

Viva Leisure facilities trading above management expectations

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- All Viva Leisure locations, other than five locations in Melbourne metro are open for business and trading above management expectations
- 94% of Viva Leisure facilities are open and operating
- Melbourne metro locations account for only 4% of the entire membership portfolio; Victorian regional locations are open and operating
- Daily member visits continue to increase with peak days this week exceeding pre-COVID levels
- Membership has recovered to 98% of pre-COVID levels
- 75% of Landlord waiver and deferral arrangements finalised

Viva Leisure Limited (**Viva Leisure**) (ASX:VVA) wishes to update the market on the status of the re-opening of its facilities.

All locations other than Melbourne metro operating

A total of 76 locations (94%) of the Viva Leisure portfolio is open and operating or under scheduled refurbishment and will shortly re-open. Of the five Melbourne metro locations not operating due to Government lockdown restrictions, two of the locations were already closed as they were undergoing scheduled refurbishment and upgrades.

Melbourne metro locations account for only 4% of the entire Viva Leisure membership portfolio. Victoria accounts for 6% of the Viva Leisure membership, however three of the locations in regional Victoria are still open and operating and are not subject to Government lockdown restrictions.

All other States and Territories in which Viva Leisure operates are performing above management expectations in terms of visits, new member enrolments/signups and active members.

Visits

Club visits are an important measure of utilisation and member willingness to visit gymnasiums. Pre-COVID, Viva Leisure was registering an average of 18,000 visits per day. The current 30-day rolling average is above 15,000 visits per day. With ACT locations (which account for 48% of the portfolio) not yet operating in 24-hour mode, five locations closed in Melbourne Metro due to COVID-19 restrictions and two clubs in NSW under refurbishment, these figures are encouraging.

The seven-day rolling average is over 16,000 visits showing a continual improvement since re-opening. Monday and Tuesday this week recorded 20,194 and 19,856 visits, respectively.

Membership

As reported on 4 June 2020, Membership was forecasted to end the FY2020 year at 89,960.

Current membership is 95,400 of which circa 10,000 members remain suspended waiting for full restrictions to be lifted in the ACT and Victoria. A further 3,500 members are currently not being billed as part of scheduled refurbishment and upgrade works being conducted at two NSW locations.

On 23 March 2020 (the date of the mandatory Commonwealth Government shutdown of gyms), Viva Leisure membership was circa 98,000 meaning the business has now recovered to 98% of the pre-COVID membership¹.

Landlord Arrangements

Viva Leisure has successfully negotiated appropriate waiver and deferral arrangements with over 75% of Landlords. The remaining landlords all fit within the category of institutional landlords which have been slow to respond, but at the same time have not requested nor have they been paid any rental from April 2020.

Management continues to engage to finalise arrangements with the remaining landlords.

Viva Leisure's CEO and Managing Director, Harry Konstantinou said:

“The significant recovery of membership in such a short time is above management forecasting and expectations and shows a strong willingness to return to our facilities, even during the uncertainty of COVID. Such a strong return of previous and new members supports the importance of physical and mental wellbeing. It further supports that health clubs are part of members lifestyles.”

ENDS

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¹ Assumes suspended members in Victoria and the ACT as well as non-billed members in NSW are active

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