Viva Leisure Limited

ABN 76 607 079 792

Consolidated Financial Statements for the Year Ended 30 June 2025

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Directors' Report

The Directors of Viva Leisure Limited present their report together with the financial statements of the consolidated entity, being Viva Leisure Limited and its controlled entities (the Group) for the financial year ended 30 June 2025.

Directors

The following persons were Directors of Viva Leisure Limited during or since the end of the financial year:

Harry Konstantinou	
	Managing Director and Chief Executive Officer ***Appointed 15 July 2015***
Qualifications	BA, (University of Canberra), Member of Australian Institute of Company Directors
Experience	Company co-founder and Director since 2004 Harry has over 25 years of experience developing, managing and selling technology services business.
Other Current Directorships	None
Directorships held in other listed entities during the three years prior to the current year	None
Interest in Shares and Options	20,459,793 ordinary shares and options to acquire a further 1,406,468 ordinary shares

Rhys Holleran	
	Independent Chair (appointed 20 April 2022) ***Independent Non-Executive Director*** ***Member of the Audit and Risk Committee*** ***Member of the People and Culture Committee*** ***Appointed 30 September 2020***
Qualifications	Bachelor of Economics, Member of Certified Practising Accountants Australia
Experience	Appointed Board and Committee member on 30 September 2020. Rhys has 30 years of executive management expertise ranging from micro-cap to ASX 200 companies in the media sector including as Chief Executive of two public listed companies - RG Capital Radio Limited (ASX:REG) and Macquarie Media Group (ASX:MMG, now ASX:SXL)
Other Current Directorships	None
Directorships held in other listed entities during the three years prior to the current year	None
Interest in Shares and Options	30,000 ordinary shares

Louise Bolger	
	Independent Non-Executive Director (appointed 5 July 2021) ***Chair of the People and Culture Committee*** ***Member of the Audit and Risk Committee (appointed 25 October 2022)***
Qualifications	Bachelor of Laws (Hons), Bachelor of Arts, Bachelor of Education
Experience	Louise is an experienced telecommunications, media and technology lawyer and company secretary having held Director, General Counsel and Company Secretary roles with various ASX listed companies. Her experience as a non-executive director extends to listed and not-for-profit organisations.
Other Current Directorships	None
Directorships held in other listed entities during the three years prior to the current year	None
Interest in Shares and Options	23,800 ordinary shares

Andrew Burns	
	Independent Non-Executive Director (appointed 20 April 2022) ***Chair of Audit and Risk Committee*** ***Member of People and Culture Committee***
Qualifications	Bachelor of Commerce, Executive Masters of Business Administration, Member of Chartered Accountants Australia and New Zealand, Member of the Australian Institute of Company Directors
Experience	Andrew has over 25 years' experience in senior leadership roles and has significant ASX experience. He led the listing process as a consulting CFO for Racing and Sports Limited (ASX:RTH) and Openpay Ltd (ASX:OPY), in 2021, and 2019 respectively , including multiple subsequent capital raises. Andrew was employed the CFO for The Citadel Group Limited (ASX:CGL)for 11 years until 2018, prior to specializing as a Governance and risk Management consultant. Andrew has strong technical competencies in financial management, accounting, risk management and process improvement techniques with a focus in B2B technology and businesses.
Other Current Directorships	***None***
Directorships held in other listed entities during the three years prior to the current year	***None***
Interest in Shares and Options	67,686 ordinary shares

Kym Gallagher	
	Company Secretary and Chief Financial Officer Appointed Company Secretary on 12 October 2018.
Qualifications	Bachelor of Economics, Member of Chartered Accountants Australia and New Zealand
Experience	Kym has considerable experience as the CFO and other senior management roles of numerous ASX listed companies, commencing with RG Capital Radio (ASX:REG) in 2000, followed by Macquarie Media Group (ASX:MMG) in 2005 and Southern Cross Media (ASX:SXL) in 2010
Other Current Directorships	None
Directorships held in other listed entities during the three years prior to the current year	None
Interest in Shares and Options	220,000 ordinary shares and options to acquire a further 410,450 ordinary shares

Principal Activities

The principal activities of the consolidated group during the financial year were the operation of health club services. No significant change in the nature of these activities occurred during the year.

Review of Operations and Financial Results

FY2025 was a year of significant expansion and financial progress for Viva Leisure Limited. The Group achieved total revenue of $211.3 million, representing a 30.0% increase compared to the prior year ($162.6 million). This revenue growth was broad-based across operating segments and reflects both the organic performance of our network and the impact of our acquisition and expansion strategy.

Adjusted EBITDA rose by 26.2% to $99.1 million, with the EBITDA margin remaining strong at 46.9%, slightly down from 48.3% in FY2024. This demonstrates disciplined cost management while continuing to scale the business. Profit before tax increased to $7.28 million from $4.77 million, and net profit after tax (NPAT) rose from $3.25 million to $5.23 million, representing a 60.9% uplift.

Operations highlights include:

- Health club services revenue rose to $187.5 million, up 27.1% from the prior year, driven by higher member volumes and new site contributions.
- Technology, payments and other services revenue more than doubled to $14.8 million, showcasing the strength and scalability of this emerging segment.
- Franchise operations saw a modest decline in revenue to $7.9 million, down 6.0%, due to changes in third-party direct debit rebates following the rollout of Viva Pay.

The Group experienced strong membership growth, with corporate memberships growing from 200,067 to 258,571 (29.2%) and total memberships increasing from 372,354 to 620,902 members - a 66.8% increase - supported by significant expansion in franchised memberships through the investments in Boutique Fitness Studios and World Gym Australia master franchises. Operational scale was further enhanced by the addition of 268 new corporate and franchised locations, bringing the total to 663, a 67.8% increase over the prior year.

While cash reserves declined to $12.9 million (from $22.3 million), this was primarily due to proactive capital deployment to support the Group's rapid growth initiatives, including acquisitions, greenfield openings, and investments in technology.

Financial highlights for the year:

- Total revenues were $211,303,830 compared with $162,626,909 in the financial year ended 30 June 2024;
- Profit before income tax was $7,275,833, compared with $4,774,152 in the financial year ended 30 June 2024;
- Net profit after tax (NPAT) from continuing operations and attributable to members was $5,227,245 compared with $3,248,184 in the financial year ended 30 June 2024;
- Basic earnings per share (EPS) was 5.24 compared with 3.55 cents in the financial year ended 2024, growth of 47.6%;
- Cash and cash equivalent reserves is $12,881,452, down from $22,274,377 in the financial year ended 30 June 2024; and
- There was an increase in net assets to $110,917,941 compared to $109,084,469 in the financial year ended 30 June 2024.

Operational highlights for the period

Key Metrics	30 June 2025 $m	30 June 2024 $m	Variance $	Variance %
Financial				
Revenue	211.3	162.6	48.7	30.0%
Adjusted EBITDA[1]	99.1	78.9	20.2	25.6%
EBITDA % of Revenue	46.9%	48.3%	-	-
Revenue by Operating Category				
Revenue from health club services	187.5	147.5	40.0	27.1%
Revenue from franchise operations[3]	7.9	8.4	(0.5)	(6.0%)
Revenue from technology, payments and other services	14.8	6.5	8.3	127.7%
Other revenue	1.1	0.2	0.9	397.9%
Total Revenue	211.3	162.6	48.7	30.0%
Non-Financial				
Members				
- Corporate sites	258,571	200,067	58,504	29.2%
- Franchised sites[2]	362,331	172,287	190,044	110.3%
Total Members	620,902	372,354	248,548	66.8%
Locations				
- Corporate sites	202	176	26	14.8%
- Franchised sites[2]	289	175	114	65.1%
- Sold sites and greenfield locations	172	44	128	290.9%
Total Locations	663	395	268	67.8%

[1]Earnings before interest, taxation, depreciation and amortisation (EBITDA) is a non-IFRS financial measure used by the Group to access underlying operational performance. It has been adjusted for non-recurring one-off costs. Refer to the Adjusted EBITDA reconciliation table on page 8.

[2] Franchised sites includes the sites held within the BFS and WGA Master Franchises of which Viva Leisure is part owner.

[3]Revenue has declined due to third party direct debit rebates no longer available with the commencement on Viva Pay.

The following table provides a reconciliation of Profit Before Tax to Adjusted EBITDA.

Adjusted EBITDA Reconciliation ($'000's)	FY2025 $	FY2024 $
Profit Before Tax	7.3	4.8
Add: Depreciation and Amortisation	64.1	51.9
Add: Finance Costs	24.6	18.6
Adjustments for non-cash and non-operational items	3.1	3.6
Adjusted EBITDA	**99.1**	**78.9**

Significant Changes in the State of Affairs

During the year ended 30 June 2025, Viva Leisure executed a range of strategic initiatives that significantly advanced the Group's growth, scale, and diversification. These changes reflect the Company's continued focus on building a robust and scalable health and wellness platform.

Health Club Services

The Group continued its expansion across corporate-owned sites through both acquisitions and greenfield developments.

Acquisitions completed during the year include:

- The assets of three Gold's Gym locations (now rebranded to Club Lime) in WA (Port Kennedy, Kenndy Park and Mandurah);
- The share capital of Surge Enterprises Pty Limited and its subsidiaries which comprise five health clubs in WA;
- The assets of three South Pacific Health Clubs in Victoria (Williamstown, Hawthorn, and Camberwell);
- The assets of five Plus Fitness clubs across NSW and WA (Campbelltown, Ambarvale, Newbrook, Glenmore Park, and Alexander Heights);
- Three World Gym franchise entities (each owning a single club), strengthening the Group's footprint in Queensland.

New greenfield sites opened during the year include:

- Three Club Lime locations in Albion Park (NSW), Seven Hills (QLD), and Ringwood (VIC);
- A GroundUp functional training facility in Dickson (ACT).

Franchise Operations

The Group made significant strategic investments in franchise operations that position Viva for accelerated expansion and diversified revenue streams:

- Acquired a 34% interest in Boutique Fitness Studios (BFS), the Australian and New Zealand Master Franchisee of four Xponential Fitness brands (Rumble Boxing, Club Pilates, StretchLab, and CycleBar) for approximately $2.0 million, with a call option to acquire the remaining interest.

- Acquired a 25% equity stake in World Gym Australia (WGA) as part of a bundled deal alongside the purchase of three corporate World Gym locations in Queensland, for a total of $16.7 million, also with a call option for full ownership.

Viva also expanded the Plus Fitness franchise network through international development agreements, executing Area Development Agreements or Master Franchise Agreements in:

- Singapore
- Hong Kong
- Philippines
- United Kingdom
- India (renewed)

A total of 26 Plus Fitness territories were sold domestically and internationally during the period, with 3 new franchise clubs opened. This expansion underpins Viva's strategy to grow via capital-light, margin-enhancing franchising models.

Additional franchise developments include:

- BFS executed an Area Development Agreement with Riser Fitness LLC to develop 40 Club Pilates studios across Australia over four years.
- BFS has a total of 62 territories sold or in development.
- WGA opened 5 new sites, bringing the total number of territories sold or in development to 14.
-

Technology, Payments and Other Services

Viva's technology and ancillary service initiatives continued to grow and contribute meaningfully to Group earnings:

- An additional 31 vending machines were rolled out across the network, bringing the total to 146 machines, generating over $2.5 million in annualised revenue.
- The Group launched its own online supplement store, SuppSociety.com.au.
- Viva agreed to updated terms for its digital advertising agreement for calendar 2025, increasing minimum net revenue from $300k to $500k per annum.

These developments support the Group's ongoing strategy to diversify revenue streams through high-margin, scalable digital and technology channels.

Capital Management

The Group also undertook several initiatives to strengthen its financial position and return capital to shareholders:

Successfully negotiated revised bank facilities with the Commonwealth Bank of Australia, which mature on 20 November 2027. These include:

- $130 million Cash Advance Facility (revolving and interest-only);
- $35 million Bank Guarantee Facility;
- $50 million Accordion Facility, providing future growth flexibility.

Executed an on-market buyback of 3.43 million shares at an average price of $1.36 per share, reflecting the Group's commitment to capital efficiency and shareholder returns.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

Risk Statement

The Group is committed to the effective management of risk to reduce uncertainty in business outcomes and to protect and enhance shareholder value.

There are a number of risks that could have a material financial impact on the Group; these risks and their mitigation strategies are outlined below:

Regulatory risk

If there is a change in any applicable industry regulations, franchising laws or temporary changes legislation, the Group may be affected through additional compliance costs or the inability to provide certain services. This could result in the loss of revenue and customers through lower utilisation and site shutdowns, which may adversely affect the Company's financial position and performance.

Mitigation Strategies

- Ensure that the Company is up to date with current regulatory matters and decisions.
- Continuous business development and member growth to increase member numbers and utilisation rates.

Protection of intellectual property

The Group maintains many intellectual property assets and risks associated with our IP include the risk that employees or other third parties will breach confidentiality agreements, infringe, or misappropriate the Company's intellectual property or commercially sensitive information.

Mitigation Strategies

- Ensure that contractual agreements with employees and third parties include appropriate IP protections, including indemnity clauses.
- Administration access limited to select employees.

Disruption risks

Disruption risks for the Group include service outages, inability to handle unanticipated levels of demand during peak times or events, computer viruses, misuse by employees or contractors, or external or malicious interventions, such as hacking. Any disruption or failure of the Groups technology or systems may adversely affect the Company's operations, achievement of objectives and ultimately, its financial position.

Mitigation Strategies

- Ensure suppliers providing technology services to the Company are reputable and have robust mitigation strategies to manage any issues effectively.
- Continuous monitoring of traffic site, regular server testing and upgrading to handle increasing traffic.
- Redundancies and data backup for all key technology systems.
- 24-hour technology coverage of the website and technology assets to ensure issues are dealt with promptly.

Privacy breaches

Cyber-security incidents may compromise, or breach technology and service platforms used by the Company as part of its ongoing business and result in disclosure of personal or confidential information about the Company, its customers, employees or third parties in breach of *Privacy Act 1988* (Cth) (Privacy Act) and the Australian Privacy Principles (APPs). This could result in loss of data integrity, reputational damage to the Company, claims from affected parties, loss of customers, increased regulatory scrutiny or regulatory action.

Mitigation Strategies

- Application of Privacy Principles to the management of personal data.
- Appropriate security regarding use of, and access to, personal data in accordance with the Privacy Act.
- IT security measures such as firewalls, alerts for unauthorised access and encryption of data when it is being transmitted.

Domestic and Global Economic Conditions

The Group is subject to risk related to the volatility of domestic and global economic, political, and social conditions. The uncertainties and recent downturn of the global economy and other macroeconomic factors, interest rate rises and a high inflation environment, wars, geo-political instability, supply chain interruptions, could adversely affect our business.

Domestic Economic Conditions:

Domestic economic conditions including further interest rate rises, inflation and increases in the cost of living may have an impact on the Group through pressure to increase wages and lead to reduced members of clubs.

Global Economic Conditions:

Global economic conditions may have an impact on the Group through the sourcing of equipment and consumables in support of the current and future operations. The impact to the group may be through increased prices and disruptions to supply chain.

Mitigation Strategies

- Increased costs may be directly passed on to the customer through periodic price increases.
- Wage growth is actively managed using appropriate application of the Fair Work Act and a proactive talent acquisition capability.
- Global supply chain risks are mitigated through advanced planning for new and refurbished sites taking in to account the potential for supply chain disruptions.

Interest Rate Risk

The Group is exposed to interest rate risks as outlined in Note 33. The interest rate risk is limited to the outstanding borrowings with variable interest rates.

Mitigation Strategies

- The group continually assess the weighted average cost of debt against the cost of capital to determine the most appropriate use of free cashflow from operations.

Directors' meetings

The number of meetings of the Board (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director is as follows:

Director's name	Board Meetings		Audit and Risk Committee		People and Culture Committee	
	A	B	A	B	A	B
Harry Konstantinou	10	10	4	4	4	4
Rhys Holleran	10	10	4	4	4	4
Louise Bolger	10	10	4	4	4	4
Andrew Burns	10	9	4	4	4	4

Where:

- column A: is the number of meetings the Director was entitled to attend
- column B: is the number of meetings the Director attended

During the year, there were 10 scheduled Board Meetings.

Unissued shares under option

Unissued ordinary shares of the Company under option at the date of this report are:

Date options granted	Expiry date	Exercise price of shares ($)	Number under option
12-Nov-20	16-Oct-25	3.34	606,667
24-Oct-22	31-Aug-25	0.00	613,986
26-Oct-23	31-Aug-26	0.00	635,538
24-Oct-24	31-Aug-27	0.00	517,486
			2,373,677

These options were issued under the LTI Plan (described in Note 22.2 to the financial statements) and have been allotted to individuals on conditions as follows:

- LTI Plan Options: The vesting of those options will be subject to the satisfaction of appropriate service-based conditions and/or performance hurdles determined by the Board. Options issued under the LTI program expire on the earlier of their expiry date or termination of the employee's employment;

Shares issued during or since the end of the year as a result of exercise of Options

There were no issued ordinary shares as a result of the exercise of options during the financial year.

Environmental Legislation

The consolidated group's operations are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

Dividends

There were no dividends paid or declared since the start of the financial year (2024: nil).

Indemnities given to, and Insurance Premiums paid for Auditors and Officers

Insurance of Officers

During the year, Viva Leisure paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all Directors and Secretaries. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract of insurance.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Group against a liability incurred as such by an officer. No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the consolidated group.

Indemnity of officers

The Company has entered into deeds of access, indemnity and insurance with each Director (Director’s Protection Deed) which confirm and extend the Director’s statutory and general law rights of access to Board papers and the books and records of the Company and its Subsidiaries. The Director’s Protection Deeds provide that the Director be allowed access to and a copy of records in certain circumstances.

In accordance with the Constitution, the Company must indemnify any current and former Directors and officers of the Company and its Subsidiaries against any liability incurred by that person in that capacity, including legal costs. The Director’s Protection Deed also requires the Company to indemnify the Director for liability incurred as an officer of the Company and its Subsidiaries, including reasonably incurred legal costs, to the maximum extent permitted by law.

The Constitution also allows the Company to enter into and pay premiums on contracts insuring any liability incurred by any current and former Directors and officers of the Company and its Subsidiaries, which is incurred by them in that capacity, including legal costs.

Accordingly, the Director’s Protection Deed requires the Company to maintain, to the extent permitted by law, an insurance policy which insures Directors and officers against liability as a Director or officer of the Company and its Subsidiaries.

Indemnity of auditors

The Group has agreed to indemnify its auditors, Hall Chadwick, to the extent permitted by law, against any claim by a third party arising from the Group’s breach of its agreement. The indemnity requires the Group to meet the full amount of any such liabilities including a reasonable amount of legal costs.

Non-audit services

During the year, Hall Chadwick, the Company's auditors, performed certain other services in addition to their statutory audit duties.

The Board of Directors has considered the position and, in accordance with the advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Details of the amounts paid to the auditors of the Company, Hall Chadwick, for audit and non-audit services provided during the year are set out in Note 27 to the financial statements. The total paid for non-audit services was $61,795. This comprised tax and other business services.

Proceedings on Behalf of the Consolidated Group

No person has applied for leave of Court to bring proceedings on behalf of the consolidated group or intervene in any proceedings to which the consolidated group is a party for the purpose of taking responsibility on behalf of the consolidated group for all or any part of those proceedings.

The consolidated group was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 33.

This directors' report including the Remuneration Report on pages 15 to 32 is signed in accordance with a resolution of the Board of Directors:

Director

Harry Konstantinou

Dated this 13th day of August 2025.

Remuneration Report (audited)

FY2025 Remuneration Report

Contents

Section	Title	Description
1.0	**Introduction**	Describes the scope of the Remuneration Report and the individuals whose remuneration details are disclosed together with a summary of the key changes during the year.
2.0	**Remuneration governance**	Describes the role of the Board and the Remuneration Committee, and the use of remuneration consultants when making remuneration decisions.
3.0	**Non-executive director remuneration**	Provides details regarding the fees paid to non-executive directors.
4.0	**Executive KMP remuneration**	Outlines the principles and strategy applied to executive remuneration decisions and the framework used to deliver rewards including the performance and remuneration linkages.
5.0	**KMP equity interests**	Provides details regarding shareholdings in Viva Leisure Limited of KMP
6.0	**Employment agreements**	Provides details regarding the contractual arrangements between Viva Leisure Limited and the executives whose remuneration details are disclosed.

1.0 Introduction

Viva Leisure Limited (Viva Leisure or Viva) has a firm belief that attracting, developing, engaging and retaining passionate, capable team members will provide Viva Leisure with a sustainable advantage over the long term. Building and maintaining a culture and implementing people systems to support such a belief and culture are strategic priorities for the Company.

The relevant people strategies include attraction, learning and development, engagement, workplace health and safety, talent and succession management, and remuneration and benefits.

The Board's philosophy and approach to executive Key Management Personnel (KMP) remuneration has been to balance 'fair and reasonable' remuneration for skills and expertise with a risk and reward framework that supports longer-term growth and sustainability of Viva Leisure as an ASX listed company. A comprehensive review of executive remuneration during the financial year ended 30 June 2023 (FY2023) was implemented across FY2024 and FY2025. In addition, a further review was undertaken during the financial year ended 30 June 2025 (FY2025) and will be implemented from FY2026.

Key initiatives implemented included:

- Having a meaningful portion of remuneration 'at risk', dependent on meeting pre-determined performance benchmarks, both short (annual) and long term (3 years);
- Establishing appropriate and demanding performance hurdles, including a mix of objective measures and individual based key performance indicators, for both short and long term grants;
- Linking executive 'at risk' remuneration to shareholder value accretion by providing appropriate equity incentives to KMP which are linked to long-term Company performance and core values;
- Inclusion of zero priced options as reward for achievement of long term incentive performance targets

Details of the use of remuneration consultants can be found at section 2.2.

The Board believes, Viva Leisure's approach to Board and executive KMP remuneration is a balanced, fair and equitable approach designed to reward and motivate a successful and experienced Board and executive team to deliver ongoing business growth which is designed meets the expectations of shareholders and other key stakeholders.

The Board will continue to welcome feedback from shareholders on our remuneration practices or on the communication of remuneration matters in the FY2025 Remuneration Report and beyond.

1.1 Scope

This Remuneration Report sets out, in accordance with the relevant Corporations Act 2001 (Corporations Act) and accounting standard requirements, the remuneration arrangements in place for key management personnel (KMP) of Viva Leisure Limited during FY2025.

1.2 Key management personnel

KMP have authority and responsibility for planning, directing and controlling the activities of Viva Leisure and comprise the non-executive directors, and executive KMP (being the executive directors and other senior executives named in this report). Details of the KMP as at year end are set out in the table below:

	Title (at year end)/Committees	Change in FY2025
Non-executive directors		
Rhys Holleran	Chair Member, Audit & Risk Management Member, People & Culture	No Change. Full Year No Change. Full Year No Change. Full Year
Louise Bolger	Director Chair, People & Culture Member, Audit & Risk Management	No Change. Full Year No Change. Full Year No Change. Full Year
Andrew Burns	Director Chair, Audit & Risk Management Member, People & Culture	No Change. Full Year No Change. Full Year No Change. Full Year
Executive directors		
Harry Konstantinou	Managing Director CEO and Managing Director	No change. Full year.
Other executive KMP		
Kym Gallagher	Chief Financial Officer	No change. Full year.
Angelo Konstantinou	Chief Technology Officer	No change. Full year
Sean Hodges	Chief Operating Officer	No change. Full year.

2.0 Remuneration governance

This section of the Remuneration Report describes the role of the Board and the Remuneration Committee (People and Culture Committee), and the use of remuneration consultants when making remuneration decisions affecting KMP.

2.1 Role of the Board and the Remuneration Committee

The Board is responsible for Viva Leisure's remuneration strategy and policies. Consistent with this responsibility, the Board has established the People and Culture Committee (P&CC) which comprises solely independent non-executive directors (NEDs).

The role of the P&CC is set out in its Charter, which is reviewed annually and was last revised and approved by the Board in June 2025. In summary, the P&CC's role is to:

- ensure that the appropriate procedures exist to assess the remuneration levels of the Chairman, other NEDs, executive directors, direct reports to the CEO, Board Committees and the Board as a whole;
- ensure that Viva Leisure meets the requirements of Australian Securities Exchange (ASX) diversity and other relevant Guidelines;
- ensure that Viva Leisure adopts, monitors and applies appropriate remuneration policies and procedures;
- ensure that reporting disclosures related to remuneration meet the Board's disclosure objectives and all relevant legal requirements;
- develop, maintain and monitor appropriate talent management programs including succession planning, recruitment, development; and retention and termination policies and procedures for senior management; and

- develop, maintain and monitor appropriate superannuation arrangements for Viva Leisure.

The P&CC's role and interaction with Board, internal and external advisors, are further illustrated below:

The Board

Reviews, applies judgment and, as appropriate, approves the P&CC's recommendations.

The People & Culture Committee ("P&CC")

The P&CC operates under the delegated authority of the Board.

The P&CC is empowered to source any internal resources and obtain external independent professional advice it considers necessary to enable it to make recommendations to the Board on the following:

Remuneration policy, composition and quantum of remuneration components for executive KMP, and performance targets	Remuneration policy in respect of NEDs	Talent management policies and practices including superannuation arrangements	Design features of executive KMP short term incentive (STI) and long term incentive (LTI) awards, including setting of performance and other vesting criteria

External consultants	**Internal resources**

Further information on the P&CC's role, responsibilities and membership is contained in the Corporate Governance Report of its Annual Report. The P&CC terms of reference can also be viewed in the Investor Centre, Corporate Governance section of the Viva Leisure website.

2.2 Use of remuneration consultants

All proposed remuneration consultancy contracts (within the meaning of section 206K of the Corporations Act) are subject to prior approval by the Board or the P&CC in accordance with the Corporations Act.

Viva Leisure Limited's Board engaged the services of Crichton & Associates during the financial year ended 30 June 2025 to review and to provide recommendations in respect of the amount and elements of executive remuneration, including short-term and long-term incentives.

Under the terms of the engagement, Crichton & Associates provided remuneration recommendations as defined in section 9B of the Corporations Act 2001 for fees of $24,382 for these services for both the FY2025 and FY2026 financial years.

Crichton & Associates confirmed that any recommendations have been made free from undue influence by members of the Group's key management personnel.

Crichton & Associates was engaged by, and reported directly to, the Board of Directors. The agreement for the provision of remuneration consulting services was executed by the Chair of the Board of Directors on behalf of the Board.
The report containing the remuneration recommendations was provided by Crichton & Associates directly to the Chair of the Board of Directors.

3.0 Non-executive director (NED) remuneration

3.1 NED remuneration

Principle	Comment
Fees are set by reference to key considerations	Fees for NEDs are based on the nature of the NEDs' work and their responsibilities. The remuneration rates reflect the complexity of Viva Leisure's business and the extent of the number of geographical locations in which Viva Leisure operates. In determining the level of fees, survey data on comparable companies is considered. NEDs' fees are recommended by the P&CC and determined by the Board. Shareholders approve the aggregate amount available for the remuneration of NEDs.
Remuneration is structured to preserve independence whilst creating alignment (See also section 3.4)	To preserve independence and impartiality, NEDs are not entitled to any form of incentive payments including options and the level of their fees is not set with reference to any measure of Viva Leisure performance.
Aggregate Board and committee fees are approved by shareholders	The total amount of fees paid to NEDs in FY2025 is within the aggregate amount approved by shareholders at the Annual General Meeting on 24 October 2024 of $800,000 per annum. No increase in the total fee pool is proposed this year.

3.2 NED fees and other benefits explained

Elements	**Details**		
Board/ committee fees per annum - FY2025	Board Chairman fee	$160,000	
	Board NED base fee	$80,000	
	Committee fees	**Committee Chair**	**Committee member**
	Audit	$15,000	$10,000
	People & Culture	$15,000	$10,000
Post-employment benefits			
Superannuation	Superannuation contributions have been made at a rate of 11.5% of the base fee (but only up to the Australian Government's prescribed maximum contributions limit) which satisfies the Company's statutory superannuation contributions. The contribution rate will increase in future years in line with mandated legislative increases. Contributions are included in the base fee.		
Retirement schemes	There are no retirement schemes in place for NED other than Statutory Superannuation.		
Other benefits			
Equity instruments	NEDs do not receive any performance related remuneration, options, performance rights or shares.		
Other fees/benefits	NEDs receive reimbursement for costs directly related to Viva Leisure business. No payments were made to NEDs during FY2025 for travel allowances, extra services or special exertions.		

3.3 NED total remuneration paid

Amounts $		Short-term benefits	Post-employment benefits		
	Year	Fees	Termination benefits (if any)	Superannuation	Total
Rhys Holleran (Chair)	**FY2025**	**144,796**	**-**	**16,652**	**161,448**
	FY2024	144,796	-	15,928	160,724
Louise Bolger	**FY2025**	**104,978**	**-**	**-**	**104,978**
	FY2024	105,000	-	-	105,000
Andrew Burns	**FY2025**	**105,000**	**-**	**-**	**105,000**
	FY2024	111,667	-	-	111,667
Total	**FY2025**	**354,774**	**-**	**16,652**	**371,426**
	FY2024	361,463	-	15,928	**377,391**

3.4 Minimum shareholding guidelines

No minimum shareholding requirements are in place.

4.0 Executive remuneration

4.1 Executive KMP remuneration

Viva Leisure's executive remuneration policies are designed to attract, motivate and retain a qualified and experienced group of executives with complimentary skills. Fixed remuneration components are determined having regard to the specific skills and competencies of the executive KMP with reference to both internal and external relativities, particularly local market and industry conditions. The 'at risk' components of remuneration are strategically directed to encourage management to strive for superior (risk balanced) performance by rewarding the achievement of targets that are challenging, clearly defined, understood and communicated within the ambit of accountability of the relevant executive KMP.

Executive KMP remuneration objectives are determined as follows:

Executive KMP remuneration objectives

Attract, motivate and retain executive talent across diverse geographies	The creation of reward differentiation to drive performance values and behaviours.	An appropriate balance of 'fixed' and 'at risk' components	Shareholder value creation through equity components

Total target annual remuneration (TTAR) is set by reference to the relevant position and market

Fixed	**At risk**	
Fixed Annual Remuneration (FAR)	**Short-term incentives (STI)**	**Long-term incentives (LTI)**
FAR is set **based** on relevant market relativities, reflecting responsibilities, performance, qualifications, experience and location	STI performance criteria are set by reference to Viva Leisure earnings and selected other performance targets relevant to Viva Leisure or the position	LTI targets are linked to performance conditions aligned to ensure improved Viva Leisure share performance

Remuneration will be delivered as:

Base salary plus any fixed elements related to local markets, including superannuation or equivalents.	Short term incentive remuneration is based on cash payments.	Equity in performance rights. All equity is held subject to service and performance for 3 years from grant date. The equity is at risk until vesting. Performance is tested once at the vesting date.
FAR will generally be positioned considering expertise and performance in the role.	Performance incentive is directed to achieving Board approved targets, reflective of market circumstances.	LTI is intended to reward executive KMP for sustainable long-term growth aligned to shareholders' interests. comparisons.

4.2 Remuneration composition mix and timing of receipt

4.2.1 Current remuneration mix and amendments for FY2026

Viva Leisure provides an appropriate and competitive mix of remuneration components balanced between fixed and at risk and paid in both cash and deferred equity. The broad remuneration composition mix for executive KMP can be illustrated as follows:

Remuneration mix FY2025

The remuneration mix for the CEO/Managing Director and other executive KMP in FY2025 consisted of FAR, STI and LTI. This resulted in the following remuneration mix:

Position	FAR	STI	LTI
CEO	50.0%	Up to 25.0% (of TTAR)	Up to 25.0% (of TTAR)
Executive KMP	63.5%	Up to 21.5% (of TTAR)	Up to 15.0% (of TTAR)

Remuneration mix FY2026 proposed

The proposed 'new' mix of remuneration for the CEO/Managing Director, CFO and executive KMP effective from 1 July 2025, will be as follows:

Position	FAR % of TTAR	STI % of TTAR (at target)	LTI %of TTAR (at target)
CEO	38.50%	Up to 30.75%	Up to 30.75%
CFO	43.50%	Up to 21.70%	Up to 34.80%
Other Executive KMP	45.45%	Up to 18.18%	Up to 36.36%

Fixed Annual Remuneration (FAR)
The aim of Viva Leisure to position all executives at between the median and 75th percentile compared to relevant market based data considering the expertise and performance in the role.

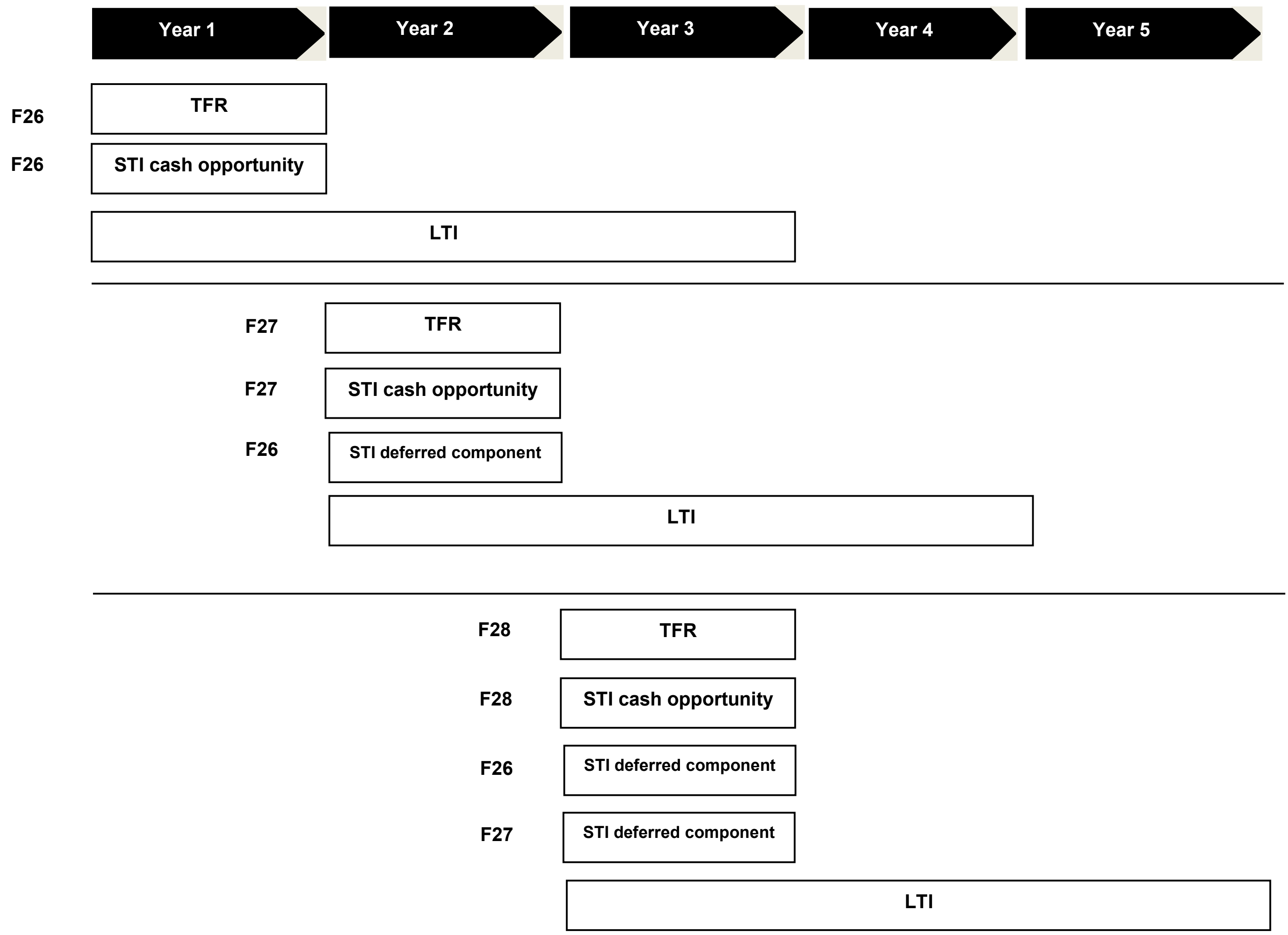
A description of the short-term and long-term incentive schemes, including any proposed changes are set out in sections 4.4.1 and 4.4.2 below.

Short Term Incentives (STI)
From FY2026, it is proposed that the STI will include deferred components as follows:
- A maximum of 60% of the target STI components are payable on achievement based on the FY2026 testing
- 20% will be deferred and payable at the end of FY2027on a pro-rata basis equivalent to the actual achievement of the FY2026 component
- 20% will be deferred and payable at the end of FY2028 on a pro-rata basis equivalent to the actual achievement of the FY2026 component

Total Target Annual Remuneration (TTAR)
TTAR under the remuneration mix adopted will, in the opinion of the Board, deliver an overall risk adjusted reward opportunity which is fair and market competitive.

4.2.2 Remuneration – timing of receipt of the benefit for FY2026 onwards

The three complementary components of executive KMP remuneration are 'earned' over multiple time ranges. This is illustrated in the following chart:



As illustrated, executive KMP remuneration is delivered on a cascading basis, with a material component deferred for three years and (LTI) awarded as equity. This remuneration mix is designed to ensure executive KMP are focused on delivering results over the short, medium and long term if they are to maximise their remuneration opportunity. The Board believes this approach will align executive KMP remuneration to shareholder interests and expectations.

4.3 Fixed Annual Remuneration explained

Fixed Annual Remuneration (FAR) includes all remuneration and benefits paid to an executive KMP calculated on a total employment cost basis. In addition to base salary, superannuation and other allowances are included.

Executive KMP FAR is tested regularly for market competitiveness by reference to appropriate independent and externally sourced comparable benchmark information, including for comparable ASX listed companies, and based on a range of size criteria including market capitalisation, taking into account an executive's responsibilities, performance, qualifications, experience and location.

FAR adjustments, if any, are made with reference to individual performance, an increase in job role or responsibility, changing market circumstances as reflected through independent benchmark assessments or through promotion.

Any adjustments to executive KMP remuneration are approved by the Board, based on P&CC and CEO/Managing Director recommendations.

4.4 Variable (at risk) remuneration explained

As set out in section 4.2, variable remuneration is intended to form a significant portion of the CEO/Managing Director and other executive KMP remuneration opportunity. Apart from being market competitive, the purpose of variable remuneration is to direct executives' behaviours towards maximising Viva Leisure's short, medium and long-term performance.

The key aspects are summarised below:

4.4.1 Short-term incentives (STI)

Purpose

The STI arrangements at Viva Leisure are designed to reward executives for their achievement against annual performance targets set by the Board at the beginning of the performance period. The STI program is reviewed annually by the P&CC and approved by the Board.

Any STI award in excess of the 100% budget opportunity is individually approved by the P&CC. All STI awards to the CEO and other executive KMP are approved by the P&CC and Board.

Performance targets

The key performance objectives of Viva Leisure are currently directed to achieving Board approved targets, and by the achievement of individual performance goals. For FY2025 the STIs comprised:

CEO:

- 40.00% on achievement of the Board approved budget for FY2025
- 60.00% on achievement of predetermined individual performance KPIs.

Executive KMP:

- 47.00% on achievement of the Board approved budget for FY2025
- 53.00% on achievement of predetermined individual performance KPIs.

Key Performance Measure	% of FY2025 STI Awarded[1]	% of FY2024 STI Awarded
Harry Konstantinou	100%	100%
Kym Gallagher	100%	100%
Sean Hodges	100%	100%
Angelo Konstantinou	100%	100%

Rewarding performance

[1]The STI performance ratings are determined under a predetermined matrix with the Board determination final.

Table 1 - Executive KMP STI opportunity and actual FY2025 STI awarded

Executive KMP	Position	Target STI as a % of FY2025 TTAR	STI awarded as a % of TTAR	Actual STI award in FY2025 ($)	STI forfeited in FY2025 as a % of TTAR
Harry Konstantinou	Chief Executive Officer	25.0%	25.0%	423,500	0%
Kym Gallagher	Chief Financial Officer	21.5%	21.5%	167,971	0%
Sean Hodges	Chief Operating Officer	21.5%	21.5%	131,099	0%
Angelo Konstantinou	Chief Technology Officer	21.5%	21.5%	116,760	0%

4.4.2 Long-term incentives (LTI)

The LTI provides an annual opportunity for executive KMP and other selected executives (based on their ability to influence and execute strategy) to receive an equity award deferred for three years, that is intended to align a significant portion of executives' overall remuneration to shareholder value over the longer term. All LTI awards remain at risk and subject to 'clawback' (forfeiture or lapse) until vesting.

Purpose	To align executive KMP remuneration opportunity with shareholder value and provide retention stimulus.
Types of equity awarded	LTIs are provided under the Viva Leisure Long-Term Incentive Plan. See section 5.1 for further details. Under the Long-Term Incentive Plan, selected senior executives are offered performance rights (being either premium priced or nil exercise price rights to fully paid ordinary shares of Viva Leisure Limited), subject to satisfying the relevant requirements.
Time of grant	All equity grants will be made after the AGM each year but based on values determined in August.
Time restrictions	Equity grants awarded to the CEO/Managing Director and other executive KMP are tested against the performance hurdles set, at the end of three years. If the performance hurdles are not met at the vesting date, performance rights lapse.
Performance hurdles and vesting schedule	Equity grants to the CEO and other executive KMP are subject to performance conditions, as follows:

LTIs (Granted 24 October 2022)	Tranche 1 (50% of Options – based on EPS CAGR)	Tranche 2 (50% of Options – based on TSR CAGR)
CAGR over the three Financial Years Ending 30 June 2025	**Percentage of Options that Vest**	**Percentage of Options that Vest**
Less than 10% (minimum Target)	0%	0%
10% to 15% (within target range for Tranche 1)	50% - 100% (on a straight-line basis)	0%
15% to 20% (within target range for Tranche 2)	100%	50% - 100% (on a straight-line basis)
Greater than 20% (above maximum target)	100%	100%

LTIs (Granted 26 October 2023)	Tranche 1 (50% of Options – based on EPS CAGR)	Tranche 2 (50% of Options – based on TSR CAGR)
CAGR over the three Financial Years Ending 30 June 2026	**Percentage of Options that Vest**	**Percentage of Options that Vest**
Less than 10% (minimum Target)	0%	0%
10% to 15% (within target range for Tranche 1)	50% - 100% (on a straight-line basis)	0%
15% to 20% (within target range for Tranche 2)	100%	50% - 100% (on a straight-line basis)

Greater than 20% (above maximum target)	100%	100%
LTIs (Granted 24 October 2024)	**Tranche 1 (50% of Options – based on EPS CAGR)**	**Tranche 2 (50% of Options – based on TSR CAGR)**
CAGR over the three Financial Years Ending 30 June 2027	**Percentage of Options that Vest**	**Percentage of Options that Vest**
Less than 7.5% (minimum target)	0%	0%
7.5% to 12.5% (within target range for Tranche 1)	50% - 100% (on a straight-line basis)	0%
12.5% to 15.0% (within target range for Tranche 2)	100%	50% - 100% (on a straight-line basis)
Greater than 15.0% (above maximum target)	100%	100%

- For the purposes of the above performance hurdles, EPS means the Basic Earnings per Share calculated by reference to the Company's audited financial statements and excluding the impacts of AASB16.

- For the purposes of the above performance hurdles:
  - for the options granted on 24 October 2022, TSR means Total Shareholder Return and will be measured using the VVA 15-day Volume Weighted Average Market Price (VWAP) for the fifteen (15) trading days commencing from the 1 July 2022 (TSR measure start date) to the same 15 trading period VWAP from 1 July 2025 (TSR measure end date).
  - for the options granted on 26 October 2023, TSR means Total Shareholder Return and will be measured using the VVA 15-day Volume Weighted Average Market Price (VWAP) for the fifteen (15) trading days commencing from the 1 July 2023 (TSR measure start date) to the same 15 trading period VWAP from 1 July 2026 (TSR measure end date).
  - for the options granted on 24 October 2024, TSR means Total Shareholder Return and will be measured using the VVA 15-day Volume Weighted Average Market Price (VWAP) for the fifteen (15) trading days commencing from the 1 July 2024 (TSR measure start date) to the same 15 trading period VWAP from 1 July 2027 (TSR measure end date).

- The Basic EPS may be adjusted for items which the Board, in its discretion, considers should be excluded from the EPS result (such as items of a one-off and non-recurring nature).

- The performance hurdles will be tested only once the vesting condition has been met by the grantee senior executive and following the Company's audited accounts being finalised for each respective financial year end.

Performance rights vest if the time restrictions and relevant performance hurdles are met. The Board must approve any special provisions, in accordance with Company policies, in the event of termination of employment or a change of control.

Dividends	No dividends are attached to options or performance rights.
Voting rights	There are no voting rights attached to options or performance rights.
Retesting	There is no retesting of performance hurdles under Viva Leisure LTI.
LTI allocation	The size of individual LTI grants for the CEO/Managing Director and other executive KMP is determined in accordance with the Board approved remuneration strategy mix. The allocation methodology for performance rights is to determine the target LTI dollar value for each executive and divide it by face value determined by a 15-day VWAP after the release of the annual financial statements.

4.5 Other remuneration elements and disclosures relevant to executive KMP

4.5.1 Malus and Clawback

The "Malus and Clawback" provision empowers the Board to take action in specific situations where participants in the company's Plan have engaged in fraudulent, dishonest, or negligent behaviour, breached their duties, brought disrepute to the company, or been convicted of an offense related to the company's affairs. Additionally, the provision can be applied if a participant benefits from a financial misstatement circumstance or if the company is required or entitled by law or policy to reclaim remuneration or restrict the participant's Options and/or Performance Rights.

Under the provision, the Board can make several determinations. They have the authority to forfeit or impose conditions on shares acquired by the participant under the Plan, as well as lapse or impose conditions on unvested or unexercised Options and/or Performance Rights. They can also adjust the number of shares over which the Options and/or Performance Rights are exercisable.

Furthermore, the Board can require the participant to repay the value of Options and/or Performance Rights received, the net proceeds from the sale of shares acquired under the Plan, or any dividends received. They may also adjust the participant's fixed remuneration, incentives, or participation in the Plan for the current or future years if it is necessary to prevent unfair benefit to the participant.

4.5.2 Hedging and margin lending prohibition

Under the Viva Leisure Securities Trading Policy and in accordance with the Corporations Act, equity granted under Viva Leisure equity incentive schemes must remain at risk until vested, or until exercised if performance rights. It is a specific condition of grant that no schemes are entered into, by an individual or their associates that specifically protect the unvested value of performance rights allocated.

Viva Leisure also prohibits the CEO/Managing Director or other ‘Designated Persons’ (including executive KMP) providing Viva Leisure securities in connection with any margin loan or similar financing arrangement unless that person has received a specific notice of no objection in compliance with the policy from the Board.

Viva Leisure, in line with good corporate governance, has a formal policy setting down how and when employees of Viva Leisure may deal in Viva Leisure securities.

Viva Leisure’s Securities Trading Policy is available on the Viva Leisure website under Investor Centre, Corporate Governance.

4.5.3 Cessation of employment provisions

The provisions that apply for STI and LTI awards in the case of cessation of employment are detailed in section 6.

4.5.4 Conditions of LTI grants

The conditions under which LTI (performance rights) are granted and are approved by the Board in accordance with the relevant scheme rules, are as summarised in section 5.

4.5.5 Minimum shareholding guidelines

The Company has no minimum shareholding guidelines.

4.6 Relationship between Viva Leisure performance and executive KMP remuneration

The performance of the Group and remuneration paid to KMP over the last four years is summarised in the table below.

	FY2021	FY2022	FY2023	FY2024	FY2025
Sales revenue ($million)	83.72	90.83	141.18	162.63	211.30
EBITDA ($million)	34.1	36.4	65.5	78.9	99.1
NPAT ($million)	(6.4)	(12.1)	3.4	3.2	5.2
Weighted EPS (cents)	(8.2)	(13.8)	3.8	3.6	5.2
Total dividend per share (cents)	-	-	-	-	-
Share price as at 30 June ($)	$1.64	$1.16	$1.27	$1.40	$1.345
CEO Total Annual Remuneration ($)	522,980	977,909	1,226,251	1,335,045	1,537,050
Executive KMP Remuneration ($)	874,011	1,152,224	1,440,385	1,620,530	1,843,093

During the FY2025 period the financial result of the Group exceeded the internally set Board approved financial targets for the Group. In addition, the guidance targets set in February 2025 have been met.

Financial Metric	Actual Results	Guidance
Q4 FY2025 Total Revenue	$57.0m	>$56m
Q4 FY2025 pre – AASB16 EBITDA	$12.7m	>$12.5m

Accordingly, the Company believes that the CEO/Managing Director and executive KMP remuneration aligns to company performance.

4.7 Executive remuneration table – audited statutory disclosure (accounting cost to Viva Leisure)

Executive Remuneration	Year	Fixed Remuneration				Variable remuneration				Proportion of total remuneration		
		Short-term	Other employee costs		Total	Short-term	Equity Compensation	Total	Total	Performance related	Equity related	Total
Amount $		Salary	Superannuation benefits	Long service leave		Bonus	Value of options			%	%	
Harry Konstantinou	**2025**	**817,068**	**29,932**	**43,510**	**890,510**	**423,500**	**223,424**	**646,924**	**1,537,434**	**27.5%**	**14.5%**	**42.1%**
(Chief Executive Officer)	2024	742,601	27,399	38,755	808,755	308,000	218,290	526,290	1,335,045	23.1%	16.4%	39.4%
Kym Gallagher	**2025**	**466,168**	**29,932**	**17,107**	**513,207**	**167,971**	**61,826**	**229,797**	**743,004**	**22.6%**	**8.3%**	**30.9%**
(Chief Financial Officer)	2024	423,601	27,399	12,186	463,186	124,025	63,928	187,953	651,139	19.0%	9.8%	28.9%
Angelo Konstantinou	**2025**	**314,918**	**29,932**	**16,739**	**361,589**	**131,099**	**42,976**	**174,075**	**535,665**	**24.5%**	**8.0%**	**32.5%**
(Chief Technology Officer)	2024	286,101	27,399	14,939	328,439	86,213	44,438	130,651	459,090	18.8%	9.7%	28.5%
Sean Hodges	**2025**	**357,268**	**29,932**	**13,197**	**400,397**	**116,760**	**48,253**	**165,013**	**565,410**	**20.7%**	**8.5%**	**29.2%**
(Chief Operating Officer)	2024	324,601	27,399	11,606	363,606	96,800	49,895	146,695	510,301	19.0%	9.8%	28.7%
Total	**2025**	**1,955,421**	**119,728**	**90,553**	**2,165,702**	**839,330**	**376,479**	**1,215,809**	**3,381,513**	**24.8%**	**11.1%**	**36.0%**
Total	2024	1,776,904	109,596	77,486	1,963,986	615,038	376,551	991,589	2,955,576	20.8%	12.7%	33.5%

5.0 KMP equity interests

The tables below set out the equity interests held by Non-executive Directors ("NEDs") and executive KMP.

Please refer to sections 4.5.2 (Hedging and margin lending prohibition) and 4.5.5 (Minimum shareholding guidelines).

NEDs	Viva Leisure Limited ordinary shares	Total intrinsic value of Viva Leisure Limited securities as at year end ($)
Rhys Holleran	30,000	40,350
Louise Bolger	23,800	32,011
Andrew Burns	67,686	91,038
Total NED's	**121,486**	**163,399**

Executives	Viva Leisure Limited ordinary shares	Vested options over Viva Leisure Limited ordinary shares	Vested options over Viva Leisure Limited ordinary shares^	Total intrinsic value of Viva Leisure Limited securities as at year end ($)
Executive director				
Harry Konstantinou*	20,459,793	177,967	375,000	27,757,787
Other executives				
Kym Gallagher	220,000	52,119	113,334	366,000
Sean Hodges	46,667	40,678	38,334	111,495
Angelo Konstantinou*	19,220,604	36,229	80,000	25,906,424
Total executives	**39,947,064**	**306,993**	**606,668**	**54,141,706**

* SHJA Management Pty Ltd, of which Harry and Angelo Konstantinou are related parties, owns 18,688,434 ordinary shares.
^ options are currently out of the money

6.0 Employment Agreements (audited)

The CEO/Managing Director and other executive KMP operate under employment agreements.

The following sets out details of the employment agreements relating to the CEO/Managing Director and other executive KMP. The terms for the CEO and all other executive KMP are similar but do, on occasion, vary to suit different needs.

Length of contract	The CEO/Managing Director and other executive KMP are on permanent contracts, which is an ongoing employment contract until notice is given by either party.
Notice periods	In order to terminate the employment arrangements, the CEO is required to provide Viva Leisure with six months' written notice. Other executive KMP are required to provide Viva Leisure with between 3 months' and six months' written notice.
Resignation	On resignation, unless the Board determines otherwise: • all unvested STI or LTI benefits are forfeited.
Termination on notice by Viva Leisure	Viva Leisure may terminate employment of the CEO by providing six months' written notice. For other executive KMP, the notice period is three months' written notice. The Company may make payment in lieu of the notice period based on TFR. On termination on notice by Viva Leisure, unless the Board determines otherwise: • unvested STI or LTI benefits may be exercised or paid within 30 days of notice being given.
Death or total and permanent disability	On death or total and permanent disability, the Board has discretion to allow all unvested STI and LTI benefits to vest.
Termination for serious misconduct	Viva Leisure may immediately terminate employment at any time in the case of serious misconduct, and other executive KMP will only be entitled to payment of TFR up to the date of termination. On termination without notice by Viva Leisure in the event of serious misconduct: • all unvested STI or LTI benefits will be forfeited; and • any ESS instruments provided to the employee on vesting of STI or LTI awards that are held in trust, will be forfeited.
Statutory entitlements	Payment of statutory entitlements of long service leave and annual leave applies in all events of separation.
Post-employment restraints	The CEO is subject to post-employment restraints of up to 12 months. All other executive KMP are subject to post-employment restraints for up to 6 months.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

HALL CHADWICK

VIVA LEISURE LIMITED
ABN 76 607 079 792
AND ITS CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF VIVA LEISURE LIMITED

In accordance with Section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Viva Leisure Limited. As the lead audit partner for the audit of the financial report of Viva Leisure Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
(ii) any applicable code of professional conduct in relation to the audit.

A partner of Hall Chadwick (NSW) played a significant role in the audit of Viva Leisure Limited from the audit for the year ended 30 June 2016 for a period of more than 5 years. Requirements as per s324DAA to s324DAC of the Corporations Act 2001 which allow for an extended appointment period of up to 7 years were not met in full resulting in a breach of s324DB. This matter was rectified by appointing another eligible partner for the 30 June 2023 audit.

Hall Chadwick (NSW)

Hall Chadwick (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Martin Sabanos
Partner
Date: 13 August 2025

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VIVA LEISURE LIMITED
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 $	2024 $
Revenue	4	211,303,830	162,626,909
Rent and outgoings expense		(7,864,911)	(5,170,577)
Employee benefits expense	22	(58,631,788)	(46,489,462)
Bank charges		(2,056,565)	(1,194,951)
Advertising and marketing costs		(8,541,331)	(5,953,713)
Utilities and cleaning		(14,831,406)	(11,931,200)
Licences and subscriptions		(4,129,867)	(2,783,425)
Insurances		(1,056,233)	(945,625)
Repairs and maintenance		(4,752,128)	(3,150,580)
Professional fees		(456,167)	(296,985)
Depreciation and amortisation expense		(64,125,722)	(51,868,475)
Costs of capital raisings, acquisitions and contractual matters	5	(1,490,933)	(605,274)
Finance costs	6	(24,552,273)	(18,651,135)
Other expenses		(11,538,673)	(8,811,355)
Profit before income tax expense		7,275,833	4,774,152
Income tax expense	8	(2,048,588)	(1,525,968)
Profit after income tax expense for the year		**5,227,245**	**3,248,184**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**5,227,245**	**3,248,184**

Earnings per share	Note	Cents	Cents
Basic earnings per share:			
Earnings from continuing operations	25	5.24	3.55
Diluted earnings per share:			
Earnings from continuing operations	25	5.12	3.46

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

VIVA LEISURE LIMITED
Consolidated statement of financial position
As at 30 June 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	9	12,881,452	22,274,377
Trade and other receivables	10	4,456,385	2,520,104
Other assets	11	2,037,552	1,381,397
Inventories	12	1,271,151	1,152,153
Total current assets		20,646,540	27,328,031
Non-current assets			
Receivables	10	173,220	211,910
Investments accounted for using the equity method	13	8,174,819	-
Property, plant and equipment	14	126,019,944	63,614,087
Right-of-use assets	19	245,124,857	265,307,160
Intangibles	15	120,615,030	91,946,962
Deferred tax asset	16	90,802,658	91,958,341
Other assets	11	835,788	2,118,670
Total non-current assets		591,746,316	515,157,130
Total assets		**612,392,856**	**542,485,161**
Liabilities			
Current liabilities			
Current trade and other payables	17	17,896,296	14,034,856
Borrowings	21	-	8,291,023
Leases	19	41,981,205	43,074,972
Income tax payable	16	904,171	3,869,646
Provisions	20	4,598,490	3,820,293
Current contract liabilities	18	5,173,153	4,121,850
Total current liabilities		70,553,315	77,212,640
Non-current liabilities			
Borrowings	21	100,531,575	20,824,838
Lease liabilities	19	241,166,185	247,150,522
Deferred tax liabilities	16	76,205,586	77,797,874
Provisions	20	13,018,254	10,414,818
Total non-current liabilities		430,921,600	356,188,052
Total liabilities		**501,474,915**	**433,400,692**
Net assets		**110,917,941**	**109,084,469**
Equity			
Issued Capital	23	140,339,903	143,990,674
Reserves	24	(20,953,080)	(21,090,598)
Accumulated losses		(8,468,882)	(13,815,607)
Total equity		**110,917,941**	**109,084,469**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

VIVA LEISURE LIMITED
Consolidated statement of changes in equity
For the year ended 30 June 2025

	Issued capital $	Reserves $	Retained profits $	Non-controlling interest $	Total equity $
Balance at 1 July 2023	128,550,674	(21,230,048)	(17,300,892)	-	90,019,734
Expired 2021 options	-	(237,101)	237,101	-	-
Issue of shares, net of transaction costs and tax	15,440,000	-	-	-	15,440,000
Share option premium reserve	-	376,551	-	-	376,551
Total transactions with owners	**15,440,000**	**139,450**	**237,101**	**-**	**15,816,551**
Profit after income tax expense for the year	-	-	3,248,184	-	3,248,184
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	3,248,184	-	3,248,184
Balance at 30 June 2024	**143,990,674**	**(21,090,598)**	**(13,815,607)**	**-**	**109,084,469**

	Issued capital $	Reserves $	Retained profits $	Non-controlling interest $	Total equity $
Balance at 1 July 2024	143,990,674	(21,090,598)	(13,815,607)	-	109,084,469
Expired share options	-	(238,961)	119,480	-	(119,481)
Share buy back	(4,650,771)	-	-	-	(4,650,771)
Share issued in exchange for equity investment	1,000,000	-	-	-	1,000,000
Share option premium reserve	-	376,479	-	-	376,479
Total transactions with owners	**(3,650,771)**	**137,518**	**119,480**	**-**	**(3,393,773)**
Profit after income tax expense for the year	-	-	5,227,245	-	5,227,245
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	5,227,245	-	5,227,245
Balance at 30 June 2025	**140,339,903**	**(20,953,080)**	**(8,468,882)**	**-**	**110,917,941**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

VIVA LEISURE LIMITED
Consolidated statement of cash flows
For the year ended 30 June 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from customers		230,571,800	178,017,787
Payments to suppliers and employees		(132,640,930)	(98,343,518)
Receipts from Viva payables		2,136,574	-
Interest received		478,357	173,154
Interest paid	6	(23,813,627)	(18,723,132)
(Payments) / Refunds of income tax		(6,691,178)	(1,676,649)
Net cash from operating activities	26	70,040,996	59,447,642
Cash flows from investing activities			
Purchase of property. plant and equipment	14	(24,628,461)	(13,754,389)
Proceeds from sale of property, plant and equipment		-	28,585
Purchase of intangibles	15	(4,824,616)	(5,123,650)
Payments for business combination, net of cash acquired	30	(30,164,616)	(14,045,163)
Payments for investments	13	(6,768,903)	-
Dividends received	13	200,000	-
Net cash used in investing activities		(66,186,596)	(32,894,617)
Cash flows from financing activities			
Proceeds from issue of shares	23	-	16,000,000
Direct costs of issues of shares		-	(800,000)
Proceeds from borrowings		36,373,927	15,029,000
Repayment of borrowings (net of fees)		(3,120,771)	(5,307,412)
Reduction in equipment leases principal	19	(4,892,481)	(7,657,246)
Reduction in property leases principal	19	(36,957,229)	(28,371,474)
Payments for share buy-backs	23	(4,650,771)	-
Net cash used in financing activities		(13,247,325)	(11,107,132)
Net (decrease)/increase in cash and cash equivalents		(9,392,925)	15,445,893
Cash and cash equivalents at the beginning of the financial year		22,274,377	6,828,484
Cash and cash equivalents at the end of the financial year	9	12,881,452	22,274,377

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Nature of Operations

The principal activities of the consolidated group during the financial year were health club operations. No significant change in the nature of these activities occurred during the year.

Note 2. General Information and Statement of Compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Viva Leisure Limited is a for-profit entity and statements are prepared on accruals basis under the historical cost convention.

Viva Leisure Limited is the Group's Ultimate Parent Company. Viva Leisure Limited is a Public Company incorporated and domiciled in Australia. The address of its registered office and its principal place of business is DKSN 2.0 North Building, Level 3, 23 Challis Street, Dickson ACT.

The consolidated financial statements for the year ended 30 June 2025 were approved and authorised for issue by the Board of Directors on 13 August 2025.

Note 3. Summary of Material Accounting Policies

a. Overall Considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

b. Basis of Consolidation

The Group financial statements consolidate those of the Parent Company and all its subsidiaries as at 30 June 2025. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June. Refer to N**ote 31** for the list of subsidiaries.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Note 3. Summary of Material Accounting Policies (continued)

c. Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement.

Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of: (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquiree, and (c) acquisition date fair value of any existing equity interest in the acquiree, over the acquisition date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately. See note 15.

d. Fair Value of Assets and Liabilities

Where applicable, the Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Note 3. Summary of Material Accounting Policies (continued)

e. Revenue

Health Club Operations

Revenue is derived mainly from the sale of health club membership services to its customers.
To determine whether to recognise revenue, the Group follows a 5-step process:
(i) Identifying the contract, or otherwise, with a customer;
(ii) Identifying the performance obligations;
(iii) Determining the transaction price;
(iv) Allocating the transaction price to the performance obligations; and
(v) Recognising revenue when/as performance obligation(s) are satisfied.

The health club membership services revenue stream focuses on providing customers with access to the groups' gym facilities. Revenue is recognised as the customers are provided access to the gym. Under AASB 15: Revenue from Contracts with Customers, this happens over time as customers pay in advance of receipt of this service. The consideration received in advance of providing these services, which is generally two weeks in advance, is recognised as a contract liability.

Therefore, revenue is recognised over time as the customer consumes these services. The transaction price is determined with reference to the contract price as stated in the customer's contract.

Franchise Operations

Following the acquisition of Australian Fitness Management (Plus Fitness), the following additional revenue recognition policies are now applicable for the group.

The group enters into franchise licence agreements, whereby franchisees pay an upfront five year licence fee, and ongoing monthly franchise fees. The licence fee consideration is received in advance of providing the services attaching to the licence, which is generally over a five year period, and is recognised as a contract liability. The monthly franchise fees are recorded as revenue as they are derived. The transaction price is determined with reference to the contract price as stated in the franchise agreement.

The group provides equipment to franchisees as part of establishing the licence. The equipment is invoiced in advance of the supply and is recognised as a contract liability until the point in time the franchise commences operation. On commencement of the franchises operation the revenue is recognised. The transaction price is determined by the amount invoiced to the franchise.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Viva Pay and Technical Fees

The Group provides direct debit collection services and member management services to its franchisees in the Plus Fitness franchise network. The Group charges fees to the franchisees at the time of collection of direct debit income for these services. The fees are recorded as revenue as they are derived.

All revenue is stated net of the amount of goods and services tax.

f. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

Note 3. Summary of Material Accounting Policies (continued)

g. Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less any accumulated impairment losses.

Goodwill is calculated as the excess of the sum of:
(i) the consideration transferred at fair value;
(ii) any non-controlling interest (determined under either the fair value or proportionate interest method); and
(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of any identifiable assets acquired and liabilities assumed.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Goodwill on acquisition of subsidiaries is included in intangible assets.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored and not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

h. Other Intangible Assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in the profit or loss arising from derecognition of an intangible asset is measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangibles are reviewed annually. Changes in expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Amortisation

The amortisable amount of all intangibles is amortised on a straight-line basis over the asset’s useful life to the consolidated group commencing from the time the asset is held ready for use.

The amortisation rates used for each class of amortisable assets are:

Class of Intangibles	Amortisation Rate per annum
Trademarks	5-10%
Capitalised Software	25-33%
Digital Assets	10%

Note 3. Summary of Material Accounting Policies (continued)

i. Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3l. for details of impairment).

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate per annum
Plant and equipment	10-40%
Furniture and fittings	10-20%
Motor vehicles	15-25%
Leased plant and equipment	5-20%
Leasehold improvements	5-20%

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised.

Note 3. Summary of Material Accounting Policies (continued)

j. Leases

The Group as a lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (ie leases with a remaining term of 12 months or less) and leases of low value assets are recognised as operating expenses on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:
• fixed lease payments less any lease incentives;
• variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
• the amount expected to be payable by the lessee under residual value guarantees;
• the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
• payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement day and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Short-term leases

The Group has elected not to recognise lease liabilities for short-term leases that have a lease term of 12 months or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Note 3. Summary of Material Accounting Policies (continued)

k. Impairment Testing of Goodwill, Other Intangible Assets and Property, Plant and Equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Group's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in- use. To determine the value-in-use, management estimates expected future cash flows from each cash- generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

l. Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable)

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:
• amortised cost
• fair value through profit or loss (FVPL)
• equity instruments at fair value through other comprehensive income (FVOCI)
• debt instruments at fair value through other comprehensive income (FVOCI)

Classifications are determined by both:

• The entities business model for managing the financial asset

Note 3. Summary of Material Accounting Policies (continued)

• The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Subsequent measurement financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):
• they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
• the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:
• financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
• financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Group assumes that the credit risk has not increased significantly since initial recognition.

In order to make such a determination that the financial asset has low credit risk, the Group applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:
• there is a low risk of default by the borrower;
• the borrower has strong capacity to meet its contractual cash flow obligations in the near term;

Note 3. Summary of Material Accounting Policies (continued)

• adverse changes in economic and business conditions in the longer term may, but not necessarily will, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a risk of default lower than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Group assesses the credit risk and recognises a loss allowance if appropriate. Any movement in the loss allowance from prior year is treated as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Group's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Group's financial liabilities include borrowings, trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

m. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the consolidated group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

n. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

Note 3. Summary of Material Accounting Policies (continued)

o. Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided the expected rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group’s forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Viva Leisure Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

p. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Note 3. Summary of Material Accounting Policies (continued)

q. Employee Benefits

Short-term employee benefits

Provision is made for the consolidated group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The consolidated group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The consolidated group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the consolidated group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

All employees of the consolidated group receive defined contribution superannuation entitlements, for which the consolidated group pays the fixed superannuation guarantee contribution (currently 11.5% of the applicable employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The consolidated group's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the consolidated group's statement of financial position.

Note 3. Summary of Material Accounting Policies (continued)

r. Share-based Employee Remuneration

The Group operates equity-settled share-based remuneration plans for its employees (see note 22). None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to share option reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

s. Provisions

Provisions are recognised when the consolidated group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

t. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

Note 3. Summary of Material Accounting Policies (continued)

u. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. The comparatives reflect the consolidated group.

Where the consolidated group retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

v. Changes in Material Accounting Policies

There were no changes in significant accounting policies during the year.

w. New and revised Australian Accounting Standards and Interpretations on issue but not yet effective

At the date of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments
AASB 2025-1 Amendments to Australian Accounting Standards - Contracts Referencing nature-dependent electricity
AASB 2024-3 Amendments to Australian Accounting Standards - Annual Improvements Volume 11

Impact of the new sustainability reporting standards
The Group has assessed the potential impact of future financial reporting standards that are not yet effective, including:
AASB S2 *Climate-related Disclosures*, which became mandatory for financial years starting after 1 January 2025; and
AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information*, which is a voluntary standard applicable to reporting periods beginning on or after 1 January 2025.

AASB S2 Climate-related Disclosures
As a Tier 2 entity, the Group will be required to comply with AASB S2 and disclose audited climate-related financial information in its financial report for the year ending 30 June 2027.

AASB S2 introduces requirements for entities to disclose climate-related financial information, including:
Governance and risk management processes related to climate risks
Strategy and metrics used to assess climate-related impacts
Quantitative and qualitative disclosures on climate-related risks and opportunities

The Group is currently evaluating the implications of AASB S2 on its financial reporting, risk management, and operational practices. While no material impact on the recognition or measurement of assets and liabilities is expected at this stage, additional disclosures will be required in future reporting periods, particularly in relation to:
Exposure to transition and physical climate risks
Climate-related assumptions used in asset valuations and provisioning
Strategic responses to climate-related regulatory developments

The Group is actively engaging with its auditors to ensure preparedness for the assurance of climate-related disclosures. This includes:
Reviewing internal controls and governance processes related to climate data
Assessing the reliability and completeness of climate-related metrics and assumptions
Aligning reporting practices with the requirements of AASB S2 and applicable assurance standards

Note 3. Summary of Material Accounting Policies (continued)

AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information

AASB S1 outlines general requirements for disclosing sustainability-related financial information, including governance, strategy, risk management, and metrics related to sustainability risks and opportunities. It is aligned with IFRS S1 and is intended to support entities in providing connected and decision-useful sustainability disclosures.

At this stage, the Group does not intend to adopt AASB S1, as it is not mandatory and the Group has determined that its current reporting framework sufficiently addresses stakeholder needs. The Group will continue to monitor developments in sustainability reporting and reassess its position if regulatory expectations or stakeholder requirements evolve.

x. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated group.

Key estimates and uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash- generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Provision for make good

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with vacating of premises. The calculation of this provision requires assumptions such as the exit date and cost estimates. The provision recognised is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset are recognised in profit or loss.

Business combinations

Management uses valuation techniques in determining the fair values of the various elements of a business combination. Particularly, the fair value of contingent consideration is dependent on the outcome of many variables that affect future profitability.

Lease term and option to extend under AASB16

The lease term is defined as the non-cancellable period of a lease together with periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The decision on whether or not the options to extend are reasonably going to be exercised is a key management

Note 3. Summary of Material Accounting Policies (continued)

judgement that the entity will make. The Group determines the likeliness to exercise on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the entity.

Note 4. Revenue and Other Income

	2025 $	2024 $
Revenue from health club services	187,543,980	147,544,737
Revenue from franchise operations	7,929,407	8,403,590
Revenue from technology & other services	14,806,421	6,458,755
Profit on disposal	509,203	-
Rent received	36,462	51,161
Interest received	478,357	168,666
	211,303,830	162,626,909

Timing of revenue recognition		
Over time	204,800,834	157,528,199
At a point in time	6,502,996	5,098,710
Total revenue	211,303,830	162,626,909

Other revenue		
Interest received	478,357	168,666
Rent received	36,462	51,161
Profit on disposal	509,203	-
	1,024,022	219,827

Note 5. Costs of capital raisings, acquisitions and contractual matters

	2025 $	2024 $
Profit / (Loss) before income tax from continuing operations includes the following specific expenses:		
Amounts expensed as part of the business combinations and acquisition opportunities	1,018,362	580,304
Capital raise costs	-	24,970
Contractual matters	472,571	-
	1,490,933	605,274

Note 6. Finance Costs and Finance Income

	2025 $	2024 $
Bank borrowings	6,761,092	2,553,982
Interest expenses for finance leases	17,245,933	16,169,150
	24,007,025	18,723,132
Interest on makegood	545,248	(71,997)
Total interest expense	**24,552,273**	**18,651,135**

Note 7. Segment Reporting

Management have determined that the Group operates in one business segment – health club operations; and one main geographic segment. Refer to Note 4 for the revenue splits between health club revenue, franchise operations and technology and other services revenue.

Note 8. Income Tax Expense

The major components of tax expense and the reconciliation of expected tax expense based on the effective tax rate of Viva Leisure Limited at 30.0% (2024:30.0%) and the reported tax expense in profit or loss are as follows:

	2025 $	2024 $
Profit before income tax expense	7,275,833	4,774,152
Tax at the statutory tax rate of 30%	2,182,750	1,432,246
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	131,832	142,281
Adjustments recognised in the current year in relation to prior years	(265,994)	(48,559)
Income tax expense	**2,048,588**	**1,525,968**

	2025 $	2024 $
Income tax expenses comprises:		
Current tax expense	3,129,938	1,572,150
Deferred tax expense	(1,081,350)	(46,182)
	2,048,588	**1,525,968**

Note 9. Cash and Cash Equivalents

	2025 $	2024 $
Cash at bank and on hand	12,483,454	22,274,312
Cash backed bank guarantees	397,998	65
	12,881,452	**22,274,377**

The effective interest rate on short-term bank deposits was 3.85% (2024: 4.1%). These deposits are held at call.

Note 10. Trade and Other Receivables

	2025 $	2024 $
Current		
Trade receivables	1,855,647	1,612,496
Other receivables	2,556,326	866,222
Sub leases receivables	44,412	41,386
Total current trade and other receivables	**4,456,385**	**2,520,104**
Non-current		
Other receivables	103,846	98,398
Sub leases receivables	69,374	113,512
Total non-current trade and other receivables	**173,220**	**211,910**

	Current $	> 30 days past due $	> 60 days past due $	> 90 days past due $	Total $
2025					
Trade receivables	770,072	202,076	178,164	705,335	1,855,647
Other receivables	2,660,172	-	-	-	2,660,172
Sub lease receivables	113,786	-	-	-	113,786
	3,544,030	202,076	178,164	705,335	4,629,605

	Current $	>30 days past due $	>60 days past due $	> 90 days past due $	Total $
2024					
Trade receivables	321,393	287,291	16,826	986,986	1,612,496
Other receivables	964,620	-	-	-	964,620
Sub lease receivables	154,898	-	-	-	154,898
	1,440,911	287,291	16,826	986,986	2,732,014

The net carrying of trade receivables is considered a reasonable approximation of fair value. None of the past due receivables are considered impaired.

Note 11. Other Assets

	2025 $	2024 $
Current		
Prepayments	2,037,552	1,381,397
	2,037,552	**1,381,397**
Non-Current		
Cash bonds receivable	835,788	2,118,670
	835,788	**2,118,670**

Bonds relate to amounts set aside against rental obligations to landlords where the Company is a lessee.

Note 12. Inventories

	2025 $	2024 $
Finished goods - at net realisable value	**1,271,151**	**1,152,153**

Note 13. Investments accounted for using the Equity Method

	2025 $	2024 $
Investment in Equity accounted Associates	**8,174,819**	-

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

	2025 $	2024 $
Opening carrying amount	-	-
Additions	7,768,903	-
Profit after income tax	605,916	-
Dividends received	(200,000)	-
Closing carrying amount	**8,174,819**	-

Note 14. Property, Plant and Equipment

	2025 $	2024 $
Leasehold improvements - at cost	101,130,084	71,862,004
Less: Accumulated depreciation	(27,942,372)	(23,183,993)
	73,187,712	48,678,011
Plant and equipment - at cost	77,199,656	25,092,483
Less: Accumulated depreciation	(28,945,887)	(11,500,893)
	48,253,769	13,591,590
Furniture & fittings - at cost	2,492,599	2,961,596
Less: Accumulated depreciation	(1,210,578)	(1,960,843)
	1,282,021	1,000,753
Motor vehicles - at cost	1,261,718	898,873
Less: Accumulated depreciation	(724,963)	(555,140)
	536,755	343,733
Capital works in progress	2,759,687	-
Total Property, Plant and Equipment	**126,019,944**	**63,614,087**

Details of the Group's property, plant and equipment and their carrying amounts are as follows:

	Plant & Equipment $	Furniture & Fittings $	Motor Vehicles $	Leasehold Improvements $	Capital Works in Progress $	Total $
Balance at 1 July 2023	10,933,850	1,057,537	397,768	47,611,997	-	60,001,152
Additions	4,467,959	191,225	50,507	9,044,698	-	13,754,389
Additions through business combinations	964,599	-	-	-	-	964,599
Disposals	(41,669)	-	-	-	-	(41,669)
Depreciation expense	(2,733,149)	(248,009)	(104,542)	(7,978,684)	-	(11,064,384)
Balance at 30 June 2024	13,591,590	1,000,753	343,733	48,678,011	-	63,614,087
Additions	5,785,300	138,612	362,845	15,582,017	2,759,687	24,628,461
Additions through business combinations	1,117,451	101,132	-	4,921,444	-	6,140,027
Transfer from leased assets	33,252,514	403,799	-	11,735,062	-	45,391,375
Disposals	(56,445)	(64,266)	-	-	-	(120,711)
Depreciation expense	(5,436,641)	(298,009)	(169,823)	(7,728,822)	-	(13,633,295)
Balance at 30 June 2025	48,253,769	1,282,021	536,755	73,187,712	2,759,687	126,019,944

All depreciation charges are included within depreciation, amortisation and impairment of non-financial assets.

The refinancing included the settlement of all outstanding finance leases, resulting in the reclassification of the underlying assets from leased assets to property, plant and equipment.

Note 15. Intangibles

	2025 $	2024 $
Goodwill - at cost	112,440,036	84,657,637
Patents and trademarks - at cost	176,339	353,274
Less: Accumulated amortisation	(89,286)	(89,569)
	87,053	263,705
Software - at cost	13,371,664	10,731,672
Less: Accumulated amortisation	(5,283,723)	(3,739,055)
	8,087,941	6,992,617
Digital assets	-	60,873
Less: Accumulated amortisation	-	(27,870)
	-	33,003
Total Intangibles	**120,615,030**	**91,946,962**

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Goodwill $	Trademarks $	Capitalised Software $	Digital Assets $	Total $
Balance at 1 July 2023	71,257,177	150,416	3,318,594	39,107	74,765,294
Additions	-	137,305	4,986,345	-	5,123,650
Additions through business combinations	13,400,460	-	-	-	13,400,460
Amortisation expense	-	(24,016)	(1,312,322)	(6,104)	(1,342,442)
Balance at 30 June 2024	84,657,637	263,705	6,992,617	33,003	91,946,962
Additions	152,425	9,947	4,662,244	-	4,824,616
Additions through business combinations	27,629,974	-	-	-	27,629,974
Disposals	-	-	(4,205)	(1,869)	(6,074)
Transfers in/(out)	-	(159,386)	185,187	(25,801)	-
Amortisation expense	-	(27,213)	(3,747,902)	(5,333)	(3,780,448)
Balance at 30 June 2025	112,440,036	87,053	8,087,941	-	120,615,030

15.1 Impairment Testing

For the purpose of annual impairment testing, the Group has one cash-generating unit which is expected to benefit from the synergies of the business combinations in which the goodwill arises.

The following key assumptions were used in the value-in-use calculations:

	Revenue Growth Rate	Expense Growth Rate	Discount Rate
Health Clubs	4%	3%	6.13%

Note 15. Intangibles (continued)

The recoverable amount above is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a five-year period plus a terminal value calculated using a terminal multiple of 5x for health clubs and 8x for the Plus Fitness franchise business as determined by management. The present value of the expected cash flows is determined by applying an estimated weighted average cost of capital (WACC) of 6.13%.

Sensitivity analysis of the impact of possible changes in key assumptions was performed through reducing expected growth rates in revenue and expenses, terminal value multiples and adjustments to the discount rate.

The directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the Health Clubs CGU's goodwill to exceed its recoverable amount.

There are no indicators of impairment at any of the sensitivity levels tested.

15.2 Growth Rates

The growth rates reflect the estimated long-term average growth rates for mature health clubs.

15.3 Discount Rates

The discount rates reflect appropriate adjustments relating to market risk and any specific risk factors.

15.4 Cash Flow Assumptions

Management's key assumptions include stable profit margins, based on past experience in this market. The Group's management believes that this is the best available input for forecasting this mature market. Cash flow projections reflect stable profit margins achieved immediately before the budget period. No expected efficiency improvements have been taken into account and prices and wages reflect publicly available forecasts of inflation for the industry.

Apart from the considerations described in determining the value-in-use of the cash-generating units above, management is not currently aware of any other probable changes that would necessitate changes in its key estimates.

Note 16. Tax

	1 July 2024 $	Acquired by Business Combination $	Recognised in Profit & Loss $	1 July 2025 $
Non-Current Assets				
Property, plant and equipment	1,794,274	(112,041)	(3,883,612)	(2,201,379)
Leased assets	(79,592,148)	(298,384)	6,353,075	(73,537,457)
Non-Current Liabilities				
Provisions	3,124,446	-	781,030	3,905,476
Lease liabilities	74,145,156	-	(1,795,301)	72,349,855
Deferred legal costs	364,715	-	(8,931)	355,784
Lease incentives	-	(75,750)	(160,749)	(236,499)
Current Liabilities				
Provisions	1,146,088	71,681	41,778	1,259,547
Accruals	63,445	-	82,189	145,634
Lease incentives	-	(230,251)	-	(230,251)
Lease liabilities	12,922,491	-	(328,129)	12,594,362
Equity				
Costs of capital raises allocated direct to equity	192,000	-	-	192,000
	14,160,467	**(644,745)**	**1,081,350**	14,597,072
Represented by:				
Deferred Tax Assets	91,958,341	71,681	(1,227,364)	90,802,658
Deferred Tax Liabilities	(77,797,874)	(716,426)	2,308,714	(76,205,586)
	14,160,467	(644,745)	**1,081,350**	14,597,072

	1 July 2023 $	Recognised in Equity $	Recognised in Profit and Loss $	30 June 2024 $
Non-Current Assets				
Property, plant and equipment	2,501,035	-	(706,761)	1,794,274
Leased assets	(66,894,422)	-	(12,697,726)	(79,592,148)
Provisions	2,588,636	-	535,810	3,124,446
Lease liabilities	63,821,253	-	10,323,903	74,145,156
Deferred legal costs	646,892	-	(282,177)	364,715
Provisions	970,655	-	175,433	1,146,088
Accruals	30,000	-	33,445	63,445
Lease Liabilities	10,210,236	-	2,712,255	12,922,491
Costs of capital raises allocated direct to equity	-	240,000	(48,000)	192,000
	13,874,285	240,000	46,182	14,160,467
Represented by:				
Deferred Tax Assets	78,267,672	240,000	13,450,669	91,958,341
Deferred Tax Liabilities	(64,393,387)	-	(13,404,487)	(77,797,874)
	13,874,285	240,000	46,182	14,160,467

All deferred tax assets have been recognised in the consolidated statement of financial position.

Tax Payable	2025 $	2024 $
Current		
Income tax payable	**904,171**	**3,869,646**

Note 17. Current Trade and Other Payables

	2025 $	2024 $
Trade payables	5,791,991	7,608,492
Sundry payables and accrued expenses	6,794,881	2,713,514
Viva Pay payables from membership collections	5,309,424	3,712,850
	17,896,296	**14,034,856**

Note 18. Current Contract Liabilities

Current

	2025 $	2024 $
Amounts received in advance from sale of gym memberships	1,885,468	1,654,899
Amounts received in advance for franchise licence sales	3,287,685	2,466,951
	5,173,153	**4,121,850**

Refer to note 3 e. for the revenue recognition policy.

Note 19. Leases

(i) AASB 16 related amounts recognised in the balance sheet

	2025 $	2024 $
Right of use assets:		
Leased buildings:		
Opening balance	225,079,027	199,528,212
Additions to right-of-use assets	52,153,013	55,586,203
Remeasurements	14,973,546	8,311,714
Disposal on early termination of lease contract	(4,039,234)	(2,780,739)
Other	90	86,268
Depreciation expense	(43,985,841)	(35,652,631)
Net carrying value	244,180,601	225,079,027
Leased equipment:		
Opening balance	40,228,132	23,453,193
Additions to right-of-use assets	7,631,288	20,607,375
Transfer to property, plant and equipment	(45,391,375)	(23,417)
Depreciation expense	(2,726,140)	(3,809,018)
Business combinations	1,202,351	-
Net carrying value	944,256	40,228,133
Total right-of-use assets	**245,124,857**	**265,307,160**

Note 19. Leases (continued)

	2025 $	2024 $
Lease Liabilities		
Leased buildings:		
Opening balance	258,719,708	228,523,455
Additions to lease liabilities	49,946,829	53,495,658
Remeasurements	14,973,546	8,311,714
Principal repayments	(36,957,229)	(28,371,474)
Early lease termination	(4,548,438)	(3,239,645)
Other	55,052	-
	282,189,468	258,719,708
Leased equipment:		
Opening balance	31,505,785	18,248,173
Additions to lease liabilities	7,631,288	20,914,859
Principal repayments	(4,892,481)	(7,657,246)
Business combinations	1,202,351	-
Repayment via raising new bank borrowings	(34,489,021)	-
Net carrying amount	957,922	31,505,786
Total Lease Liabilities	**283,147,390**	**290,225,494**
Current liabilities	41,981,205	43,074,972
Non-current liabilities	241,166,185	247,150,522
	283,147,390	**290,225,494**

Finance lease liabilities are secured against the underlying leased equipment and are at an average interest rate of 7.45% (2024: 6.3%).

The refinancing included the settlement of all outstanding finance leases, resulting in the reclassification of the underlying assets from leased assets to property, plant and equipment.

	2025	2024
Net carrying amount		
(ii) AASB 16 related amounts recognised in the statement of profit or loss		
Depreciation charge related to right-of-use assets (included in total depreciation and amortisation expense)	46,711,981	39,461,649
Interest expense on lease liabilities (included in total finance costs)	17,245,933	16,169,150
Profit on disposal	(509,204)	(458,905)
(iii) Cash outflows relating to leases / rental payments		-
Property lease payments	53,206,382	28,371,474
Equipment lease payments	5,889,261	7,657,246
Total cash outflows for leases / rental payments (including interest payments)	122,544,354	91,200,614
	122,544,354	91,200,614

Note 19. Leases (continued)

a. Options to Extend or Terminate

The options to extend or terminate are contained in several of the property leases of the Group. There were no extension options for equipment leases. These clauses provide the Group opportunity to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Group. The extension options or termination options which management were reasonably certain to be exercised have been included in the calculation of the lease liability.

Note 20. Provisions

	Employee Benefits $	Property Make Good $	Total $
Opening balance 1 July 2024	4,382,438	9,852,673	14,235,111
Additional provisions	2,852,653	3,096,407	5,949,060
Amounts used	(2,366,639)	(200,788)	(2,567,427)
Balance at 30 June 2025	**4,868,452**	**12,748,292**	**17,616,744**

	2025 $	**2024 $**
Current:		
Employee benefits	4,198,490	3,820,293
Property makegood	400,000	-
Total current provisions	4,598,490	3,820,293
Non-Current		
Employee benefits	669,962	562,145
Property makegood	12,348,292	9,852,673
Total non-current provisions	13,018,254	10,414,818
Total provisions	**17,616,744**	**14,235,111**

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been discussed in Note 3 (s).

Provision for Property Make Good

A provision has been recognised for the costs to be incurred for the restoration of property leases for which the Group is a lessee and where the obligation to make good is included as a condition of the lease. The provision is based on the present value of estimated costs to restore the property at the end of each property lease term.

Note 21. Borrowings

	Current 2025 $	Current 2024 $	Non-current 2025 $	Non-current 2024 $
At amortised cost:				
Bank Loans	**-**	**8,291,023**	**100,531,575**	**20,824,838**

The bank loans mature on 20 November 2027

The core facilities are:

1) Facility A – Cash Advance Facility with a limit of $130 million, which is revolving and interest only
2) Facility B – Bank Guarantee Facility with a limit of $35 million
2) Accordion Facility with a limit of $50 million

The facility agreement specifies a first ranking General Security Interest from each Obligor comprising first ranking charge over all present and after acquired property.

The interest rate payable on the drawn balance of the market rate loan is BBSY plus 2.75%, at 30 June 2025.

Total secured liabilities
The total secured liabilities (current and non-current) are as follows:

	2025 $	2024 $
Bank loans	**100,531,575**	**29,115,861**

Note 22. Employee Remuneration

	2025 $	2024 $
22.1 Employee benefits - expense		
Expenses recognised for employee benefits are analysed below		
Wages and salaries	52,646,955	41,560,209
Employee leave entitlements	290,561	505,589
Share based payments	376,479	376,551
Superannuation	5,317,793	4,047,113
	58,631,788	**46,489,462**

Note 22. Employee Remuneration (continued)

22.2 Share-Based Employee Remuneration

As at 30 June 2025, the Company maintained a Long-Term Incentive (LTI) share-based payment scheme for employee remuneration, which will be settled in equity.

Options granted to the Executive Team are under the LTI Plan. The vesting of those options will be subject to the satisfaction of appropriate service-based conditions and/or performance hurdles determined by the Board;

Options granted under the LTI Plan carry no dividends or voting rights.

22.3 Long Term Incentives (LTIs)

The table below describes the performance hurdles and vesting conditions in accordance with the Long Term Incentive Plan in relation to the 2,373,677 options granted to senior executives:

LTIs (Granted 12 November 2022)	Tranche 1 (50% of Options – based on EPS CAGR)	Tranche 2 (50% of Options – based on EPS CAGR)
CAGR over the three Financial Years Ending 30 June 2025	**Percentage of Options that Vest**	**Percentage of Options that Vest**
Less than 10% (minimum Target)	0%	0%
10% to15% (within target range for Tranche 1)	50%-100% (on a straight-line basis)	0%
15% to 20% (within target range for Tranche 2)	100%	50%-100% (on a straight-line basis)
Greater than 20% (above maximum target)	100%	100%

LTI's (Granted 26 October 2023)	Tranche 1 (50% of Options - based on EPS CAGR)	Tranche 2 (50% of Options - based on TSR CAGR)
CAGR over the three Financial Years Ending 30 June 2026:	**Percentage of Options that Vest**	**Percentage of Options that Vest**
Less than 10% (minimum Target)	0%	0%
10% to 15% (within target range of Tranche 1)	50% - 100% (on a straight-line basis)	0%
15% - 20% (within target range of Tranche 2)	100%	50% - 100% (on a straight-line basis)
Greater than 20% (above maximum target)	100%	100%

Note 22. Employee Remuneration (continued)

LTIs (Granted 24 October 2024)	Tranche 1 (50% of Options – based on EPS CAGR)	Tranche 2 (50% of Options – based on TSR CAGR)
CAGR over the three Financial Years Ending 30 June 2027	**Percentage of Options that Vest**	**Percentage of Options that Vest**
Less than 7.5% (minimum target)	0%	0%
7.5% to 12.5% (within target range for Tranche 1)	50% - 100% (on a straight-line basis)	0%
12.5% to 15.0% (within target range for Tranche 2)	100%	50% - 100% (on a straight-line basis)
Greater than 15.0% (above maximum target)	100%	100%

Note 23. Issued Capital

The share capital of Viva Leisure consists only of fully paid ordinary shares. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of Viva Leisure.

	2025 Shares	2024 Shares	2025 $	2024 $
Beginning of the year	100,982,695	89,948,212	143,990,674	128,550,674
Shares issued (less costs of offer)	704,376	11,034,483	1,000,000	15,440,000
Share buy back	(3,429,985)	-	(4,650,771)	-
Total contributed equity at 30 June	**98,257,086**	**100,982,695**	**140,339,903**	**143,990,674**

Capital Management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

The Group is not subject to any externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues and buy backs.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year. This strategy is to ensure that the Group's gearing ratio remains below 70%. The gearing ratios for the years ended 30 June 2025 and 30 June 2024 are as follows:

Note 23. Issued Capital (continued)

	2025 $	2024 $
Total borrowings - bank loan	100,531,575	29,115,861
Total borrowings – equipment finance leases	957,922	31,505,785
Total borrowings	101,489,497	60,621,646
Less cash and cash equivalents	(12,881,452)	(22,274,377)
Net debt	**88,608,045**	**38,347,269**
Total equity	110,917,941	109,084,439
Total capital	**199,525,986**	**147,431,708**
Gearing ratio	44.4%	26.0%

Note 24. Reserves

a. Common Control Reserve

A common control reserve was created when the Group restructure took place during the financial year ended 30 June 2019 as it was determined to occur under the control of the same shareholders. A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that the control is not transitory.

Where an entity within the group acquires an entity under common control, the acquirer consolidates the carrying values of the acquired entity's assets and liabilities from the date of acquisition. The consolidated financial statements of the group include the acquired entity's income and expenses from the date of acquisition onwards. Any difference between the fair value of the consideration paid/transferred by the acquirer and the net assets/ (liabilities) of the acquired entity are taken to the common control reserve.

	2025 $	2024 $
Common Control Reserve		
Beginning of the year	(21,900,880)	(21,900,880)
Net movement in common control reserve	-	-
Total common control reserve at 30 June	**(21,900,880)**	**(21,900,880)**

b. Share Options Reserve

The share option reserve records items recognised as expenses on valuation of employee share options.

Note 24. Reserves (continued)

	2025 $	2024 $
Share Options Reserve		
Beginning of the year	810,282	670,832
Expiry of options	(238,961)	(237,101)
Expensing of options to key management personnel	376,479	376,551
Total share options reserve at 30 June	**947,801**	**810,282**
Total reserves	**(20,953,079)**	**(21,090,598)**

Note 25. Earnings per share

25.1 Earnings per Share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the Parent Company as the numerator (i.e. no adjustments to profit were necessary in 2025 or 2024). The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	99,824,367	91,455,655
Shares deemed to be issued for no consideration in respect of options granted	2,373,678	2,289,193
Weighted average number of ordinary shares used in calculating diluted earnings per share	**102,198,045**	**93,744,848**

25.2 Dividends

There were no dividends declared or paid during the year (2024: nil)

25.3 Franking Credits

	2025 $	2024 $
The amount of franking credits available for subsequent reporting periods are:		
Balance at the end of the reporting period	9,941,492	3,041,287
Franking credits that will arise from payment of (or receivable from) the amount of provision for income tax (income tax receivable)	894,403	3,869,646
Total franking credits	**10,835,895**	**6,910,933**

Note 26. Reconciliation of Cash Flows

	2025 $	2024 $
Profit after income tax expense for the year	5,227,245	3,248,184
Adjustments for:		
Depreciation and amortisation	64,125,722	51,868,475
Net loss on disposal of property, plant and equipment	120,711	13,084
Share-based payments	376,479	376,551
Other non-cash items	(875,730)	(428,818)
Charges to retained earnings	(119,480)	-
Tax effect of expenses taken to equity	-	240,000
Change in operating assets and liabilities:		
Increase in trade and other receivables	(787,663)	(729,982)
Decrease/(increase) in other assets	507,730	(566,659)
Increase in deferred tax assets	(1,045,215)	(286,182)
Increase in current trade and other payables	4,078,702	4,369,541
Increase/(decrease) in provision for income tax	(3,597,375)	135,501
Increase in provisions	978,567	280,084
Increase in other liabilities	1,051,303	927,863
Net cash from operating activities	**70,040,996**	**59,447,642**

Note 27. Auditors Remuneration

	2025 $	2024 $
Remuneration of the auditor for:		
Audit and review of financial statements		
Financial year ended 30 June	93,200	79,300
Half year ended 31 December	45,000	41,000
Other assurance engagements	11,200	10,800
Total audit services	**149,400**	**131,100**
Other non-audit services		
Taxation and business services	61,795	49,410
Total auditor remuneration	**211,195**	**180,510**

Note 28. Related Party Transactions

The Group's related parties include key management of the Group which are considered to be any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Note 28. Related Party Transactions (continued)

	2025 $	2024 $
28.1 Short-term Employee Benefits:		
Short-term Employee Benefits:		
Wages and salaries (including Director's fees, bonuses and annual leave entitlements)	2,310,195	2,630,135
Superannuation	136,380	125,523
Long service leave	89,183	77,487
Share based-payments	376,479	376,551
Total remuneration	**2,912,237**	**3,209,696**

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to KMP.

Post-employment benefits

These amounts are the statutory superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

Share-based payments

These amounts represent the expense related to the participation of certain KMP in equity-settled benefit schemes as measured by the fair value of the options granted on grant date (see Note 22.2). Further information in relation to KMP remuneration can be found in the directors' report and at Note 22.

	2025 $	2024 $
28.2 Related Party Properties		
Related party property transactions	3,227,310	2,650,530

Related parties continue to own several properties which are leased by the Group. The Board considers that each of these arrangements are on arm's length terms, commercial terms and are subject to the usual risks associated with other leases entered by the Company. The Board has obtained independent valuation advice to confirm that the arrangements are arm's length.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 29. Contingent Liabilities

The company has no contingent assets or liabilities.

Note 30. Business combinations

During the period the Group acquired 19 clubs from various vendors as outlined below:

Number of clubs	5	6	5	3	19
Acquisition	Plus sites $	Independent sites $	Surge Fitness $	World Gym $	Total $
Purchase consideration					
Amounts settled in cash, net of cash acquired	3,788,437	8,439,676	7,794,514	10,141,989	30,164,616
Assets and liabilities acquired at fair value					
Property, plant and equipment	119,500	505,056	2,579,610	2,935,861	6,140,027
Right of use assets	-	-	-	1,202,351	1,202,351
Other net identifiable assets / (liabilities) acquired	(10,055)	(188,007)	(2,621,824)	(1,987,850)	(4,807,736)
Goodwill	3,678,992	8,122,627	7,836,728	7,991,627	27,629,974
	3,788,437	8,439,676	7,794,514	10,141,989	30,164,616
Revenue	2,144,219	7,308,235	6,956,336	5,784,806	22,193,596
Profit before depreciation, amortisation, interest and tax (but including property rental costs)	506,039	1,533,969	1,557,898	2,001,605	5,599,511

The acquired business contributed revenues of $22,193,596 and EBITDA of $5,599,511 to the group from the date of acquisition to 30 June 2025. Acquisition-related costs amounting to $591,667 for these acquisitions have been recognised as an expense in the consolidated statement of profit or loss and other comprehensive income.

The goodwill arising from these business combinations is not expected to be deductible for tax purposes.

Note 31. Interests in Subsidiaries

Name of Subsidiary	Principal Activity	Proportion of ownership interests held by the Group 2025 %	2024 %
Viva Leisure Operations Pty Limited	Health club operation	100%	100%
Viva Leisure People Pty Limited	Health club operation	100%	100%
Viva Leisure Property Pty Limited	Health club operation	100%	100%
Viva Leisure Memberships Pty Limited	Health club operation	100%	100%
Viva Pay Pty Limited	Direct debit service provider	100%	100%
Chain Collective Group Pty Limited	Parent company for franchise operations	100%	100%
Rebalance Pilates & Yoga Group Pty Limited	Health club operation	100%	100%
Psycle Life Pty Limited	Dormant	100%	100%
The Club Group Pty Limited	Dormant	100%	100%
The Club Group (Greenway) Pty Limited	Dormant	100%	100%
Club MMM! Pty Limited	Dormant	100%	100%
HIIT Republic Australia Pty Limited	Health club operation	100%	100%
Plus Fitness Pty Limited	Master franchisor for Plus Fitness (Aust)	100%	100%
Viva Leisure (NZ) Limited	NZ Parent	100%	100%
Viva Leisure Operations (NZ) Limited	NZ operations	100%	100%
Plus Fitness (NZ) Limited	Master franchisor for Plus Fitness (NZ)	100%	100%
Plus Fitness International Pty Limited	Master Franchisee for International	100%	100%
Club Lime Pty Limited	Dormant	100%	100%
Club Pink Pty Limited	Dormant	100%	100%
Club Blue Pty Limited	Dormant	100%	100%
Club Swim Pty Limited	Dormant	100%	100%
Club Team Pty Limited	Dormant	100%	100%
GroundUp Studios Pty Limited	Dormant	100%	100%
Zoo Fitness Pty Limited	Dormant	100%	100%
Fitness Equipment Rentals Pty Ltd	Fitness equipment rental	100%	100%
Viva Leisure Operations (NT) Pty Ltd	Health club operation	100%	100%
Viva Pay (NZ) Limited	Direct debit service provider	100%	100%
Supp Society Pty Ltd	Supplement provider	100%	-
Fling Pass Pty Ltd	Health club operation	100%	-
Plus Fitness Management (SG) Ltd	Asian Market Master Franchisor	100%	-
Surge Enterprises Pty Ltd	Health club operation	100%	-
Surge Fitness Esplanade Pty Ltd	Health club operation	100%	-
Powerbase Holdings Pty Ltd	Health club operation	100%	-
Surge Fitness Butler Pty Ltd	Health club operation	100%	-
Surge Fitness Clarkson Pty Ltd	Health club operation	100%	-
Surge Fitness Wanneroo Pty Ltd	Health club operation	100%	-
World Gym Coomera Pty Ltd	Health club operation	100%	-
World Gym Stafford Pty Ltd	Health club operation	100%	-
World Gym Underwood Pty Ltd	Health club operation	100%	-
Pro Arc International Pty Ltd	Australian Master Franchise for World Gym	25%	-
Boutique Fitness Studios Pty Ltd	Health club operation	34%	-
Gorilla X Labs Pty Ltd	Supplement provider	33%	-

Note 32. Capital Commitments

At 30 June 2025, Viva Leisure Limited did not have any binding capital commitments.

At 30 June 2024, Viva Leisure Limited had the following binding capital commitments:
- Acquisition of the assets of South Pacific Health Club location in Williamstown, Vic for $1.0 million. The acquisition was completed on 19 July 2024
- Acquisition of the assets of three Gold's Gyms in WA for $6.4 million. The acquisition was completed on 26 July 2024
- Acquisition of the share capital of Surge Enterprises Pty Limited and its subsidiaries which comprise five health clubs in WA for $9.5 million. The acquisition was completed on 29 July 2024.

	Within 1 year $	1 to 5 years $	After 5 years $	Total $
30 June 2025	-	-	-	-
30 June 2024	16,900,000	-	-	16,900,000
	16,900,000	-	-	16,900,000

Note 33. Financial Instrument Risk

The Group is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk.

The Group's risk management is coordinated at its headquarters, in close cooperation with the Board, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes, nor does it write options. The most significant financial risks to which the Group is exposed are described below.

33.1 Market Risk Analysis

The Group is exposed to market risk through its use of financial instruments and specifically to interest rate risk, which result from its operating and investing activities.

	Short term exposure $	Long term exposure $
30 June 2025		
Financial assets	17,337,837	1,009,008
Financial liabilities	(18,574,789)	(100,811,004)
Total exposure	**(1,236,952)**	**(99,801,996)**
30 June 2024		
Financial assets	24,794,481	2,330,580
Financial liabilities	(31,673,034)	(42,983,468)
Total exposure	**(6,878,553)**	**(40,652,888)**

Note 33. Financial Instrument Risk (continued)

Interest rate sensitivity

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer- term borrowings such as equipment lease financed amounts are therefore usually at fixed rates. At 30 June 2025, the Group is exposed to changes in market interest rates as its Bank Debt is at variable interest rates.

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 2% (2024: +/- 2%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Profit for the year $	Profit for the year $	Equity $	Equity $
30 June 2025	(1,753,002)	1,753,002	(1,753,002)	1,753,002
30 June 2024	(136,830)	136,830	(136,830)	136,830

33.2 Credit Risk Analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example receivables to customers, placing deposits, investment in term deposits, etc.

Credit risk management

The credit risk is managed on a group basis based on the Group's credit risk management policies and procedures.

The credit risk in respect of cash balances held with banks and deposits with banks are managed via diversification of bank deposits and are only with major reputable financial institutions.

The majority of the Group's customers pay on an upfront basis by way of direct debit and as such, the Group does not provide for bad debts as revenue is not recorded until received.

33.3 Liquidity Risk Analysis

Liquidity risk is the risk that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below.

See Note 21 for details of borrowings during the financial periods under review.

Note 33. Financial Instrument Risk (continued)

	Within 1 year 2025 $	Within 1 year 2024 $	1 to 5 years 2025 $	1 to 5 years 2024 $	Over 5 years 2025 $	Over 5 years 2024 $	Total 2025 $	Total 2024 $
Consolidated Group								
Financial liabilities due for payment								
Trade and other payables	17,896,296	14,034,856	-	-	-	-	17,896,296	14,034,856
Bank loans	-	8,291,023	100,531,575	20,824,838	-	-	100,531,575	29,115,861
Finance lease liabilities	47,798,453	59,622,669	205,992,003	192,869,060	115,791,374	107,098,076	369,581,830	359,589,805
Total expected outflows	**65,694,749**	**81,948,548**	**306,523,578**	**213,693,898**	**115,791,374**	**107,098,076**	**488,009,701**	**402,740,522**
Financial assets - cash flows realisable								
Cash and cash equivalents	(12,881,452)	(22,274,377)	-	-	-	-	(12,881,452)	(22,274,377)
Trade receivables	(4,456,385)	(2,520,104)	(173,220)	(211,910)	-	-	(4,629,605)	(2,732,014)
Other assets	-	-	(835,788)	(2,118,670)	-	-	(835,788)	(2,118,670)
Total anticipated inflows	**(17,337,837)**	**(24,794,481)**	**(1,009,008)**	**(2,330,580)**	**-**	**-**	**(18,346,845)**	**(27,125,061)**
Net (outflow)/ inflow on financial instruments	**48,356,912**	**57,154,067**	**305,514,570**	**211,363,318**	**115,791,374**	**107,098,076**	**469,662,856**	**375,615,461**

Note 34. Fair Value Measurement

Financial assets and financial liabilities measured at fair value in the statement of financial position are measured at amortised cost.

Note 35. Parent Entity Information

Statement of profit or loss and other comprehensive income

	2025 $	2024 $
Statement of Financial Position		
Current assets	118,189,536	121,841,799
Non-current assets	11,838	11,838
Total assets	**118,201,374**	**121,853,637**
Current liabilities	13,527	13,527
Total liabilities	13,527	13,527
Net assets	**118,187,847**	**121,840,110**
Issued capital	140,339,902	143,990,673
Reserves	(21,230,048)	(21,230,048)
Retained Earnings	(922,007)	(920,515)
Total equity	**118,187,847**	**121,840,110**
Statement of Profit and Loss and Other Comprehensive Income		
Loss for the year	(1,492)	(1,440)
Total comprehensive income	**(1,492)**	**(1,440)**

Note 35. Parent Entity Information (continued)

Guarantees and Security Interests

There are several asset specific security interests registered on the PPS Register against each of the members of the Group listed at Note 31.

In addition, the bank loans mature on 31 July 2025 and the facility agreement specifies the following security interests:

1. First ranking General Security Interest from each Obligor comprising first ranking charge over all present and after acquired property.
2. The interest rate payable on the market rate loan is BBSY plus 2.75%.

Contractual commitments

At 30 June 2025, Viva Leisure Limited did not have any binding contractual commitments.

At 30 June 2024, Viva Leisure Limited had the following binding contractual commitments.

- Acquisition of the assets of South Pacific Health Club location in Williamstown, Vic for $1.0 million. The acquisition was completed on 19 July 2024.
- Acquisition of the assets of three Gold’s Gyms in WA for $6.4 million. The acquisition was completed on 26 July 2024.
- Acquisition of the share capital of Surge Enterprises Pty Limited and its subsidiaries which comprise five health clubs in WA for $9.5 million. The acquisition was completed on 29 July 2024.

Note 36. Events after the Reporting Period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 37. Company Information

Viva Leisure Limited is the Group’s Ultimate Parent Company. Viva Leisure Limited is a Public Company incorporated and domiciled in Australia. The address of its registered office and its principal place of business DKSN 2.0 North Building, Level 3, 23 Challis Street, Dickson ACT 2602.

Note 38. Consolidated entity disclosure statement

Viva Leisure Limited is the Group's Ultimate Parent Company. Viva Leisure Limited is a Public Company incorporated and domiciled in Australia. The address of its registered office and its principal place of business DKSN 2.0 North Building, Level 3, 23 Challis Street, Dickson ACT 2602.

Name of Entity	Entity Type	Country of Incorporation	Ownership Interest %	Tax Residency
Viva Leisure Operations Pty Limited	Body Corporate	Australia	100%	Australia
Viva Leisure People Pty Limited	Body Corporate	Australia	100%	Australia
Viva Leisure Property Pty Limited	Body Corporate	Australia	100%	Australia
Viva Leisure Memberships Pty Limited	Body Corporate	Australia	100%	Australia
Viva Pay Pty Limited	Body Corporate	Australia	100%	Australia
Chain Collective Group Pty Limited	Body Corporate	Australia	100%	Australia
Rebalance Pilates & Yoga Group Pty Limited	Body Corporate	Australia	100%	Australia
Psycle Life Pty Limited	Body Corporate	Australia	100%	Australia
The Club Group Pty Limited	Body Corporate	Australia	100%	Australia
The Club Group (Greenway) Pty Limited	Body Corporate	Australia	100%	Australia
Club MMM! Pty Limited	Body Corporate	Australia	100%	Australia
HIIT Republic Australia Pty Limited	Body Corporate	Australia	100%	Australia
Plus Fitness Pty Limited	Body Corporate	Australia	100%	Australia
Viva Leisure (NZ) Limited	Body Corporate	New Zealand	100%	New Zealand
Viva Leisure Operations (NZ) Limited	Body Corporate	New Zealand	100%	New Zealand
Plus Fitness (NZ) Limited	Body Corporate	New Zealand	100%	New Zealand
Plus Fitness International Pty Limited	Body Corporate	Australia	100%	Australia
Club Lime Pty Limited	Body Corporate	Australia	100%	Australia
Club Pink Pty Limited	Body Corporate	Australia	100%	Australia
Club Blue Pty Limited	Body Corporate	Australia	100%	Australia
Club Swim Pty Limited	Body Corporate	Australia	100%	Australia
Club Team Pty Limited	Body Corporate	Australia	100%	Australia
GroundUp Studios Pty Limited	Body Corporate	Australia	100%	Australia
Fitness Equipment Rentals Pty Ltd	Body Corporate	Australia	100%	Australia
Viva Pay (NZ) Limited	Body Corporate	New Zealand	100%	New Zealand
Supp Society Pty Ltd	Body Corporate	Australia	100%	Australia
Surge Enterprises Pty Ltd	Body Corporate	Australia	100%	Australia
Powerbase Holdings Pty Ltd	Body Corporate	Australia	100%	Australia
Surge Fitness Butler Pty Ltd	Body Corporate	Australia	100%	Australia
Surge Fitness Clarkson Pty Ltd	Body Corporate	Australia	100%	Australia
Surge Fitness Wanneroo Pty Ltd	Body Corporate	Australia	100%	Australia
Surge Fitness Esplanade Pty Ltd	Body Corporate	Australia	100%	Australia
Viva Leisure Operations (NT) Pty Ltd	Body Corporate	Australia	100%	Australia
World Gym Coomera Pty Ltd	Body Corporate	Australia	100%	Australia
World Gym Stafford Pty Ltd	Body Corporate	Australia	100%	Australia
World Gym Underwood Pty Ltd	Body Corporate	Australia	100%	Australia
Fling Pass Pty Ltd	Body Corporate	Australia	100%	Australia
Plus Fitness Management (SG) Ltd	Body Corporate	Singapore	100%	Singapore

In the directors' opinion:

- The consolidated financial statements and notes of Viva Leisure Ltd are in accordance with the Corporations Act 2001, including:
  i) Giving a true and fair view of its financial position as at 30 June 2025 and of its performance for the financial year ended on that date: and
  ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

- There are reasonable grounds to believe that Viva Leisure Ltd will be able to pay its debts as and when they become due and payable; and

- The information disclosed in the consolidated entity disclosure statement is true and correct.

- The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2025.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

Harry Konstantinou
Director

13 August 2025

HALL CHADWICK

VIVA LEISURE LIMITED
ABN 76 607 079 792
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIVA LEISURE LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Viva Leisure Limited (the Company and its controlled entities "the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information, consolidated entity disclosure statement, and the directors' declaration.

In our opinion the accompanying financial report of Viva Leisure Limited and controlled entities is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended; and
(b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
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Adelaide SA 5000	Brisbane QLD 4000	Darwin NT 0800	Melbourne VIC 3000	Perth WA 6000	Sydney NSW 2000
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HALL CHADWICK

VIVA LEISURE LIMITED
ABN 76 607 079 792
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIVA LEISURE LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2025. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Revenue Recognition and Contract Liabilities Refer to Note 4 *'Revenue and Other Income' and* Note 18 *'Current Contract Liabilities'*	
The Group recognises revenue from health club membership services when the customer consumes these services. Customers pay in advance for these services and this consideration is recorded as contract liability. Any fees charged for access to gyms have been allocated to the first 2 weeks of membership being the initial contract period. There were no long-term contracts for any further consideration. The revenue recognised for the year ended 30 June 2025 was $211,303,830. At 30 June 2025 the Group recognised $5,173,153 in contract liabilities for consideration received in advance for gym memberships and franchise territory sales. We focused on this area as a key audit matter given the significance of the balance and that there is a risk that revenue may not be recognised in accordance with the revenue recognition principles as set out in AASB 15: Revenue from Contracts with Customers.	Our procedures included, amongst others, the following: • We obtained an understanding of the key controls in the revenue recognition cycle. • Sample tested revenue transactions through the year to ensure that revenue was recognised in accordance with AASB 15: Revenue from Contracts with Customers. • We ensured the carrying value of the contract liabilities was accurate and complete. • We performed analytical procedures. • We reviewed the Group's qualitative and quantitative disclosures in the financial statements.
Right-Of-Use Assets and Lease Liabilities Refer to Note 19 *'Leases'*	
At 30 June 2025, the Group recognised $245,124,857 in Right-of-Use Assets and $283,147,390 in lease liabilities. The Group has numerous lease arrangements in place which require certain judgements to be made at point of recognition and measurement. We focused on this area as a key audit matter given the significance of the balance and there is a risk that the leases may not be accounted for in accordance with the requirements of AASB16: Leases.	Our procedures included, amongst others, the following: • We obtained management's calculation of its right-of-use assets and lease liabilities and tested the accuracy of key data inputs by agreeing to leases on a sample basis. • We obtained copies of the lease agreements and validated the inputs into management's calculations. • We reviewed the adequacy of the disclosures made in the financial statements including disclosure of significant judgements.

HALL CHADWICK

VIVA LEISURE LIMITED
ABN 76 607 079 792
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIVA LEISURE LIMITED

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Accounting for Business Combinations Refer to Note 30 '*Business Combinations*'	
During the financial year ended 30 June 2025 the Group made a number of acquisitions as disclosed in Note 30. Accounting for acquisitions is complex and involves a number of significant judgements. We focused on this area as a key audit matter due to amounts involved being material and the judgements involved in determining the fair value of the assets acquired and liabilities assumed.	Our procedures included, amongst others, the following: • Reviewed the purchase agreements to understand the terms and conditions of the acquisitions and evaluate management's PPA assessments under AASB3 Business combinations. • Assessed the fair value of the assets acquired and the liabilities assumed. • Checked the accuracy of the purchase price by vouching to bank statements and sale and purchase agreements. • Assessed the adequacy of disclosures in the financial statements.
Carrying value of goodwill Refer to Note 15 '*Intangibles*'	
The Group has recognised goodwill of $112,440,036 at 30 June 2025 resulting from business combinations including $27,629,974 recognised during the year. The assessment of impairment of the Group's goodwill balances incorporated significant judgement in respect of factors such as forecast revenue, costs, discount rates and terminal growth rates. We have focused on this area as a key audit matter due to amounts involved being material and the inherent subjectivity associated with critical judgements being made in relation to forecast revenue, costs, discount rates and terminal growth rates.	Our procedures included, amongst others, the following: • Evaluated management's impairment assessment of goodwill. • Reviewed key inputs in the value-in-use model such as forecast revenue, costs, discount rates and terminal growth rates. • Involved our valuation specialists to recalculate management's discount rates based on external data where available. The valuation specialists were also involved in assessing the value-in-use model used for valuation methodology including treatment of terminal value calculations and the net present value calculations. • Performed sensitivity analysis on the assumptions used such as terminal growth; and discount rate. • Assessed the adequacy of the Group's quantitative and qualitative disclosures of the considerations in relation to the valuation of goodwill and other intangible assets, by comparing these disclosures to our understanding of the matter.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard

HALL CHADWICK

VIVA LEISURE LIMITED
ABN 76 607 079 792
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIVA LEISURE LIMITED

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

HALL CHADWICK

VIVA LEISURE LIMITED
ABN 76 607 079 792
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIVA LEISURE LIMITED

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the remuneration report included in pages 15 to 32 of the directors' report for the year ended 30 June 2025.

In our opinion, the remuneration report of Viva Leisure Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Hall Chadwick (NSW)

Hall Chadwick (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Martin Sabanos
Partner
Date: 13 August 2025

The shareholder information set out below was applicable as a 29 July 2025

1. Distribution of Shareholders

	Total No. of Shares Held	No. of shareholders
1 to 1,000	806,930	1,159
1,001 to 5,000	1,463,111	721
5,001 to 10,000	984,269	133
10,001 to 100,000	5,340,503	190
100,001 and over	89,662,273	51
	98,257,086	**2,254**

2. Distribution of Options

	Number on issue	Number of holders
100,001 and over	2,373,677	4

3. Largest Shareholders

Name	% Of Issued Shares	Number held
SHJA MANAGEMENT PTY LTD	19.02%	18,688,434
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	13.68%	13,442,267
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12.16%	11,951,341
CITICORP NOMINEES PTY LIMITED	10.99%	10,794,801
CPG INVESTMENTS GROUP PTY LIMITED	7.49%	7,362,239
UBS NOMINEES PTY LTD	5.24%	5,152,789
CAPITAL PROPERTY CORPORATION PTY LTD CARRINGTON A/C	3.98%	3,908,778
WARBONT NOMINEES PTY LTD UNPAID ENTREPOT A/C	2.90%	2,853,494
HARRY KONSTANTINOU	1.57%	1,542,068
NEWECONOMY COM AU NOMINEES PTY LIMITED 900 ACCOUNT	1.36%	1,341,056
MOORGATE INVESTMENTS PTY LTD	1.35%	1,324,939
PACIFIC L PTY LTD PACIFIC LEVEL S/F A/C	1.02%	1,006,520
MR JOHN KONSTANTINOU	1.05%	1,029,846
HSMC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	0.99%	975,431
BNP PARIBAS NOMS PTY LTD	0.76%	749,153
SUMMER NORTH PTY LTD	0.53%	519,052
BNP PARIBAS NOMINEES PTY LTD IB AU NOMS RETAILCLIENT	0.45%	445,013
DIXSON TRUST PTY LIMITED	0.40%	394,327
MICHAEL KEN NYSTEN & MELISSA NYSTEN	0.36%	352,188
JONATHAN DAVIE	0.36%	352,188

4. Substantial Shareholders

	% of Issued Shares	Number held
SHJA MANAGEMENT PTY LTD	19.02%	18,688,434
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	13.68%	13,442,267
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12.16%	11,951,341
CITICORP NOMINEES PTY LIMITED	10.99%	10,794,801
CPG INVESTMENTS GROUP PTY LIMITED	7.49%	7,362,239
UBS NOMINEES PTY LTD	5.24%	5,152,789

5. Less than Marketable Parcel of Ordinary Shares
There are 272 shareholders with an unmarketable parcel totalling 57,961 shares.

6. Unquoted Equity Securities
The company had 2,373,677 unquoted securities on issue as at 29 July 2025.

7. Restricted Securities

The company had no restricted securities on issue as at 29 July 2025.

8. Voting Rights

In accordance with the Constitution each member present at a meeting whether in person, or by proxy, or by power of attorney, or in a duly authorised representative in the case of a corporate member, shall have one vote on a show of hands, and one vote for each fully paid ordinary share, on a poll. Performance rights and Options have no voting rights.

9. On-market Buy Backs

There is a current on-market buy-back in relation to the Company’s securities.

The on-market buy-back program will comply with the “10/12” limit under the Corporations Act 2001 (Cth) and therefore does not require shareholder approval and will be executed at Viva Leisure’s discretion, through on market purchases to occur from time to time throughout the approved period.

The buy-back commenced on 9 June 2023 and the buy-back period will run for the duration of one year, until 10 September 2024. The share buy-back price will be no more than 5% above the volume weighted price of the Company’s shares over the 5 trading days prior to the purchase.

The timing and actual number of shares purchased under the buy-back, and other matters relating to the conduct of the buy-back, will depend on the prevailing share price, market conditions, forecast future capital requirements and any other considerations including any unforeseen circumstances.

Viva Leisure reserves the right to vary, suspend or terminate the buy-back at any time and there is no guarantee that the Company will purchase any or all of the shares referred to above. An Appendix 3C in respect of the on-market share buy-back will also be lodged.

Corporate Governance Statement

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, Viva Leisure Ltd and its Controlled Entities (the Group) have adopted the fourth edition of the Corporate Governance Principles and Recommendations.

The Group's Corporate Governance Statement for the financial year ended 30 June 2025 is available on the investor relations website at https://investors.vivaleisure.com.au.