

14 January 2025

The Gym Group plc
("The Gym Group" or "the Group")

Pre-close trading update

Leading low cost gym operator, The Gym Group plc, is pleased to announce that positive trading momentum has continued through the second half of the year, driving strong like-for-like revenue growth.

Revenue for the year ended 31 December 2024 increased by 11% to £226.3m (2023: £204.0m), with like-for-like revenue growing 7% year on year¹. Average members grew 4% to 906,000 (2023: 872,000), and average revenue per member per month ('ARPM') was up 7% to £20.81 (2023: £19.50). We closed the year with 891,000 members compared with 850,000 at 31 December 2023, an increase of 5%. We opened 12 new sites in the year, at the top end of the projected range of 10-12, taking the total to 245.

Net debt as at 31 December 2024 was £61.3m, compared with £66.4m at 31 December 2023.

Guidance and Outlook

As a result of the strong delivery of like-for-like growth and new site performance, Group Adjusted EBITDA Less Normalised Rent for FY24 is expected to be slightly above the top end of the current market forecast range of £43.5-45.5m².

We expect to accelerate new site openings to 14-16 sites in 2025 and remain on track to deliver the target of around 50 sites over three years funded from free cashflow, in line with our Next Chapter growth plan. We also continue to reinvest in our existing estate and our major technology platforms. The changes to Employers' National Insurance in the Autumn Budget will result in additional costs in FY25 of c.£1.3m. Taking this as well as the momentum in the business into account, we now expect that FY25 Group Adjusted EBITDA Less Normalised Rent will be at the top end of the current market forecast range of £47.2-49.7m.

The Group will publish audited FY24 results on 12 March 2025.

Will Orr, CEO of The Gym Group, commented:

"We have delivered strong progress and momentum in our Next Chapter growth plan, that will result in FY24 profits ahead of the top end of previous guidance. There is plenty more still to come as we execute our plan and we look to 2025 with confidence. We are well prepared for our key member recruitment period in the current quarter and beyond, with our strengthening new site pipeline and our flexible, high value, low cost offer making gym membership more accessible for all."

¹ Like-for-like Revenue vs 2023 includes all sites open as at 31 December 2021

² Consensus forecasts are published on The Gym Group corporate website and may be found at <https://www.tggplc.com>

For further information, please contact:

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Notes for editors:

The Gym Group was a pioneer of the low cost gym model and now operates 245 high quality sites across the UK. These gyms offer 24/7 opening and flexible, no contract membership. As at 31 December 2024 there were 891,000 members nationwide. Our gyms have over 65 million visits per annum, score highly on member satisfaction and are consistently rated “excellent” on Trustpilot. The Gym Group is the UK’s first carbon neutral chain of gyms.

Sites opened in 2024 are: Orpington, London Euston Road, Manchester Oxford Road, Welwyn Garden City, London Plaistow, Dudley, London East Ham, London Bromley by Bow, Surbiton, Gillingham, London Shepherds Bush and London Elephant and Castle.

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