

Viva Leisure completes acquisition of Fitness 24/7 business

17 June 2019

Viva Leisure is pleased to announce it has completed the acquisition of the Fitness 24/7 businesses in Albury, NSW and Wodonga, Victoria for \$3.75m, plus/minus settlement adjustments as per the Prospectus.

The acquisition comprises three clubs in the region, further extending the Company's geographical reach into regional Australia, and establishing Viva Leisure's first location in Victoria. The clubs will immediately add approximately 3,500 members and are expected to contribute \$3.0m in revenues and \$1.4m in EBITDA in FY2020.

Viva Leisure will immediately commence conversion of the clubs including the installation of its bespoke member management systems, online joining portal, self-service member portal, staff member management portal and fully automated front-end and back-end systems.

As with previous acquisitions, the clubs will be rebranded to Club Lime.

Harry Konstantinou, CEO and Managing Director of Viva Leisure commented:

"Today I am excited that Viva Leisure has secured its first location in regional Victoria. The completion of these acquisitions means that Viva Leisure now owns and operates 36 locations across the Australian Capital Territory, regional NSW and regional Victoria.

With a further four locations opening shortly, we are on track to have 40 locations in operation by the end of the financial year.

We thank the previous owner of the Fitness 24/7 business for creating such a successful chain of clubs in the region and we look forward to working with the great team that he has established in growing our presence and membership in Albury Wodonga. All key staff have accepted positions to transfer to Viva Leisure."

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For further information, please contact:

Harry Konstantinou, CEO and Managing Director, +61 2 6163 8011

MARKET ANNOUNCEMENT



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 36 health clubs within the Australian Capital Territory, New South Wales and Victoria, with the majority operating under the Club Lime brand.