



The Gym Group plc (‘the Company’)

(Incorporated and registered in England and Wales
under number 08528493)

Notice of Annual General Meeting 2018

Notice is hereby given that the Annual General Meeting of The Gym Group plc will be held at 11.00am on Monday 4 June 2018 at the offices of Allen & Overy LLP, One Bishops Square, London, E1 6AD to consider and, if thought fit, pass resolutions 1 to 18 overleaf.

Important information:

This document is important and requires your immediate attention. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent professional adviser immediately. If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

A shareholder may appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the meeting, provided that each proxy is appointed to exercise the rights attached to different Ordinary share(s) held by that shareholder. A proxy need not be a member of the Company. To be valid, any form of proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company’s registrar, at the address shown on the form of proxy, through the Company’s electronic proxy appointment service (available via <https://www.signalshares.com>) or in the case of shares held through CREST, via the CREST system, in each case by no later than 11.00am on Thursday 31 May 2018.

18 April 2018

Dear Shareholder,

Notice of Annual General Meeting 2018

I am pleased to inform you that the Company's Annual General Meeting (the 'AGM') will be held at the offices of Allen & Overy LLP, One Bishops Square, London, E1 6AD on Monday 4 June 2018 at 11.00am.

The formal Notice convening the AGM is set out on pages 3 to 5 of this document. An explanation of each of the resolutions to be proposed at the AGM is set out on pages 6 to 9. There will be an opportunity for you to ask questions at the AGM.

Voting arrangements – Action to be taken

If you would like to vote on the resolutions but will not be attending the AGM, you may appoint a proxy by completing and returning the enclosed Form of Proxy in accordance with the instructions printed on it. Forms of Proxy should be returned so as to be received by the Company's Registrar, Link Asset Services, at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event no later than 11.00am on Thursday 31 May 2018.

Alternatively, you may appoint a proxy electronically via <https://www.signalshares.com> by following the instructions on that website or, if you hold your shares in CREST, via the CREST system. Please note that all proxy appointment forms should reach the Company's registrar, Link Asset Services, by no later than 11.00am on Thursday 31 May 2018.

If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for giving voting instructions.

Rectification of the Relevant Distributions

A technical issue has come to the Board's attention in relation to (i) the final dividend for the financial year ended 31 December 2016 of 0.75p per Ordinary share, paid on 16 June 2017, and (ii) the interim dividend for the financial year ended 31 December 2017 of 0.3p per Ordinary share, paid on 29 September 2017 (the 'Relevant Distributions'). Sufficient distributable reserves were not shown by the Company's audited accounts for the financial year ended 31 December 2016 at the times that the Relevant Distributions were declared or paid.

The Board has therefore concluded that the Relevant Distributions were made otherwise than in accordance with the Act and that, having taken professional legal advice, it would be prudent to propose Resolution 18 to the members of the Company. The purpose of Resolution 18, which will, if passed, give the Board authority to enter the deeds of release described in the notes to this document, is to put all potentially affected parties so far as possible in the position in which they were always intended to be had the Relevant Distribution been made in accordance with the requirements of the Act. Further detail is set out in the notes to Resolution 18 on pages 8 to 9.

In view of the interests of the Directors in the proposed transactions described in Resolution 18, shareholders should note that, as further described below, the Board cannot recommend that shareholders vote in favour of Resolution 18. However, the Board does recommend that shareholders, having considered the terms of this notice, vote on Resolution 18.

Poll voting

Each of the resolutions to be considered at the AGM will be voted on by way of a poll. This ensures that shareholders who are not able to attend the AGM, but who have appointed proxies, have their votes fully taken into account. The results of the polls will be announced to the London Stock Exchange and published on the Company's website as soon as possible after the conclusion of the AGM.

Recommendation

The Board considers that Resolutions 1 to 17 are in the best interests of the Company and its shareholders as a whole and recommends that you vote in favour of such resolutions, as the Directors intend to do in respect of their own beneficial holdings.

Given the interests of the Directors in the proposed transactions described in Resolution 18, and the fact that the entry by the Company into the Directors' Deed of Release (as defined in the notes to Resolution 18) in favour of such Directors will constitute a smaller related party transaction under LR11.1.10R of the Listing Rules, the Board cannot recommend that shareholders vote in favour of Resolution 18, but does recommend that shareholders vote on it. However, the Board notes that, in accordance with its obligations under the Listing Rules as a premium listed company proposing to engage in a smaller related party transaction, the Company has obtained a written confirmation from a Financial Conduct Authority approved sponsor firm that the terms of the proposed transaction or arrangement with the related party are fair and reasonable so far as the shareholders of the listed company are concerned.

As a result of their interests in its subject matter, the Directors will not vote on Resolution 18 and they have undertaken to take all reasonable steps to ensure that their associates will not vote on that resolution.

Yours faithfully,

Penny Hughes
Chairwoman

The Gym Group plc
Registered Office: Fifth Floor, No 1 Croydon, 12-16 Addiscombe Road, Croydon, CR0 0XT
Incorporated in England and Wales with company number 08528493

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of The Gym Group plc will take place at 11.00am on Monday 4 June 2018 at Allen & Overy LLP, One Bishops Square, London, E1 6AD to transact the business set out in the resolutions below.

Voting on all resolutions will be by way of a poll. Resolutions 1 to 13 will be proposed as ordinary resolutions; this means that for each of those ordinary resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 14 to 18 will be proposed as special resolutions; this means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Ordinary Resolutions

1. To receive the Annual Report and Accounts for the financial year ended 31 December 2017.
2. To approve the Annual Statement from the Remuneration Committee Chairman and the Annual Report on Remuneration for the financial year ended 31 December 2017 set out on pages 44 to 47 and pages 51 to 55 (inclusive) of the Company's Annual Report and Accounts for the financial year ended 31 December 2017.
3. To declare, by reference to the interim accounts for the three-month period to 31 March 2018 filed with the Registrar of Companies on 17 April 2018, a final dividend of 0.90p per share in respect of the year ended 31 December 2017 to be paid on 14 June 2018 to all shareholders on the register of members at the close of business on 25 May 2018.
4. To re-elect Penny Hughes as a Director.
5. To re-elect Paul Gilbert as a Director.
6. To re-elect John Treharne as a Director.
7. To re-elect Richard Darwin as a Director.
8. To re-elect David Kelly as a Director.
9. To re-elect Emma Woods as a Director.
10. To re-appoint Ernst & Young LLP as auditors until the conclusion of the next Annual General Meeting of the Company at which the accounts are laid.
11. To authorise the Audit and Risk Committee for and on behalf of the Board to determine the remuneration of the auditors.
12. THAT, in accordance with section 366 of the Companies Act 2006, the Company and all companies that are subsidiaries of the Company at the date on which this resolution is passed or at any time when this resolution has effect are generally and unconditionally authorised to:
 - (a) make political donations to political parties and/or independent election candidates not exceeding £30,000 in total;
 - (b) make political donations to political organisations other than political parties not exceeding £30,000 in total; and
 - (c) incur political expenditure not exceeding £30,000 in total,provided that the aggregate amount of such donations and expenditure shall not exceed £50,000 during the period beginning with the date of the passing of this resolution and ending on 30 June 2019 or, if sooner, the conclusion of the Annual General Meeting of the Company to be held in 2019.

For the purposes of this authority the terms 'political donation', 'political parties', 'independent election candidates', 'political organisation' and 'political expenditure' have the meanings given by sections 363 to 365 of the Companies Act 2006.
13. THAT:
 - (a) the Directors be authorised to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:
 - (i) in accordance with article 7 of the Company's Articles of Association, up to a maximum nominal amount of £4,275.69 (such amount to be reduced by the nominal amount of any equity securities (as defined in article 8 of the Company's Articles of Association) allotted under paragraph (ii) below in excess of £4,275.69); and
 - (ii) comprising equity securities (as defined in article 8 of the Company's Articles of Association) up to a maximum nominal amount of £8,551.33 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue (as defined in article 8 of the Company's Articles of Association);

Notice of Annual General Meeting continued

- (b) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, or, if earlier, at the close of business on 30 June 2019; and;
- (c) all previous unutilised authorities under section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

Special Resolutions

14. THAT, if Resolution 13 is passed and in accordance with article 8 of the Company's Articles of Association, the Directors be authorised to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority given by that resolution under section 551 of the Companies Act 2006 and/or to sell Ordinary shares held by the Company as treasury shares for cash, in either case as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be limited to:

- (a) allotments for rights issues (as defined in article 8(b)(ii) of the Company's Articles of Association) or;
- (b) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) having a nominal amount not exceeding in aggregate £641.35 (being not more than 5% of the issued Ordinary share capital of the Company as at the latest practicable date before publication of this notice),

such authority to expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (or, if earlier, at the close of business on 30 June 2019), but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

15. THAT, if Resolution 13 is passed, and in addition to any authority granted under Resolution 14, the Directors be authorised to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority given by Resolution 13 under section 551 of the Companies Act and/or to sell Ordinary shares held by the Company as treasury shares for cash, in either case as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be:

- (a) limited to the allotment of equity securities or sale of treasury shares having a nominal amount not exceeding in aggregate £641.35 (being not more than 5% of the issued Ordinary share capital of the Company as at the latest practicable date prior to publication of the notice of meeting); and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next Annual General Meeting of the Company after the passing of this resolution (or, if earlier, at the close of business on 30 June 2019) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

16. THAT the Company is generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of that Act) of Ordinary shares of £0.0001 each in the capital of the Company ('**Ordinary shares**') on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (a) the maximum number of such Ordinary shares that may be purchased by the Company under this authority shall not exceed 12,827,071;
- (b) the minimum price that may be paid by the Company for any Ordinary share purchased under this authority (exclusive of expenses payable by the Company in connection with the purchase) shall not be less than £0.0001, being the nominal value of each Ordinary share, and the maximum price which may be paid (exclusive of expenses payable by the Company in connection with the purchase) shall not be greater than the higher of an amount equal to:
 - (i) 105% of the average trading price of the Ordinary shares as derived from the middle market quotations for an Ordinary share on the London Stock Exchange Daily Official List for the five trading days immediately preceding the date on which that Ordinary share is purchased; and
 - (ii) the higher of the price of the last independent trade of an Ordinary share and the highest current independent bid for an Ordinary share as on the trading venue where the purchase is carried out;

- (c) this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2019, or, if earlier, on 30 June 2019 unless renewed before that time, provided that the Company may effect purchases following the expiry of such authority if such purchases are made pursuant to contracts for purchases of Ordinary shares which are entered into by the Company on or prior to the expiry of such authority; and
- (d) all existing authorities for the Company to make market purchases of Ordinary shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this resolution and which has not yet been executed.
17. THAT a general meeting (other than an Annual General Meeting) may be called on not less than 14 clear days' notice, provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company.
18. THAT:
- (a) the appropriations of distributable profits of the Company (as shown in the interim accounts of the Company for the three-month period to 31 March 2018 filed with the Registrar of Companies on 17 April 2018) to the payment of: (i) the final dividend for the financial year ended 31 December 2016 of 0.75p per Ordinary share, paid on 16 June 2017; and (ii) the interim dividend for the financial year ended 31 December 2017 of 0.3p per Ordinary share, paid on 29 September 2017 (the '**Relevant Distributions**') be and are authorised, each by reference to the same record date as the original record date for the Relevant Distributions;
- (b) any and all claims which the Company has or may have arising out of or in connection with the payment of the Relevant Distributions against its shareholders who appeared on the register of shareholders on the relevant record date for each Relevant Distribution (or the personal representatives and their successors in title (as appropriate) of a shareholder's estate if he or she is deceased) be waived and released, and a deed of release in favour of such shareholders (or the personal representatives and their successors in title (as appropriate) of a shareholder's estate if he or she is deceased) be entered into by the Company in the form produced to the Annual General Meeting and initialled by the Chairman for the purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a deed poll for and on behalf of the Company; and
- (c) any and all claims which the Company has or may have against each of its Directors (whether past, present or future) or the personal representatives and their successors in title (as appropriate) of his or her estate if such Director is deceased, arising out of or in connection with the approval, declaration or payment of the Relevant Distribution be waived and released and that a deed of release in favour of each such Directors (or the personal representatives and their successors in title of his or her estate if such Director is deceased), be entered into by the Company in the form produced to the Annual General Meeting and initialled by the Chairman for purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a deed poll for and on behalf of the Company.

By order of the Board

Richard Darwin
Company Secretary

18 April 2018

Registered Office: Fifth Floor, No 1 Croydon, 12-16 Addiscombe Road, Croydon, CR0 0XT
Incorporated in England and Wales with company number 08528493

Explanatory Notes to the Notice of Annual General Meeting

Resolutions 1 to 13 are being proposed as ordinary resolutions. For an ordinary resolution to be passed, a simple majority of the votes cast must be in favour of the resolution.

Resolutions 14 to 18 are being proposed as special resolutions. For a special resolution to be passed, at least 75% of the votes cast must be in favour of the resolution.

Resolution 1 – To receive the Annual Report and Accounts

The Directors are required to present the Company's Annual Report and Accounts (the '**2017 Annual Report**') to the AGM.

Resolution 2 – To approve the Directors' Remuneration Report

Under the Companies Act 2006 (the '**Act**'), the Directors must prepare an Annual Report detailing the remuneration of the Directors and a statement by the Chairman of the Remuneration Committee (together, the '**Directors' Remuneration Report**'). The Directors' Remuneration Report can be found on pages 44 to 47 and pages 51 to 55 (inclusive) of the 2017 Annual Report. The Act also requires that a resolution be put to shareholders each year for their approval of that report. Resolution 2 is an advisory vote only and the Directors' entitlement to remuneration is not conditional on it. No changes are proposed to the remuneration policy approved by shareholders at the Annual General Meeting held in 2016.

Resolution 3 – Final Dividend

The Board proposes a final dividend of 0.90p per share in respect of the year ended 31 December 2017 (the '**2017 Final Dividend**'). A payment of a dividend requires the Company to show that it has sufficient distributable profits to pay such dividend. The Company's accounts for the financial year ended 31 December 2017 do not show that the Company had, as at 31 December 2017, sufficient distributable profits to pay the 2017 Final Dividend. Following the distribution of dividends to the Company from its subsidiaries, however, as at the date of this notice the Company has sufficient distributable profits to pay the 2017 Final Dividend, as reflected in the interim accounts of the Company for the three-month period to 31 March 2018 (the '**2018 Interim Accounts**'). It is therefore proposed that the 2017 Final Dividend is paid by reference to the 2018 Interim Accounts, filed with the Registrar of Companies at Companies House on 17 April 2018, which demonstrate that the Company has sufficient distributable profits to pay the 2017 Final Dividend. If approved, the recommended final dividend will be paid on 14 June 2018 to all ordinary shareholders who are on the register of members on 25 May 2018. The shares will be marked ex-dividend on 24 May 2018.

Resolutions 4 to 9 – Re-election of Directors

The Company's Articles of Association require all Directors to retire at each Annual General Meeting and those wishing to serve again to submit themselves for re-election. Accordingly, Penny Hughes, Paul Gilbert, John Treharne, Richard Darwin, David Kelly and Emma Woods are retiring from office and are submitting themselves for re-election by the shareholders at the 2018 AGM.

The Board believes that each Director should be re-elected as they each have the requisite skills and experience, and demonstrate the necessary commitment, to contribute effectively to the deliberations of the Board. Additionally, the Chairwoman has confirmed that, following the formal performance evaluation, the performance of each Director continues to be effective and demonstrates commitment to the role. Separate resolutions are proposed for each Director in accordance with the Company's Articles of Association. Biographical details of each of the Directors appear on pages 36 and 37 of the 2017 Annual Report and are also available for viewing on the Company's website www.tgplc.com

Resolutions 10 and 11 – Re-appointment and remuneration of auditors

The Board, on the recommendation of the Audit and Risk Committee, is proposing the re-appointment of Ernst & Young LLP. Resolution 11 gives authority to the Audit and Risk Committee to determine the auditor's remuneration.

Resolution 12 – To authorise the Company to make political donations and incur political expenditure

Under the Act, political donations to any political parties, independent election candidates or political organisations other than political parties, or the incurring of political expenditure, are prohibited unless authorised by shareholders in advance. Aggregate donations made by the Group of £5,000 or less in any 12-month period will not be caught.

As the legislation is capable of wide interpretation, the terms 'political donation', a 'political party', a 'political organisation' or 'political expenditure' are not easy to define. For example, sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling public duties, and support for bodies representing the business community in policy review or reform, may fall within the scope of these matters.

Therefore, notwithstanding that the Company has not made a political donation in the past, and has no intention, either now or in the future, of making any political donation or incurring any political expenditure, the Board has decided to propose Resolution 12 in order to allow the Company to continue to support the community and put forward its views to wider business and government interests without running the risk of the Company or its subsidiaries inadvertently breaching the Act through the undertaking of routine activities.

As permitted under the Act, Resolution 12 also covers any political donations made, or political expenditure incurred, by all subsidiaries of the Company at the date on which this resolution is passed or at any time when this resolution has effect. Resolution 12 caps the amount of all forms of political donations and expenditure that the Company and its subsidiaries would be permitted to make at an aggregate of £50,000 and the authority will expire on the earlier of 30 June 2019 and the conclusion of the Annual General Meeting of the Company to be held in 2019.

Resolution 13 – To authorise the Directors to allot Ordinary shares

At the Annual General Meeting held in June 2017, shareholders authorised the Directors, under section 551 of the Companies Act 2006, to allot shares without the prior consent of shareholders for a period expiring at the conclusion of the 2018 Annual General Meeting or, if earlier, at the close of business on 30 June 2018. It is proposed to renew this authority and to give the Directors authority to allot shares or grant rights to subscribe for, or convert any security into, shares in the Company without the prior consent of shareholders until the conclusion of the next Annual General Meeting of the Company after the passing of the resolution, or, if earlier, at the close of business on 30 June 2019. Resolution 13 will be proposed as an ordinary resolution.

Paragraph (a)(i) of Resolution 13 will allow the Directors to allot Ordinary shares up to a maximum nominal amount of £4,275.69, representing approximately one-third (33.33%) of the Company's existing issued Ordinary share capital and calculated as at 18 April 2018 (being the latest practicable date prior to publication of this document). In accordance with institutional guidelines issued by the Investment Association, paragraph (a)(ii) of Resolution 13 will allow Directors to allot, including the Ordinary shares referred to in paragraph (a)(i) of Resolution 13, further of the Company's Ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £8,551.33, representing approximately two-thirds (66.67%) of the Company's existing issued Ordinary share capital and calculated as at 18 April 2018 (being the latest practicable date prior to publication of this document).

The Directors have no present intention of exercising this authority. If the Directors do exercise the authority, they intend to follow best practice as regards its use, as recommended by the Investment Association.

As at 18 April 2018, the Company held in treasury: (i) no Ordinary shares, and (ii) 48,050 non-voting Deferred Ordinary shares of £1 each..

Resolutions 14 and 15 – To authorise the Directors to disapply pre-emption rights (special resolutions)

Also at last year's meeting two separate special resolutions were passed, under sections 570 to 573 of the Companies Act 2006 and in line with institutional shareholder guidelines, empowering the Directors to allot equity securities for cash without first being required to offer such shares to existing shareholders. It is proposed that these authorities be renewed as set out in Resolutions 14 and 15.

Resolution 14 gives the Directors the power, in certain limited circumstances, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. Apart from in connection with rights issues and other pre-emptive offers, the power will be limited to the allotment of equity securities or sale of treasury shares for cash up to an aggregate nominal value of £641.35 (being approximately 5% of the issued Ordinary share capital of the Company as at the latest practicable date before publication of this notice). The Directors will have due regard to the Pre-Emption Group's Statement of Principles published on 12 March 2015 (the '**Statement of Principles**') in relation to any exercise of this power, in particular to the requirement for advance consultation and explanation before making non pre-emptive cash issues in excess of 7.5% of the share capital in any rolling three-year period (other than in connection with an acquisition or specified capital investment as described in the Statement of Principles). The authority will expire at the conclusion of the next Annual General Meeting of the Company or, 30 June 2019, whichever is earlier.

Resolution 15 gives the Directors additional limited power, in line with guidance issued by the Pre-emption Group, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. The power will be limited to the allotment of equity securities or sale of treasury shares for cash up to an aggregate nominal value of £641.35 (being approximately 5% of the issued Ordinary share capital of the Company as at the latest practicable date before publication of this notice) provided that the authority can only be used in connection with the financing or refinancing of an acquisition or specified capital investment (within the meaning given in the Statement of Principles) which is announced contemporaneously with the allotment or has taken place in the preceding six-month period and is disclosed in the announcement of the allotment. The Directors will have due regard to the Statement of Principles in relation to any exercise of this power. The authority will expire at the conclusion of the next Annual General Meeting of the Company or, 30 June 2019, whichever is earlier.

The authority granted by Resolution 15 would be in addition to the general authority to disapply pre-emption rights under Resolution 14. The maximum nominal value of equity securities which could be allotted if both authorities were used would be £1,282.70, which represents approximately 10% of the issued Ordinary share capital of the Company as at 18 April 2018 (being the latest practicable date prior to publication of this circular).

Resolution 16 – To approve the market purchase of the Company's own shares (special resolution)

A special resolution was also passed at last year's meeting empowering the Directors to purchase the Company's shares in the market. It is proposed that this authority be renewed. The Directors have no present intention of exercising the authority to purchase the Company's Ordinary shares but will keep the matter under review. The power given by the resolution will only be exercised if the Directors are satisfied that any purchase will increase the earnings per share of the Ordinary share capital in issue after the purchase and, accordingly, that the purchase is in the interests of shareholders. The Directors will also give careful consideration to gearing levels of the Company and its general financial position. The purchase price would be paid out of distributable profits.

The Act permits certain listed companies to hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by the company. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under the Company's employees' share schemes.

Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the treasury shares.

Explanatory Notes to the Notice of Annual General Meeting continued

If the Directors exercise the authority conferred by Resolution 16, they may consider holding those shares in treasury, rather than cancelling them. The Directors believe that holding shares in treasury would provide the Company with greater flexibility in the management of its share capital. The Directors will also consider using the treasury shares to satisfy share options/awards under the Company's employees' share schemes.

The maximum number of shares which may be purchased under the proposed authority will be 12,827,071 Ordinary shares representing approximately 10% of the issued Ordinary share capital of the Company at 18 April 2018 (being the latest practicable date before the date of this document). The price paid for shares will not be less than the nominal value. The price paid will not be more than the higher of 5% above the average of the middle-market quotation of the Company's Ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days preceding the day on which the shares are purchased and an amount equal to the higher of the price of the last independent trade of an Ordinary share and the highest current independent bid for an Ordinary share on the trading venue where the purchase is carried out.

As at 18 April 2018 (being the latest practicable date prior to the date of this circular), the total number of warrants over or options to subscribe for Ordinary shares that were outstanding was 2,613,227. The proportion of issued share capital that they represented at that time was 2.04% and the proportion of issued share capital that they will represent if the full authority to purchase shares (existing and being sought) is used is 2.26%. As at 18 April 2018 the Company did not hold any Ordinary shares in treasury.

Resolution 16 will be proposed as a special resolution to provide the Company with the necessary authority to purchase its own shares. If the resolution is passed, the authority will expire at the conclusion of the 2019 Annual General Meeting, or, if earlier, on 30 June 2019, unless renewed before that time.

Resolution 17 – Notice of general meetings other than Annual General Meetings (special resolution)

Under the Act, the notice period required for all general meetings of the Company is 21 clear days. Annual General Meetings will always be held on at least 21 clear days' notice but shareholders can approve a shorter notice period for other general meetings.

At last year's Annual General Meeting shareholders authorised the calling of general meetings (other than an Annual General Meeting) on not less than 14 clear days' notice, and it is proposed that this authority be renewed.

Resolution 17, if passed, authorises the calling of general meetings other than an Annual General Meeting on not less than 14 clear days' notice, and will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. The flexibility offered by this resolution will be used where, taking into account the circumstances and noting the recommendations of the UK Corporate Governance Code, the Directors consider this appropriate in relation to the business to be considered at the meeting and in the interests of the Company and shareholders as a whole.

Resolution 18 – Rectification of the Relevant Distributions (special resolution)

The Board has become aware of a technical issue in respect of the Company's procedures for the payment of: (i) the final dividend for the financial year ending 31 December 2016 (paid on 16 June 2017); and (ii) the interim dividend for the financial year ended 31 December 2017 (paid on 29 September 2017) (the '**Relevant Distributions**').

The Act provides that a public company may pay a dividend out of its distributable profits as shown in the last accounts circulated to members or, if interim accounts are used, those that have been filed at Companies House. At the time of the payment of the Relevant Distributions (totalling approximately £1,346,561 in aggregate), in each case the relevant accounts of the Company for the purposes of justifying the payment of dividends, being the previous set of annual audited accounts for the financial year ending 31 December 2016, did not show sufficient distributable profits available. The Board has therefore concluded that the Relevant Distributions were made otherwise than in accordance with the Act.

The Company has been advised that, as a consequence of the Relevant Distribution having been made otherwise than in accordance with the Act, it may have claims against past and present shareholders who received the Relevant Distributions to recover the amount paid by way of the dividends. The Company may also have claims against the Directors of the Company in office at the time the decision was taken to pay the Relevant Distributions or who have subsequently been appointed to the Board. The Board notes, however, that the Company has no intention to make any such claims against either its shareholders or its Directors. Therefore, we are undertaking a series of administrative steps in order to rectify this issue and put the Company's shareholders and the Directors, insofar as possible, in the position that was originally intended. Resolution 18 is being proposed as a special resolution in order to:

- (a) regularise the position and put the Company's shareholders and Directors into the position in which they were always intended to be;
- (b) authorise (by reference to the 2018 Interim Accounts) the appropriation of distributable profits to the payment of the Relevant Distributions;
- (c) waive any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions against those of its shareholders who appeared on the register of shareholders on the relevant record date for each Relevant Distribution (or the personal representatives and their successors in title of the estate of any deceased shareholders), such waiver to be effected by way of the entry by the Company into deeds of release with the shareholders (the '**Shareholders' Deed of Release**'); and

- (d) waive any and all claims which the Company may have against its Directors and the personal representatives (and their successors in title) of the estate of any deceased Directors, such waiver to be effected by way of the entry by the Company into deeds of release with the Directors (the '**Directors' Deed of Release**').

Copies of the Shareholders' Deed of Release and the Directors' Deed of Release will be available for inspection at the Company's registered office at Fifth Floor, No 1 Croydon, 12-16 Addiscombe Road, Croydon, CR0 0XT during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this notice up to and including the date of the Annual General Meeting.

The proposed authorisations and deeds of release described above will not have any effect on the Company's financial position because:

- (a) the aggregate amount of the Relevant Distributions is equal to and offset by the release of each shareholder (who received the Relevant Distributions) from the liability to repay the amount already paid, and the Company will not be required to make any further payments to shareholders in respect of the Relevant Distributions; and
- (b) the Company has not recorded or disclosed its right potentially to make claims against Directors or shareholders in respect of the Relevant Distributions as an asset or contingent asset of the Company.

Related parties – Smaller related party transaction

Each person who was a Director of the Company when the Relevant Distributions were paid or who is a current Director of the Company (being John Treharne, Richard Darwin, Paul Gilbert, Penny Hughes, David Kelly and Emma Woods) is deemed to be a 'related party' of the Company under the Listing Rules and is interested in the subject matter of Resolution 18. The entry by the Company into the Directors' Deed of Release in favour of such Directors will constitute a smaller related party transaction under LR11.1.10R of the Listing Rules. As a result of their interest in its subject matter, such current Directors will not vote on Resolution 18 and have undertaken to take all reasonable steps to ensure that their associates will not vote on that resolution.

As a smaller related party transaction, LR11.1.10R (2)(b) requires a premium listed company to obtain a written confirmation from a Financial Conduct Authority approved sponsor that the terms of the proposed transaction or arrangement with the related party are fair and reasonable so far as the shareholders of the listed company are concerned. The Board notes that the Company has obtained such a written confirmation prior to the date of this notice, and that such confirmation has not been withdrawn.

The tax position of UK shareholders in relation to the rectification of the Relevant Distributions

The Company has not sought and does not intend to seek confirmation from HM Revenue & Customs ('HMRC') regarding the tax position of UK resident shareholders in relation to the payment of the Relevant Distributions and to the steps that are now proposed to address the position. However, on the basis of the Company's understanding of HMRC's practice in relation to such matters, the Company does not expect the tax position of UK resident shareholders generally to be affected by any irregularity in the Relevant Distributions, so does not expect the passing of the Resolution 18 to affect the UK tax position of shareholders generally.

Any UK resident shareholder who has any doubt about his, her or its tax position should consult an independent professional adviser.

The tax position of non-UK shareholders in relation to the rectification of the Relevant Distributions

The Company has not sought and does not intend to seek confirmation from any tax authority outside the UK regarding the tax position of shareholders in relation to the payment of the Relevant Distributions and to the steps that are now proposed to address the position.

Any non-UK resident shareholder who has any doubt about his, her or its tax position should consult an independent professional adviser.

IMPORTANT NOTES

The following notes explain your general rights as a shareholder and your right to attend and vote at this Annual General Meeting or to appoint someone else to vote on your behalf.

1. Attending the Annual General Meeting in person

If you wish to attend the Annual General Meeting in person, you should arrive at the venue for the Annual General Meeting in good time to allow your attendance to be registered. It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity to the Company's registrar, Link Asset Services (the 'Registrar'), prior to being admitted to the Annual General Meeting.

2. Appointment of proxies

Members are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the Annual General Meeting. A proxy need not be a member of the Company but must attend the Annual General Meeting to represent a member. To be validly appointed, a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying Form of Proxy. If members wish their proxy to speak on their behalf at the meeting, members will need to appoint their own choice of proxy (not the Chair of the Annual General Meeting) and give their instructions directly to them.

Members can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Members cannot appoint more than one proxy to exercise the rights attached to the same share(s). If a member wishes to appoint more than one proxy, they should contact the Registrar by telephone on 0871 664 0300 (calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00-17:30, Monday to Friday, excluding public holidays in England and Wales) or by logging on to <https://www.signalshares.com>.

A member may instruct their proxy to abstain from voting on any resolution to be considered at the Annual General Meeting by marking the 'Vote Withheld' option when appointing their proxy. It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' or 'Against' the resolution.

The appointment of a proxy will not prevent a member from attending the Annual General Meeting and voting in person instead of the proxy if they wish. You must inform the Registrar in writing of any termination of the authority of a proxy.

A person who is not a member of the Company but who has been nominated by a member to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 10 below.

3. Appointment of a proxy online

As an alternative to appointing a proxy using the Form of Proxy or CREST (as described in notes 4 and 5 below), members can appoint a proxy online at: <https://www.signalshares.com>. In order to appoint a proxy using this website, members will need their Investor Code. This information is printed on the Form of Proxy. If for any reason a member does not have this information, they will need to contact the Registrar by telephone on 0871 664 0300 (calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00-17:30,

Monday to Friday, excluding public holidays in England and Wales). To be valid, online proxy appointments must be received by the Registrar no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting.

4. Appointment of a proxy using a Form of Proxy

A Form of Proxy for use in connection with the Annual General Meeting is enclosed. To be valid, a Form of Proxy or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting.

If you do not have a Form of Proxy and believe that you should have one, or you require additional Forms of Proxy, please contact the Registrar.

5. Appointment of a proxy through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the following website: www.euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available by logging in at www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA10) no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed (a) voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable,

their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

6. Appointment of proxy by joint holders

In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority shall be determined by the order in which the names of the joint holders stand in the Company's register of members in respect of the joint holding.

7. Corporate representatives

Any corporation which is a member can appoint one or more corporate representatives. Members can only appoint more than one corporate representative where each corporate representative is appointed to exercise rights attached to different shares. Members cannot appoint more than one corporate representative to exercise the rights attached to the same share(s).

8. Entitlement to attend and vote

To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), members must be registered in the Company's register of members at close of business on 31 May 2018 (or, if the Annual General Meeting is adjourned, at close of business on the day two days (excluding non-working days) prior to the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

9. Votes to be taken by a poll

At the Annual General Meeting all votes will be taken by a poll rather than on a show of hands.

It is intended that the results of the poll votes will be announced to the London Stock Exchange and published on the Company's website following the Annual General Meeting. Poll cards will be issued on registration to those attending the Annual General Meeting.

10. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the 'Act') to enjoy information rights (a 'Nominated Person') may, under an agreement between them and the member by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) on matters relating to their investments in the Company.

11. Website giving information regarding the Annual General Meeting

Information regarding the Annual General Meeting, including information required by section 311A of the Act, and a copy of this notice of Annual General Meeting is available from www.tggplc.com.

12. Audit concerns

Members should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the Act, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with the auditors of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

13. Right to require circulation of proposed resolution

Members satisfying the thresholds in section 338 of the Companies Act 2006 may require the Company to give, to members of the Company entitled to receive notice of the Annual General Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Annual General Meeting. A resolution may properly be moved at the Annual General Meeting unless

- (i) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise);
- (ii) it is defamatory of any person; or
- (iii) it is frivolous or vexatious.

A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the Annual General Meeting.

14. Right to require circulation of proposed resolution

Members satisfying the thresholds in section 338A of the Companies Act 2006 may request the Company to include in the business to be dealt with at the Annual General Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Annual General Meeting. A matter may properly be included in the business at the Annual General Meeting unless

- (i) it is defamatory of any person or
- (ii) it is frivolous or vexatious.

A request made pursuant to this right may be in hard copy or electronic form, must identify the matter to be included in the business, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the Annual General Meeting.

IMPORTANT NOTES continued

15. Voting rights

As at 18 April 2018 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 128,270,719 Ordinary shares, carrying one vote each. No Ordinary shares are held by the Company in treasury. The Company holds 48,050 non-voting Deferred Ordinary shares of £1 each in treasury. Therefore, the total voting rights in the Company as at 18 April 2018 were 128,270,719 votes.

16. Further questions and communication

Under section 319A of the Act, the Company must cause to be answered any question relating to the business being dealt with at the Annual General Meeting put by a member attending the meeting unless answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, or the answer has already been given on a website in the form of an answer to a question, or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Members who have any queries about the Annual General Meeting should contact the Company's Registrars, Link Asset Services by email at Shareholder.Services@linkgroup.com.uk or by telephone on 0871 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the

United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00–17:30, Monday to Friday, excluding public holidays in England and Wales.

Members may not use any electronic address or fax number provided in this notice or in any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

17. Documents available for inspection

The following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and English public holidays excepted) from the date of this notice until the conclusion of the Annual General Meeting and on the date of the Annual General Meeting at the location of the meeting from 9:00am until the conclusion of the Annual General Meeting:

17.1. copies of all contracts of service under which Directors are employed by the Company or any of its subsidiary undertakings; and

17.2. copies of the Letters of Appointment of the Non-Executive Directors of the Company.

Form of Shareholders' Deed of Release Deed Poll

This Deed Poll is made on [·] 2018

BY THE GYM GROUP PLC (registered number 08528493) whose registered office is at Fifth Floor, No 1 Croydon, 12-16 Addiscombe Road, Croydon, England, CR0 0XT (the '**Company**') in favour of the Recipient Shareholders (as defined below).

WHEREAS:

- (A) As explained in the Notice of Annual General Meeting addressed to the shareholders of the Company dated 18 April 2018 that is appended to this deed poll (the '**AGM Notice**'), the board of directors of the Company has become aware of a technical issue in respect of the Company's procedures for the payment of the 2016 final dividend of 0.75 pence per ordinary share of the Company paid on 16 June 2017 and the 2017 interim dividend of 0.3 pence per ordinary share of the Company paid on 29 September 2017 (the '**Relevant Distributions**').
- (B) The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Companies Act 2006, it may have claims against past and present shareholders who were recipients of the Relevant Distributions (or their personal representatives (and their successors in title) if they are deceased) (the '**Recipient Shareholders**').
- (C) Pursuant to the Resolution set out in the AGM Notice and duly passed by the Company's shareholders in the annual general meeting on 4 June 2018, the Company proposes to waive and release any and all claims which it has or may have in respect of the Relevant Distributions against the Recipient Shareholders and wishes to enter into this deed poll in favour of the Recipient Shareholders in order to effect the same.

THIS DEED POLL WITNESSES as follows:

1. RELEASE

The Company unconditionally and irrevocably waives and releases each of the Recipient Shareholders from any and all liability that any such Recipient Shareholder has or may have to the Company and all claims and demands the Company has or may have against each of them in connection with receipt by them of all or part of the Relevant Distributions.

2. GOVERNING LAW

This deed poll is governed by English law. Any non-contractual obligations arising out of or in connection with this deed poll shall be governed by English law.

IN WITNESS of which this deed poll has been executed and has been delivered on the date stated at the beginning of this deed poll.

EXECUTED as a deed poll by **The Gym Group plc**

acting by _____ ,) _____
a director) Director
[and acting by _____ ,) [_____
a director / the Company Secretary]) Director / Company Secretary]

[OR]

[in the presence of:

Witness's Signature: _____

Name of witness: _____

Address: _____

_____]

Form of Directors' Deed of Release Deed Poll

This Deed Poll is made on [-] 2018

BY THE GYM GROUP PLC (registered number 08528493) whose registered office is at Fifth Floor, No 1 Croydon, 12-16 Addiscombe Road, Croydon, England, CR0 0XT (the '**Company**') in favour of each of the current directors of the Company whose names are set out in the schedule to this deed (the '**Directors**') (or the personal representatives and their successors in title (as appropriate) of his or her estate if such Director is deceased).

WHEREAS:

- (A) As explained in the Notice of Annual General Meeting addressed to the shareholders of the Company dated 18 April 2018 that is appended to this deed poll (the '**AGM Notice**'), the board of directors of the Company has become aware of a technical issue in respect of the Company's procedures for the payment of the 2016 final dividend of 0.75 pence per ordinary share of the Company paid on 16 June 2017 and the 2017 interim dividend of 0.3 pence per ordinary share of the Company paid on 29 September 2017 (the '**Relevant Distributions**').
- (B) The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Companies Act 2006, it may have claims against each of the Directors (or the personal representatives and their successors in title (as appropriate) of his or her estate if such Director is deceased).
- (C) Pursuant to the Resolution set out in the AGM Notice and duly passed by the Company's shareholders in the annual general meeting on 4 June 2018, the Company proposes to waive and release any and all claims which it has or may have in respect of the Relevant Distributions against each of the Directors (or the personal representatives and their successors in title (as appropriate) of his or her estate if such Director is deceased) and wishes to enter into this deed poll in favour of the Directors and the personal representatives and their successors in title of the estate of any deceased Directors in order to effect the same.

THIS DEED POLL WITNESSES as follows:

1. RELEASE

The Company unconditionally and irrevocably waives and releases each of the Directors or the personal representatives and their successors in title (as appropriate) of his or her estate if such Director is deceased from any and all liability that any of them has or may have to the Company and all claims and demands the Company has or may have against each of them, including, without limitation, any derivative action from or on behalf of shareholders of the Company, in connection with the making of all or part of the Relevant Distributions.

2. GOVERNING LAW

This deed poll is governed by English law. Any non-contractual obligations arising out of or in connection with this deed poll shall be governed by English law.

IN WITNESS of which this deed poll has been executed and has been delivered on the date stated at the beginning of this deed poll.

EXECUTED as a deed poll by **The Gym Group plc**

acting by _____,)
a director) Director

[and acting by _____,)
a director / the Company Secretary) Director / Company Secretary]

[OR]

[in the presence of:

Witness's Signature: _____

Name of witness: _____

Address: _____

_____]

SCHEDULE 1

Directors

1. Penny Hughes
2. John Treharne
3. Richard Darwin
4. Paul Gilbert
5. David Kelly
6. Emma Woods



