

## **HALF YEAR RESULTS for the 6 months ended 30 June 2020**

22 September 2020

2020 was on track to be an excellent year of EBITDA growth. In the first two months of the year revenue was up £5.5m (6.5%) and we closed with over 629,000 members.

The COVID-19 pandemic developed rapidly in 2020. Measures taken by UK and European governments to contain the virus have affected economic activity and the group's business materially. All our clubs were ordered to be closed on or before 20 March 2020. Our clubs remained closed for c. 4 months, preventing the Group from generating revenue.

As a result, the Group's EBITDA declined significantly in 2020 and was negative for the 6 months ended 30th June 2020.

Our European clubs re-opened in June and our English clubs re-opened on 25 July with Welsh and Scottish clubs re-opening on 10 August and 31 August, respectively. Upon re-opening we have introduced social distancing and enhanced hygiene measures to keep members and team members safe.

### **Highlights prior to COVID-19**

- Revenue February 20 YTD was £90m, an increase of £5.5m (6.5%) on prior year.
- Named in "The Sunday Times 25 Best Big Companies" to work for in 2020, in 16<sup>th</sup> position.
- On 30 January 2020, the Group acquired the Hamburg Meridian Group, which operates eight health and spa clubs in Germany with c. 39,000 members.
- On 21 February 2020, the Group exchanged contracts to acquire Geneva Country Club with the transaction expected to complete in H2 2020.

### **Glenn Earlam, Chief Executive of David Lloyd, commented:**

"As Europe's leading health and fitness group\*, I'm delighted that for the 4<sup>th</sup> year in a row we have been named as one of the best big companies to work for in the UK. I am really proud that our teams are genuinely passionate about what they do and really enjoy their time at work. We have continued to seek opportunities to grow our estate and I'm delighted with the acquisitions we have made. The Meridian Group is a strong and well-respected operator in the German health and fitness industry and is a key strategic acquisition for David Lloyd Clubs. We have ambitious plans to further invest in and further develop the clubs. COVID-19 had a significant impact on our business. Measures taken by UK and European governments to contain the virus have affected economic activity and the group's trading materially. I am delighted that we have been able to re-open our

\* By revenue according to Deloitte's European Health and Fitness Market Report 2020

clubs and welcome back our members. August saw a record month for new member sales and I'm confident that we will come back stronger".

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