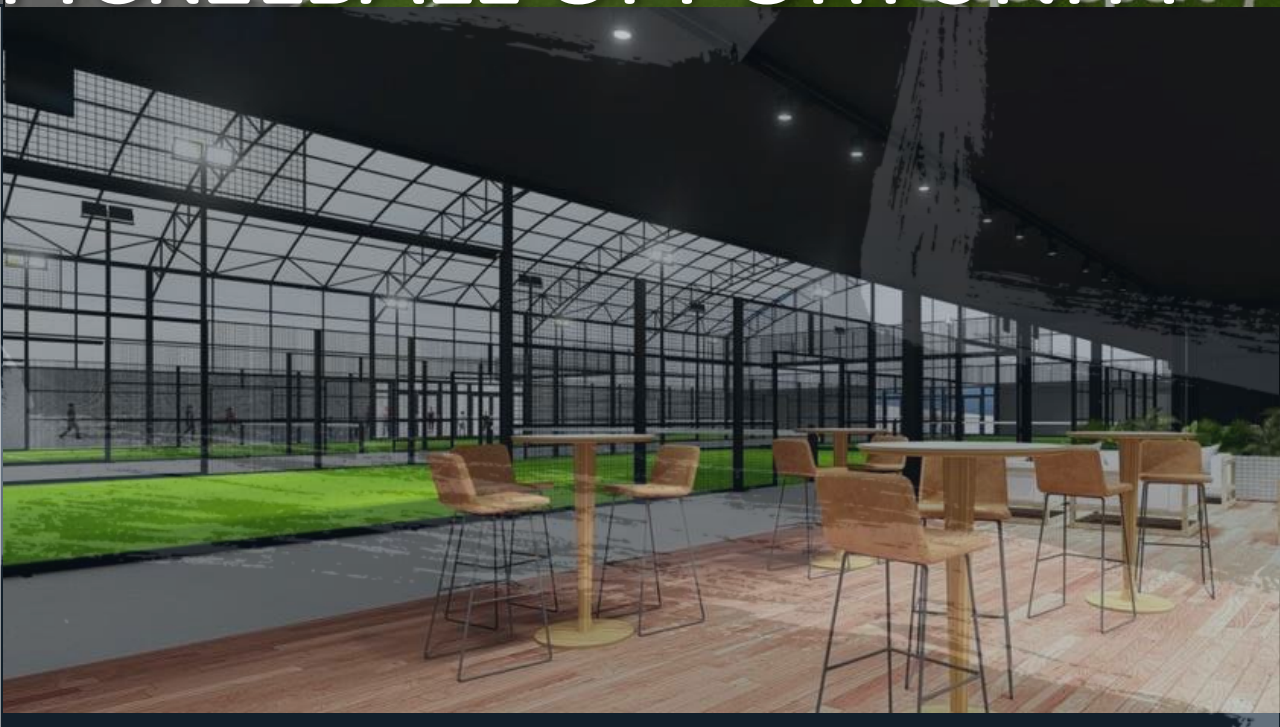




INDOOR TENNIS, PADEL & PICKELBALL OPPORTUNITY



Club Development

Current Status

- Fully subscribed membership with waiting list.
 - 1224 tennis members
 - 1033 Squash members
 - 300+ Gym members
 - 85 Social members
- Turnover £621K (2023)
- Annual surplus (operating cashflow) £200K+
- Members only – monthly subscription (no annual commitment)
- 6 Tennis and 2 Squash Coaches (self employed)

Club Development

Padel & Pickleball Offer Racket Sports Expansion

- Padel – fastest growing racket sport and available at other clubs
- Pickleball also up and coming
- No indoor or covered tennis option currently
- Without a tennis sacrifice development, space is limited
- One padel court option available using 60% of the grass available. Pre-planning agreed
- Indoor solution sought to expand offering
 - Padel
 - Indoor Tennis
 - Pickleball

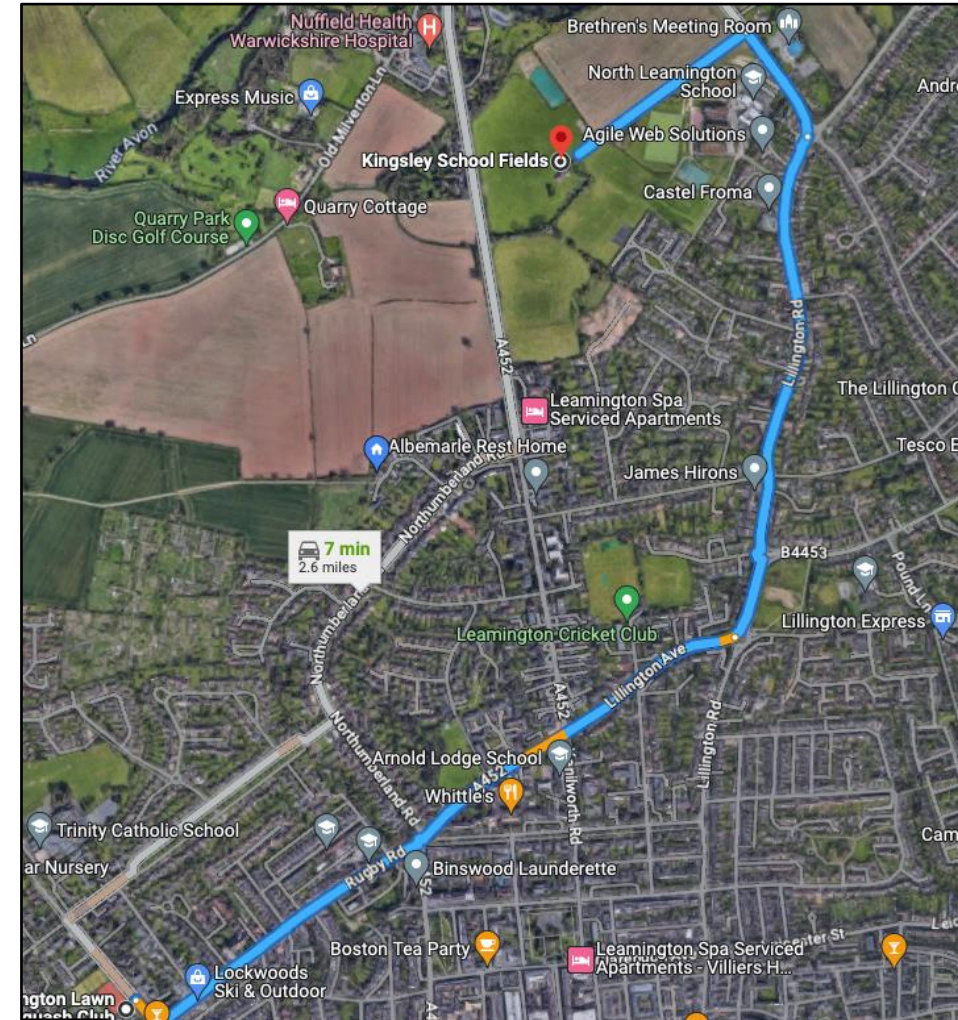


New Indoor Satellite Site

- Sandy Lane 2 miles from Guys Cliffe by car and 1 mile by foot and bicycle
- Partnership with Warwick Schools Foundation
- Land for court time partnership over 50 years

Facilities

- 4 indoor padel courts
- 4 indoor tennis courts (1 court to double as 3-4 pickleball courts)
- Showers, office and lounge area
- Fully automated booking and site access – no on-site admin required



Partnerships



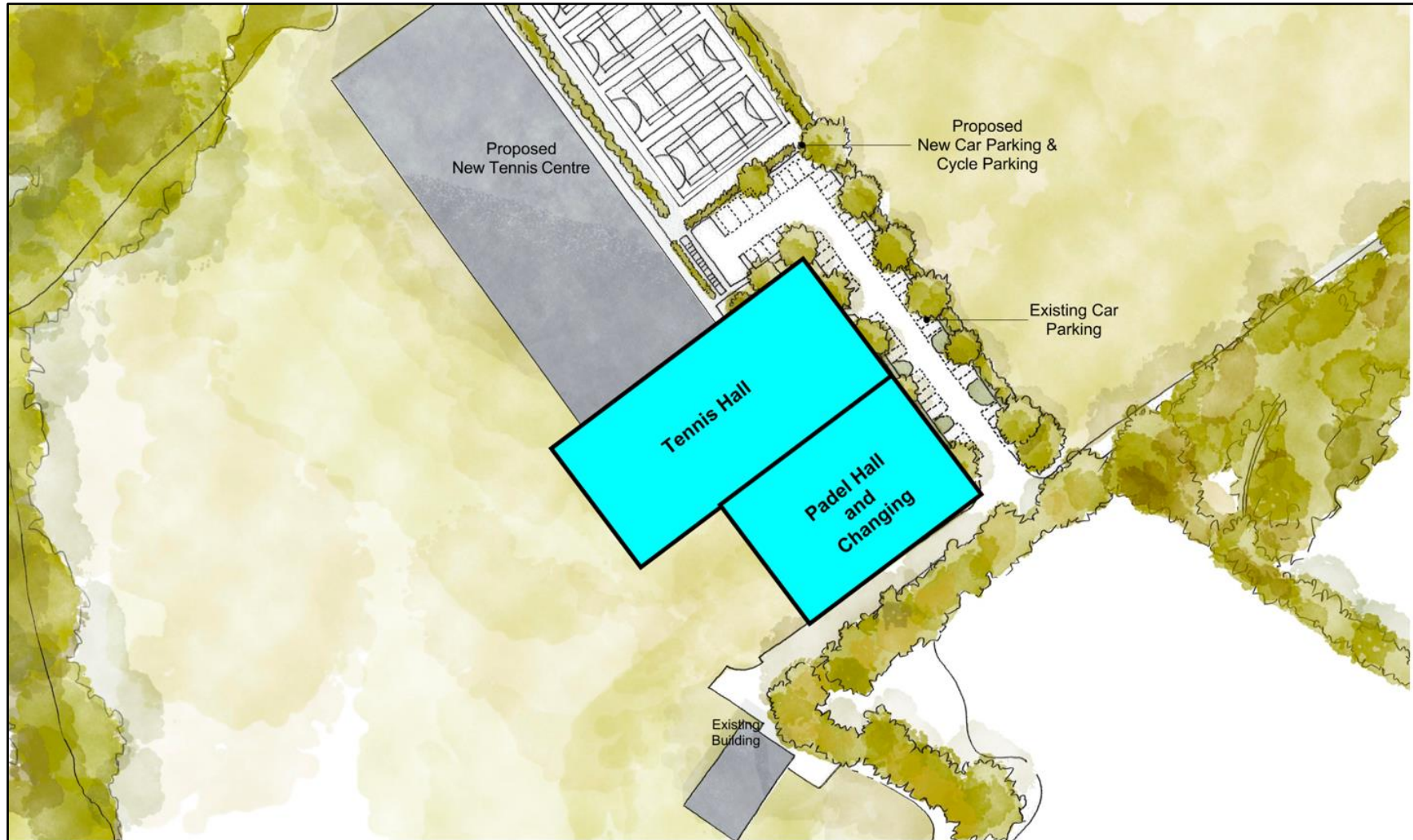
Partnerships Required for Success

- Warwick Schools Foundation – Rent free land in return for 1000 courts hours annually
- Leamington (Real) Tennis Court Club (LTTC) – In return for 50% of free cashflow padel Profit
- LTA Interest Free Quick Access Loan – Warwickshire identified as a development area.

Budget / Next Steps

- Budget set at £2.9M
- LLTSC require member loans to reach target budget possibly coupled with bridge financing.
- **Next Steps:** Consultation period to gain understanding of level of support from members for this project and appetite for member loans and address questions and feedback.

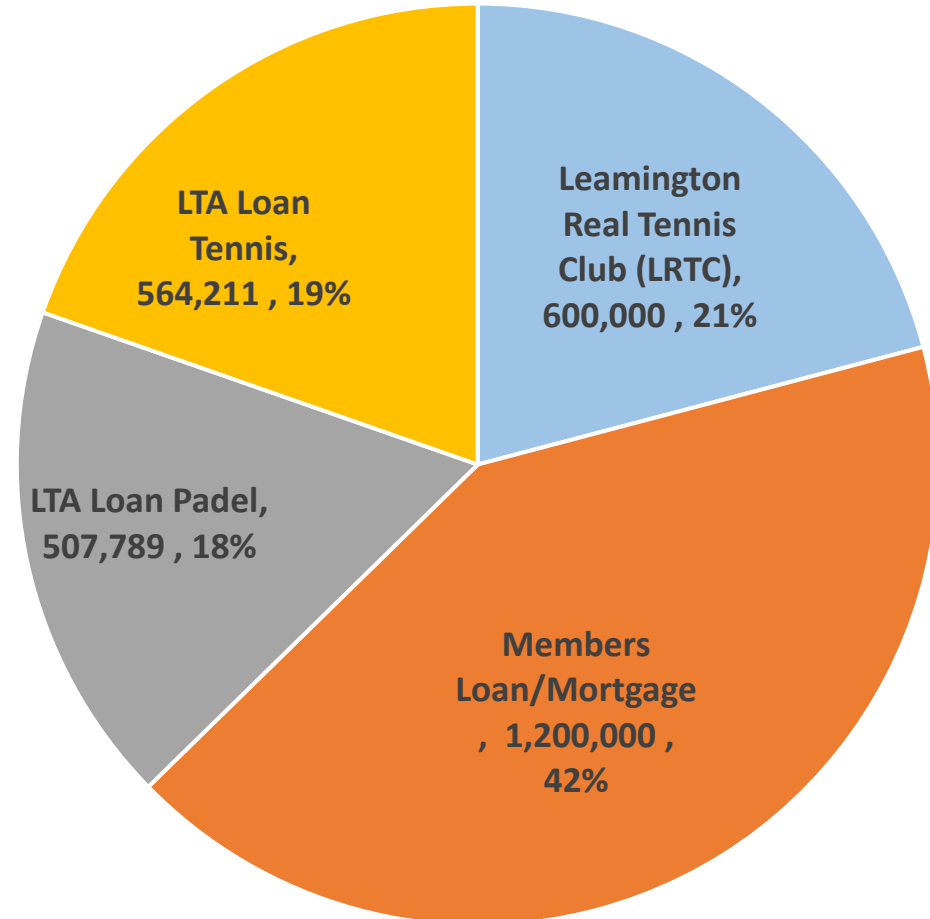
Site Layout - 2 options



Budget £2.9M

- LTA Quick Access Loans – repaid over 15 years at zero interest – a charge required on new facility
- Leamington (Real) Tennis Court Club (LTCC) - £600K investment, non repayable, in return for a 50% share of padel free cash flow.
- Member Loans / Mortgage – loans for the first 5 years to be replaced by a mortgage once operational track record established

Source of Funds



Member Loans & Prospectus

- Loans will last for 5 years
- Interest at 6% applied annually and to be paid either annually or at contract end – no compounding. Same as clubhouse development loans
- Loan packages will start at £1000 and there will be no upper limit. High value applications (above £50k) may be scaled back to allow smaller investment participation

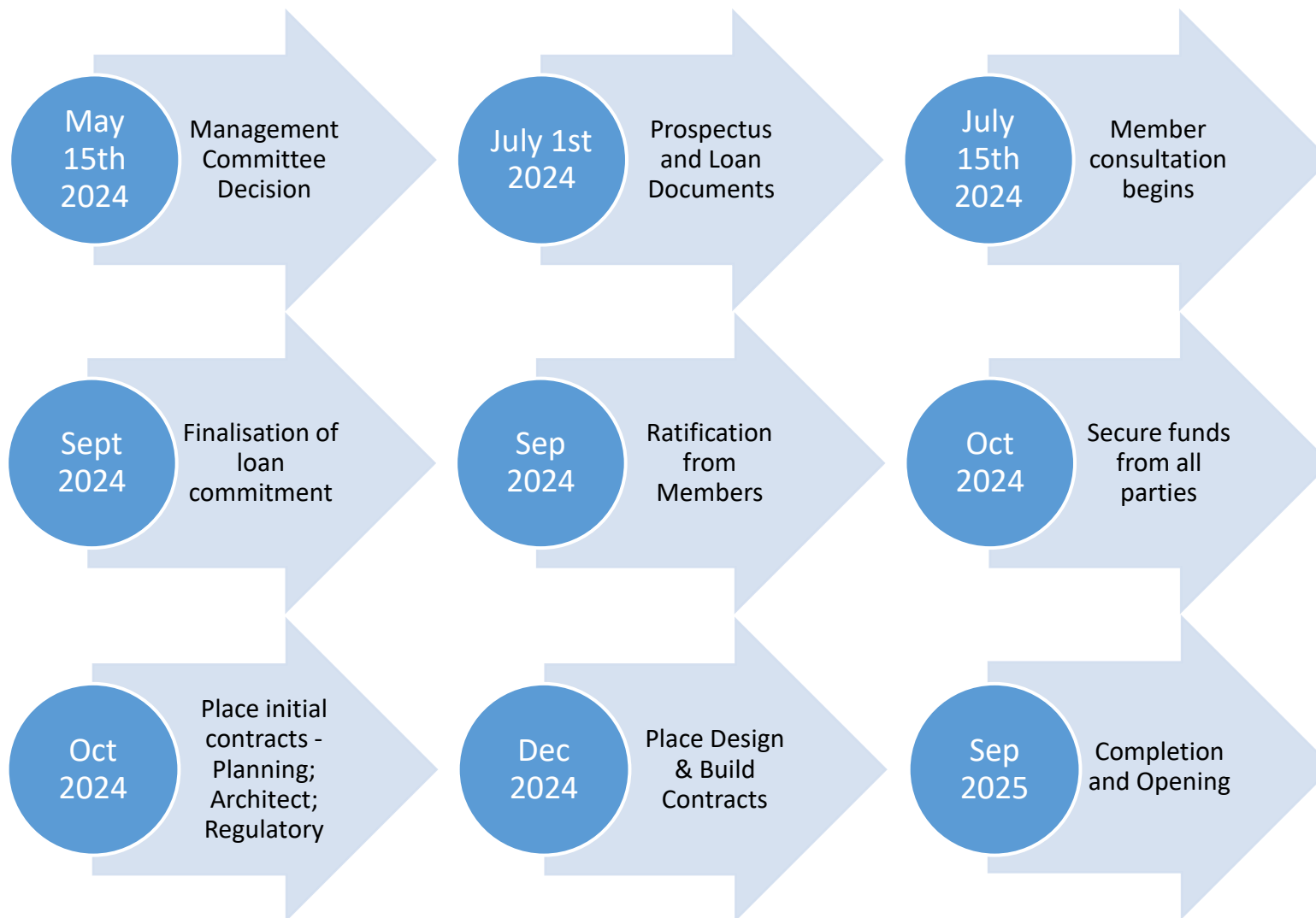
Long Term Vision

- This is a long-term plan covering 50 years
- Adding padel and pickleball to our offering
- We will be the largest club in Warwickshire with the best facilities
- Hosting higher level tournaments across padel and tennis
- The operating cashflow will afford speedier investments at the Guys Cliffe site for squash; tennis; a new gym; clubrooms and offices
- Expanded services; personal trainers, coaching and physio
- Continuous development and upgrades to the site

Next Steps

- Call for indicative interest in the member loans – can we reach the target?
- Ratification of the management committee plan via an adult tennis / squash / gym / social member vote
 - 60% turnout required – and a simple majority

Time-Line



Q&A

Q1 Do existing racket members get automatic access to the indoor facility?

Q1A The new facility will be pay and play. Your existing account will be on the system to make bookings from day one with access to special member rates. To get forward booking rights you will need to pay the additional monthly subscription.

Q2 Will this impact my existing subscriptions to the Guys Cliffe site?

Q2A Yes, positively; you will receive a member discount at the indoor club.

Q3 What is my benefit if I am not interested in padel or indoor tennis?

Q3A There will be less court pressure since a lot of coaching will move indoors. We see this as a positive financial opportunity for all stakeholders, including the coaches.

Q4 Will the members have a say in approving the investment?

Q4A The project is approved at the MC level and ratification from a member majority will be sought once we have secured sufficient finances. We will require a minimum turnout of 60% of the adult membership (rackets, gym and social) to vote, and a simple majority in favour of the development (i.e. >50%), will mean we proceed with the development as planned.

Q&A Cont....

- **Q5** **What is the upside for the Club?**
- **Q5a** LLTSC will be the only club in Warwickshire with such facilities, it will enable more investment in the Guys Cliffe site sooner, and position the club as a premier venue for racket sports in the region
- **Q6** **What is the possible downside for the Club? Is it taking on too much risk?**
- **Q6a** Major risks identified are:
 - 1) Project overrun in time and cost – mitigated by sourcing major construction elements from specialist prefabricated suppliers where costs are known and pre-agreed. Site surveys will be thorough to eliminate unforeseen issues with environment, subsurface etc
 - 2) Ability to generate returns to pay back the investment – mitigated by LTA forecasts on demand for indoor facilities in the area, benchmarked pricing and utilisation rates across similar existing facilities and a changed model of training and coaching programs which guarantees usage and year-round availability of courts for the purpose of coaching, camps, after school etc
 - 3) Cost of capital / size of overall investment – mitigated by partnership model whereby large elements of capital come in the form of a non-repayable investment, interest free or are repaid in kind leaving LLTSC with a manageable financing burden.

Q&A Cont....

- **Q7** If for some reason the project cannot progress how will this impact club development
- **Q7A** We do have pre-planning for 1 outdoor Padel court using part of the grass area that we can progress, (member ratification will be sought for this). Other investments will continue in-line with affordability that will reflect the ability of the Guys Cliffe Club to generate operating cash-flow.