

# MCG

Membership  
Collective  
Group

# Forward Looking Statements

## Forward Looking Statements

This presentation contains forward-looking statements that are based on management's beliefs and assumptions and on information currently available to management. In some cases, you can identify forward-looking statements by the following words: 'may,' 'will,' 'could,' 'would,' 'should,' 'expect,' 'intend,' 'plan,' 'anticipate,' 'believe,' 'estimate,' 'predict,' 'project,' 'potential,' 'continue,' 'ongoing,' 'targeting,' or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words.

These statements involve risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that these statements are based on a combination of facts and factors currently known by us and our projections of the future, about which we cannot be certain.

These assumptions and our future performance results involve risks and uncertainties (many of which are beyond our control). As a result of these risks, we cannot assure you that the forward-looking statements in this presentation will prove to be accurate. Furthermore, if the forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. You should evaluate all forward-looking statements made in this presentation in the context of the risks and uncertainties disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 2022, as filed with the Securities and Exchange Commission ("SEC"). All of the Company's SEC filings are available online at [www.sec.gov](http://www.sec.gov), [www.membershipcollectivegroup.com](http://www.membershipcollectivegroup.com) or upon request from Membership Collective Group Inc. The forward-looking statements included in this presentation are made only as of the date hereof. The Company undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Market data and industry information used throughout this presentation are based on management's knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management's review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable as of their respective dates, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

## Non-GAAP Financial Measures

This presentation contains certain financial measures, including Adjusted EBITDA, House-Level Contribution and Margin, Other Contribution and Margin, Net Debt and certain financial measures presented on a Constant Currency basis that are not required by, or presented in accordance with, accounting principles generally accepted in the United States of America ("GAAP"). We refer to these measures as 'non-GAAP financial measures.' We use these non-GAAP financial measures when planning, monitoring and evaluating our performance. While we believe that these non-GAAP financial measures are useful in evaluating our business, this information should be considered as supplemental in nature and is not meant as a substitute for revenues or net income (loss), in each case as recognized in accordance with GAAP. In addition, other companies may calculate one or more of these measures differently, which reduces the usefulness of any such measure as a comparative measure. See Appendix for a definition of these non-GAAP financial measures and a reconciliation to the most directly comparable GAAP financial measures.

The information in this presentation should be read in conjunction with our Quarterly Report on Form 10-Q and other information that we file with the SEC. The reconciliations of non-GAAP financial measures are an integral part of the information presented herein. You can access these documents on our website, [www.membershipcollectivegroup.com](http://www.membershipcollectivegroup.com), free of charge, as well as amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained on our website is not incorporated by reference into, and should not be considered a part of, this presentation. In addition, the SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers, including the Company, that file electronically with the SEC at [www.sec.gov](http://www.sec.gov).

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# Our Strategic Pillars Drive Everyday Decisions

I	Global Expansion of Soho Houses	 SOHO HOUSE	<p><b>On track to hit new House openings targets; Cities Without House (CWH) membership continues to grow</b></p> <ul style="list-style-type: none"> <li>• 5 new Soho Houses have opened year-to-date</li> <li>• We remain on track for 9 Soho Houses to open this year</li> <li>• CWH continues expansion into new regions - adding 10 new cities in Q2 2022</li> </ul>
II	Enhance Membership Value		<p><b>New Houses and unique experiences continued to deliver Soho House membership growth</b></p> <ul style="list-style-type: none"> <li>• New Houses continue to enhance the membership value</li> <li>• We also provide members with unique events. Our Coachella Desert House drove 1.6b impressions</li> <li>• Soho House members grew a record 11k / +9% QoQ; confident in achieving 160-165k full-year member target range</li> <li>• Record waitlist and high retention rates continue</li> </ul>
III	House Foundations (ESG)		<p><b>We are focused on creating a positive impact on the people around us, the lives of our members and the environment</b></p> <ul style="list-style-type: none"> <li>• Increased global sites separating food waste by 20%, meeting our 2022 goal early</li> <li>• Soho Mentorship launched in Brighton for the first time, as well as new cohorts in New York, Toronto, Chicago, London and Berlin</li> <li>• Grown the number of mentors and fellows ~70% since YE 2021</li> </ul>
IV	Operational Excellence Whilst Delivering Growth		<p><b>We are delivering operational excellence to drive profit and free cash flow</b></p> <ul style="list-style-type: none"> <li>• Adjusted EBITDA* of \$15.4m in Q2 2022 was up \$28m from Q2 2021</li> <li>• In-House revenues grew 140% versus Q2 2021</li> <li>• F&amp;B margins 230bps ahead of Q2 2019, despite inflationary pressures and supply issues</li> </ul>
V	Launch & Grow New Membership Brands		<p><b>We use our global membership platforms and team expertise to create new memberships</b></p> <ul style="list-style-type: none"> <li>• Have already welcomed ~700 members to the newly launched The Ned NoMad in New York</li> <li>• On track to open The Ned Doha in Q4 2022</li> <li>• Other business streams grew &gt;100% YoY driven by strong opening month at Scorpios Mykonos, Soho Home, and management fees</li> </ul>
VI	Drive Digital Experience		<p><b>We invest in technology to enhance members experiences and create new member acquisition opportunities</b></p> <ul style="list-style-type: none"> <li>• Soho.com accounts for all membership acquisition. Unique users grew 12% QoQ and 69% YoY</li> <li>• Proprietary members app 'SH.APP' has 150K active app users; 86% members use SH.APP</li> <li>• 39% QoQ growth in members using connection features</li> </ul>

\*Reconciliation of GAAP to non GAAP financial measures can be found in the Appendix

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# Today's Agenda

1

Houses, Members, Foundations

Nick Jones  
Founder & CEO

2

Operational Excellence, Other Brands, Digital

Andrew Carnie  
President

3

Q2 2022 Financial Performance

Thomas Allen  
CFO



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# On Track to Deliver Nine Unique Soho Houses in 2022



Soho House Nashville



Brighton Beach House



Holloway House



Little House Balham



Soho House Copenhagen



Miami Pool House



Soho House Stockholm



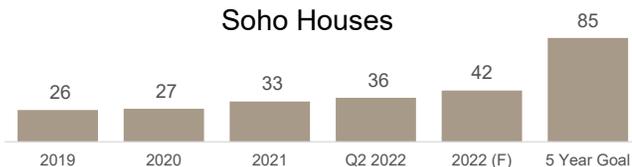
Soho House Mexico City



Soho House Bangkok

## Delivering our Pipeline in Line With Targets

- All houses are built with members and their experiences in mind
- We will continue to increase our footprint into creative hubs across the globe
- Successfully opened Holloway House in Los Angeles in Q2 2022
  - Soho House Nashville, Brighton Beach House, and Holloway House achieved member targets during Q2 2022
- Pipeline of additional openings on track
  - Little House Balham in South London and Soho House Copenhagen both opened in July
  - Miami Pool House, Stockholm, Mexico City and Bangkok are all expected to open in Q4 2022
- Targeting 8-10 new Soho Houses per year



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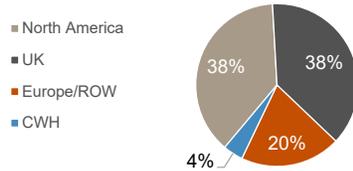


# Continue to Deliver on Soho House Membership Growth

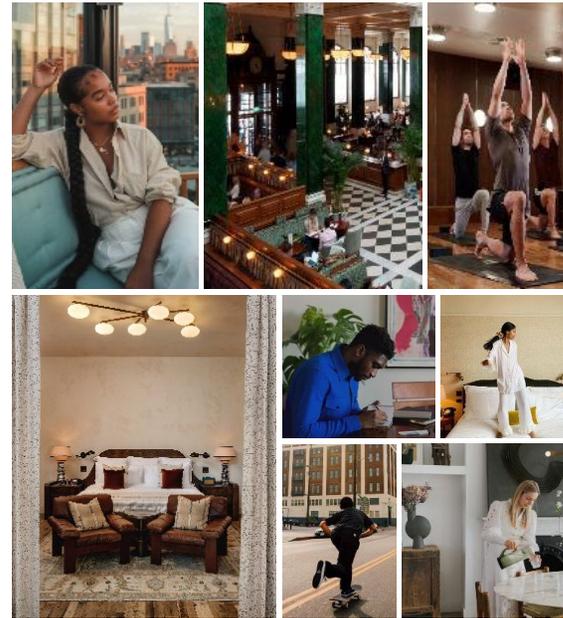
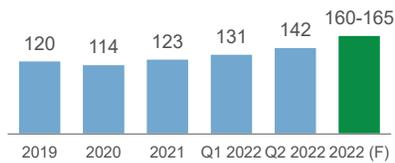
## Key Highlights

- We are a unique membership platform, led by Soho House. Membership is central to our business
- High retention underpins recurring and predictable revenue
- ~11K / 9% QoQ growth in Soho House members in Q2 2022. Remain well on track for YE 2022 target of 160-165k members
- Coachella big glow event for brand, led to 1.6b impressions
- Retention remained at ~95%, despite membership fee increases
- Demand remains strong, member waitlists continue to grow QoQ

## Soho House Members by Region



## Soho House Members ('000)



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# House Foundations, Our ESG Program

## Q2 2022 Highlights



### Environment - Reduce Waste:

- Increased global sites separating food waste by 20%, meeting our 2022 goal early
- With 850k Picantes expected to be sold in 2022, launched the Picante Hot Sauce diverting chilli offcuts from the famous cocktail garnish into a zero food waste solution for members
- Resourcing a circular design economy, redistributed over 250+ pieces of furniture and fabric to artists and charitable organisations across London



### Social - Soho Futures:

- 34 programs running globally, including Soho Mentorship and Soho Fellowship. 17 new cities launched in 2022
- Facilitating access to the creative industries for 815 young people through our social access programs (up from 478 at FY 2021)
- New partnerships include:
  - Grenfell Athletic FC for community affected by Grenfell Tower, London fire in 2017
  - The Academy of Motion Picture Arts and Sciences in LA for disabled screenwriters, our first ability inclusion initiative
- Soho Mentorship launching in Copenhagen in September 2022



by **2030**

- 1) Net-zero carbon in our Scope 1 & 2 emissions
- 2) 50% food and non-food waste reduction in our operations
- 3) Reduce use of environmentally harmful chemicals
- 4) 5% of Soho House membership intake to be part of a in creative access program
- 5) Drive an industry-leading D&I programme in our teams, supply chain and membership
- 6) Our commitment to learning, development and equal opportunities
- 7) 100,000 volunteer hours contributed by our teams annually
- 8) 100% food and beverage, textiles and materials aligned to our ethical procurement policies

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# Operational Excellence Whilst Driving Growth

I In the face of a complex operating environment, we were able to continue to drive improved results

II Adjusted EBITDA\* of \$15m, up \$28m versus Q2 2021 and \$13m versus Q1 2022

FX headwinds lowered revenue by ~\$10m and Adjusted EBITDA by ~\$1m

III In-House revenues grew 140% versus Q2 2021

Like-for-Like Q2 2022 RevPAR was up 40% versus Q2 2021 and 16% versus Q2 2019

US and UK outperformed compared to Europe / Asia, which still had some COVID effects

IV House-Level Contribution\* margins were 260bps higher than Q2 2021

F&B margins were 230bps higher than Q2 2019 despite a ~20% increase in food costs



\*Reconciliation of GAAP to non GAAP financial measures can be found in the Appendix

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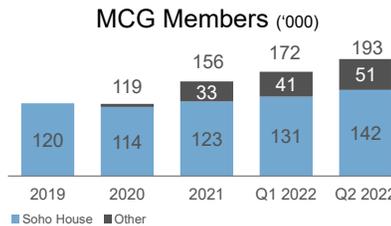
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# Launch and Grow New Membership Brands

- Other revenues increased \$34.8m / 104% YoY
- As of July 03, 2022, we had 193k total MCG members, up 12% QoQ and 51% YoY
  - Soho Friends membership grew to 38k, up 26% QoQ and 304% YoY
  - Demand remained strong as exhibited by MCG waitlist QoQ growth to 82k
- We opened The Ned NoMad in New York in June, already have ~700 members
- On track to open The Ned Doha in Q4 2022
- Scorpios Mykonos opened for the season in May with very strong results to date
- HOME+ members are integral to our growth; we are merging HOME+ into Friends to enhance the value for HOME+ members while increasing our share of wallet



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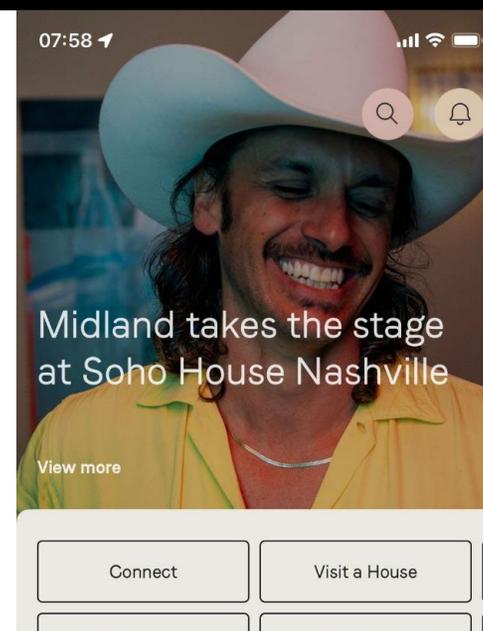
# Soho House Members are Highly Engaged Digitally

## Web Traffic

- sohouse.com is accountable for all membership acquisition
- Unique visitors to sohouse.com increased +12% QoQ and 69% YoY

## SH.APP

- 150K active app users, up 21% QoQ and 59% YoY
- 86% of our members use SH.APP, logging in 19 times on average across the quarter
- 75% of all bookings in Q2 2022 made through the SH.APP
- Soho Connect has been introduced to all House members, with a view to optimise it in preparation for launching of digital membership
  - 39% QoQ growth in members using connection features



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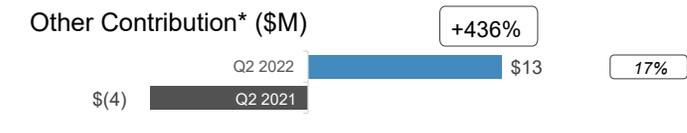
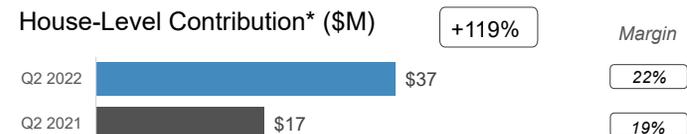
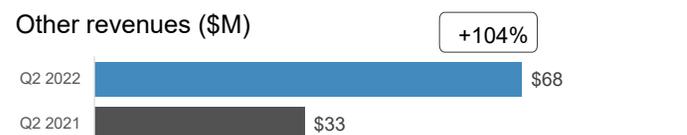
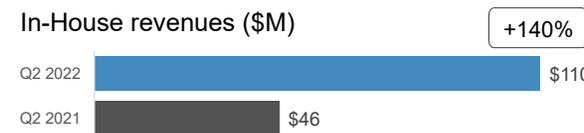
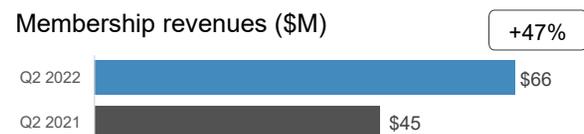
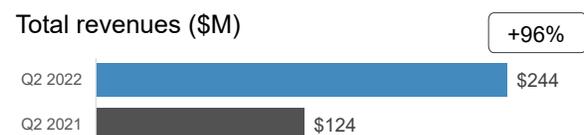
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# Q2 2022 Financial Highlights



\*For non-GAAP financial measures, please refer to the Appendix for a reconciliation to the most directly comparable GAAP financial measure.



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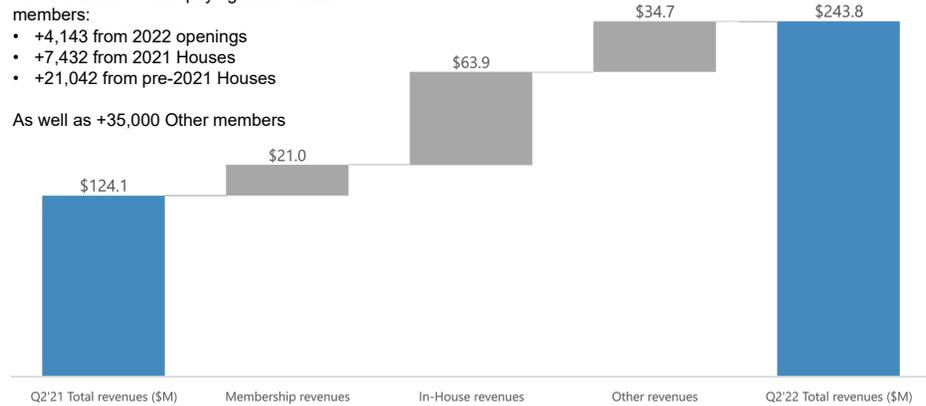
# Q2 2022 YoY Revenue Bridge

Year-on-year growth in Total revenues was driven by continued strong membership growth and recovery of In-House revenues and Other revenues. Record membership growth and strong footfall in both new and legacy Houses led to QoQ revenue growth for the sixth consecutive quarter

YoY Increase in Adult paying Soho House members:

- +4,143 from 2022 openings
- +7,432 from 2021 Houses
- +21,042 from pre-2021 Houses

As well as +35,000 Other members



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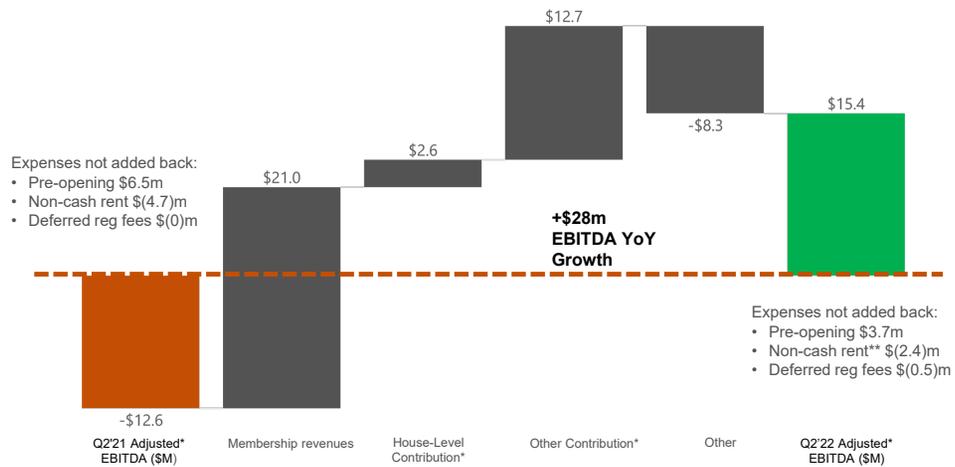
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# Q2 2022 YoY Adjusted EBITDA Bridge



\*For non-GAAP financial measures, please refer to the Appendix for a reconciliation to the most directly comparable GAAP financial measure.  
 \*\* Non-cash rent for the 13 weeks ended July 3, 2022 includes an out of period operating lease liability adjustment of \$6,185. If this was excluded, Non-cash rent would have been \$3,772.



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# Balance Sheet and Capitalization

## Cash and Debt as of July 3, 2022

Total Cash and Cash Equivalents (including Restricted cash)	\$266M
Total Debt	\$710M
Net Debt*	\$444M

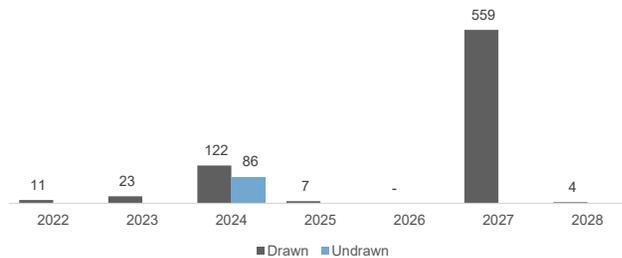
## Balance Sheet Highlights

- Repurchased \$17 million of shares in Q2 2022
- Anticipate full year 2022 total capital investments to be in line with 2021

## Key uses of cash in Q2 2022

- \$(15)M capital expenditure
- \$(17)M share repurchase

Loan Expiry Profile \$M's



\*For non-GAAP financial measures, please refer to the Appendix for a reconciliation to the most directly comparable GAAP financial measure.

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## FY 2022 Membership and Revenue Guidance

Full-Year 2021 Results	Previous Guidance	2022 Guidance as of August 17, 2022**	2022 Guidance vs. Full-Year 2021
<b>Soho House Members</b> <b>122,800</b>	<b>Total Soho House Members</b> <b>160,000-165,000</b>	<b>Total Soho House Members</b> <b>Unchanged</b>	<b>30% – 34%</b>
<b>Total Membership Revenues</b> <b>\$189M</b>	<b>Total Membership Revenues</b> <b>\$270M – \$280M</b>	<b>Total Membership Revenues</b> <b>\$265M – \$275M</b>	<b>40% – 45%</b>
<b>Total Revenues</b> <b>\$561M</b>	<b>Total Revenues</b> <b>\$950M – \$1,025M</b>	<b>Total Revenues</b> <b>\$910M – \$985M</b>	<b>62% – 76%</b>
<b>Adjusted EBITDA*</b> <b>\$(24)M</b>	<b>Adjusted EBITDA</b> <b>\$80M – \$90M</b>	<b>Adjusted EBITDA</b> <b>\$70M – \$80M</b>	<b>N/A</b>

\*without adding back pre-opening costs, non cash rent and deferred registration fees of ~\$40 million combined for fiscal 2022 as a whole.

\*\*Assumes EUR/USD at 1.02 and GBP/USD at 1.21 for H2 2022, to reflect prevailing rate

We provide earnings guidance using both GAAP and non-GAAP financial measures. A reconciliation of the Company's Adjusted EBITDA guidance to the most directly comparable GAAP financial measure cannot be provided without unreasonable efforts and is not provided herein because of the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including adjustments that are made for future changes in foreign exchange and the other adjustments reflected in our reconciliation of historical non-GAAP financial measures, the amounts of which, could be material.

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# MCG: The Only Global Membership Platform



**Unique membership platform** – led by core Soho House brand

**Multiple revenue contributors** – driven by membership and in-house revenues

**Membership with high retention** – underpins recurring and predictable revenue

**Asset light growth driven by scalability** – international expansion of portfolio

**Growing contribution of ancillary brands** – Home, Works, Friends



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# Appendix



## Supplemental Materials and Reconciliations to GAAP Measures



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# Key Performance and Operating Metrics Evaluated by Management

<b>Number of Soho Houses</b>	The number of Soho Houses reflects the total number of Soho Houses in operation in any period, irrespective of whether each House is (i) controlled by us, (ii) operated through a non-controlling interest in a joint venture or (iii) operated through a management contract. We review the number of members from all Houses to assess new member growth, total House Revenues, and House-Level Contribution.
<b>Number of Soho House Members</b>	Member count is the primary driver of Membership Revenues and is also a critical factor in In-House Revenues as members utilize the offerings that are provided within the Houses. Soho House members include all active, frozen and non-paying members.
<b>Soho House Member Retention</b>	Soho House Member Retention is defined as the number of Adult Paying Members at the beginning of a period less the number of Adult Paying Members who cancelled their membership during that same period (without giving any effect to Adult Paying Members who froze their memberships during such period), as a proportion of total Adult Paying Members at the beginning of such period.
<b>Number of Other Members</b>	Other members include members of Soho Works club, Soho Friends and SOHO HOME+ and are key to our growth strategy and enhancing our Soho House member experience. Like Soho House members, other memberships are an integral part of our business, and we believe will have a significant impact on our profitability and financial performance in the future.
<b>Frozen Members</b>	Frozen members refers to Soho House members who have elected to suspend their membership payments on a six-, nine- or twelve-month basis during which period the member is not able to gain access to a Soho House site as a member, access our membership Apps, or book bedrooms or Cowshed treatments or products on discounted member rates. Frozen Members are not included in Adult Paying Members but are included in the total number of Soho House members.
<b>Membership Revenues</b>	Membership Revenues are comprised of House Membership Revenues (as defined below) and Non-House Membership Revenues (as defined below). House Membership Revenues and Non-House Membership Revenue are each comprised primarily of annual membership fees and one-time registration fees which are amortized over 20 years. Membership Revenues are a function of the number of members, membership mix, and membership pricing. For GAAP, we report Membership Revenues only from Houses and sites in which we own a controlling interest. Our membership pricing varies by geographic segment and membership offering and, as such, our mix of House and Soho Works club openings can affect our revenue growth and profitability over time. Prices are generally higher in North America and the rest of the world compared with the UK and Europe. Membership Revenues provide a stable and recurring source of revenues which have few direct costs and, as such, is a reliable and predictable source of cash flow.

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## Key Performance and Operating Metrics Evaluated by Management (cont'd)

<b>House Introduction Credits</b>	New members admitted after April 4, 2022 are required to purchase House Introduction Credits as part of their membership, per the House Rules. House Introduction Credits are of a value equivalent to cash within Houses and will be redeemable against purchases of food and beverage items, and bedroom stays, at the Houses. House Introduction Credits will be usable in the first three months from the date they are issued before expiring, where legally permitted, if not utilized or if the Company terminates a member's House membership. House Introduction Credits are recognized upon issuance as deferred revenue on our unaudited condensed consolidated balance sheets. Revenue from House Introduction Credits are recognized as In-House revenues when redeemed by members, and as breakage revenue within Membership revenues upon expiration or in the period that we are able to reliably estimate expected breakage. House Introduction Credits expire three months from the date of issue
<b>House Membership Revenues</b>	House Membership Revenues are comprised primarily of annual membership fees and one-time legacy registration fees from Soho House members which are amortized over 20 years. The one-time registration fee is no longer applicable to new members admitted from April 4, 2022, see House Introduction Credits above.
<b>In-House Revenues</b>	In House Revenues refer to all revenues realized within our Houses, and primarily includes revenues from food and beverage, accommodation, and spa products and treatments.
<b>House Revenues</b>	House Revenues is defined as House Membership Revenues plus In-House Revenues, less Non-House Membership Revenues. Our management views House Membership Revenues and In-House Revenues as interrelated and their aggregation as important in tracking House performance. Although there is no minimum spend for any member on In-House offerings, nevertheless in practice most members consume food and beverage, accommodations and other offerings at our Houses. The pricing of our In-House offerings is reflective of the fact that the significant majority of In-House offerings that generate In-House revenues are consumed by members who also pay a membership fee in relation to that House, with pricing of such In-House offerings being identical for both members and non-members.
<b>Other Revenues</b>	Other Revenues are defined as total revenues that are not realized within our Houses, including revenues from Scorpios, Soho Works and our stand-alone restaurants, procurement fees from Soho House Design, Soho Home and Cowshed retail products and other revenues from products and services that we provide outside of our Houses, as well as management fees from the Ned.
<b>Non-House Membership Revenues</b>	Non-House Membership Revenues are comprised of Soho Works membership revenue, Soho Friends membership revenue and SOHO HOME+ membership revenue.

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# Key Performance and Operating Metrics Evaluated by Management (cont'd)

<b>Active App Users</b>	Active App Users is defined as unique users who have logged into any of our membership Apps within the last three months.
<b>House-Level Contribution and Margin</b>	House-Level Contribution is defined as House Revenues less In-House Operating Expenses, which includes expense items such as food and beverage costs, labor costs, variable overheads and fixed costs, such as rent. It does not reflect the impact of depreciation, amortization, impairment, gain or loss on sale of property, or general and administrative expenses. House-Level Contribution Margin is defined as House-Level Contribution as a percentage of our House Revenues and is a key determinant of our performance and profitability and our return on the investment we make in each of our Houses. Our management considers House-Level Contribution and House-Level Contribution Margin to be an important management measure to evaluate the performance and profitability of each House, and growth in aggregate House-Level Contribution allows us to leverage our general and administrative costs and improve overall profitability.
<b>Other Contribution and Margin</b>	Other Contribution is defined as Other Revenues less Other Operating Expenses, which includes expense items not related to the operation of Houses, such as labor costs, variable overheads and fixed costs, such as rent. It does not reflect the impact of depreciation, amortization, impairment, gain or loss on sale of property, or general and administrative expenses. Other Contribution Margin defined as Other Contribution as a percentage of our Other Revenues and is a key determinant of our performance and profitability and our return on the investment in our non-House business. Our management considers Other Contribution and Contribution Margin to be an important management measure.
<b>Adult Paying Members</b>	Adult Paying Members refers to all Soho House members excluding child members and complimentary members.
<b>Net Debt</b>	Net Debt reflects the total debt, comprising long-term debt, property mortgage loans and related party loans, less cash, cash equivalents and restricted cash. Net Debt is an important measure to monitor leverage and evaluate the balance sheet. A limitation associated with using Net Debt is that it subtracts cash, cash equivalents and restricted cash and therefore may imply that there is less Company debt than the most comparable GAAP measure indicates. Management believes that investors may find it useful to monitor leverage and evaluate the balance sheet.
<b>Revenue Per Available Room (RevPAR)</b>	The key industry standard for measuring hotel-operating performance is RevPAR, which is calculated by multiplying the percentage of occupied rooms by the average daily room rate realized.

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# Consolidated Statement of Operations

(in thousands except for per share data)	For the 13 Weeks Ended	
	July 3, 2022	July 4, 2021
<b>Revenues</b>		
Membership revenues	\$ 65,889	\$ 44,863
In-House revenues	109,685	45,793
Other revenues	68,196	33,423
Total revenues	243,770	124,079
<b>Operating expenses</b>		
In-House operating expenses (exclusive of depreciation and amortization of \$14,136 and \$15,828 for the 13 weeks ended July 3, 2022 and July 4, 2021, respectively, and of \$27,851 and \$26,690 for the 26 weeks ended July 3, 2022 and July 4, 2021, respectively)	(131,673)	(70,430)
Other operating expenses (exclusive of depreciation and amortization of \$8,552 and \$6,077 for the 13 weeks ended July 3, 2022 and July 4, 2021, respectively, and of \$17,668 and \$13,060 for the 26 weeks ended July 3, 2022 and July 4, 2021, respectively)	(62,758)	(40,685)
General and administrative expenses	(26,647)	(19,500)
Pre-opening expenses	(3,741)	(6,493)
Depreciation and amortization	(22,688)	(21,905)
Share-based compensation	(4,274)	(2,548)
Foreign exchange loss, net	(57,176)	(1,055)
Other	(301)	(8,323)
Total operating expenses	(309,258)	(170,939)
<b>Operating loss</b>	(65,488)	(46,860)
<b>Other (expense) income</b>		
Interest expense, net	(18,778)	(17,018)
(Loss) Gain on sale of property and other, net	(122)	6,903
Share of income (loss) of equity method investments	1,342	(130)
Total other expense, net	(17,558)	(10,245)
<b>Loss before income taxes</b>	(83,046)	(57,105)
Income tax (expense) benefit	(509)	(3)
<b>Net loss</b>	<b>(83,555)</b>	<b>(57,108)</b>
Net loss attributable to noncontrolling interests	1,596	1,121
<b>Net loss attributable to Membership Collective Group Inc.</b>	<b>\$ (81,959)</b>	<b>\$ (55,987)</b>
Net loss per share attributable to Class A and Class B common stock		
Basic and diluted (Note 15)	\$ (0.41)	\$ (0.43)

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# Consolidated Statement of Cash Flows

<i>(in thousands)</i>	For the 26 Weeks Ended	
	July 3, 2022	July 4, 2021
<b>Cash flows from operating activities</b>		
Net loss	\$ (144,181)	\$ (150,145)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	45,519	39,750
Non-cash share-based compensation (Note 13)	11,605	4,677
Deferred tax benefit	(560)	(482)
Gain on sale of property and other, net	(1,541)	(6,903)
Share of (profit) loss of equity method investments	(1,740)	826
Amortization of debt issuance costs	2,344	2,017
Loss on debt extinguishment	—	9,126
PIK interest (settled), net of non-cash interest	16,886	(77,502)
Distributions from equity method investees	573	—
Foreign exchange loss, net	74,250	15,922
Changes in assets and liabilities:		
Accounts receivable	(17,610)	(1,095)
Inventories	(20,229)	(3,427)
Operating leases, net	16,608	13,304
Other operating assets	(41,249)	(17,011)
Deferred revenue	21,724	(2,782)
Accounts payable and accrued and other liabilities	51,262	79,505
Net cash provided by (used in) operating activities	<u>13,661</u>	<u>(94,220)</u>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(33,799)	(36,941)
Proceeds from sale of assets	665	—
Purchase of intangible assets	(11,112)	(4,993)
Cash acquired in the Cipura Acquisition	—	559
Acquisition of noncontrolling interests	—	(8,653)
Net cash used in investing activities	<u>(44,246)</u>	<u>(50,028)</u>

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## Consolidated Statement of Cash Flows (Cont.)

<i>(in thousands)</i>	For the 26 Weeks Ended	
	July 3, 2022	July 4, 2021
<b>Cash flows from financing activities</b>		
Repayment of borrowings (Note 11)	(540)	(508,386)
Payment for debt extinguishment costs (Note 11)	—	(4,109)
Issuance of related party loans	3,217	1,529
Proceeds from borrowings (Note 11)	104,829	456,635
Payments for debt issuance costs	(1,860)	(12,994)
Principal payments on finance leases	(137)	(117)
Principal payments on financing obligation	(779)	(660)
Distributions to noncontrolling interest	(364)	(133)
Contributions from noncontrolling interest	—	644
Senior convertible preference shares issued, net of issuance costs (Note 14)	—	161,574
Purchase of treasury stock (Note 15)	(19,508)	—
Proceeds from issuance of SHHL redeemable C ordinary shares, net of issuance costs (Note 14)	—	47,000
Additional IPO costs	(269)	—
Net cash provided by financing activities	<u>84,589</u>	<u>140,983</u>
Effect of exchange rate changes on cash and cash equivalents, and restricted cash	(8,340)	242
Net increase (decrease) in cash and cash equivalents, and restricted cash	<u>45,664</u>	<u>(3,023)</u>
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of period	220,662	59,970
End of period	<u>\$ 266,326</u>	<u>\$ 56,947</u>

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# Reconciliation of GAAP to Non-GAAP Financial Measures

A reconciliation of Net loss to Adjusted EBITDA, and Reconciliation of Operating loss House-Level Contribution & Other Contribution for the 13 weeks ending July 3, 2022 and July 4, 2021 is set forth below:

For the 13 Weeks Ended			For the 13 Weeks Ended			For the 13 Weeks Ended		
	July 3, 2022	July 4, 2021	July 3, 2022	July 4, 2021	July 3, 2022	July 4, 2021	July 3, 2022	July 4, 2021
	Actuals (Unaudited, dollar amounts in thousands, except share and per share amounts or unless otherwise noted)		Actuals (Unaudited, dollar amounts in thousands)		Actuals (Unaudited, dollar amounts in thousands)		Actuals (Unaudited, dollar amounts in thousands)	
<b>Net loss</b>	\$ (83,555)	\$ (57,108)	<b>Operating loss</b>	\$ (65,488)	\$ (46,860)	<b>Operating loss</b>	\$ (65,488)	\$ (46,860)
Depreciation and amortization	22,688	21,905	General and administrative	26,647	19,500	General and administrative	26,647	19,500
Interest expense, net	18,778	17,018	Pre-opening expenses	3,741	6,493	Pre-opening expenses	3,741	6,493
Income tax expense	509	3	Depreciation and amortization	22,688	21,905	Depreciation and amortization	22,688	21,905
<b>EBITDA</b>	(41,580)	(18,182)	Share-based compensation	4,274	2,548	Share-based compensation	4,274	2,548
Loss (gain) on sale of property and other, net	122	(6,903)	Foreign exchange loss, net	57,176	1,055	Foreign exchange loss, net	57,176	1,055
Share of (profit) loss of equity method investments	(1,342)	130	Other	301	8,323	Other	301	8,323
Foreign exchange <sup>(2)</sup>	57,176	1,055	Non-House membership revenues	(7,269)	(3,483)	House membership revenues	(58,620)	(41,380)
Share of equity method investments adjusted EBITDA	2,365	1,456	Other revenues	(68,196)	(33,423)	In-House revenues	(109,685)	(45,793)
Share-based compensation expense <sup>(2)</sup>	4,274	2,548	Other operating expenses	62,758	40,685	In-House operating expenses	131,673	70,430
Membership credits expense <sup>(3)</sup>	555	1,404	<b>House-Level Contribution</b>	<u>\$ 36,632</u>	<u>\$ 16,743</u>	<b>Total Other Contribution</b>	<u>\$ 12,707</u>	<u>\$ (3,779)</u>
COVID-19 related charges <sup>(4)</sup>	—	(272)	Operating loss margin	(27)%	(38)%	Operating loss margin	(27)%	(38)%
Corporate financing and restructuring costs <sup>(5)</sup>	—	6,208	House-Level Contribution Margin	22%	19%	Other Contribution Margin	17%	(10)%
Out of period operating lease liability adjustment <sup>(6)</sup>	(6,185)	—						
<b>Adjusted EBITDA</b>	<u>\$ 15,385</u>	<u>\$ (12,556)</u>						

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# Reconciliation of GAAP to Non-GAAP Financial Measures

A reconciliation of Net Debt as of July 3, 2022 and July 4, 2021 is set forth below:

	As of		Percentage change	
	July 3, 2022	July 4, 2021	Actuals	Constant Currency
Current portion of debt, net of debt issuance costs	\$ 11,133	\$ 96,678	(88)%	(87)%
Debt, net of current portion and debt issuance costs	559,631	457,169	22%	40%
Property mortgage loans, net of debt issuance costs	115,845	114,773	1%	15%
Current portion of related party loans	423	592	(29)%	(18)%
Related party loans, net of current portion and imputed interest	23,060	19,011	21%	38%
<b>Total debt</b>	710,092	688,223	3%	18%
Cash and cash equivalents	(259,065)	(48,980)	n/m	n/m
Restricted cash	(7,261)	(7,967)	9%	(4)%
<b>Net Debt</b>	<b>\$ 443,766</b>	<b>\$ 631,276</b>	<b>(30)%</b>	<b>(20)%</b>

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# Soho House Portfolio

# Houses	# Countries	House Name	Country	Territory	Opening	Years of Operation	Club Space	Bedrooms	Screening Room	Gym/Health Club	Spa	Pool	Public F&B/Friends Studio	Beach
1	1	40 Greek Street	UK	UK	Jan-95	27	✓	-	-	-	-	-	-	-
2	1	Babington House	UK	UK	Sep-98	23	✓	33	✓	✓	✓	✓	-	-
3	1	Electric House	UK	UK	Apr-02	20	✓	-	✓	-	-	-	✓	-
4	2	Soho House New York	USA	Americas	Jun-03	19	✓	44	✓	-	✓	✓	-	-
5	2	High Road House	UK	UK	Jul-06	16	✓	14	-	-	-	-	✓	-
6	2	Shoreditch House	UK	UK	Jun-07	15	✓	26	-	✓	✓	✓	-	-
7	2	Soho House West Hollywood	USA	Americas	Mar-10	12	✓	-	✓	-	-	-	-	-
8	3	Soho House Berlin	Germany	Europe	May-10	12	✓	89	✓	✓	✓	✓	✓	-
9	3	Soho Beach House Miami	USA	Americas	Oct-10	11	✓	49	✓	✓	✓	✓	✓	✓
10	3	Little House Mayfair	UK	UK	Apr-12	10	✓	-	-	-	-	-	-	-
11	4	Soho House Toronto	Canada	Americas	Oct-12	9	✓	-	-	-	-	-	-	-
12	4	Soho House Chicago	USA	Americas	Aug-14	7	✓	40	✓	✓	✓	✓	✓	-
13	5	Soho House Istanbul	Turkey	Europe	Apr-15	7	✓	87	✓	✓	✓	✓	✓	-
14	5	Soho Farmhouse	UK	UK	Jun-15	7	✓	114	✓	✓	✓	✓	-	-
15	5	76 Dean Street	UK	UK	Aug-15	6	✓	-	✓	-	-	-	-	-
16	5	Little Beach House Malibu	USA	Americas	May-16	6	✓	-	-	-	-	-	-	✓
17	5	Ludlow House	USA	Americas	Jul-16	6	✓	-	-	-	-	-	-	-
18	6	Soho House Barcelona	Spain	Europe	Oct-16	5	✓	57	✓	✓	✓	✓	✓	-

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## Soho House Portfolio (cont'd)

# Houses	# Countries	House Name	Country	Territory	Opening	Years of Operation	Club Space	Bedrooms	Screening Room	Gym/Health Club	Spa	Pool	Public F&B/ Friends Studio	Beach
19	6	Kettner's	UK	UK	Jan-18	4	✓	33	-	-	-	-	✓	-
20	6	White City House	UK	UK	May-18	4	✓	45	✓	✓	✓	✓	✓	-
21	6	DUMBO House	USA	Americas	May-18	4	✓	-	-	-	-	✓	✓	-
22	7	Soho House Amsterdam	The Netherlands	Europe	May-18	4	✓	79	✓	✓	✓	✓	✓	-
23	7	Little Beach House Barcelona	Spain	Europe	Aug-18	3	✓	17	-	-	✓	-	-	✓
24	8	Soho House Mumbai	India	Asia	Nov-18	3	✓	38	✓	✓	✓	✓	✓	✓
25	9	Soho House Hong Kong	Hong Kong	Asia	Sep-19	2	✓	-	✓	✓	-	✓	-	-
26	9	Soho Warehouse, DTLA	USA	Americas	Oct-19	2	✓	48	-	✓	-	✓	-	-
27	10	Soho Roc House	Greece	Europe	Jul-20	2	✓	44	-	✓	-	✓	-	✓
28	11	Soho Beach House Canouan	St Vincent & The Grenadines	Americas	Apr-21	1	✓	40	✓	✓	-	-	-	✓
29	11	180 House	UK	UK	Apr-21	1	✓	-	-	-	-	✓	✓	-
30	11	Soho House Austin	USA	Americas	May-21	1	✓	46	✓	-	-	✓	-	-
31	12	Soho House Tel Aviv	Israel	Europe	Aug-21	0	✓	24	✓	-	-	✓	-	-
32	13	Soho House Paris	France	Europe	Sep-21	0	✓	36	✓	✓	-	✓	-	-
33	14	Soho House Rome	Italy	Europe	Oct-21	0	✓	49	✓	✓	✓	✓	✓	-
34	14	Soho House Nashville	USA	Americas	Feb-22	0	✓	47	✓	✓	-	✓	-	-
35	14	Brighton Beach House	UK	UK	Mar-22	0	✓	-	-	-	-	✓	✓	✓
36	14	Holloway House	USA	Americas	May-22	0	✓	34	-	-	-	-	-	-
37	14	Little House Balham	UK	UK	Jul-22	0	✓	-	-	-	-	-	-	-
38	15	Soho House Copenhagen	Denmark	Europe	Jul-22	0	✓	-	-	-	-	-	-	-

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# Summary on Other Businesses

## Soho Works

- London
  - 180 Works
  - Dean Street Works
  - Shoreditch Works
  - White City
  - Redchurch Works
- North America
  - 875 Washington Works, NYC
  - 55 Water Works, NYC
  - 10 Jay Works, NYC
  - 9000 Sunset Works, Los Angeles

## Soho Home

- Chelsea, London
- Meatpacking District, NYC
- The Apartment, Carnaby St, London
- Bicester Village, Oxfordshire, UK
- Westbourne Grove, London

## Scorpios

- Mykonos, Greece

## Soho Friends

- London Studios (6)
- Chicago Studio
- Berlin Studio
- Barcelona Studio
- Mumbai
- Hong Kong

## The Line

- Los Angeles
- Washington, DC
- Austin

## Saguaro

- Scottsdale
- Palm Springs

## The Ned

- London
- New York

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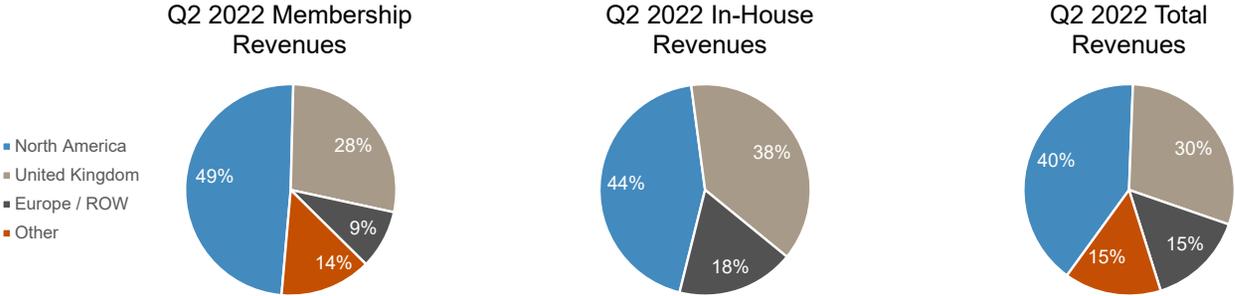


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# Our Structure

**At the end of Q2 2022, we had 36 Houses and more than 190,000 MCG members spread across the Americas, United Kingdom, Europe and Asia.**



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