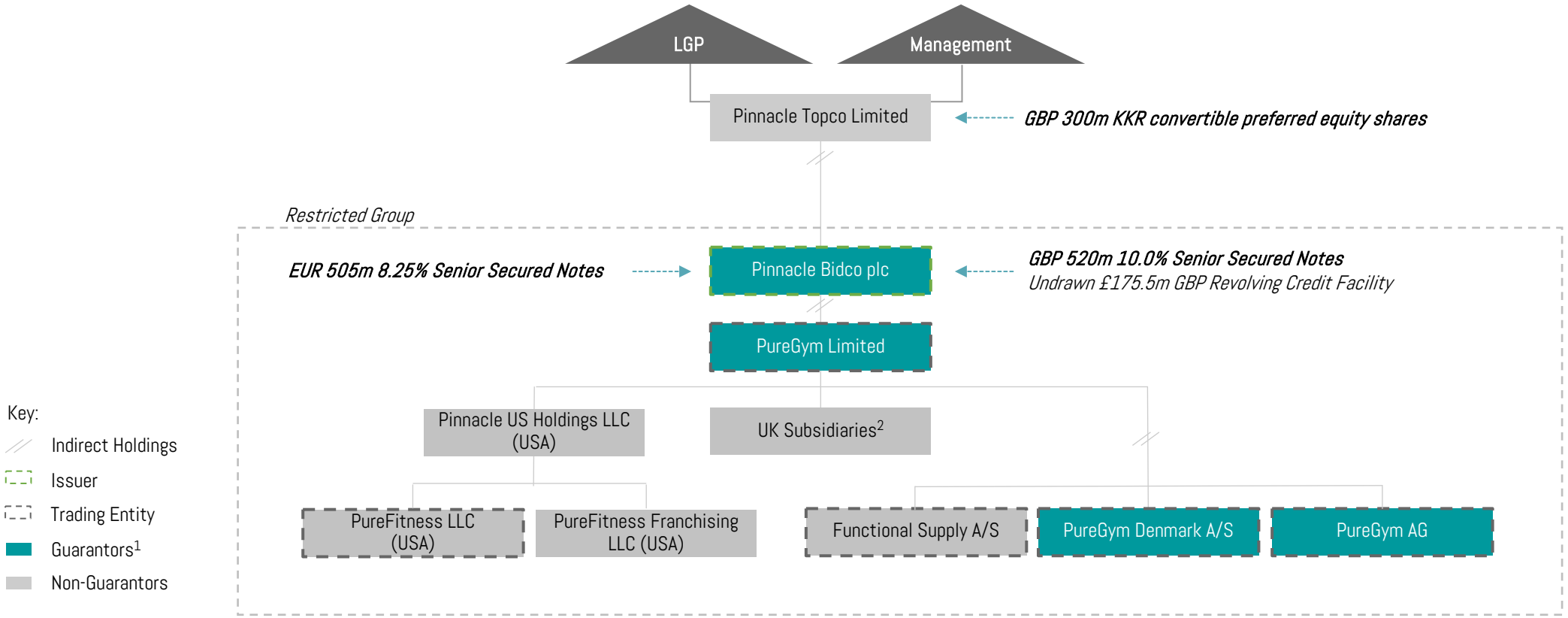
Gym equipment
- Increase in Matrix capex costs c.8% offset with R&M savings

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

Notes: (1) Represents the average across the whole Group & reflects mix impact of small & medium box formats as well as large box formats.

Corporate structure



Notes: (1) The Guarantors accounted for 99% of Group Run-Rate Adjusted EBITDA for the year ended 31 December 2023, & substantially all of the Group's total assets as of 31 December 2023. (2) Includes LA Leisure Limited & Ovalhouse Limited.

Key performance indicators

	For the three months ended 30 September		For the nine months ended 30 September	
	2024	2023	**2024**	2023
Total number of owned gyms	589	576	589	576
Franchised gyms	22	19	22	19
Total number of gyms	611	595	611	595
Total number of members ('000s)	1,997	1,923	1,997	1,923
Average number of members ('000s)	1,952	1,873	1,982	1,852
Average number of members per gym	3,290	3,284	3,360	3,301
Average revenue per member per month (£)	24.63	24.49	24.88	24.56
Reported revenue (£m)	144.3	137.7	443.9	409.3
Reported EBITDA (£m)	61.2	59.0	190.4	169.7
Group Adjusted EBITDA (£m)	35.3	33.5	112.4	96.8
Group Adjusted EBITDA margin	24.4%	24.3%	25.3%	23.7%
Gym Site Adjusted EBITDA[1] (£m)	50.5	49.3	159.3	145.0
Gym Site Adjusted EBITDA margin	35.0%	35.8%	35.9%	35.4%
Group Run-Rate Adjusted EBITDA (£m)	164.8	139.3	164.8	139.3
Group Operating Cash Flow (£m)	35.6	28.5	95.7	74.5
Group Operating Cash Flow Conversion	101.1%	85.3%	85.1%	77.0%
Senior Secured Net Debt[2] (£m)	655.3	642.8	655.3	642.8
Senior Secured Net Leverage	4.0x	4.6x	4.0x	4.6x
Interest Cover	1.9x	3.1x	1.9x	3.1x

Notes: (1) Represents a blended average including all new & immature sites across the group (2) Senior Secured Net Debt at 30 September 2024 includes £33 million (£31 million at 30 September 2023) cash held by parent, Pinnacle Topco Limited.

Segmental performance

£m	For the three months ended 30 September 2024	2023	Change %	For the nine months ended 30 September 2024	2023	Change %
United Kingdom	102	93	9%	307	272	13%
Denmark	31	33	(6%)[1]	102	105	(3)%[1]
Switzerland	10	10	6%	31	28	10%
Other	1	1	1%	4	4	1%
Total Revenue	**144**	**138**	**5%**	**444**	**409**	**8%**
United Kingdom	29	28	4%	92	80	14%
Denmark	5	5	1%	18	16	18%
Switzerland	1	-	489%	4	1	208%
Other	-	-	n/m	(1)	-	n/m
Total Adjusted EBITDA	**35**	**33**	**5%**	**112**	**97**	**16%**
United Kingdom	29%	30%		30%	29%	
Denmark	17%	15%		18%	15%	
Switzerland	14%	3%		12%	4%	
Other	(37%)	4%		(38%)	(5)%	
Adjusted EBITDA margin	**24%**	**24%**		**25%**	**24%**	

Notes: (1) Reduced revenue reported for Denmark YoY due to the closure of 16 sites as part of the estate optimisation & investment plans

Group cash flow Q3 2024

- Group Adjusted EBITDA of £35m in Q3 2024 up +5% on Q3 2023, converting to £36m of Operating Cash Flow for the quarter
- Q3 2024 working capital inflow of £7m is a timing impact & expected to unwind to some extent in Q4 2024
- Maintenance expenditure of £7m for Q3 2024, reflects continued investment in the existing estate
- Expansionary capital expenditure for the period of £12m reflects investment in the 6 corporate-owned sites opened in the quarter & investment in over 20 kit drops in the Danish estate. It also includes a working capital inflow of £6m reflecting the timing of payments
- Tax, interest & debt issue costs for the period of £10m mainly relates to interest on the SSNs
- Issue of notes of £149m represents the September 2024 bond tap
- "Other financing cash flows" of £6m relate to the premium received on issue of the bonds, issued above par

	For the three months ended 30 September		For the nine months ended 30 September	
£m	**2024**	2023	**2024**	2023
Group Adjusted EBITDA	**35.3**	**33.5**	**112.4**	**96.8**
Movement in working capital	7.2	5.7	7.0	2.8
Maintenance & refurb capital expenditure	(6.8)	(10.6)	(23.7)	(25.1)
Group Operating Cash Flow	**35.6**	**28.5**	**95.7**	**74.5**
Operating Cash Flow conversion	*101.1%*	*85.3%*	*85.1%*	*77.0%*
Expansionary capital expenditure	(12.3)	(12.1)	(46.9)	(49.0)
Exceptional items	0.6	(0.5)	(0.1)	(1.6)
Tax, interest, & debt issue costs	(10.0)	(12.5)	(42.8)	(34.5)
Other	(2.6)	(1.2)	(5.9)	(9.2)
Net cash flow before acquisition & financing	**11.4**	**2.3**	**(0.1)**	**(19.7)**
Issue of notes	149.3	-	149.3	-
Finance lease capital repayments	(0.6)	(0.8)	(1.8)	(2.8)
Other financing cash flows	6.4	-	6.4	(0.1)
Net cash flow	**166.5**	**1.5**	**153.8**	**(22.6)**

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

£m	For the three months ended 30 September 2024	2023	For the nine months ended 30 September 2024	2023
Loss for the period	**(19.7)**	**(16.7)**	**(49.1)**	**(42.6)**
Income tax	(3.5)	(4.0)	(5.2)	(3.6)
Net finance cost	43.7	44.3	126.7	109.5
Operating profit	20.4	23.6	72.4	63.4
Deprecation and impairment of PPE	33.2	29.1	101.8	88.5
Amortisation and impairment of intangible assets	5.7	6.3	14.9	16.4
Profit / (loss) on disposal of property, plant & equipment	0.8	(0.1)	0.6	0.9
Profit on lease modifications	(0.5)	(0.4)	(1.4)	(1.0)
Exceptional administrative items	1.5	0.5	2.2	1.6
Group Reported EBITDA[1]	**61.2**	**59.0**	**190.4**	**169.7**
Other adjustments[2]	0.6	0.4	2.8	2.7
Share based payment charge[3]	(0.1)	0.1	0.1	0.2
Pre-opening costs[4]	0.7	1.0	2.4	3.3
Cash rent adjustment[5]	(27.1)	(27.0)	(83.2)	(79.1)
Adjusted EBITDA	**35.3**	**33.5**	**112.4**	**96.8**
Head office costs	15.2	15.8	46.9	48.2
Gym Site Adjusted EBITDA	**50.5**	**49.3**	**159.3**	**145.0**
LTM Adjusted EBITDA	147.7	119.3	147.7	119.3
Run-Rate Adjustment[6]	17.1	20.0	17.1	20.0
Run-Rate Adjusted EBITDA (LTM)	**164.8**	**139.3**	**164.8**	**139.3**

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.

Glossary

Term	Definition
Adjusted EBITDA	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.
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 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.
Cash Rent Adjustment	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).
EBITDA	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.
Expansionary Capital Expenditure	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.
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.
Interest Cover	The ratio of Run-Rated Adjusted EBITDA to Pro Forma Net Interest Expense.
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	Corporate-owned gyms that have been open for two full financial years or more as at the reporting date.

Glossary

Term	Definition
Medium Box Format (MBF)	Medium Box Format (MBF) gyms are gyms that are typically 9,000-12,000 square feet in size.
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. For the purposes of the leverage calculation, SSND uses average rates of exchange for the last 12 month period.
New Gyms	Corporate-owned gyms that have been open for less than two full financial years as at the reporting date.
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 & Refurbishment 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 Net Interest Expense	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.
Senior Secured Net Leverage	The ratio of Senior Secured Net Debt to Run-Rate Adjusted EBITDA.
ROCE	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.
Run-Rate Adjustment	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.
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), less cash & cash equivalents. For the purposes of the leverage calculation, SSND uses average rates of exchange for the last 12 month period.
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.