

Update statement on 2024 Annual General Meeting Voting Results

At the Company's Annual General Meeting ("AGM") on 9 May 2024, Resolution 3 (the approval of the Directors' Remuneration Policy) and Resolution 4 (the approval of The Gym Group Incentive Plan) were passed with 77.32% and 76.84% votes in favour respectively. In addition, Resolution 11 (the re-election of Richard Stables as a Director) was passed with 71.19% votes in favour.

In accordance with Provision 4 of the UK Corporate Governance Code (the "Code"), as these resolutions received more than 20% of vote against the Board recommendation, this statement provides an update on our understanding of shareholder views and actions taken.

In accordance with the Code, a final update will be included in the 2024 Annual Report.

Resolutions 3 and 4

The main change under the new Directors' Remuneration Policy (the "new Policy") was the introduction of a new variable remuneration scheme, The Gym Group Incentive Plan (the "TGG Incentive Plan"), which takes the form of a combined short and long term incentive scheme, with part of the award delivered in cash following a one year performance period and the remainder deferred for two years and subject to a performance underpin.

Whilst the majority of shareholders voted for the proposal at the 2024 AGM, we recognise that more than 20% of shareholders voted against the new Policy (and associated plan rules). Prior to the AGM, we engaged with our major shareholders, and made amendments to the proposals based on their feedback, including an increase to the proportion of awards deferred in shares and the inclusion of Mature Estate Return on Invested Capital ("ROIC") in the performance metrics.

However, based on our engagement, as well as publicly disclosed voting rationale, we understand that some shareholders had outstanding concerns with the proposals, as outlined below:

- A combined incentive plan is a non-standard UK plc structure - some shareholders would have preferred a more traditional UK plc structure to be implemented.
- The length of the performance period - some shareholders expressed a preference for a 3+ year performance period.
- Alignment with the Company's share price - some shareholders expressed a preference for the inclusion of a share price or total shareholder return (TSR) measure.

The Committee recognises that developing a new remuneration approach that meets the requirements of all shareholders is challenging, but is of the view that the new Policy, which includes the TGG Incentive Plan, represents further alignment with shareholders and supports the retention of key talent during a critical period for the Company.

Given support was significantly in favour of the remuneration resolutions, we do not currently intend to make any further changes to the new Directors' Remuneration Policy. However, we will continue to keep the new Policy under review over its life and we welcome ongoing dialogue with shareholders and their proxies.

Resolutions 11

The Board recognises that, as a result of his connections with one of the Company's largest shareholders, Blantyre Capital, Richard Stables is not considered to be independent when judged against the Code. However, the Board feels that Richard behaves in a way which is independent and Richard provides constructive challenge and contributions with a strong focus on creating shareholder value for all

shareholders. In addition, there are certain measures that have been put in place to manage any conflicts of interest that may arise which includes Richard not being a member of the Remuneration Committee. Whilst the Board is aware of the voting outcome, the Company's shareholders largely voted in favour of Richard's reappointment. To that end, the Board feels that Richard is a valuable member of the Board and his contributions have been important in navigating a challenging economic environment in the last two years and continue to be important for the next phase of growth.

Finally, the Board is fully aware of the need to continually review Board composition to ensure that it has the right skills and experience that facilitates constructive challenge and the formulation of business strategy. The Board also notes that, in line with the Code, half of the Company's Board, excluding the Chair, is comprised of Independent Non-Executive Directors and that there are three independent Non-Executive Directors appointed who provide robust challenge where necessary.