

Viva secures new A\$14.55m senior debt facility.

29 October 2019

Viva Leisure Limited (“Viva Leisure” or “the Company”) is pleased to announce it has agreed credit approved terms with the Commonwealth Bank of Australia (“CBA”) in relation to a A\$14.55 million 5-year Senior Secured debt facility comprising a \$10m Market Rate Loan Facility to assist in financing future acquisitions, (“Acquisition Facility”), a bank guarantee facility and direct debit facility (collectively “New Facilities”).

The New Facilities will replace the Company’s existing bank guarantee and direct debit facility, and provide an additional facility specifically dedicated to accretive acquisitions.

The bank guarantee and direct debit facilities have been negotiated on favourable terms in comparison to our existing arrangements and are expected to achieve cost savings.

The Acquisition Facility, the Company’s first facility outside of equipment finance leases, will be used to support the continued growth of Viva Leisure’s business .

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

“Together with our strong cash balance, the new acquisition facility from the CBA will provide the company with additional funding and agility to execute on the existing acquisition pipeline more quickly. The Acquisition Facility, the first for Viva reflects confidence in the quality of Viva’s business.”

Key Terms of the Acquisition Facility are:

- Purpose: To fund future earnings accretive acquisitions;
- 50/50 contribution (debt/equity) on approved acquisitions; and
- Term 5 years, subject to customary annual reviews.

ENDS

For further information, please contact:

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About Viva Leisure:

Founded in 2004, Viva Leisure operates health clubs (gymnasiums) within the health and leisure industry. Viva Leisure’s mission is to connect health and fitness to as many people as possible and aims to provide its members with affordable, accessible and awesome facilities.

Viva Leisure offers customers several different membership options and a range of different types of facilities from big-box fitness facilities to boutique fitness facilities. The Company currently operates over 45 health clubs within the Australian Capital Territory, New South Wales, Victoria and Queensland, with the majority operating under the Club Lime brand.