

7 November 2022

## VIVA LEISURE IMPROVES ON RECORD START TO FY23

### HIGHEST ANNUALISED REVENUE RUN RATE, MEMBERSHIP AND UTILISATION RATE

Viva Leisure Limited (ASX: VVA) (“Viva Leisure” or “the Company”), Australia’s second largest health club owner and operator is pleased to release its bi-monthly market update for the period ended 31 October 2022.

#### September-October 2022 continued record performance across all key metrics:

- Revenue:
  - Annualised Revenue Run Rate (ARRR) of \$138.6 million, up 40.7% on December 2021<sup>1</sup> (\$98.5 million)
  - Monthly Revenue Run Rate (MRRR) of \$11.8 million in October 2022, up 40.7% on December 2021 (\$8.4 million)
  - Average Revenue Per Member (ARPM) at \$15.23 in October 2022, up from \$13.79 in December 2021
- Members:
  - Network members<sup>2</sup> at 333,504 (at 31 October), up 36,293 from December 2021
  - Corporate members<sup>3</sup> at 168,565 (as of 31 October), up 36,374 from December 2021
- Locations:
  - Total corporate locations at 157 (up 25 from December 2021)
  - Total network locations at 336 (up 11 from December 2021)
  - Portfolio utilisation of 71.3% (medium term target level 75-80% per location).
- Acquisitions:
  - Opened one greenfield Club Lime site in Bendigo, Victoria, acquired one more Rebalance Pilates & Yoga studio as well as a further two corporate Plus Fitness locations.

Commenting on the Company’s continued strong growth for FY23 that saw record metrics delivered, Viva Leisure CEO and Managing Director, Harry Konstantinou said:

*“The second quarter of FY23 has continued to break records in all key metrics when compared to previous corresponding periods. With Revenue exceeding \$11 million for the first time in August 2022 (and \$10 million in May 2022), it now sits at \$11.8m for October 2022, and the annualised revenue run rate now exceeds \$138 million. Average revenue per member per week has for the previous two months exceeded \$15 (ex GST), and members finished October 2022 at over 333,500, an increase of over 36,000 since December 2021.*”

<sup>1</sup> PCP being compared is to December 2021, when clubs started returning to normal operations post COVID

<sup>2</sup> Includes Corporate Owned Members and Franchised members

<sup>3</sup> Corporate owned members refers to direct members at Viva owned locations

*For the first time we are now reporting utilisation as the average of all clubs, together with the average across mature clubs, being those clubs owned for more than 12 months. Pleasingly, all clubs utilisation is now over 71%, and mature clubs utilisation is at 73.7%, which are both well on the way to our FY23 utilisation guidance target and long-term business targets. The continued increase in our portfolio utilisation rate provides increased margin due to limited additional costs to add new members to an already operating location, which in return is providing positive financial benefits. Total locations increased slightly from 334 to 336 since August 2022, with corporate owned locations increasing from 153 to 157 locations over the same period.”*

## Acquisitions announced in August are now complete

The six acquisitions announced in August 2022 as part of our FY23 results release have now been completed. Some of the acquisitions included a scrip allocation in place of cash, and the new scrip is expected to be issued shortly.

The acquisitions were in New South Wales, Queensland, and Western Australia.

A summary of the transactions is included below:

Locations	EBITDA <sup>4</sup> ('000)	Average Multiple	Acquisition Price ('000)	Bank Debt ('000)	VVA scrip <sup>5</sup> ('000)	Cash ('000)
6	\$1,460	2.85x	\$4,155	\$2,909	\$916	\$330

As at 7 November 2022, Total Corporate clubs are now at 160 locations, up from 157 as at 31 October 2022.

ENDS

This announcement has been approved for release by the Board of Directors.

## For further information, please contact:

Further information:

Harry Konstantinou, CEO and Managing Director, +61 2 6163 8011  
[investor.relations@vivaleisure.com.au](mailto:investor.relations@vivaleisure.com.au)

<sup>4</sup> EBITDA is excluding the impacts of AASB-16

<sup>5</sup> Issued based on 7 day VWAP on date of settlement

**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. It operates 160 locations within the Australian Capital Territory, New South Wales, Victoria, Queensland and Western Australia, together with the master franchise for the Plus Fitness group of over 180 franchised clubs in three markets – Australia, New Zealand and India.

For further information, please visit: <https://www.vivaleisure.com.au/>