



MARKET BI-MONTHLY UPDATE PRESENTATION

JULY/AUGUST 2021

6 OCTOBER 2021

Viva Leisure Limited
ASX: VVA

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CLUBLIME

Welcome

Welcome to the latest bi-monthly market update from Viva Leisure.

This regular report to the market and our shareholders is designed to provide further insights into the multiple markets and segments within the fitness industry that Viva Leisure operates.

Due to the COVID shutdowns comparing to the Previous Corresponding Period is not a relevant comparison position. Accordingly, and as per the previous report we have compared movement in metrics to the previously reported full year results (June 2021). When possible, we will move to traditional reporting against the period 12 months earlier. The report provides a “Consolidated View” and individual business segment views (Health Clubs, Hiit Republic, and Plus Fitness). Readers can distinguish between the different views by the reference in the left margin of each page if relevant.

“ Although the reporting period (July and August 2021) has been severely impacted with the ACT, NSW and Victoria restricted from trading due to Government mandated COVID-19 lockdowns, we have decided to continue to provide our bi-monthly update. You will note that some of the data points are N/C (Not able to be calculated), as they do not provide any meaningful or useful data.

With all States and Territories in which Viva Leisure operates now having provided a clear re-opening path, we look forward again to be able to fully trade over the next few months.

Notwithstanding the metrics which are not able to be calculated meaningfully, I trust you will find great value from our latest bi-monthly update.

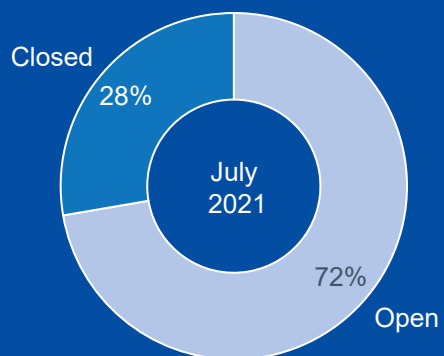
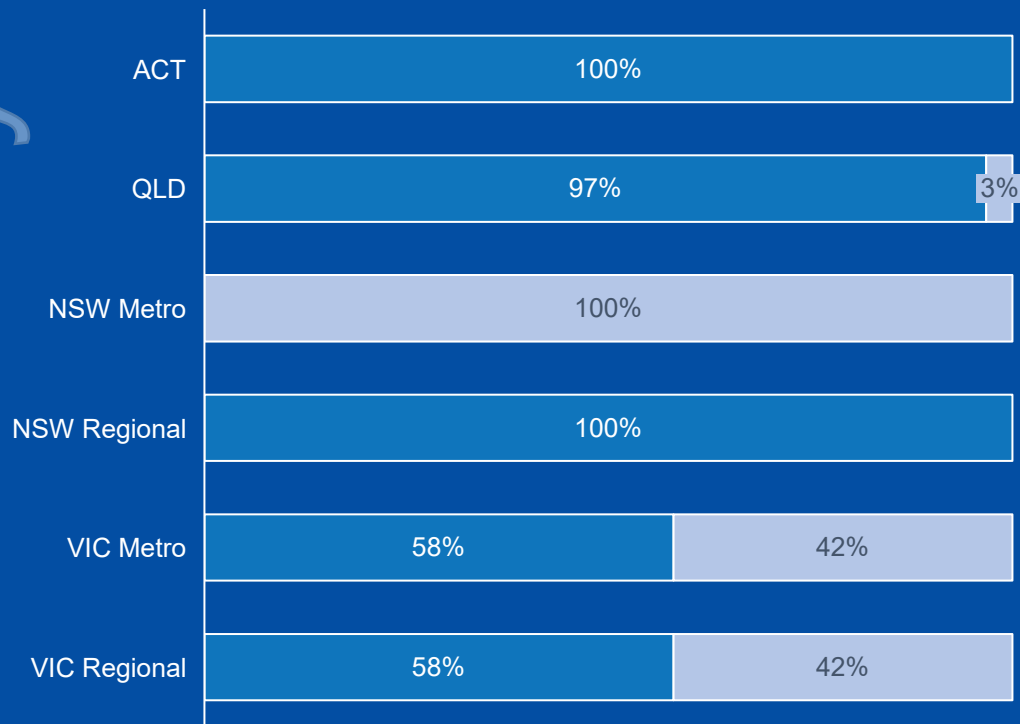
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Harry Konstantinou, CEO, Viva Leisure Limited



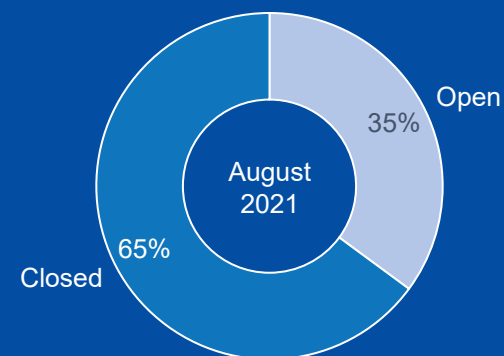
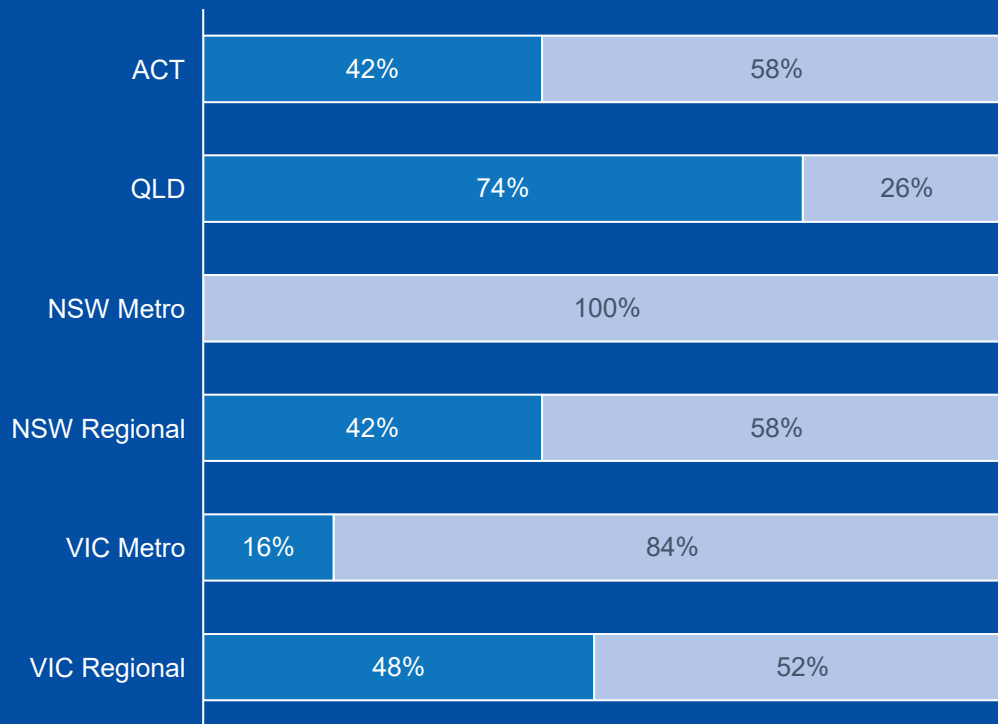
COVID-19 Interruptions

July 2021



Open Closed

August 2021



Clubs

48

16

25

12

12

5

118

COVID-19 Re-opening Schedule



- Expected opening dates are based on best available information from State and Territory Government roadmaps
- Dates are based on Gyms permitted to re-open
- As at 6 October 2021

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Consolidated (All Segments)

MONTHLY RRR

\$3.9m

PCP % -53.0%

DAILY RRR

\$126,851

PCP % -54.5%

MEMBERS

289,266

PCP % -3.1%

MEMBERS NMM

-9,110

PCP 24,403

LOCATIONS

310

PCP 309

Consolidated (Owned locations only)

CLUB m2

99,590

PCP % 2.6%

UTILISATION

64.8%

PCP 61.8%

ARPM⁺

\$6.83

PCP \$13.43

CLUB MARGIN

N/C

PCP 31.8%

CLUB MARGIN
>12 months locations

N/C

<12 months locations

N/C

CHURN

N/C

PCP 4.4%

• Excluding impacts of AASB16

⁺ Excluding GST, affected this period by COVID-19 lockdowns in ACT, NSW & Victoria
PCP period: August 2021 compared to June 2021

MARKET UPDATE (JUL/AUG 2021)

VIVA
LEISURE

CONSOLIDATED

Performance Highlights

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MONTHLY RRR

\$3.4m

PCP % -49.0%

DAILY RRR

\$109,370

PCP % -50.6%

MEMBERS

119,109

PCP % -1.2%

VIVA MEMBERS

115,275
PLUS MEMBERS

3,834

MEMBERS NMM

-1,396

PCP 22,409

LOCATIONS

96

PCP 93

CLUB m2

91,682

PCP % 2.8%

UTILISATION

65.0%

PCP 63.2%

ARPM⁺

\$6.52

PCP \$12.76

CLUB MARGIN

Combined

N/C

PCP 31.3%

CLUB MARGIN

>12 months locations

N/C

<12 months locations

N/C

CHURN

N/C

PCP 4.2%

• Excluding impacts of AASB16

* Excluding GST

PCP period: August 2021 compared to June 2021

Viva Leisure acquired 1,293 Plus Fitness members during the period

MARKET UPDATE (JUL/AUG 2021)

VIVA
LEISURE

HEALTH CLUBS & OTHER

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MONTHLY RRR

\$0.3m

PCP % -53.4%

DAILY RRR

\$10,032

PCP % -54.9%

MEMBERS

4,968

PCP % -9.7%

MEMBERS NMM

-533

PCP 689

LOCATIONS

22

PCP 22

CLUB m2

7,908

PCP % 0.0%

UTILISATION

41.9%

PCP 46.4%

ARPM⁺

\$14.16

PCP \$27.74

CLUB MARGIN

Combined

N/C

PCP 39.5%

CLUB MARGIN

>12 months locations

N/C

<12 months locations

N/C

CHURN

N/C

PCP 4.5%

• Excluding impacts of AASB16

⁺ Excluding GST

PCP period: August 2021 compared to June 2021

MARKET UPDATE (JUL/AUG 2021)

VIVA
LEISURE

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MONTHLY RRR

\$0.2m

PCP % -77.9%

DAILY RRR

\$7,450

PCP % -78.6%

MEMBERS

165,189

PCP % -4.2%

MEMBERS NMM

-7,181

PCP 3,846

LOCATIONS

198

PCP 198

Represents the Australian Fitness Management (Master Franchisor) business and does not include corporate owned Plus Fitness locations performance

Excluding impacts of AASB16

Revenue for AFM can vary each month depending on club openings

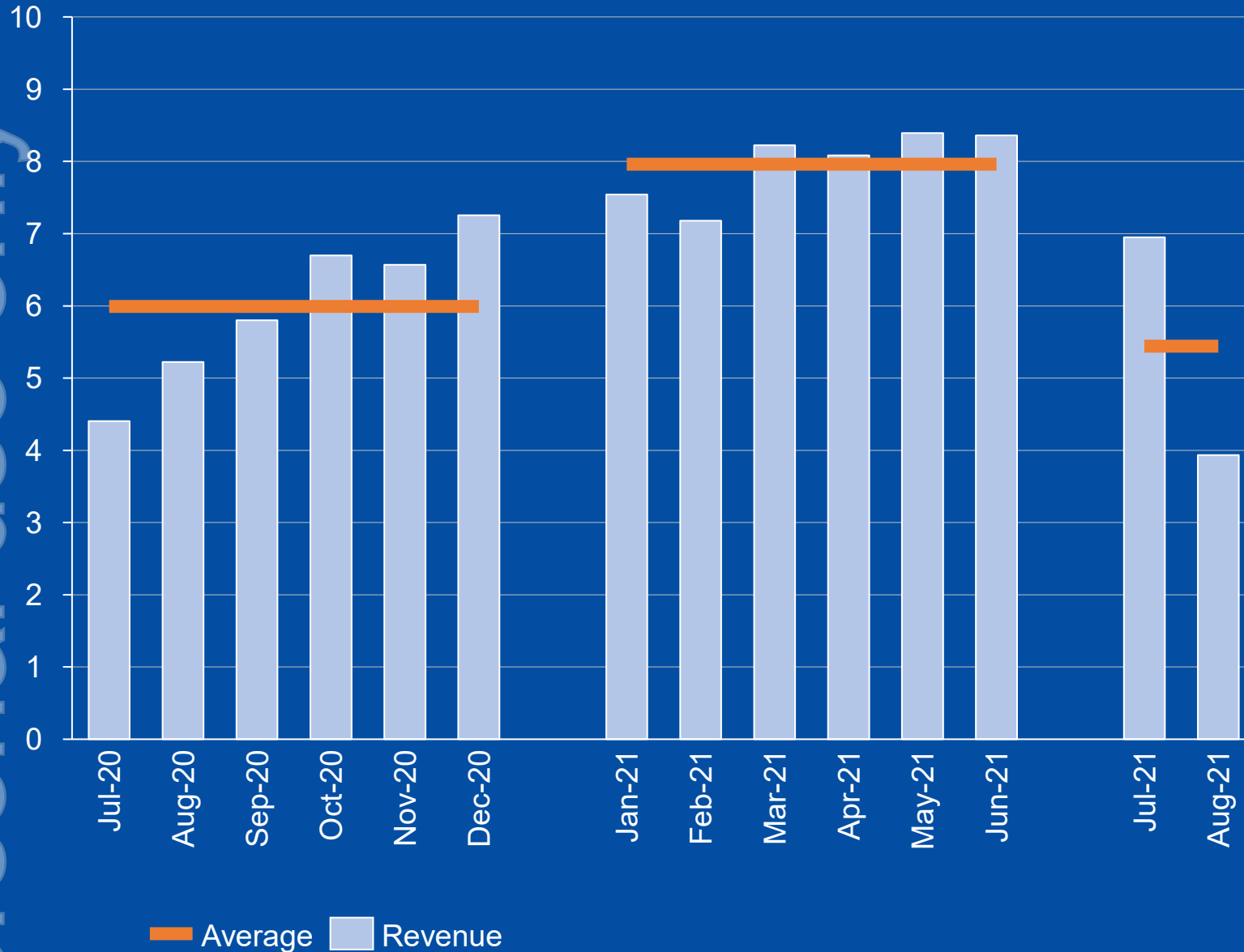
The Members NMM includes the movement of -1,293 members from Plus Fitness franchisee acquisitions during the period

PCP period: August 2021 compared to June 2021

MARKET UPDATE (JUL/AUG 2021)

VIVA
LEISURE

Revenue (\$m)



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- Both July and August revenue were impacted by mandatory lockdowns:
 - Certain NSW and Victorian regional locations have continued to be permitted to trade at various times during the reporting period;
 - The ACT was able to trade in July until 13 August 2021, but not since;
 - QLD has continued to trade largely uninterrupted, although certain locations did have 3-7 day snap lockdowns throughout the reporting period.

Revenue (\$m)

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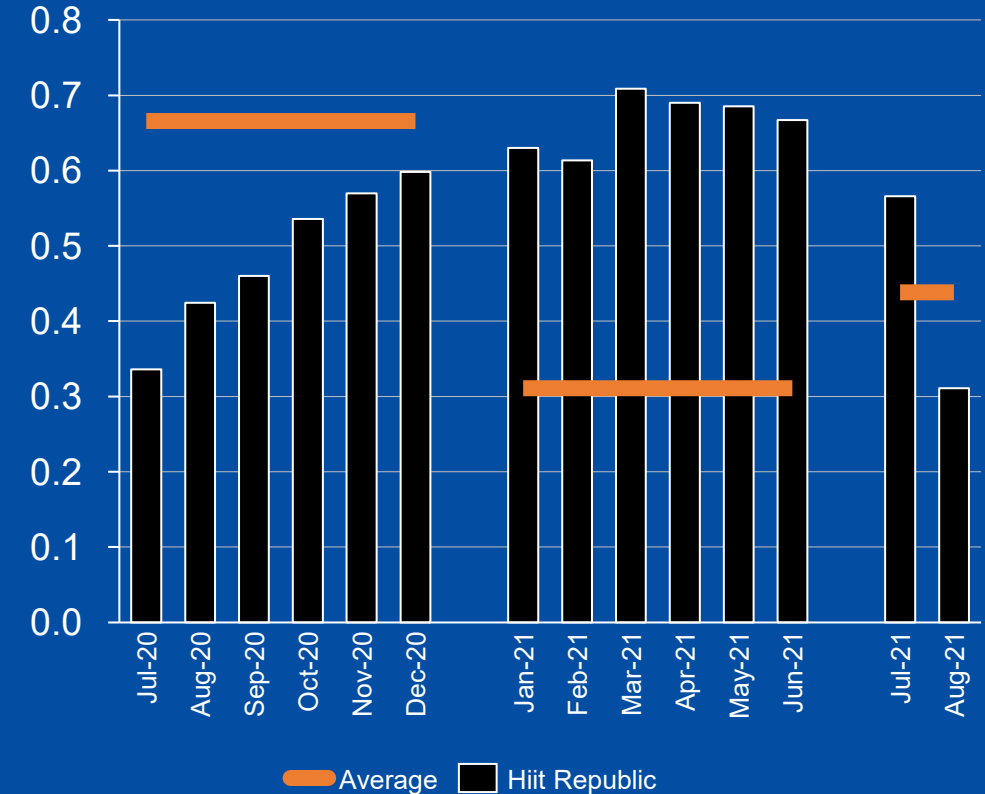
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- Revenue in the “Health Clubs & Other” Group comprises all revenue from health club brands (Club Lime, FitnFast, Pinnacle, etc), Aquatics and Swim School revenue, Boutique studio revenues, Viva owned Plus Fitness locations and corporate head office revenues;
- Revenue decrease in June, July and August 2021 due to COVID lockdowns in all States & Territories.



- Hiit Republic revenue continues to increase as greenfield rollouts open;
- Revenue decrease in June, July and August 2021 due to COVID lockdowns in all States & Territories.

Revenue by Geographic Region (\$m)

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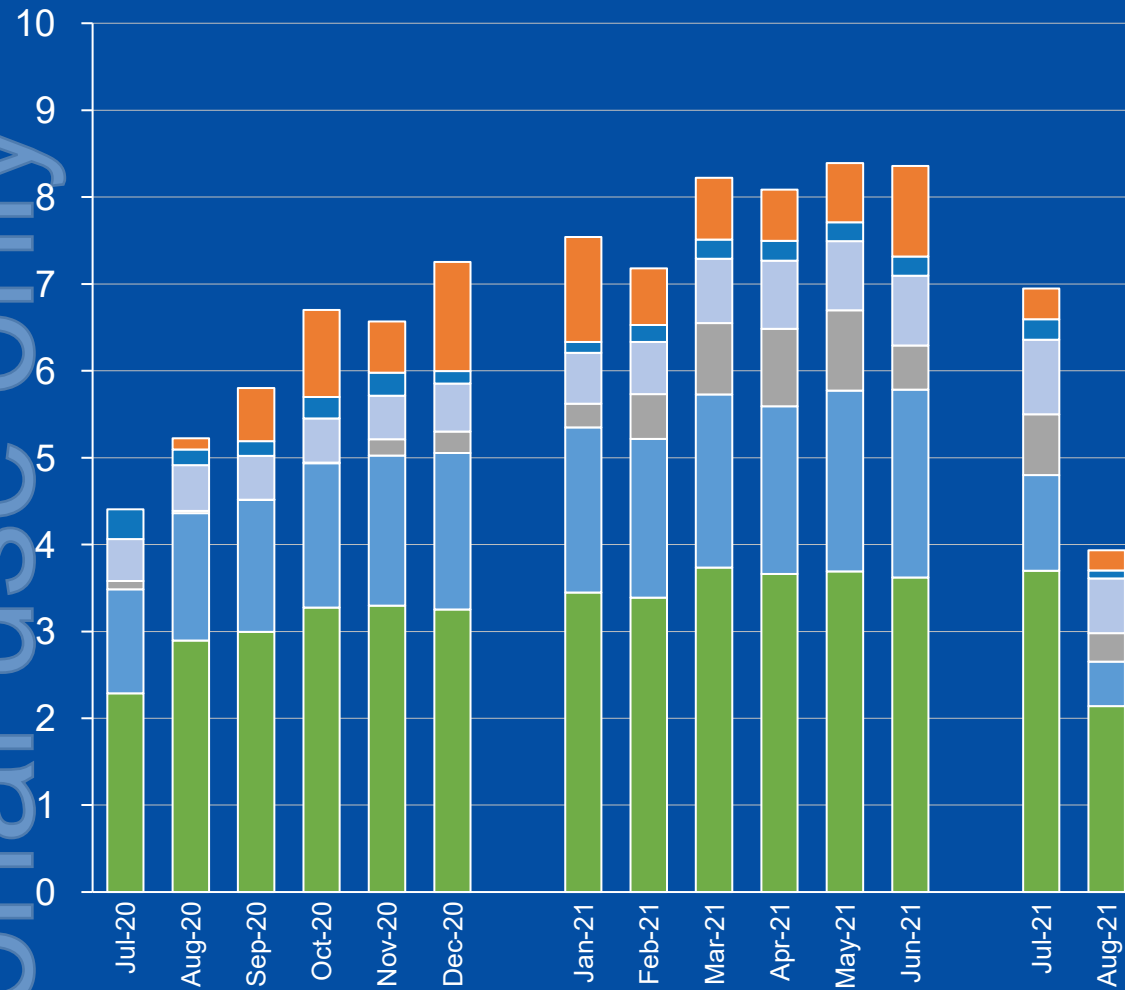
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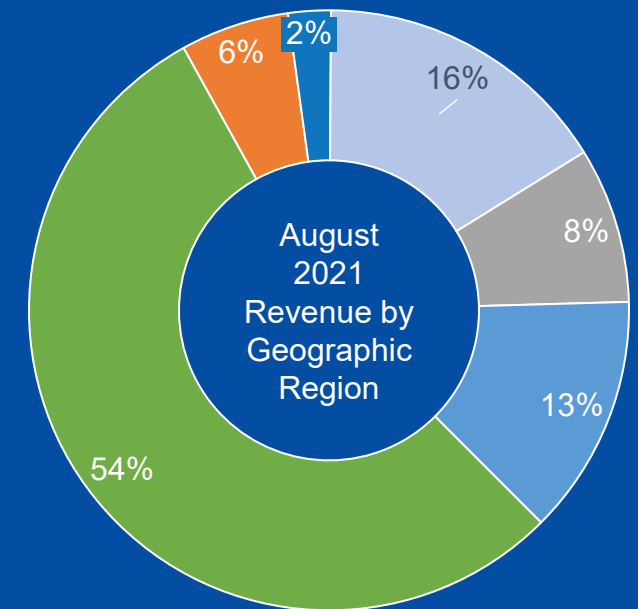
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- July and August 2021 revenue reflects approximately 20% of the portfolio being able to operate without restrictions;
- The ACT was only able to trade until 13 August 2021, and not since.



PLUS FITNESS CORPORATE QLD VIC NSW ACT

Revenue Movement (\$'000)

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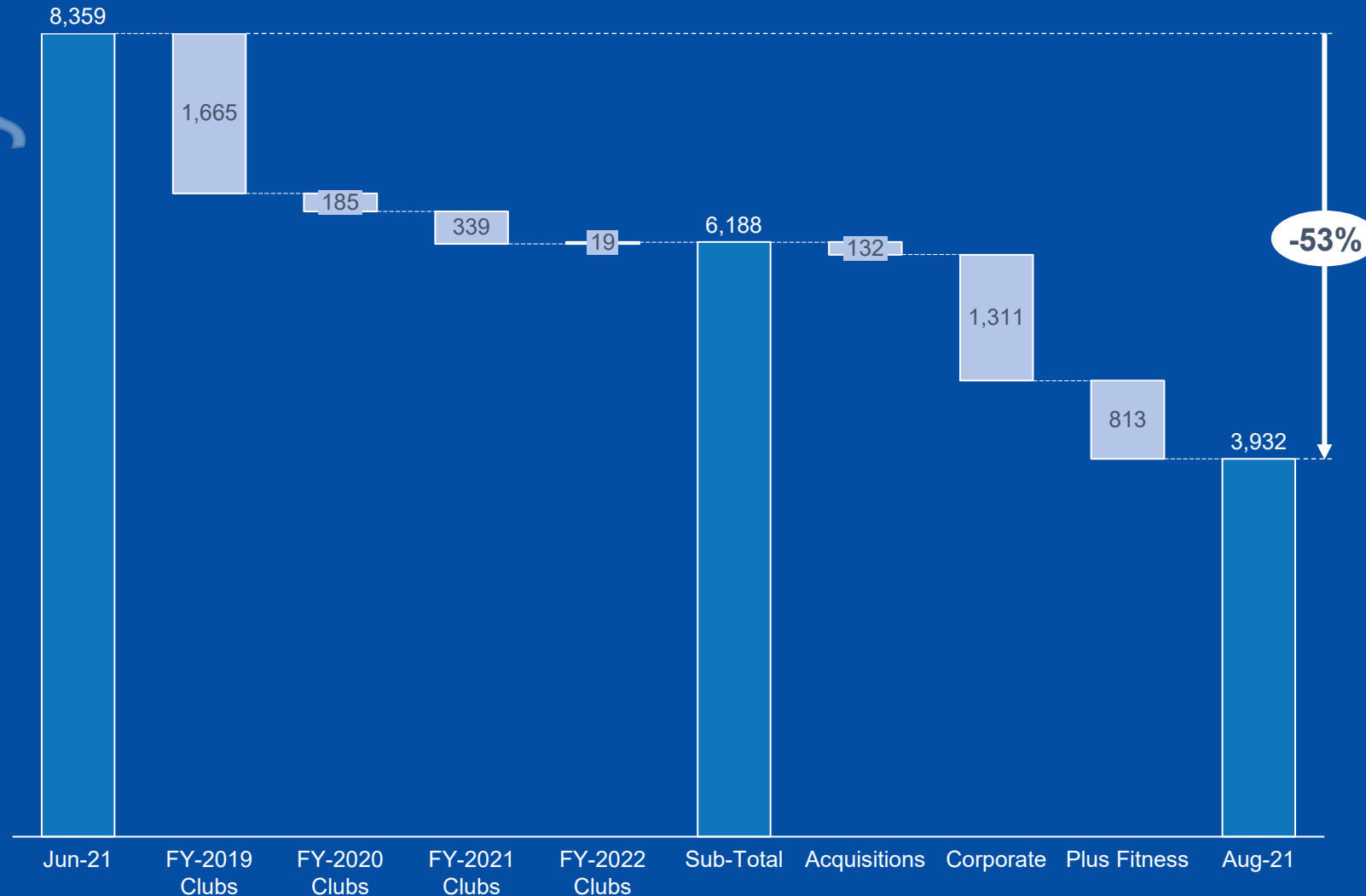
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- Revenue movement from June 2021 split by the Financial Year in which clubs opened or were acquired
- FY2019 refers to clubs opened or acquired in FY2019 as well as any clubs from previous years
- Revenue for August 2021 was affected by Government mandated COVID-19 lockdowns in the ACT, NSW and VIC
- Acquisitions column represents revenue in the period from clubs acquired since 1 July 2019

Locations

AUSTRALIA



As at 31 August 2021

MARKET UPDATE (JUL/AUG 2021)

- **Health Clubs & Other & Hiit Republic** are all Corporate owned locations (referenced as "Viva" in the map)
- **Plus Fitness** includes both Corporate and Franchised locations. Refer Plus Fitness section for breakdown
- Includes New Zealand (3) and India (5) locations

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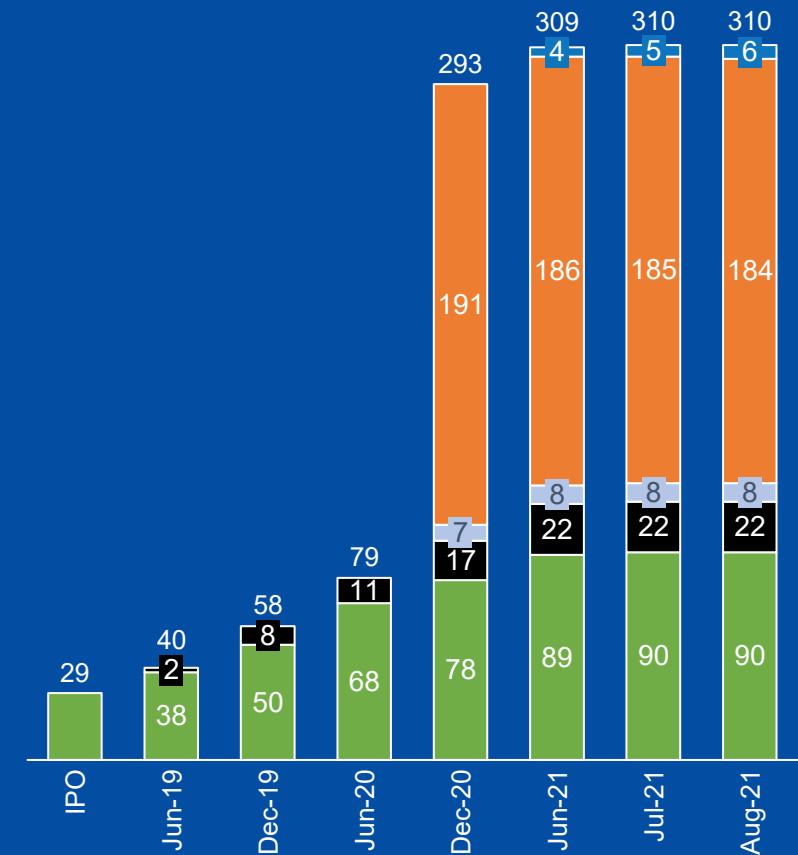
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- Plus Fitness AU (Viva Owned)
- Plus Fitness AU (Franchisee Owned)
- Plus Fitness NZ/IN (Franchisee Owned)
- Hiit Republic
- Health Clubs & Other



Locations

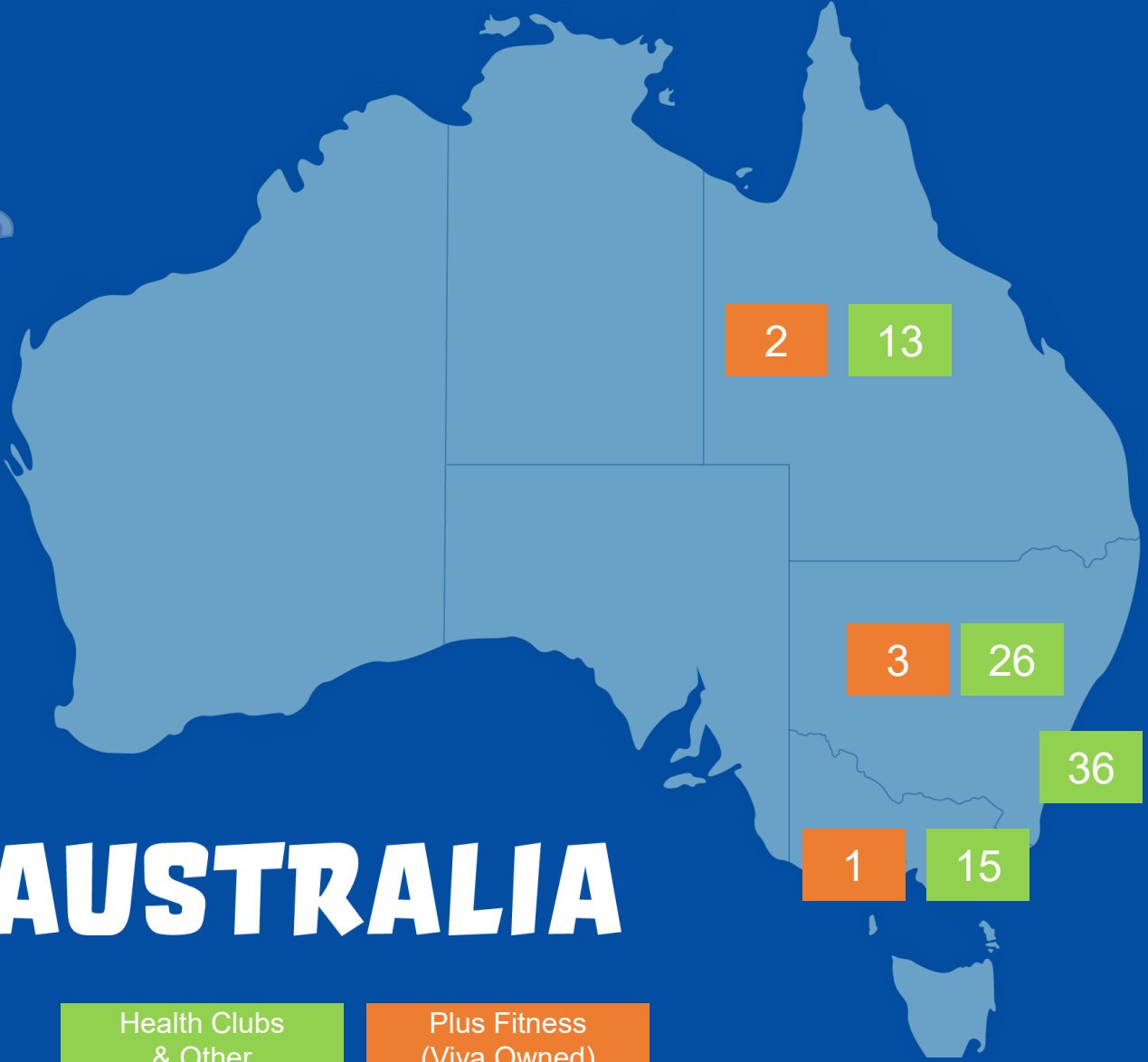
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CLUB LIME



AUSTRALIA



Health Clubs & Other

Plus Fitness (Viva Owned)

- Health Clubs & Other includes the following brands:
 - Club Lime
 - FitnFast
 - Pinnacle
 - Psycle Life
 - Studio by Club Lime
 - GroundUp
- As well as recent acquisitions
 - Active Life (Norman Park, QLD)
 - Coffs Coast (Coffs Harbour, NSW)
 - G-Fitness (Rhodes, NSW)
- And the following segments:
 - Aquatics
 - Swim School
- Plus Fitness Corporate owned locations shown separately



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- Greenfields rollouts continue to open as the brand expands interstate
- First Queensland location opened in May 2021
- Locations have doubled from April 2020
- Five additional locations secured and in the process of opening (Refer Greenfield Locations slides)

AUSTRALIA

Hiit Republic

As at 31 August 2021

MARKET UPDATE (JUL/AUG 2021)

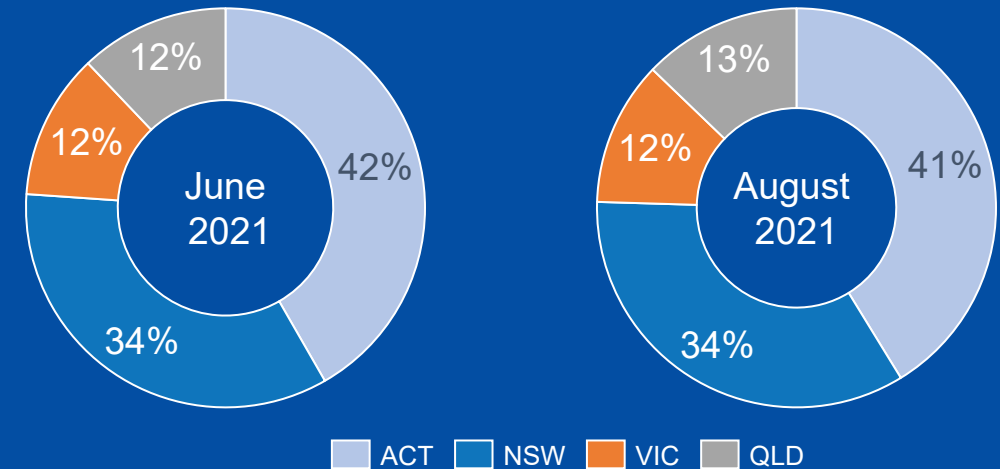


Member Snapshot

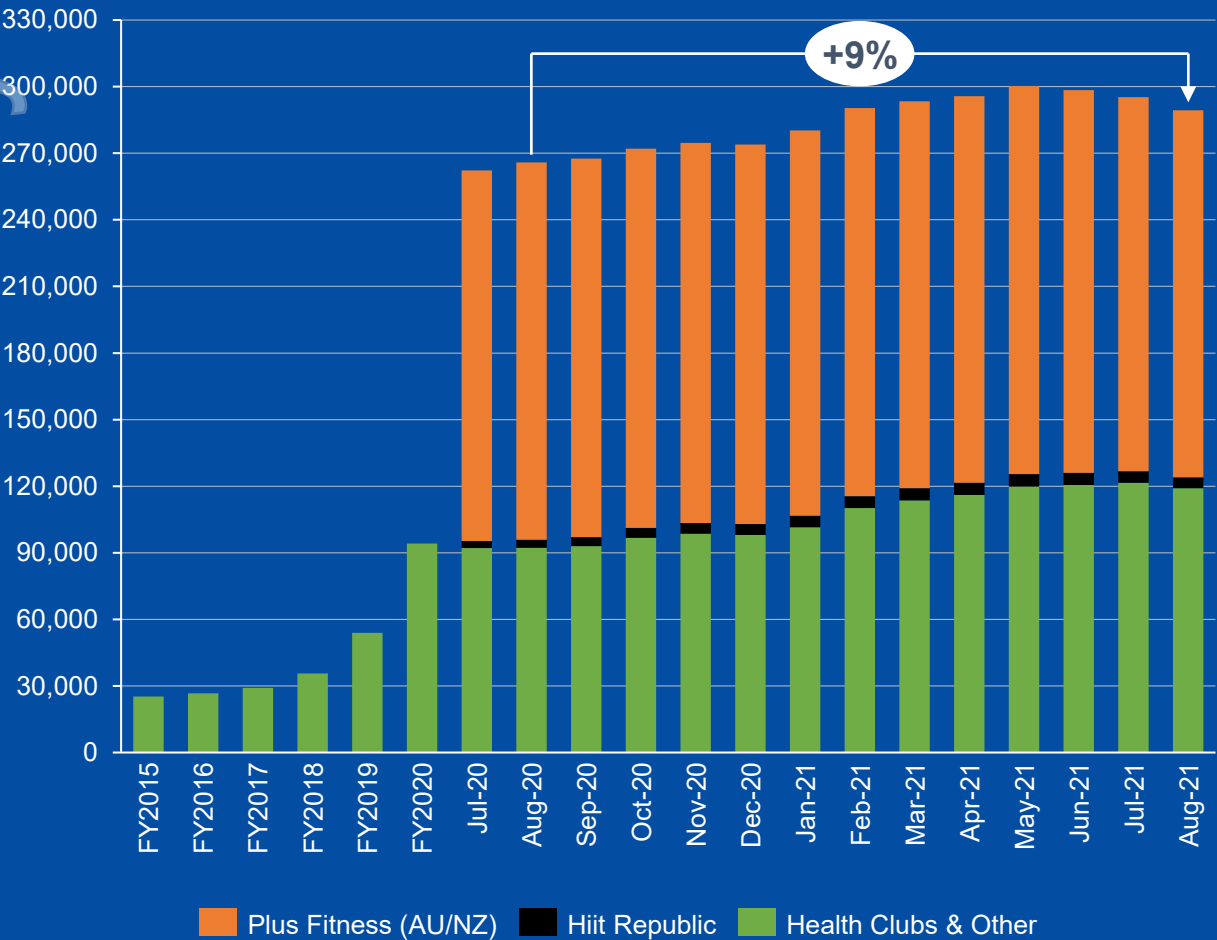
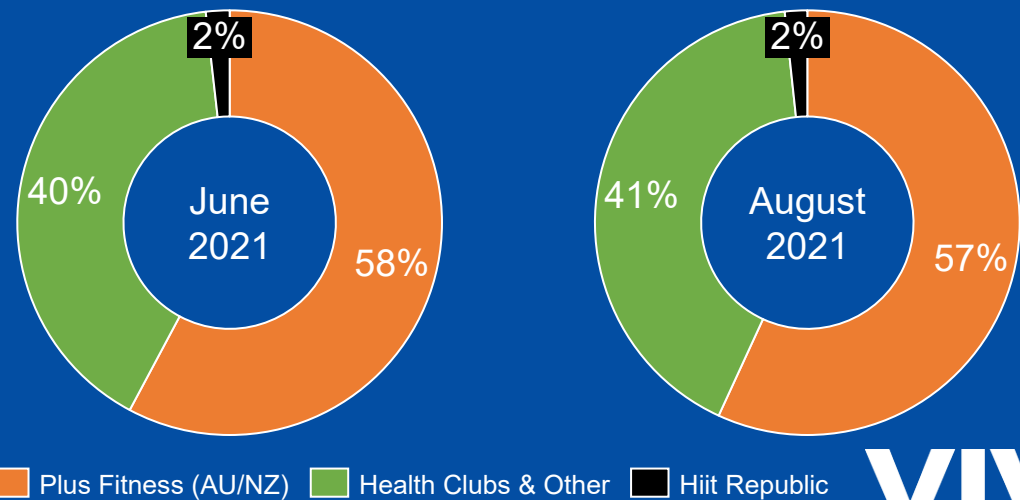
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Members by State

Viva owned locations only



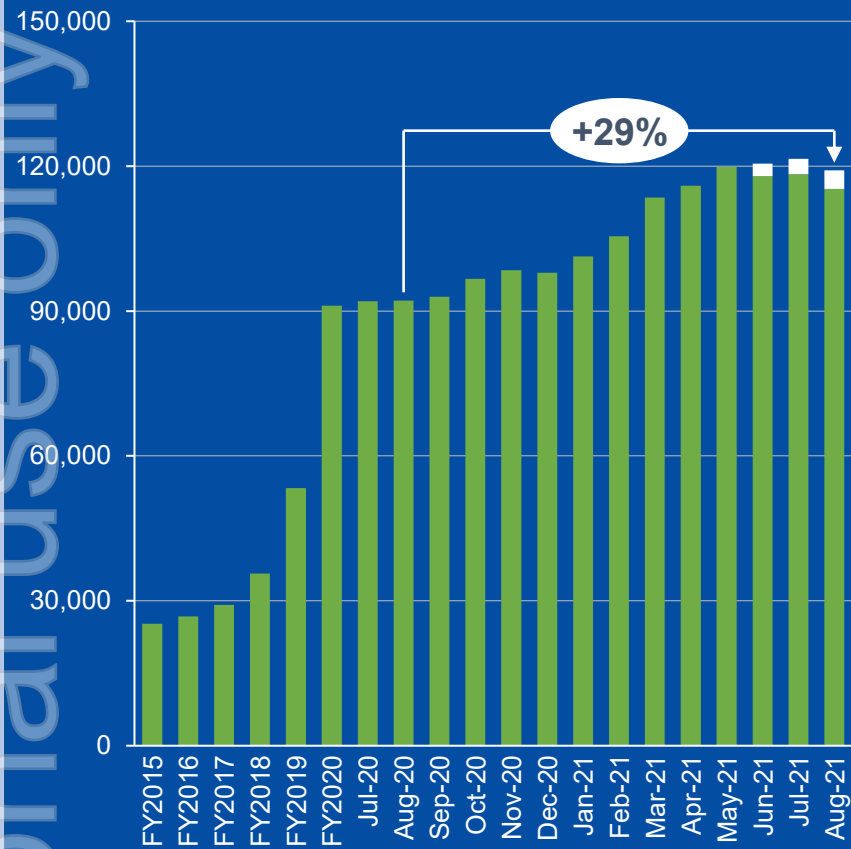
Members by Segment



From June 2021, Plus Fitness Corporate Owned locations now included in **Health Clubs & Other** for all charts on this page

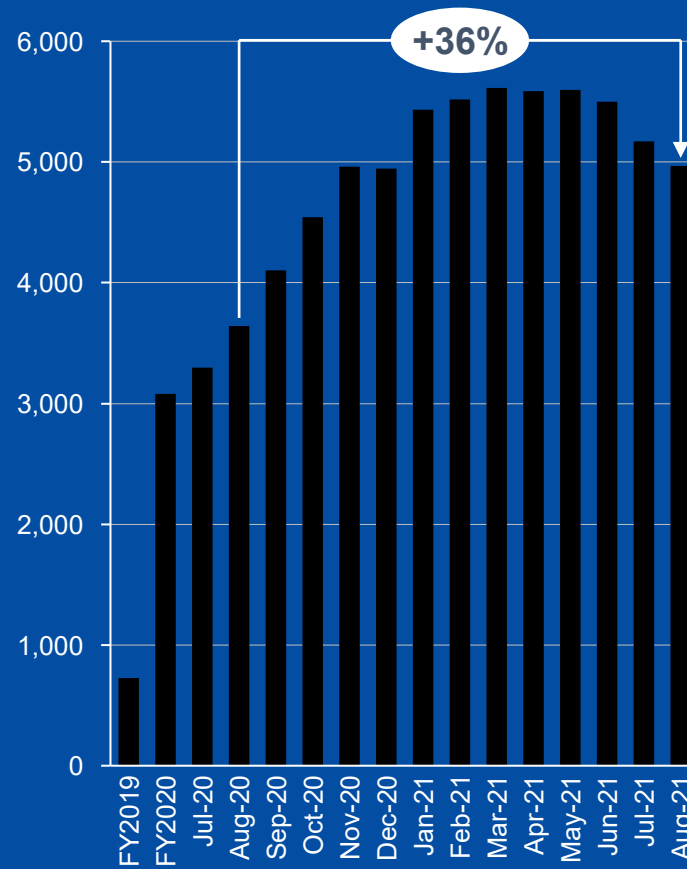
Member Growth by Segment

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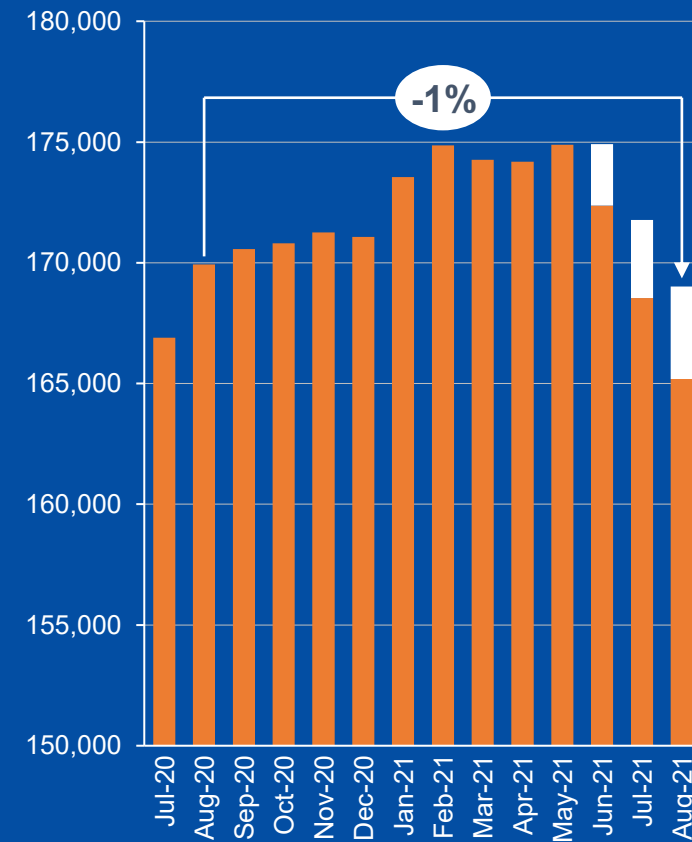


■ Plus Fitness (Viva Owned)
■ Health Clubs & Other

Includes Plus Fitness Corporate Owned locations from June 2021



■ Hiit Republic



■ Plus Fitness (Viva Owned)
■ Plus Fitness (AU/NZ)

Excludes India



Average Revenue Per Member (per week)

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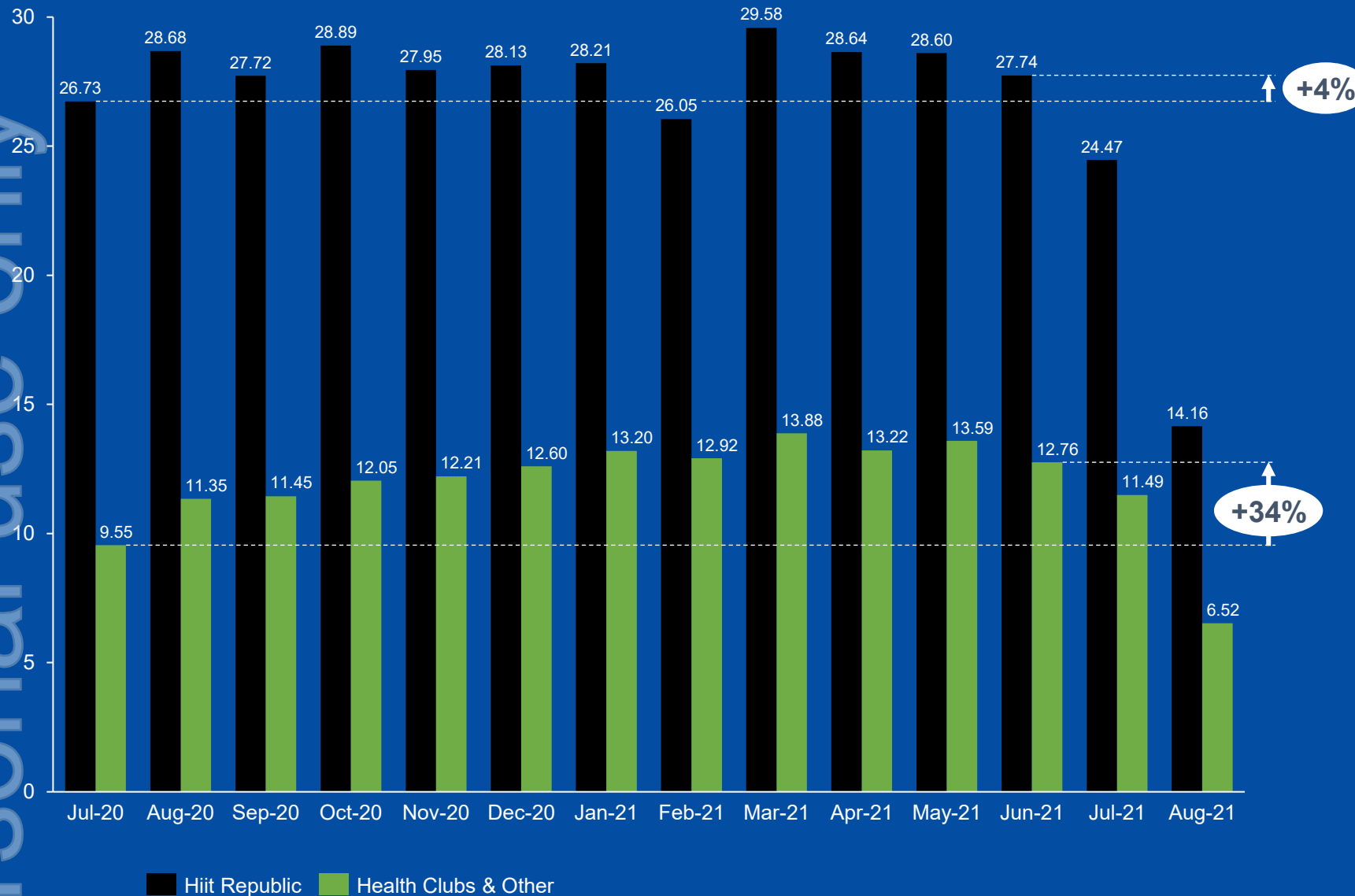
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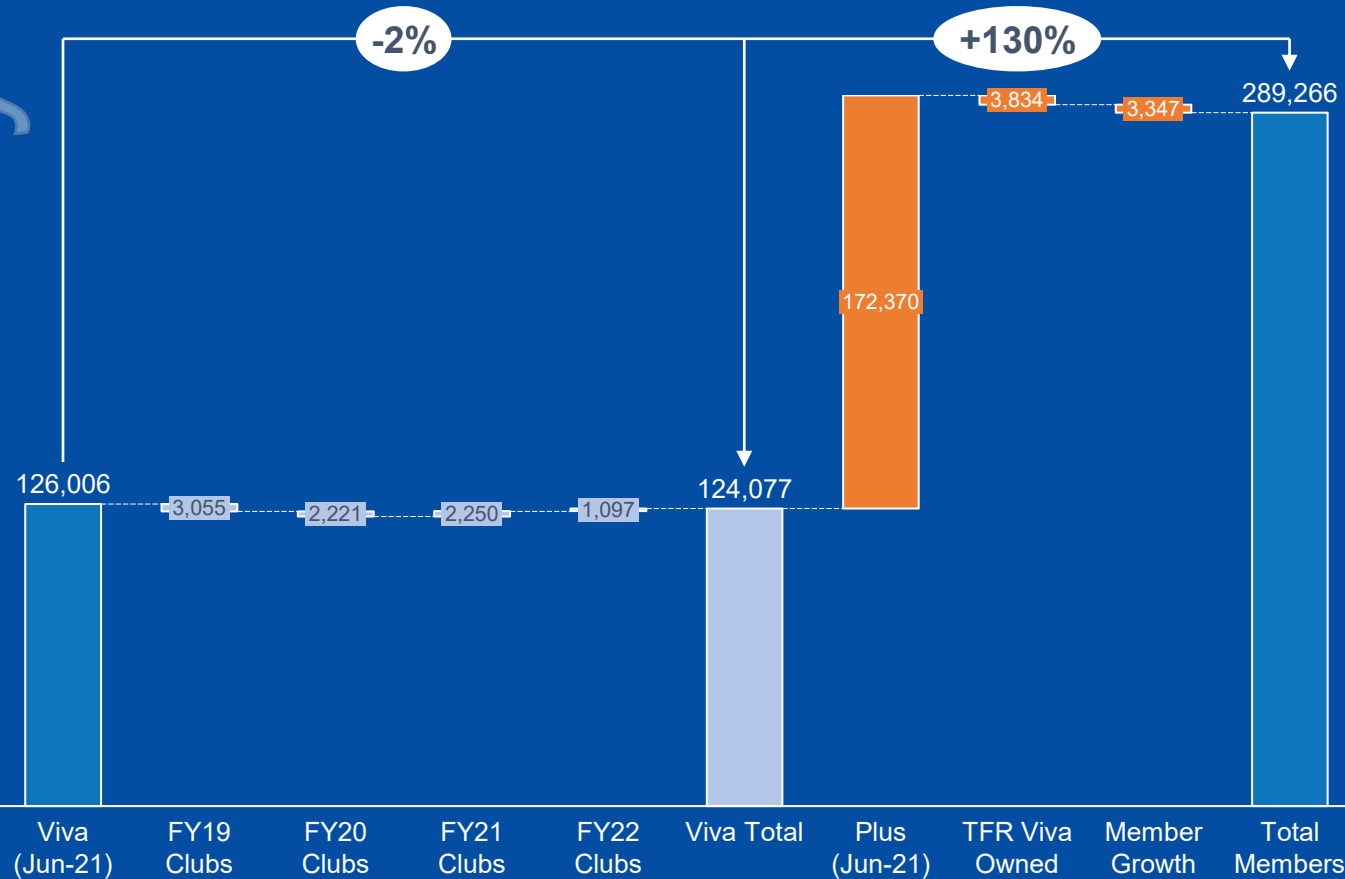
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- Snap COVID-19 lockdowns in Victoria during June has affected ARPM, as members not charged during lockdown
- Extended lockdowns in NSW for most of July and August 2021; Parts of Regional NSW currently trading;
- Extended lockdown in the ACT, only permitted to trade in early July 2021 and not since;
- QLD operated predominantly unaffected for the period, however did encounter various snap (3 to 7 day) lockdowns for certain regions;
- Plus Fitness franchisee ARPM not available
- ARPM is shown excluding GST. Add GST to determine 'retail pricing' paid by members.

Membership Growth

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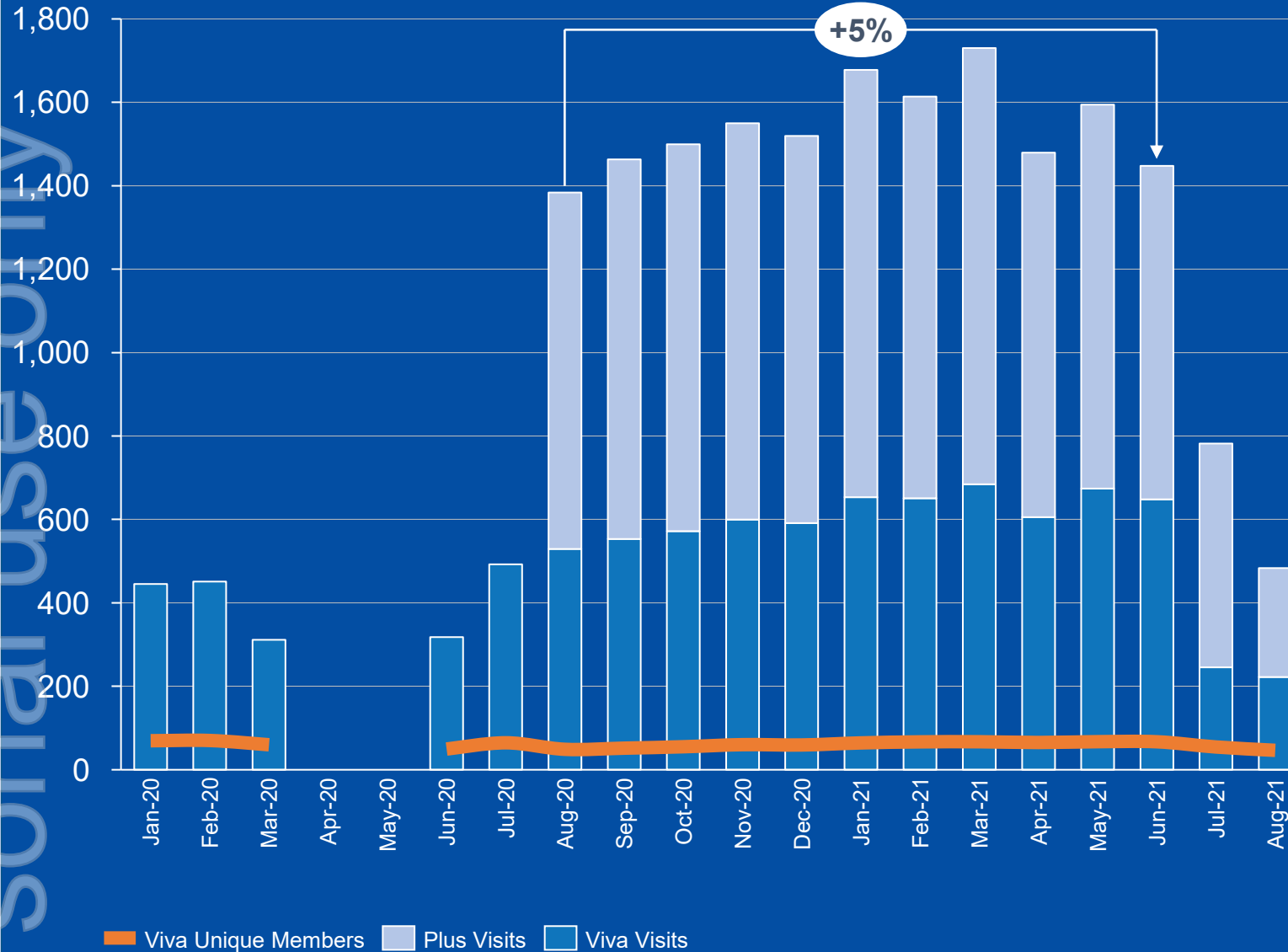
- “FY19/FY20/FY21 Clubs” represent membership movement for locations opened or acquired in that year
- Plus totals exclude Viva Corporate owned franchised Plus Fitness locations. Membership numbers for Corporate owned locations are included in FY21 figure
- FY2019 refers to clubs opened or acquired in FY2019 as well as any clubs from previous years

(as at 31 August 2021)

MARKET UPDATE (JUL/AUG 2021)

Member Monthly Visits ('000s)

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- July and August 2021 visitations affected by COVID-19 lockdowns in ACT, NSW and VIC
- Based on days per month
- ~20 million member visits per year across the entire network

One member visit every
5 seconds
 for the month of August 2021
 (down from 1.7 sec in Jun 2021)

Health Clubs Update



CLUB LIME

- The Club Lime portfolio continues to expand both organically, with conversions (from FitnFast) and via acquisitions.
- There are over 70 clubs in the portfolio, and the following conversions to Club Lime are expected to be completed over the next 60 days:
 - FitnFast Campbelltown, NSW
 - FitnFast Shellharbour, NSW
 - Active Life Norman Park, QLD
 - Coffs Coast (2 locations), NSW
 - G-Fitness (Rhodes), NSW
- The Club Lime portfolio is the second largest non-franchised health club brand in Australia.



- The FitnFast portfolio originally comprised of 13 locations (acquired February 2020).
- During the COVID shutdown, five of these locations were rebranded and refurbished to Club Lime, leaving 8 locations.
- During March and April 2020, a further 6 locations have been re-branded to Club Lime, leaving 2 locations remaining as FitnFast as at April 2021.
- The 2 remaining locations are expected to be re-branded to Club Lime and refurbished in the next 60 days.



- The Pinnacle portfolio of six locations was acquired in February 2021.
- There is no immediate plan to re-brand the portfolio to Club Lime as it is currently operating strongly and has a slightly different product offering to Club Lime.
- Management will continue to monitor the brand and is considering potentially implementing some of the Pinnacle systems into various Club Lime locations which have been identified as suitable.

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hiit
republic

- The Hiit Republic portfolio comprised 22 locations as at 31 August 2021.
- The first location was opened in March 2019.
- All mature (open greater than 12 months) locations now have a minimum weekly fee of \$34.90, up from \$29.90 (for new members).
- As at June 2021:
 - Average Membership per location is 250 members (down from 279 as no new clubs opened during period)
 - Average 4-wall EBITDA margin for **mature** (open more than 12 month) locations within the hiit republic portfolio currently operating at 50.6%
 - Average 4-wall EBITDA margin for **non-mature** (open for less than 12 months) locations operating at 11% indicating the path to breakeven within this brand is exceeding expectations.

Plus Fitness Update

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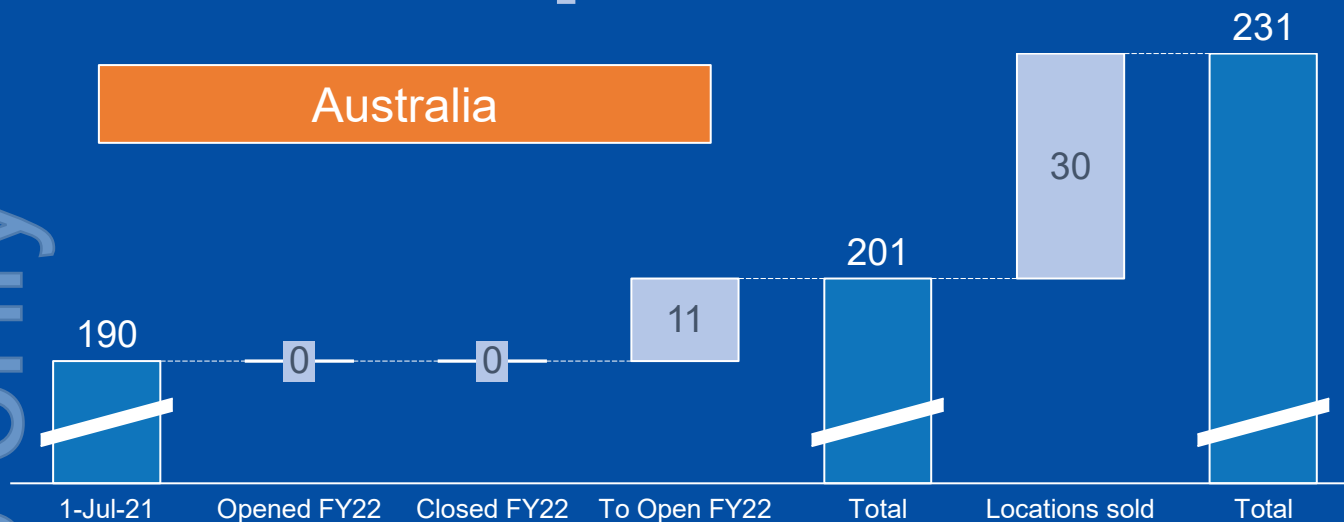
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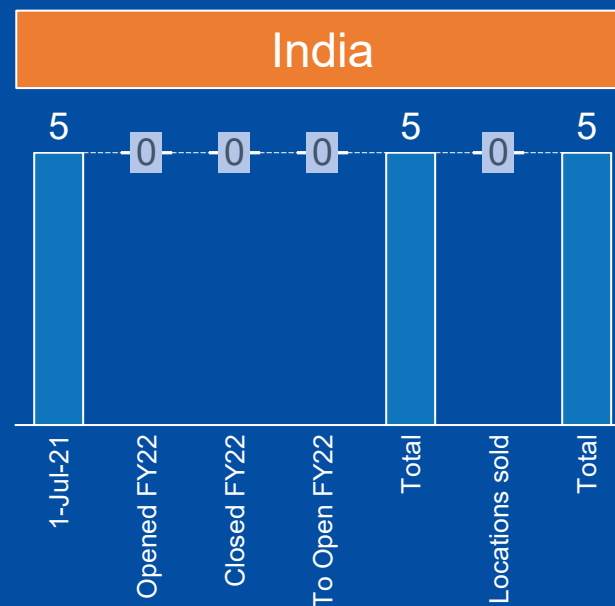
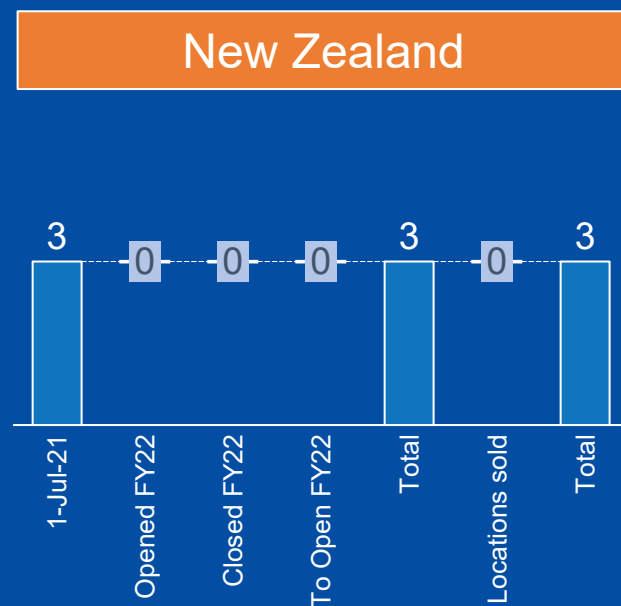
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- Australia growth of new locations slowed due to COVID-19, however the pipeline of new locations secured remains strong.
- New Zealand was stable with no new locations sold. Management plan to start considering New Zealand opportunities when travel between Australia and New Zealand is permitted.
- India has 5 locations opened and is currently seeking further territory sales in the market.
- Initiatives to assist Franchisees and ensure their businesses are more competitive and profitable are in the process of being implemented across the network as well as new rebranding and repositioning of the brand and network.



Plus Fitness Corporate Owned Locations

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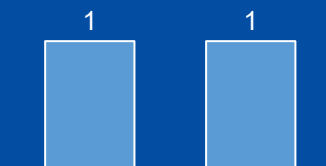
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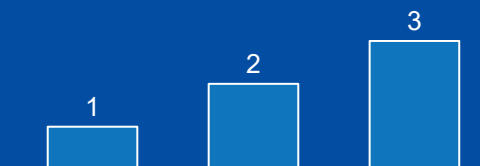
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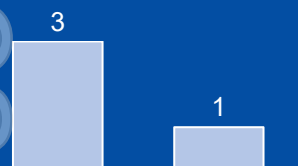
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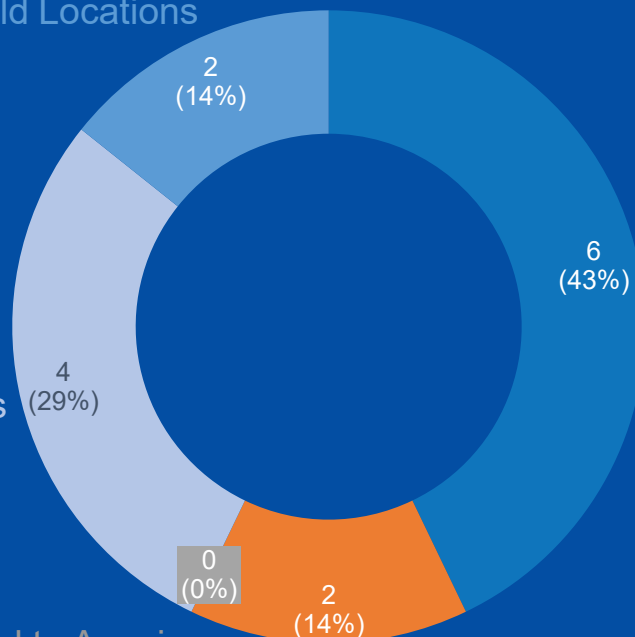
Greenfield Locations



Locations Owned

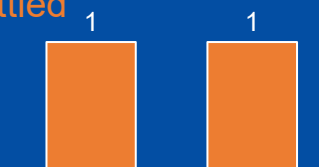


Opportunities



Terms Agreed to Acquire

Acquisitions being settled



MARKET UPDATE (JUL/AUG 2021)

- Viva is considering opportunities in WA for the first time
- As at 31 August 2021

Greenfield Locations

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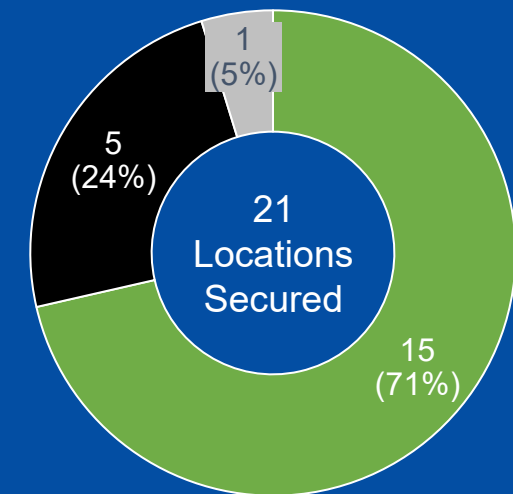
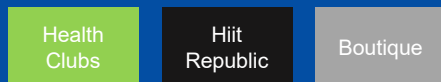
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- Greenfield locations refers to locations secured with a Heads of Agreement or Lease, and in different stages of pre-opening
- Viva's growth focus continues to be in Queensland and Victoria
- Excludes Plus Fitness greenfield locations. Refer Plus Fitness section for details.

AUSTRALIA



Health Clubs Hiit Republic Boutique

VIVA
LEISURE

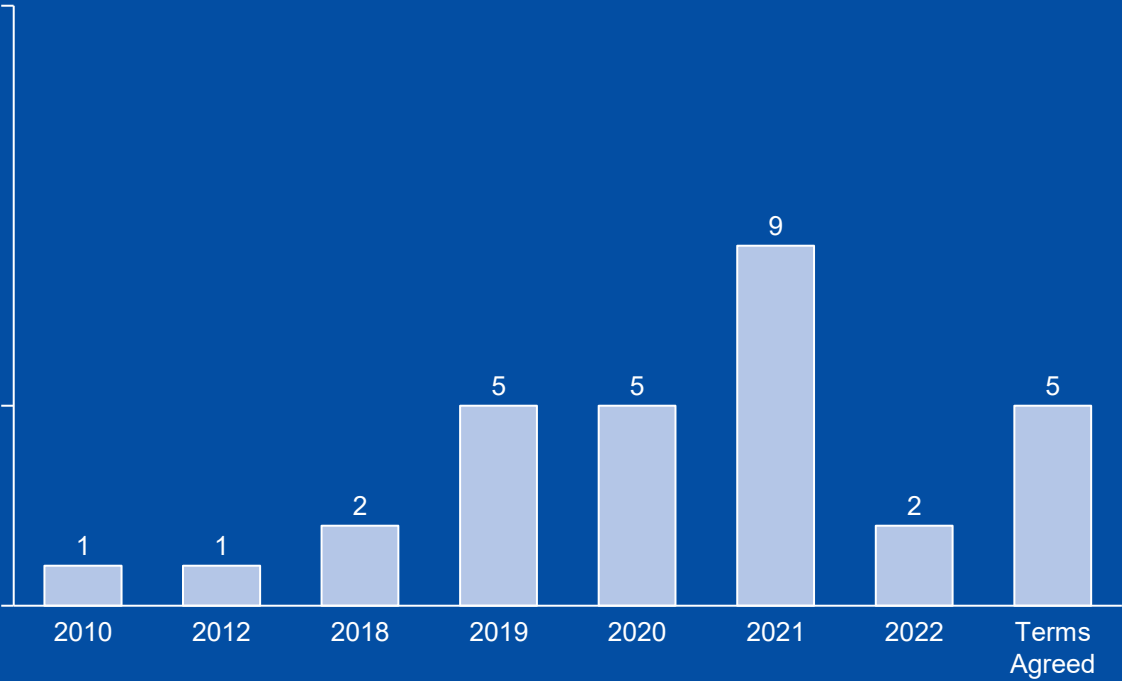
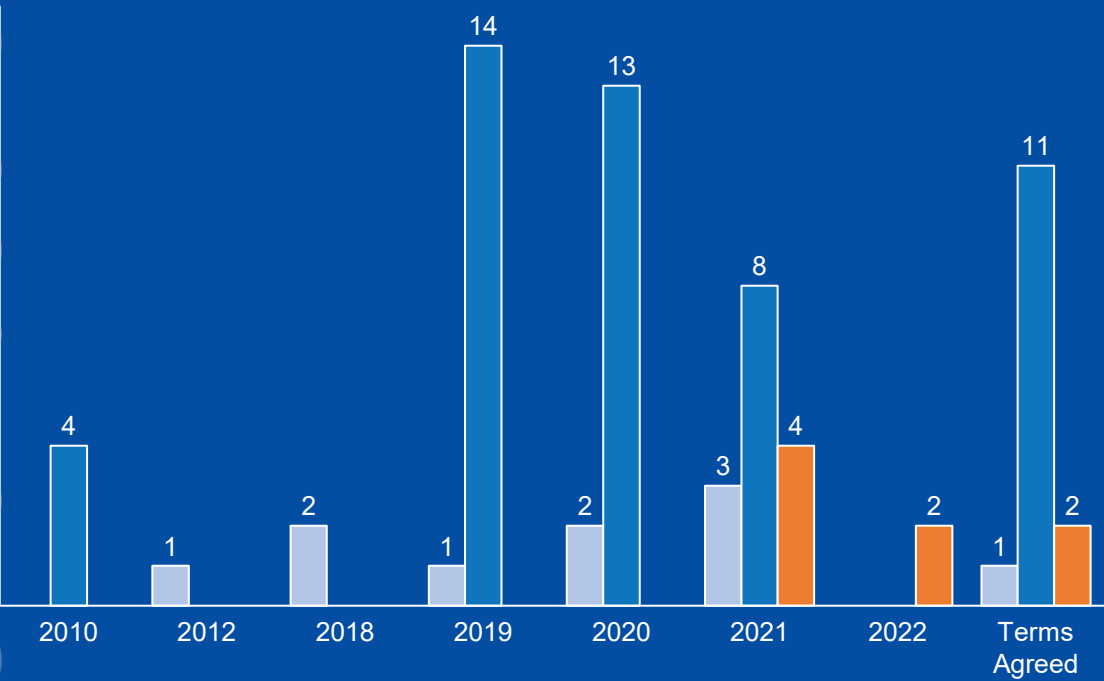
68
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Clubs Acquired by Segment

Acquisitions made



Independents
Multi-Club Chains
Plus Fitness Clubs

All dates are based on calendar years for this report.

Glossary

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Abbreviation	Explanation
AFM	Australian Fitness Management Pty Ltd (Master Franchisor for Plus Fitness)
ARPM	Average Revenue Per Member
Club Margin	4-wall Club EBITDA Margin. Also shown is Margin for clubs operating for greater than, and less than 12 months
Health Clubs & Other	Refers to Health Club brands and other smaller boutiques
Mature / Non-Mature	Refers to locations opened greater than 12 months (mature) and less than 12 months (non-mature)
N/C	Not able to be calculated
NMM	Net Member Movement
PCP	Previous Corresponding Period reported (ie: June 2021 compared to either half year or full year accounts)
PCP %	Percent movement from Previous Corresponding Period (ie: June 2021 compared to either half year or full year accounts)
Plus Fitness Corporate	Refers to locations owned by Viva Leisure and not franchised to third parties
RRR	Revenue Run Rate
Utilisation	Is calculated by multiplying Club m2 by 2.0 (Health Clubs) or 1.5 (Hiit Republic) to measure theoretical capacity