

Viva Leisure bi-monthly performance and trading update.

17 November 2021

Viva Leisure Limited (**Viva Leisure**) (ASX:VVA) wishes to update the market on its trading performance with its latest bi-monthly update presentation, the current impacts of COVID lockdowns, and update on each brand within the portfolio.

Bi-Monthly Reporting Presentation

Our regular bi-monthly trading update presentation has been designed to provide shareholders with key relevant data in relation to the different segments that the business operates.

The bi-monthly report includes unaudited management results for the months of September and October 2021. Key take-outs from the report include:

- Membership has returned to 99% of the June 2021 (pre COVID-19 lockdowns) and has already exceeded the June 2021 membership numbers in November 2021;
- September and October 2021 saw respectively 79% and 38% of the locations closed on a day count per club basis;
- All locations are now operating in November 2021;
- Total Membership as at 31 October 2021 was 296,379 members (June 2021: 298,396);
- 314 locations total across the network, including 122 corporate owned locations;
- Revenue for October 2021 (excluding \$650k NSW Government COVID Support) was approximately \$5.5 million, notwithstanding 38% of 'trade days' not included;
- A member utilised a Viva Leisure owned or franchised location every 2.4 seconds during October 2021.

Harry Konstantinou, CEO & Managing Director said:

"The latest reporting period (September and October 2021) has seen an immediate rebound of the business once locations were permitted to re-open. This is the expected behaviour due to the direct debit nature of the business.

Membership in October 2021 is less than 1 percent below the pre-COVID June 2021 closing member numbers, effectively back to normal within less than a month of the ACT, NSW and VIC re-opening

This immediate bounce-back of membership is encouraging and in line with management expectations."

Health Clubs and Other

Our Health Clubs and Other segment key performance indicators include:

- Members up 2.5% to 123,527 (June 2021: 120,505);
- Locations now 100, up from 93 (June 2021);
- October Daily Revenue Run Rate at \$161,987 (June 2021: \$221,585)

In addition, a program to accelerate the re-branding of recent acquisitions has been in accordance with plan. Once complete and with the opening of secured greenfield locations currently under development, we expect Club Lime to be the largest non-franchised health club brand in Australia sometime during CY2022

Hiit Republic

During the most recent lockdowns, expansion of the hiit republic brand was put on hold. There are currently 22 locations in the portfolio with a further 5 locations (QLD:3, VIC:2) secured and in various stages of development approval or fit-out.

- Members down 9.5% to 4,981 (June 2021: 5,501);

Plus Fitness

Plus Fitness locations are now at 200 for the first time.

As at 31 October 2021, membership (including Viva owned franchised locations) is at 99.5% of the June 2021 member numbers which is extremely encouraging.

Viva Leisure currently owns and operates 8 Plus Fitness locations from 192 in Australia. A further location in NSW has agreed terms and is expected to be acquired before the end of the calendar year.

Acquisitions

During CY2022, Viva Leisure has completed 5 acquisitions for a total of 5 locations. There are a further 3 acquisitions agreed, for a total of 12 additional locations.

Balance Sheet

Following the successful share issue in August 2021, and with controlled cash management during the lockdown, the Company had approximately \$16 million of cash at bank available for use as of 31 October 2021, excluding ~\$4m of cash deposits used to secure bank guarantee commitments.

ENDS

This announcement has been approved for release by the Board.

For further information, please contact:

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About Viva Leisure:

Founded in 2004, Viva Leisure operates health clubs (gymnasiums) within the health and leisure industry. Viva Leisure's mission is to connect health and fitness to as many people as possible and aims to provide its members with affordable, accessible and awesome facilities.

Viva Leisure offers customers several different membership options and a range of different types of facilities from big-box fitness facilities to boutique fitness facilities. The Company currently operates 122 health clubs within the Australian Capital Territory, New South Wales, Victoria, and Queensland, together with the master franchise for the Plus Fitness group of approximately 200 clubs.

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