



PROPERTY REQUIREMENTS

David Lloyd
— CLUBS —

DAVID LLOYD LEISURE GROUP LIMITED

David Lloyd Leisure is Europe's leading premium health, fitness and racquets group. We currently have 132 clubs, 102 clubs of which are in the UK under our two brands David Lloyd Clubs and Harbour Clubs (of which there are two - Chelsea and Notting Hill in London). In Europe, we have 30 clubs across the Netherlands, Belgium, Spain, Italy, France, Germany, Switzerland and Ireland.

Our clubs provide the perfect destinations to stay fit and healthy as a family. Facilities include state-of-the-art gyms, heated indoor and outdoor pools, top-class racquets facilities, well-equipped group exercise studios and luxurious spas. And if you need a place to meet with friends or enjoy a bite to eat, our clubs also feature large and inviting spaces to work, relax and socialise. We are the premium European market leader by revenue and operate in the premium sector offering a breadth of facilities unrivaled by any other operator in the industry. Every year our members visit us 48 million times.

The Group is owned by London-based private equity firm TDR Capital who have heavily invested in the business since its acquisition in 2013. In the last 10 years we've grown from 95 to 132 clubs through new construction and acquisitions. In 2017 we acquired an additional 16 clubs in the UK and one in Italy, all of which have been re-branded as David Lloyd Clubs and have benefited from a total investment of £30.3 million to bring them into line with our existing portfolio.

We're passionate about making our clubs a comfortable and welcoming place to come together with friends, family and fellow members to maintain physical and mental health and wellness.

Modern lives are now busier than ever and finding meaningful time for those we care about the most can be difficult. Even when we do, we are still competing for full attention with the likes of social media and easy access to film and TV. At David Lloyd Clubs, we believe that we can provide the perfect place for 'We Time' - precious, quality time spent together with friends and family in a positive, active environment.

Our clubs are also a place to relax and socialise and we encourage the sense of community and belonging that being part of a club can generate. Whether that's with some quiet time in our serene spa facilities, getting to know new people by regularly attending a group exercise class, chatting to fellow members in the spa, or

using our Clubrooms to meet as a group for coffee, at David Lloyd Clubs, we're much more than just a gym.

In 2018 we acquired City Green Health and Sporting Club near Geneva, and Health City Bad Homburg near Frankfurt. Both clubs were rebranded as David Lloyd Clubs following a combined £14 million investment.

In 2020 we acquired the Meridian Spa Group which operates eight clubs in Germany, and we've added to our offering in Geneva with the purchase of Country Club Geneva in Switzerland.

2021 saw the acquisition of three clubs in Spain from Áccura in Barcelona, Málaga and Zaragoza.

2022 saw the opening of Cricklewood, north-west London and Bicester, Oxfordshire, along with construction starting on Shawfair, Edinburgh and Rugby, Warwickshire both of which opened in late summer 2023. In 2022 we also acquired three more clubs in Europe, ABC Serrano and La Finca in Madrid along with Z2 in Modena in Italy. Our goal is to have 150 clubs across the UK and Europe by 2026.

Our membership base comprises the more affluent demographic groups and our clubs are very much family-focused. To our members, we're far more than just a gym or a tennis club. Around 25% of our members are children under 16, who join our clubs with their families to enjoy our industry-leading family sports and leisure facilities.

We teach 25,500 kids to swim and 16,200 to play tennis each week working with the Lawn Tennis Association to deliver market-leading coaching from grass-roots upwards. We also offer children's swimming pools, soft indoor play frames, after school and holiday activity clubs, creches and children's menus in our clubrooms.

At the heart of our clubs are our state-of-the-art gyms, complete with hi-tech fitness equipment, and our modern, airy studios offer the latest in group exercise. But we provide more than just market-leading fitness facilities; we also have health and beauty spas, adults-only and business lounges with free Wi-Fi and specialist sports shops.

This breadth of product is highly valued to our members. They also dwell in our clubs longer than average with 47% buying food and drink every month.

In 2023 we've been voted into the Sunday Times Top 10 Best Big Companies to Work For by our highly engaged 10,000 team members, who are central to delivering excellent member service and the unique 'clubby' atmosphere that drives our members to visit more and stay with us longer. Our unique position in the industry enables us to innovate and partner with best-in-class providers to ensure we remain at the fore-front of health & fitness.

OUR HISTORY

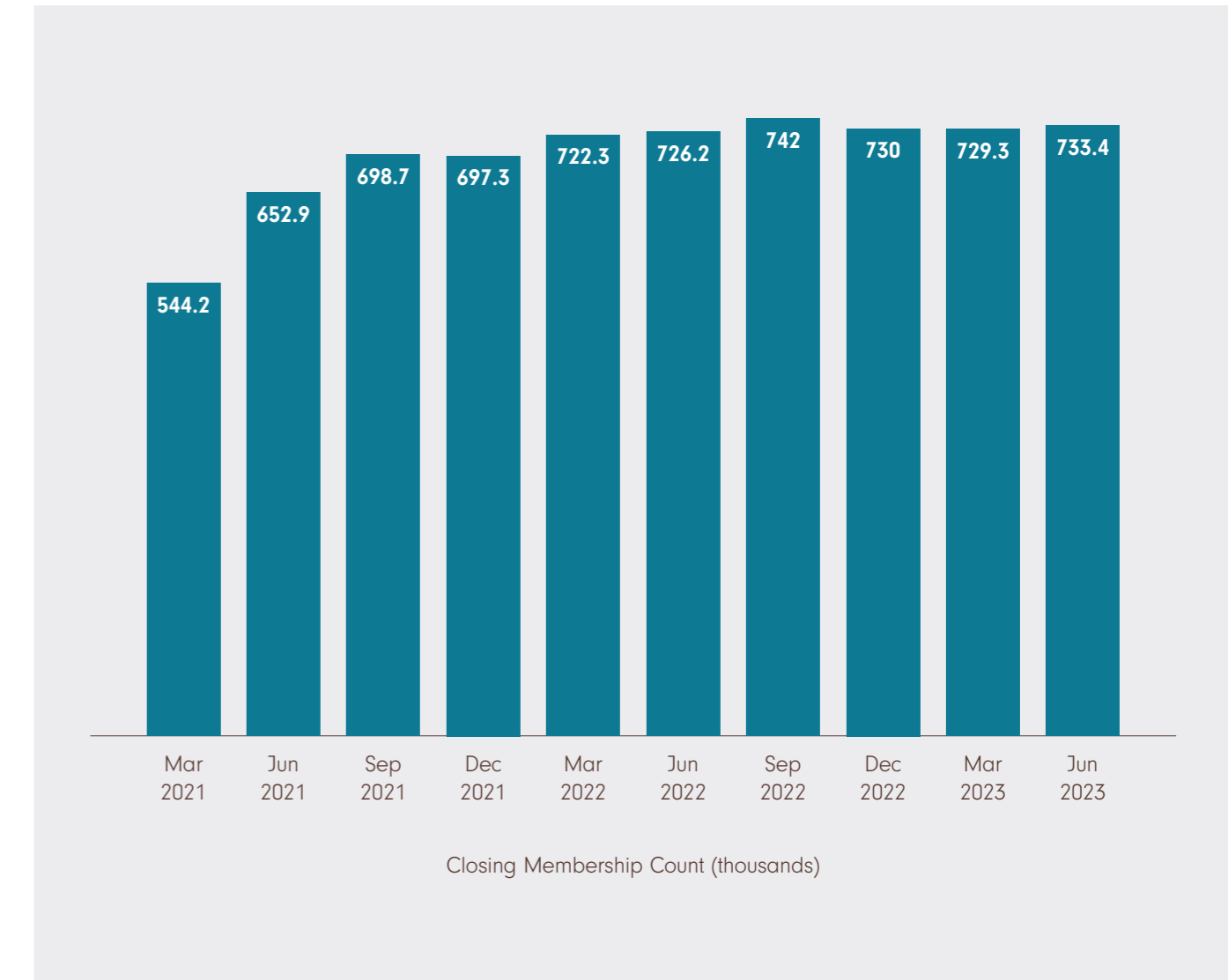
- We were founded in 1982 and grew to 14 clubs before being acquired by Whitbread in 1995.
- The next three decades saw steady growth by acquisition - Racquet & Healthtrack (1999), Cannons Netherlands (2003), Harbour Club Chelsea (2005) followed by two Amida clubs and Odyssey Glory Mill (2006), before merging with Next Generation Clubs in 2007.
- In 2007 London & Regional and Caird Capital acquired the business from Whitbread.
- We were bought by private equity firm TDR Capital in November 2013.
- Since then TDR has invested into developing and growing the business through organic growth and increased new club openings supported by a strong rollout strategy.
- Clear focus on premium health, fitness and racquets sports offering for the affluent family market.
- The David Lloyd brand re-launched in September 2016 as 'David Lloyd Clubs' supported by a £4 million awareness campaign.
- In 2017 we acquired 14 UK clubs from Virgin Active. At the same time we also acquired;
 - The Academy Spa, Health & Racquets Club in Harrogate, North Yorkshire,
 - The Park Club in Acton, West London,
 - The Malaspina Sporting Club in Milan, the group's first Italian club.
- In 2018 we acquired our first club in France, City Green near Geneva and broke into the German market with the acquisition of Health City Bad Homburg near Frankfurt.
- In 2020 we acquired Meridian Spa Group in Germany and Country Club Geneva in Switzerland, adding a further nine clubs to our growing group. Also in 2020 we launched our 'We Time' marketing campaign which focuses on the importance of spending more time with family and friends.
- 2021 saw the acquisition of 3 clubs from Accura group in Spain, bringing the total number of clubs in the country to 5.
- 2022 saw the opening of DLL's 100th UK club in Cricklewood, London and Bicester, Oxfordshire. 2023 has seen the opening of our 3rd club in Edinburgh along with Rugby and the completion of the purchase of Wickwoods Hotel and Spa near Brighton.



2022 CLOSED ON RECORD MEMBERSHIP NUMBERS

Recovery of the business following the global Covid-19 pandemic was swift with record numbers of new membership sales, which highlights the importance of leading a healthy lifestyle and the value for money offered by the David Lloyd Clubs broad range of facilities.

The business achieved pre-Covid membership numbers in July 2021. In June 2023 the business had over 733,000 members, a record number for the group and testament to the quality of our offering.



TIMELINE



UK MARKET OVERVIEW

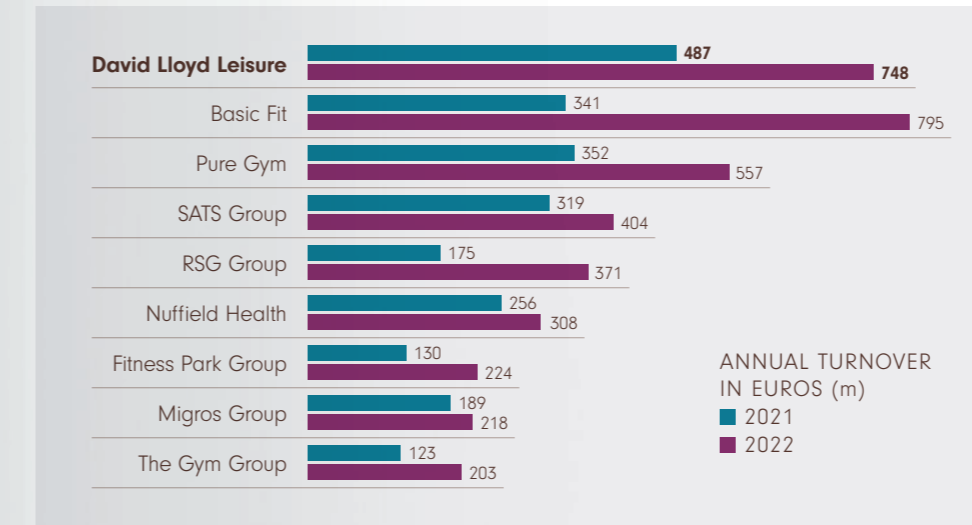
- UK health and fitness market remains fragmented.
- Diversifying business base and increased medical, spa, wellness & mental wellbeing offering.
- Trend continues towards a more health-conscious society, fueled by sports stars, celebrities, and social media influencers.
- Modern workplace and lifestyle stress has seen a boom in mental wellness and holistic classes including yoga, Pilates and mindfulness.
- Majority of 5,700 health clubs are locally run.
- Innovations such as wearable technology and fitness apps motivate people to set goals, track progress and compete in the virtual world.



EUROPEAN MARKET OVERVIEW

- Dominated by member-operated clubs with a narrow range of facilities, most of which have suffered from long-term under-investment.
- Only a small handful of groups which tend to be more regionally focused.
- Branded offering focused on the low-cost end of the market.
- Significant number of large scale, corporate sports clubs operated as a legacy benefit for current and former employees.
- Gap in the market for family market offers a clear opportunity for David Lloyd Clubs in Europe.

EUROPE'S BIGGEST PREMIUM OPERATOR!



Source: Deloitte & David Lloyd Leisure



UK & ROI TARGET LOCATIONS

- We are aiming to grow the footprint of our UK estate by 50% over the next 10 years.
- We have opened 4 clubs in the UK in the past 18 months.
- In 2017 we acquired 14 health & racquet clubs from Virgin Active and have invested to bring them to the premium standard synonymous with David Lloyd Clubs.
- Opening of the 100th UK Club in Cricklewood, London following the acquisition of a former Virgin Active club.
- **We have a pipeline of further new-build development sites, including Bury St Edmunds and Chalfont St Peter in the UK, as well as a site in Swords, north of Dublin. Additional sites are either under contract or in legal negotiations.**



Dublin

Altrincham/Hale

Andover

Ashford

Aylesbury

Banbury

Basingstoke

Bath

Bedford

Berkhamsted

Bishops Stortford

Brentwood

Burgess Hill

Bury St Edmunds

Canterbury

Chalfont St Peter

Chelmsford/Braintree/Witham

Cheltenham

Cheshunt

Chichester

Chippenham

Crawley

Crosby/Formby/Southport

Dorchester/Weymouth

Evesham

Falmer

Farnborough

Great Malvern

Greater and Central London

Guildford

Harlow

Haywards Heath

Henley on Thames

Hertford

Horley

Horsham

Hove

Huntingdon

Leamington & Warwick

Leatherhead

Littlehampton

Melksham

Northampton

Reading South

Reigate

Rochester

Rugby

Salisbury

Sandy

Sevenoaks

Shrewsbury

Slough

St Neots

Staines

Taunton

Towcester

Trowbridge

Tunbridge Wells

Uxbridge

Westbury

Wilmslow/Alderley Edge

Windsor and Maidenhead

Witney/Abingdon/Didcot

Yeovil

EUROPEAN GATEWAY CITIES

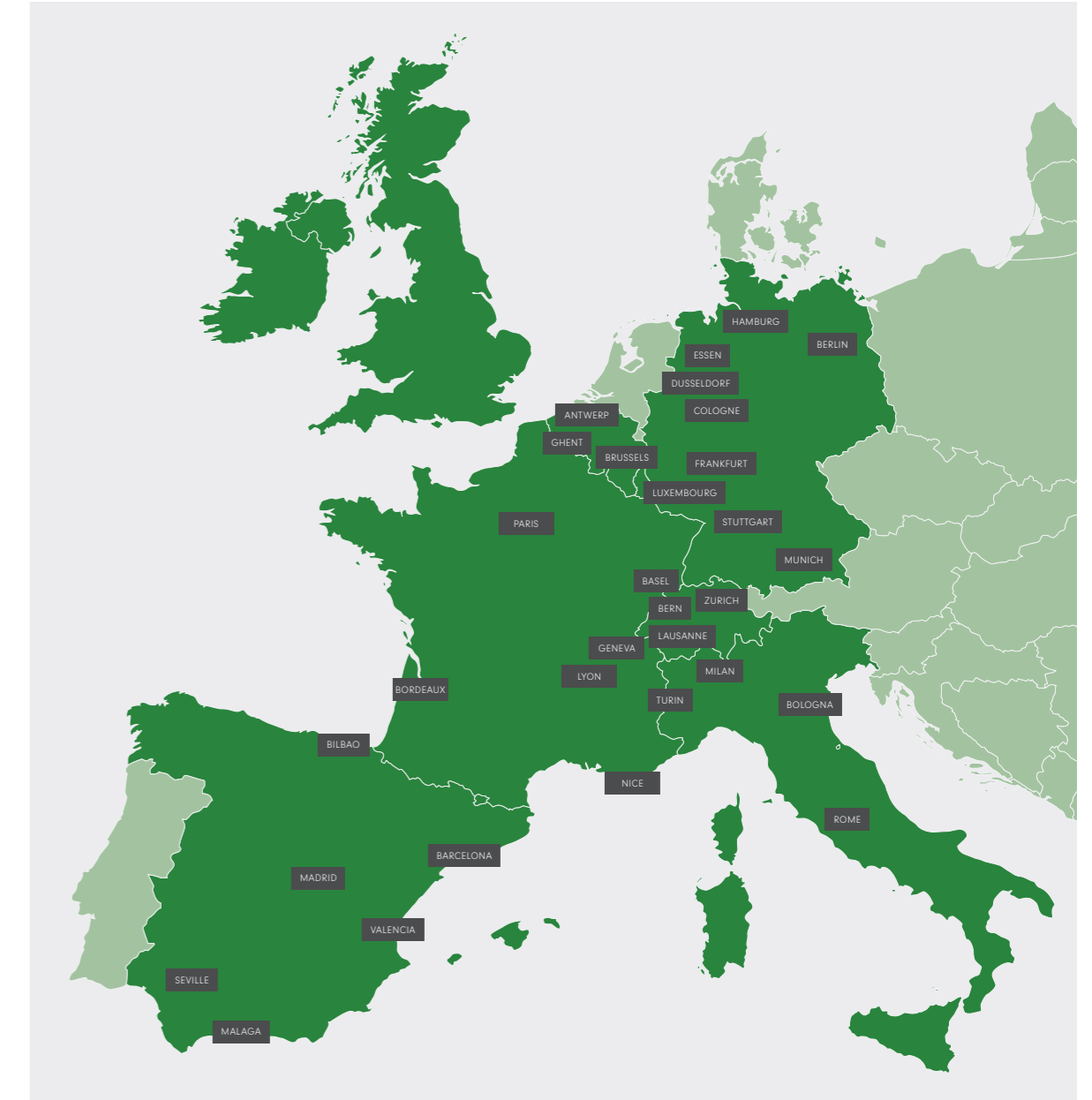
The David Lloyd brand is recognised across many European countries with recent acquisitions in Antwerp, Madrid, Geneva, Milan and across Germany.

We successfully operate clubs in Belgium, Spain, Netherlands, Italy, France, Germany, Switzerland and Ireland, and intend to extend our estate into other key European gateway cities. We took a significant step to growing in these markets with the acquisition of eight Meridian Spa clubs in Germany and Geneva Country Club in 2020 & 2021, along with the acquisition of 3 Accura clubs in Spain. 2022 saw the addition of a second Italian club with the purchase of Club Z2 in Modena.

PROPERTY & LAND REQUIREMENTS

To help realise our ambitious growth plans we are seeking development land on a freehold or long leasehold basis, of approximately 2.2 ha on which to build a new-build David Lloyd Club.

Additionally we will consider institutional leases for standalone clubs or space as part of a wider mixed use development such as shopping malls. In line with our recent growth we are looking to acquire existing businesses than can be transformed into a David Lloyd Club.



OPERATIONAL OVERVIEW

Our clubs have an average GIA of 91,000 sqft, occupying an average of 3.4 hectares of land, facilitating an extensive core club offering in each location.

- Industry leading tennis coaching for children aged 3 - 11 years developed through our partnership with the LTA.
- Badminton and Swimming coaching programmes.
- DL Kids providing dedicated facilities and after school, weekend and holiday activity programmes for our younger members and non-members.
- Creche and nursery facilities operated directly or in partnership with industry leading operators including Asquith Nurseries and Tinies.
- A joint venture partnership with Pure Sports Medicine.
- Partnership with sports injury and medical clinics, both directly and in a joint venture partnership with Pure Sports Medicine.

Our extensive health and fitness facilities means we can focus on families, allowing us high market penetration, industry leading member retention rates, longer customer dwell-time and increased secondary spend. It has also allowed us to adapt our clubs to meet local consumer needs.



CORE FACILITIES (vary per club)

- Indoor/outdoor tennis courts
- Indoor/outdoor swimming pools
- Dedicated group exercise studios
- State-of-the-art gym facilities
- Nurseries and creches
- Padel tennis
- Childrens' swimming and tennis lessons and clubs
- Kid's activity areas
- Sports and social clubs
- Bars, restaurants, TV lounges
- Dedicated wet & dry spa areas

Additional Facilities

- Hair & beauty treatments
- Homework rooms/reading areas
- Games rooms & soft play areas
- Spa/Wellness
- Business lounges
- Sun terrace & gardens
- Physiotherapy/medical offering
- Multi use games area

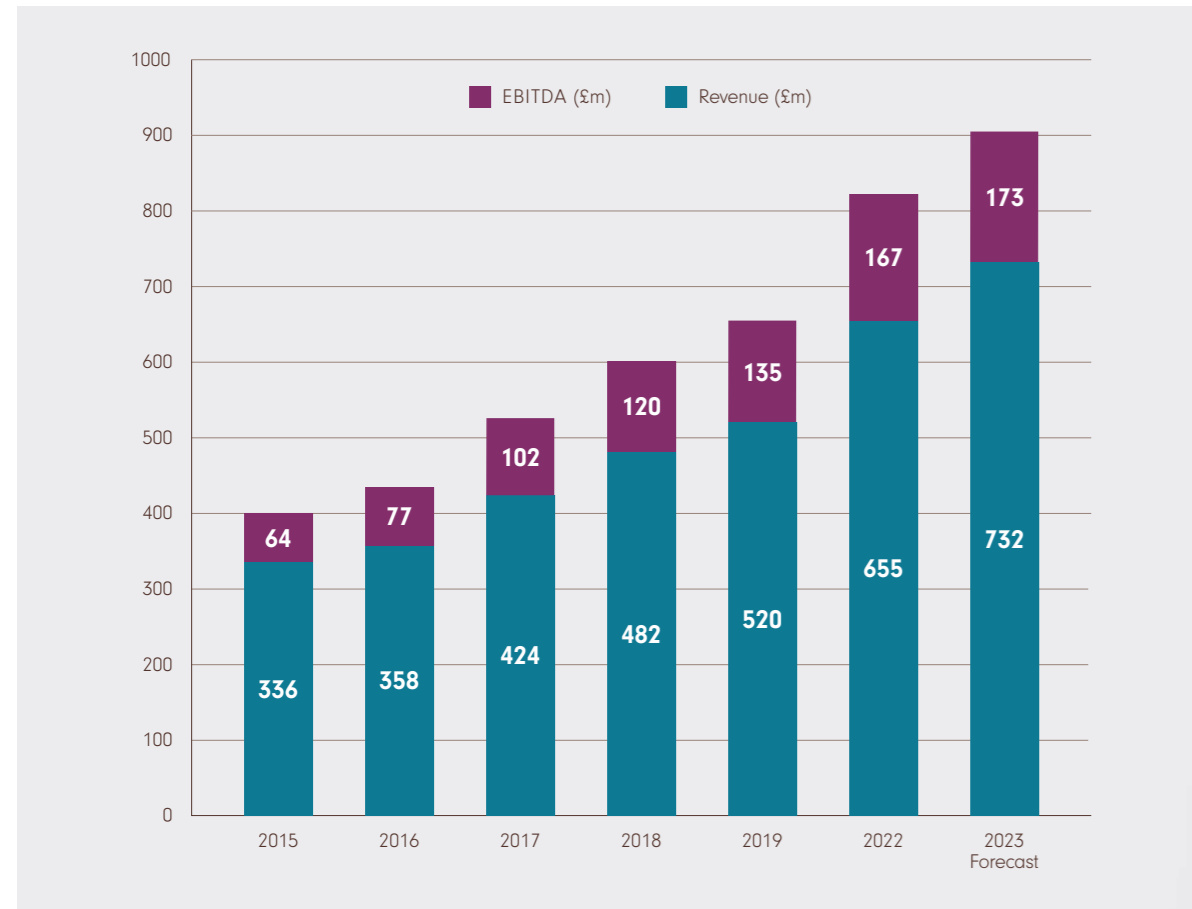
The large footprint of our clubs enables us to be at the forefront of innovation in the industry. Our latest products include our boutique-style spas with Himalayan salt saunas and steam rooms with bespoke blends of aromatherapy, coupled with tranquil outdoor spa gardens, and Ignite along with our group cycling brand Rhythm. Run in dedicated, hi-tech studios, these high energy group exercise classes have proved to be hugely popular with members looking for an intense workout, and have been rolled out to a significant number of clubs. We are also investing significantly in our digital offering to enable us to better connect with members outside the physical assets of our club.



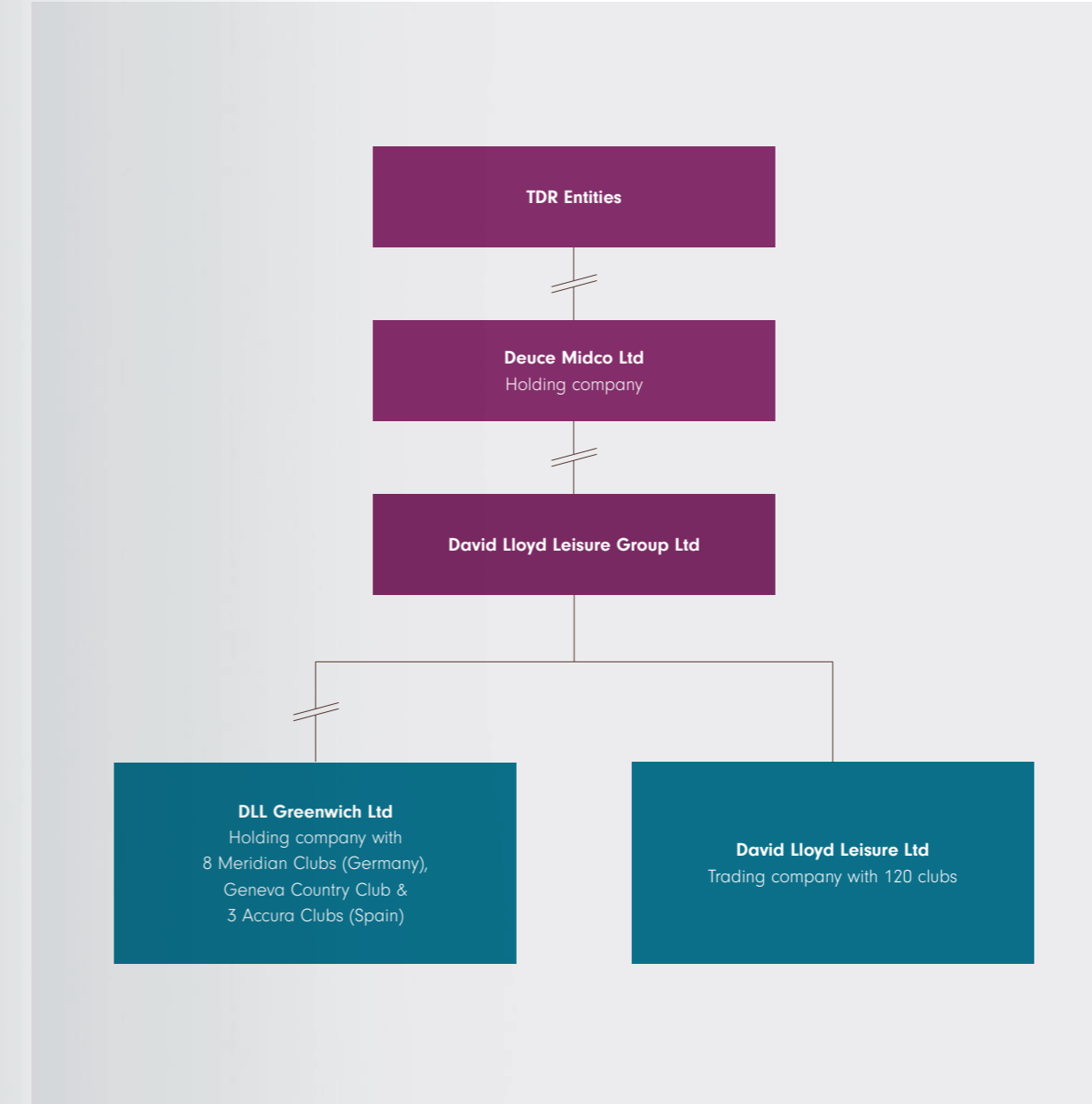
FINANCIAL PERFORMANCE

Trading has been very strong with member count growing from 432,000 in 2013 to 733,000 in June 2023. A simplified group structure chart is shown adjacent. Properties are held on a variety of structures including institutional leases, long-leasehold, long-term ground rent deals and freehold.

The chart below demonstrates EBITDA growth from FY'15 of £65m to budgeted FY'22 of £167m.



Source: David Lloyd Leisure



How is DLL going to grow to 150 clubs?

Our analysis has identified 50 towns and cities in the UK that have a demographic profile that compares to the existing membership base where there is an under provision of premium Health & Racquets facilities. This will enable us to search in very targeted locations for suitable development sites.

In Europe our starting point has been to focus on finding sites in countries we already have a presence in, whilst at the same time targeting major European cities.

In both the UK and Europe our sophisticated analysis and consumer data helps us to identify where the demographic sweet spot is in any given city. We are also on the look-out to acquire existing businesses to bring into the David Lloyd Clubs brand.

As well as seeking to enter new markets we will also explore opportunities to cluster new clubs in towns and cities where we already have a presence, perform well and benefit from strong brand awareness.

Our aim is to open four new clubs per year, either through development or acquisition of existing businesses, and are excited to work with entities from across the property industry to deliver suitable opportunities.

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