

MARKET ANNOUNCEMENT



28 August 2019

FY2019 Full Year Results

Record Revenue, EBITDA and NPAT in its first year as a listed company

Canberra, Australia - Viva Leisure Limited (ASX: VVA), a leading Australian health club owner and operator, has today announced its results for the full year ended 30 June 2019. Following a successful listing on the ASX in June 2019, this is the Company's first financial results release.

Financial highlights

	FY2019 (\$ million)	FY2018 (\$million)	Increase / (Decrease)	Prospectus (\$million)	Increase / (Decrease)
Revenue	\$33.1	\$24.1	37.1%	\$32.9	0.5%
EBITDA	\$7.3	\$5.2	39.9%	\$6.8	7.0%
NPAT	\$3.2	\$2.9	8.2%	\$2.7	17.6%
Total Monthly Recurring Revenue	\$3.3	\$2.2	47.0%		

The results, when excluding one-off public company listing costs of \$0.9m were:

	FY2019 (\$ million)	FY2018 (\$million)	Increase / (Decrease)
Revenue	\$33.1	\$24.1	37.1%
EBITDA	\$8.2	\$5.2	57.4%
NPAT	\$3.8	\$2.9	30.9%

Other important metrics:

- EBITDA CAGR (FY2015 to FY2019) of 68.0%;
- EBITDA margin achieved was 24.8%, up from previous high of 21.6% in FY2018;
- EBITDA per member
 - Increased to an average of \$183, up 13.6% from \$161 in FY2018; and
 - EBITDA per member CAGR (FY2015 to FY2019) of 37.2%

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Strategic and operational achievements

- The total membership base at the end of June was 54,039, up 51.6% on FY2018;
- The number of operating locations increased from 21 to 40 during FY2019;
- Competed and fully integrated four acquisitions, totalling six new locations in FY2019;
- Entered the Victorian market with first location in Wodonga; and
- Monthly member visitations increased 53% to 282k visits in June 2019, up from June 2018.

Result Commentary

Commenting on the FY2019 results, Viva Leisure's CEO Harry Konstantinou said: "today we have delivered a solid set of financial results for our shareholders, exceeding prospectus forecasts on all key metrics while continuing to build the business to be fit and strong for the future.

"Over the past 12 months, my team and I continued Viva Leisure's growth trajectory by doubling the number of locations, at the same time increasing membership by over 50%. Our mature locations (opened in the previous financial year or earlier) continued to grow and contributed an additional \$4m in revenue over the previous financial year.

Current trading

Viva Leisure has seen strong performance from all business brands in the first two months of FY2020.

Membership now exceeds 57,000 and continues to grow, which is a net growth of 3,000+ members since 1 July 2019.

Outlook

Viva Leisure maintains its entrepreneurial drive to ensure that it can respond to market conditions quickly, provide the best quality service and facilities possible to members and lead in its chosen markets. FY2020 will see Viva Leisure expand in a controlled manner to achieve its strategic objectives.

Viva Leisure confirms it is on track to exceed the proforma FY2020 forecast as set out in the May 2019 Prospectus. Furthermore, management looks forward to updating the market in relation to new club openings and acquisitions currently under negotiation.

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Results briefing

An investor conference call, including Q&A, will commence at 11:00 am AEST today.

In addition to the conference call, a live link will be made available via a webcast at:

<https://webcast.openbriefing.com/5483/>

Participants of the dial-in or webcast are encouraged to register 15 minutes before the start of the presentation.

Dial-in details

Participant Toll:	+61 2 8038 5221
Participant Toll free:	1800 123 296
Conference ID:	6349979

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 over 40 health clubs within the Australian Capital Territory, New South Wales and Victoria, with the majority operating under the Club Lime brand.