

VIVALEISURE

BI-MONTHLY MARKET UPDATE

SEPTEMBER & OCTOBER 2022

7 NOVEMBER 2022

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WELCOME

Welcome to the latest bi-monthly market update from Viva Leisure.

This regular report to the market and our shareholders is designed to provide further insights into the multiple markets and segments within the fitness industry that Viva Leisure operates.

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

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

”

Harry Konstantinou, CEO, Viva Leisure Limited



PERFORMANCE HIGHLIGHTS

VIVA LEISURE

Annual Revenue

Run Rate

\$138.6m

PCP \$98.5m

Monthly Revenue

Run Rate

\$11.8m

PCP \$8.4m

Daily Revenue

Run Rate

\$379,685

PCP \$251,274

Average Revenue

Per Member Per Week

\$15.23

PCP \$13.79

Members

Owned and Franchised

333,504

PCP 297,211

Locations

Owned and Franchised

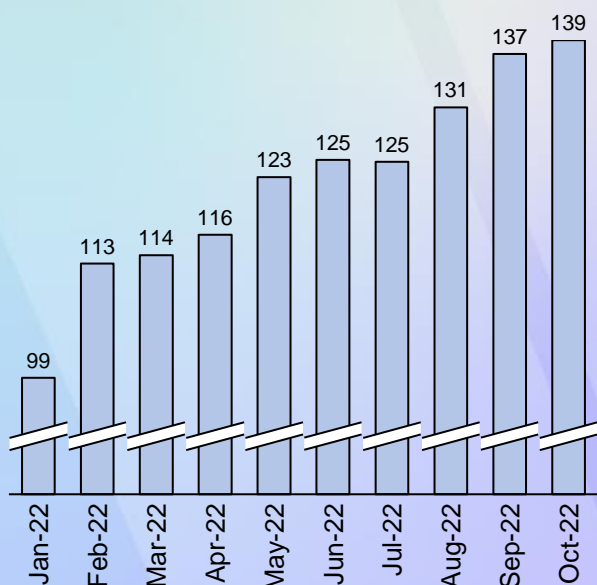
336

PCP 325

PCP period: October 2022 compared to December 2021
Annualised Revenue Run Rate based on October 2022 day rate annualised

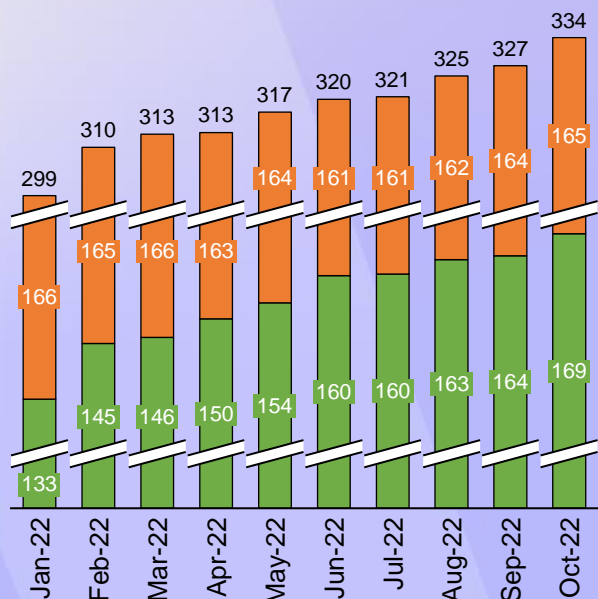
PERFORMANCE HIGHLIGHTS

Annualised Revenue Run Rate (\$m)



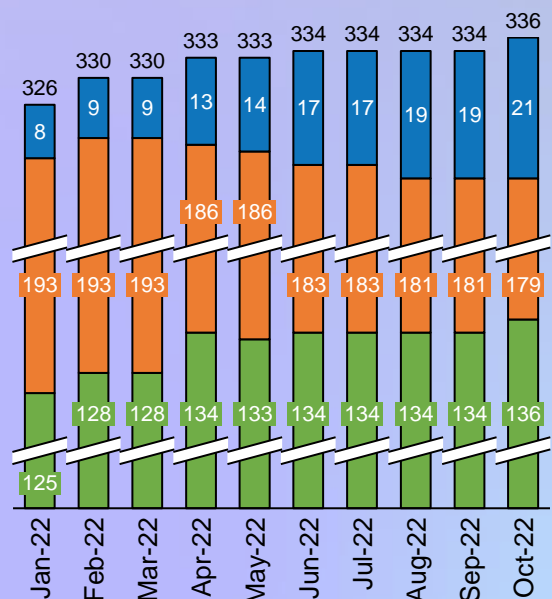
Annualised Revenue Run Rate

Members ('000)



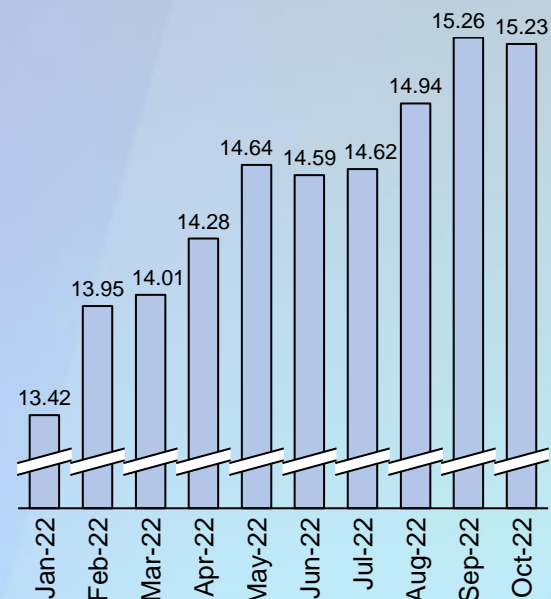
Plus Fitness (AU/NZ)
Viva Owned

Locations



Plus Fitness AU (Viva Owned)
Plus Fitness AU (Franchisee Owned)
Viva Owned

Average Revenue Per Member per week+



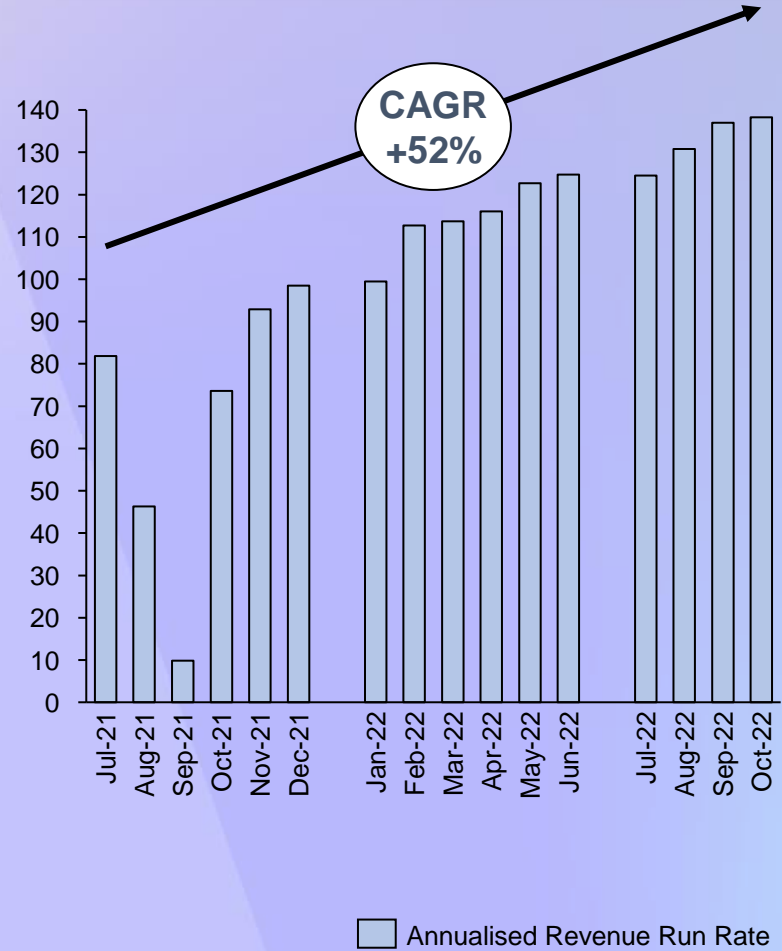
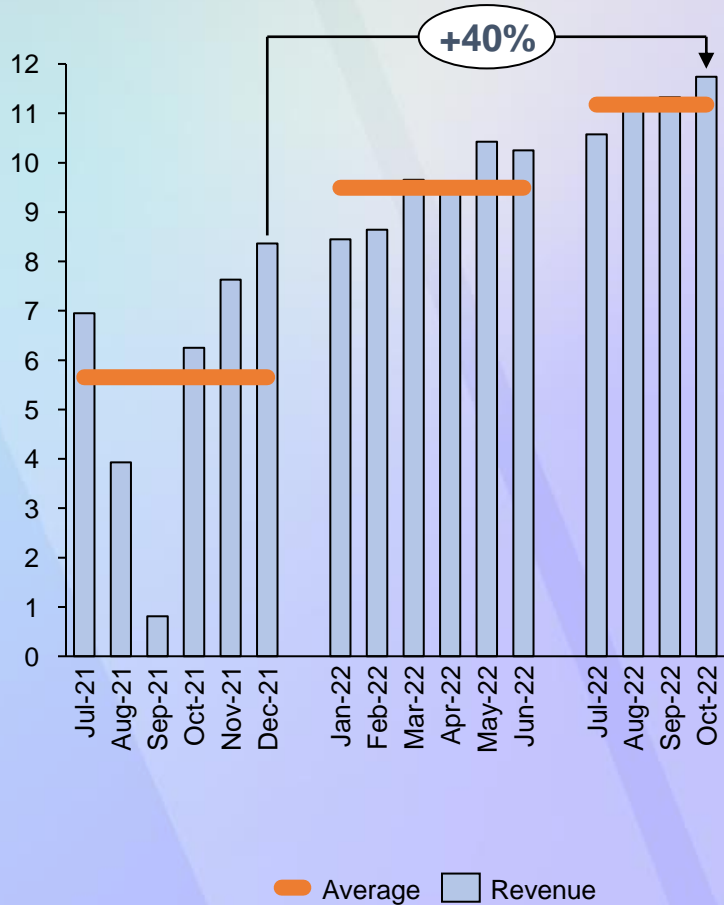
Viva Owned Clubs

+ Excluding GST
 ■ Annualised Revenue Run Rate based on October 2022 day rate annualised

REVENUE (\$M)

Monthly Revenue Run Rate (\$m)

Annualised Revenue Run Rate (\$m)

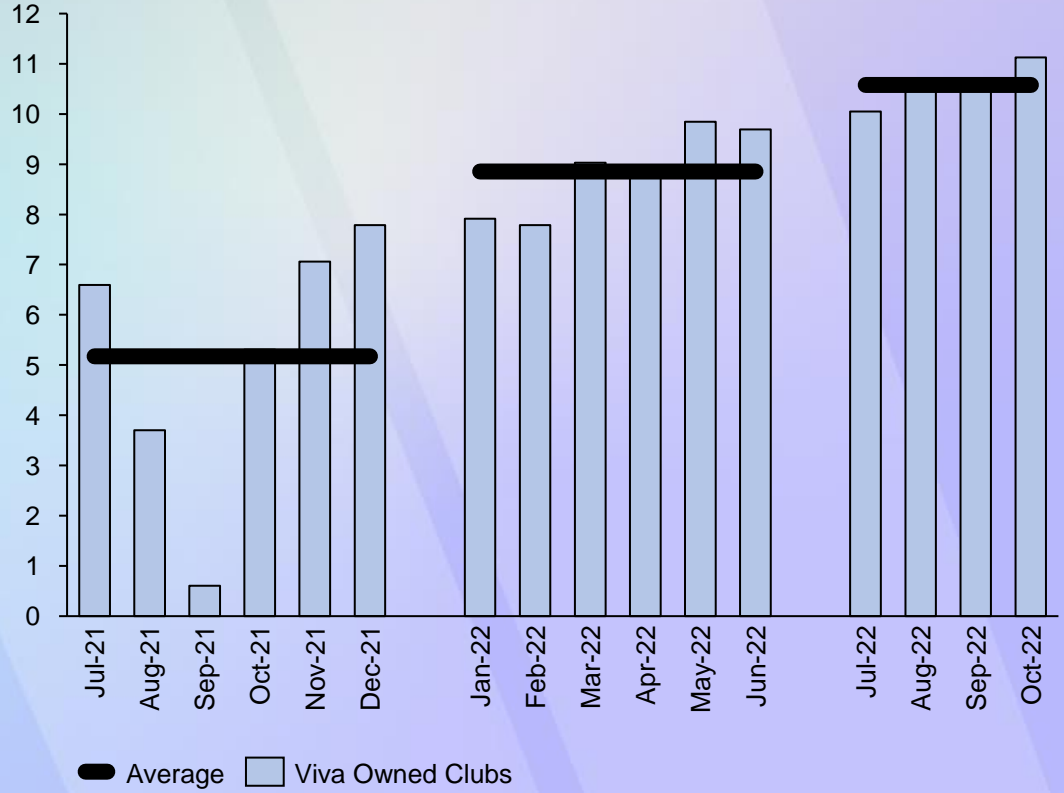


HIGHLIGHTS

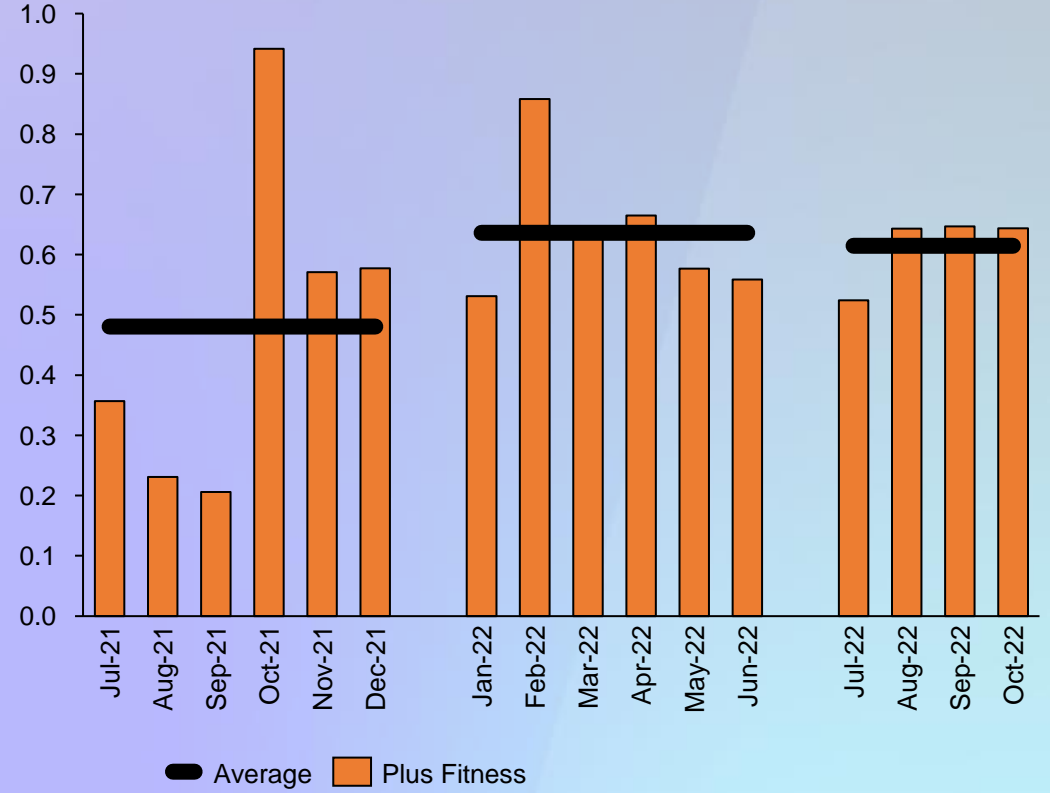
October 2022:

- Record Annualised Revenue Run Rate
- Viva calculates monthly revenue on a day count basis
- Revenue is 40% higher in October 2022 when compared to December 2021 when clubs started returning to normal operations

REVENUE OWNED AND FRANCHISOR (\$M)

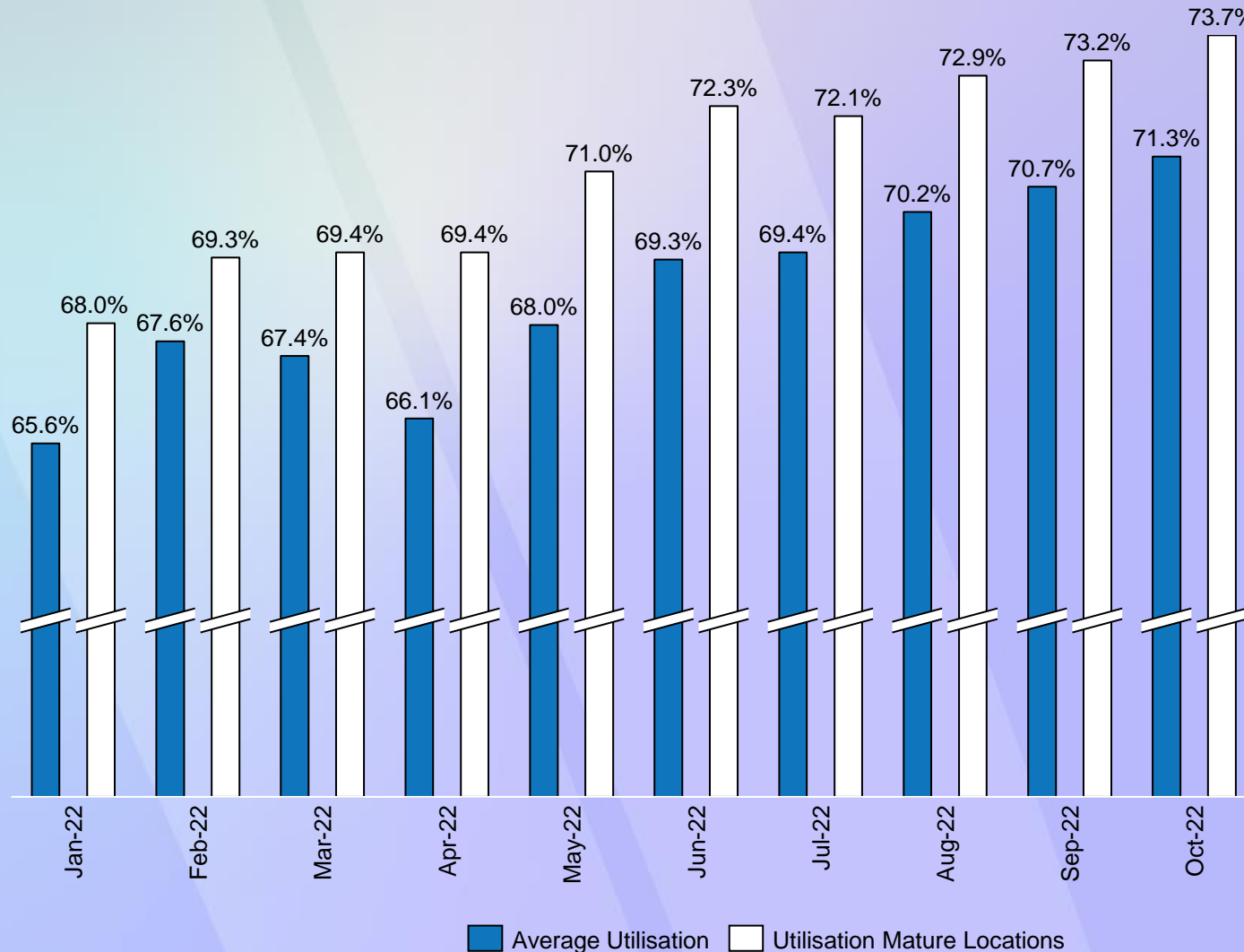


➤ Revenue is calculated on a day count basis



➤ Revenue spikes previously occurred when locations opened creating additional revenue (and costs). Moving forward the net impact (Gross revenue less pass through costs) of the club openings will be included in Revenue as it is more reflective of the business operations.

UTILISATION (%)

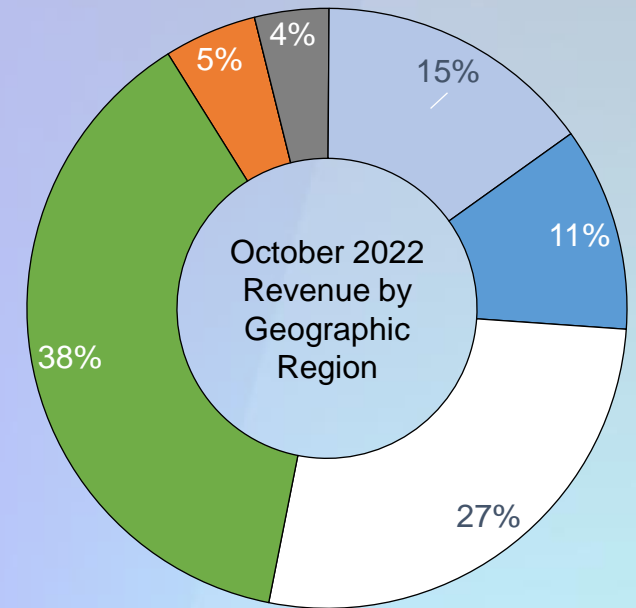
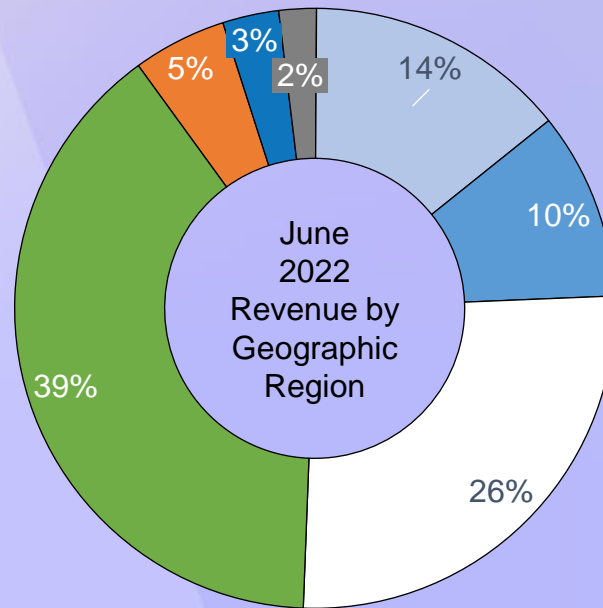
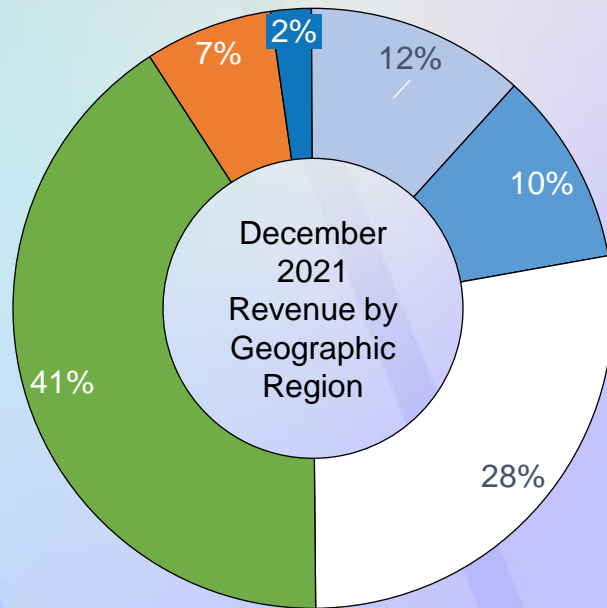


HIGHLIGHTS

- October 2022 achieved record portfolio utilisation over 71%
- Utilisation refers to Viva estimated maximum capacity per location.
 - Health Clubs estimate 2.0 members per square metre
 - Hiit Republic & Boutiques at 1.0 members per square metre
- An increase in Utilisation across the portfolio provides an increased margin due to limited additional costs to add new members to an already operating location
- Utilisation decreases as new locations open, and increases as locations add new members
- Target is 75-80% average utilisation per location
- **Utilisation Mature Locations** refers to locations which have been owned or opened for greater than 12 months

REVENUE BY GEOGRAPHIC REGION (\$M)

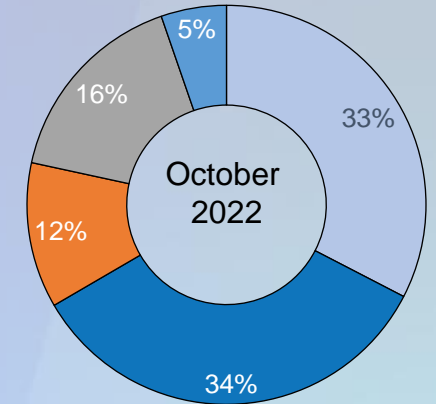
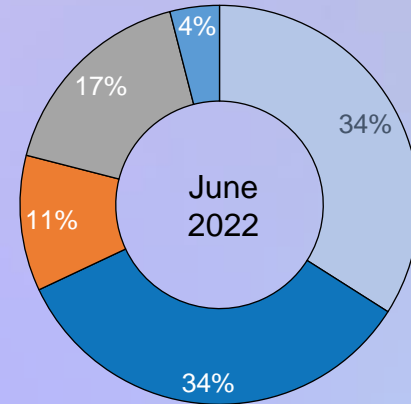
IDENTIFIED TARGET GROWTH MARKETS OF QLD AND VIC CONTINUE TO GROW



■ PLUS FITNESS
 ■ CORPORATE
 ■ WA
 ■ QLD
 ■ VIC
 ■ NSW
 ■ ACT

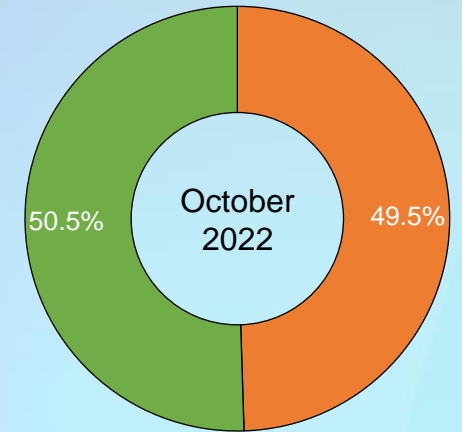
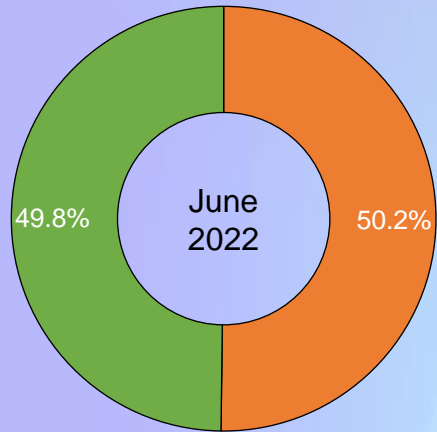
MEMBER SNAPSHOT ('000)

Members by State
Viva owned locations only

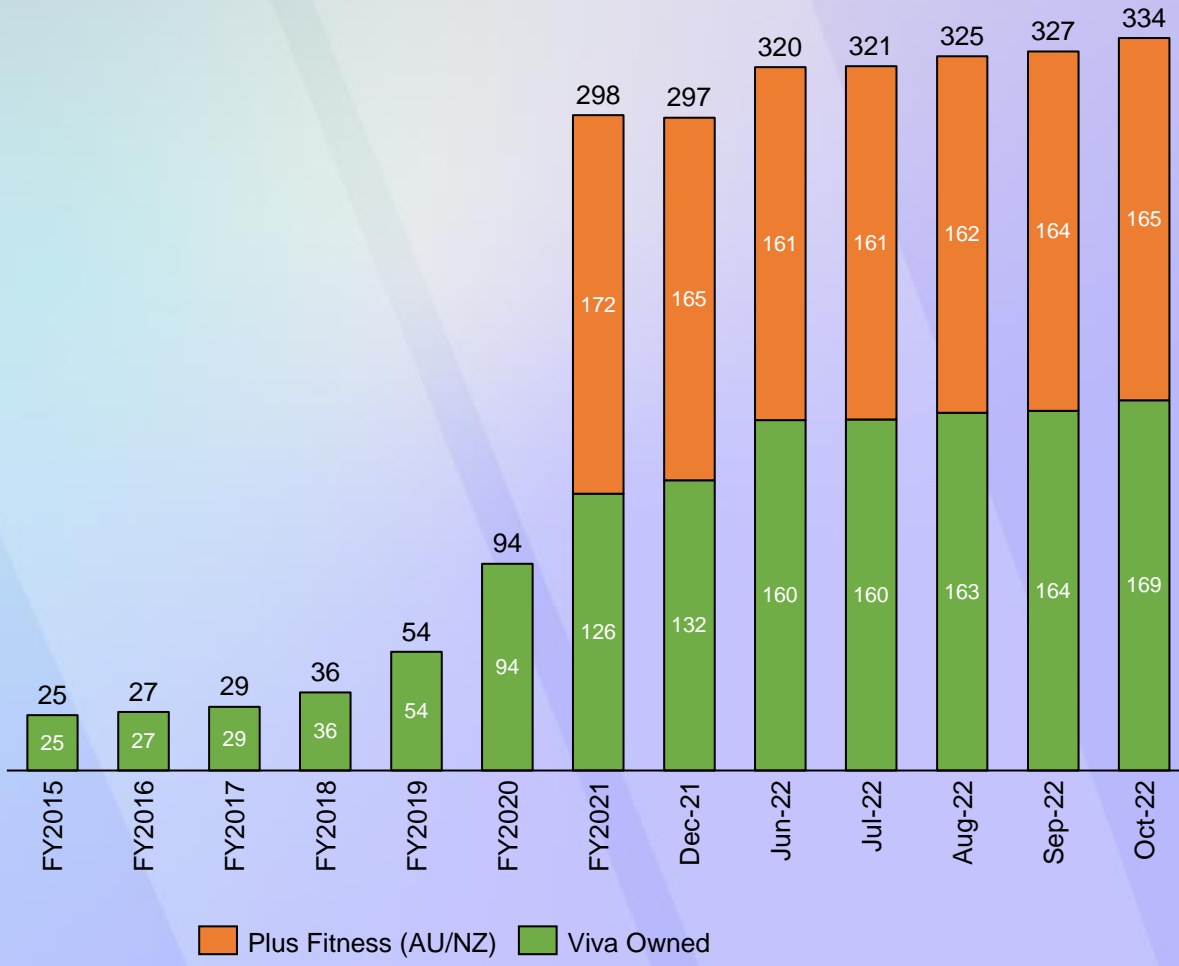


ACT NSW VIC QLD WA

Members by Segment

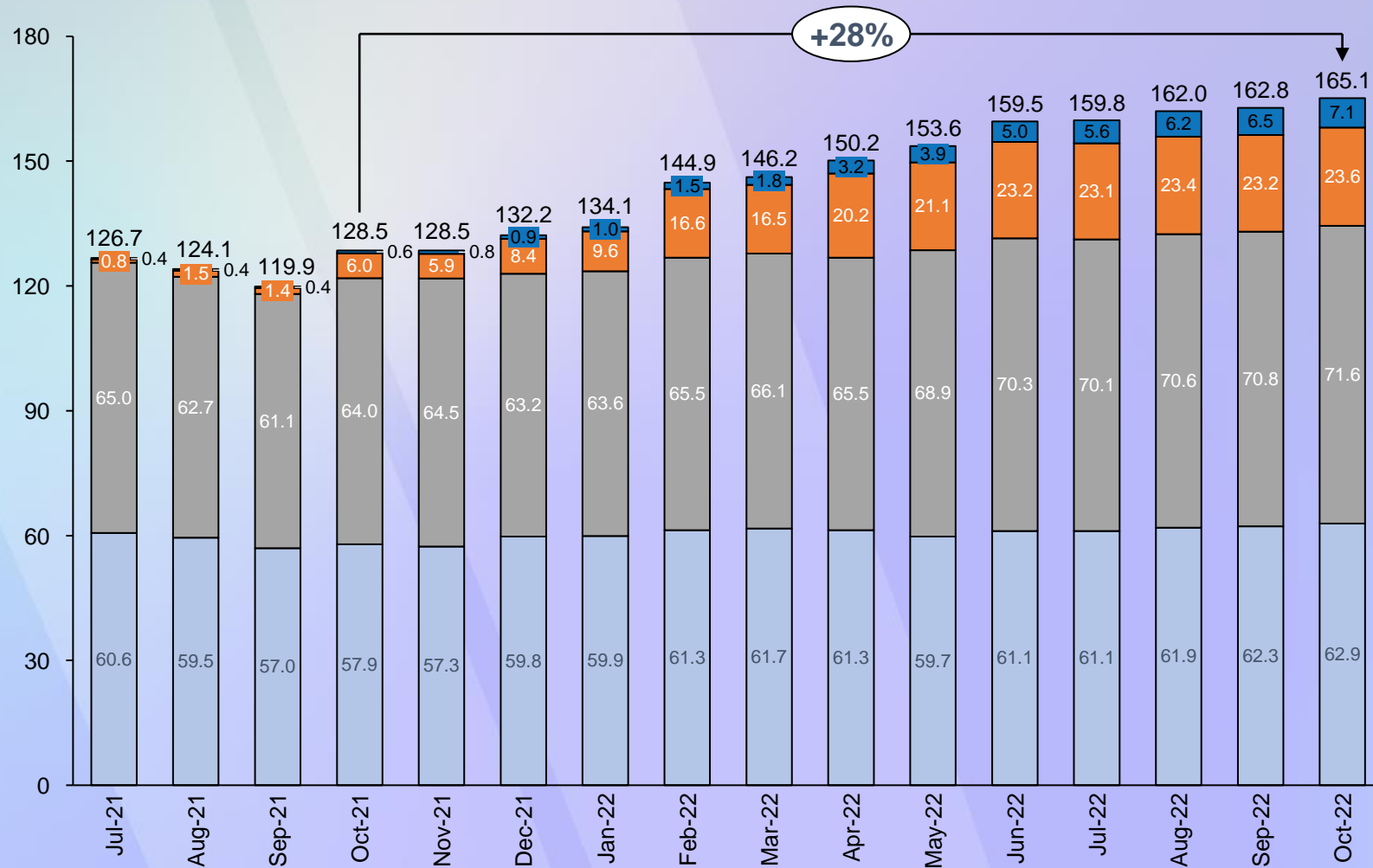


Viva Owned Plus Fitness (AU/NZ)



Plus Fitness (AU/NZ) Viva Owned

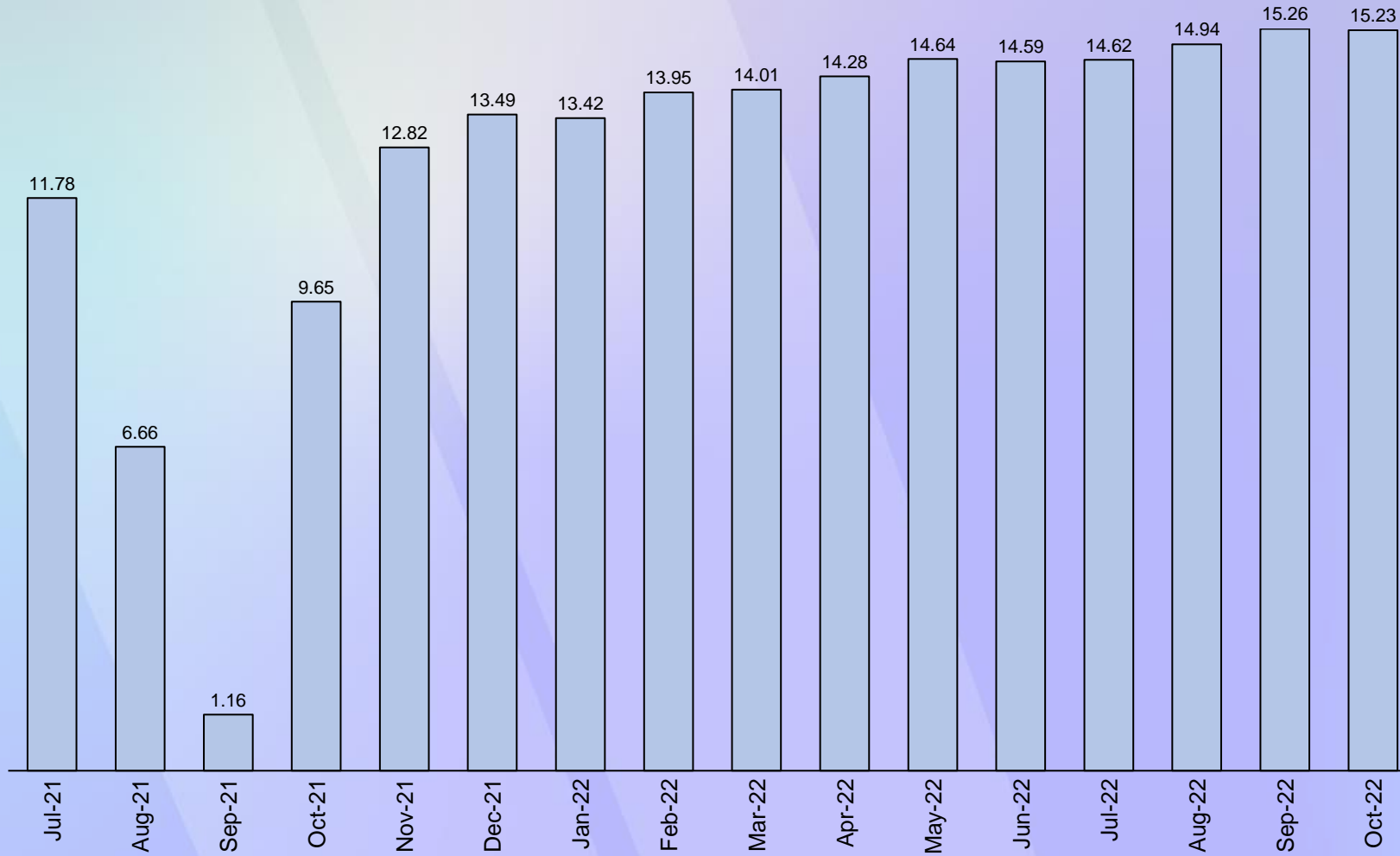
OWNED MEMBERS BY COHORT ('000)



HIGHLIGHTS

- 28% growth in Membership numbers between October 2021 to October 2022
- All cohorts continue to show growth each month
- Pre FY2022 opened and acquired club member numbers have now returned to pre-COVID levels
- Clubs opened in FY2022 and FY2023 continue to show good traction

AVERAGE REVENUE PER MEMBER (PER WEEK) (\$)

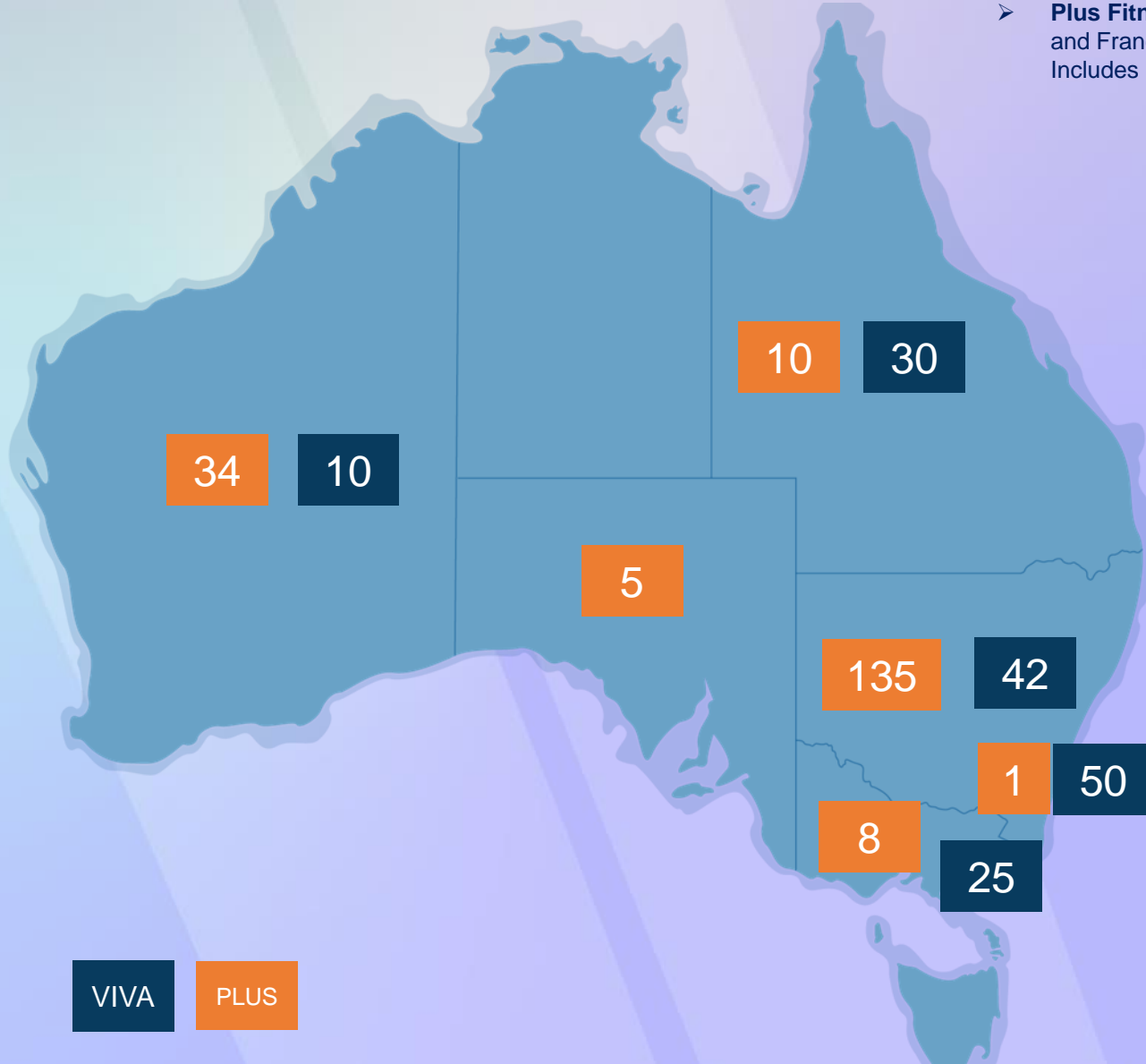


HIGHLIGHTS

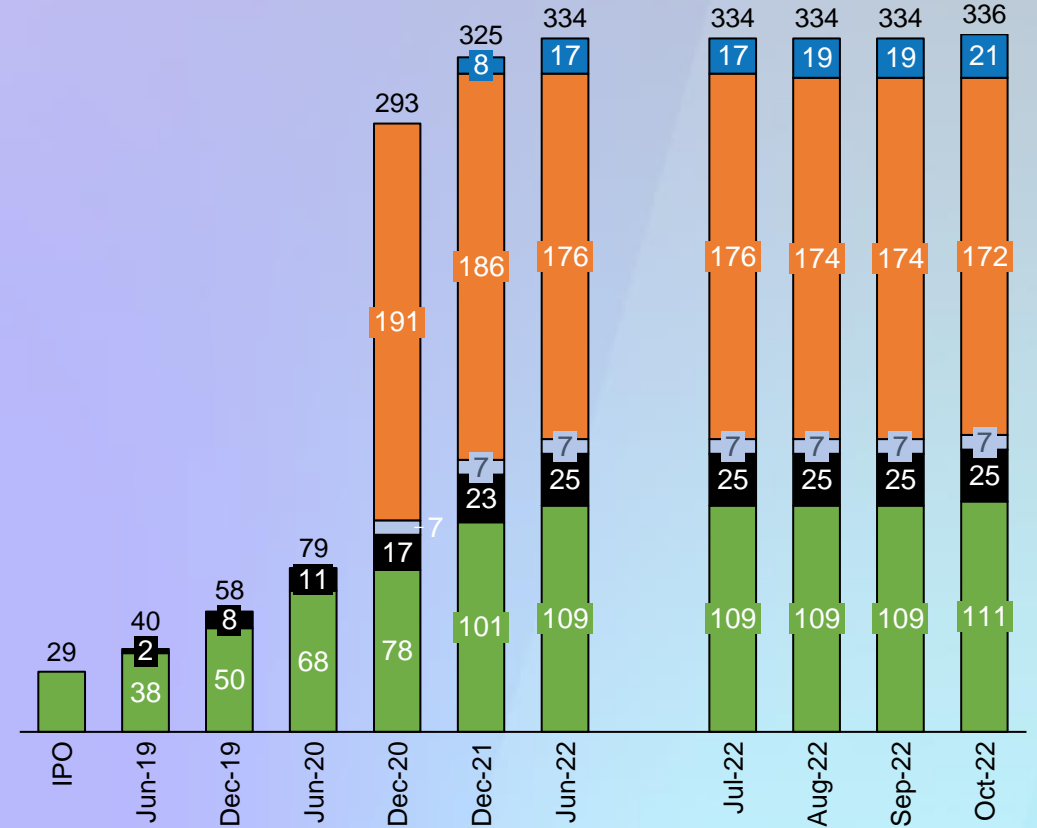
- ARPM now exceeding >\$15 per member per week (ex GST)
- Higher yielding membership options (hiit republic and GroundUp) providing positive impact to ARPM
- Plus Fitness franchisee ARPM not available
- Slight drop in ARPM for October 2022 due to club acquisitions during the month

LOCATIONS

- **Health Clubs & Other & Hiit Republic** are all Corporate owned locations (referenced as “Viva” in the map)
- **Plus Fitness** figures in Map includes both Corporate and Franchised locations. Bar chart shows split. Includes New Zealand (2) and India (5) locations

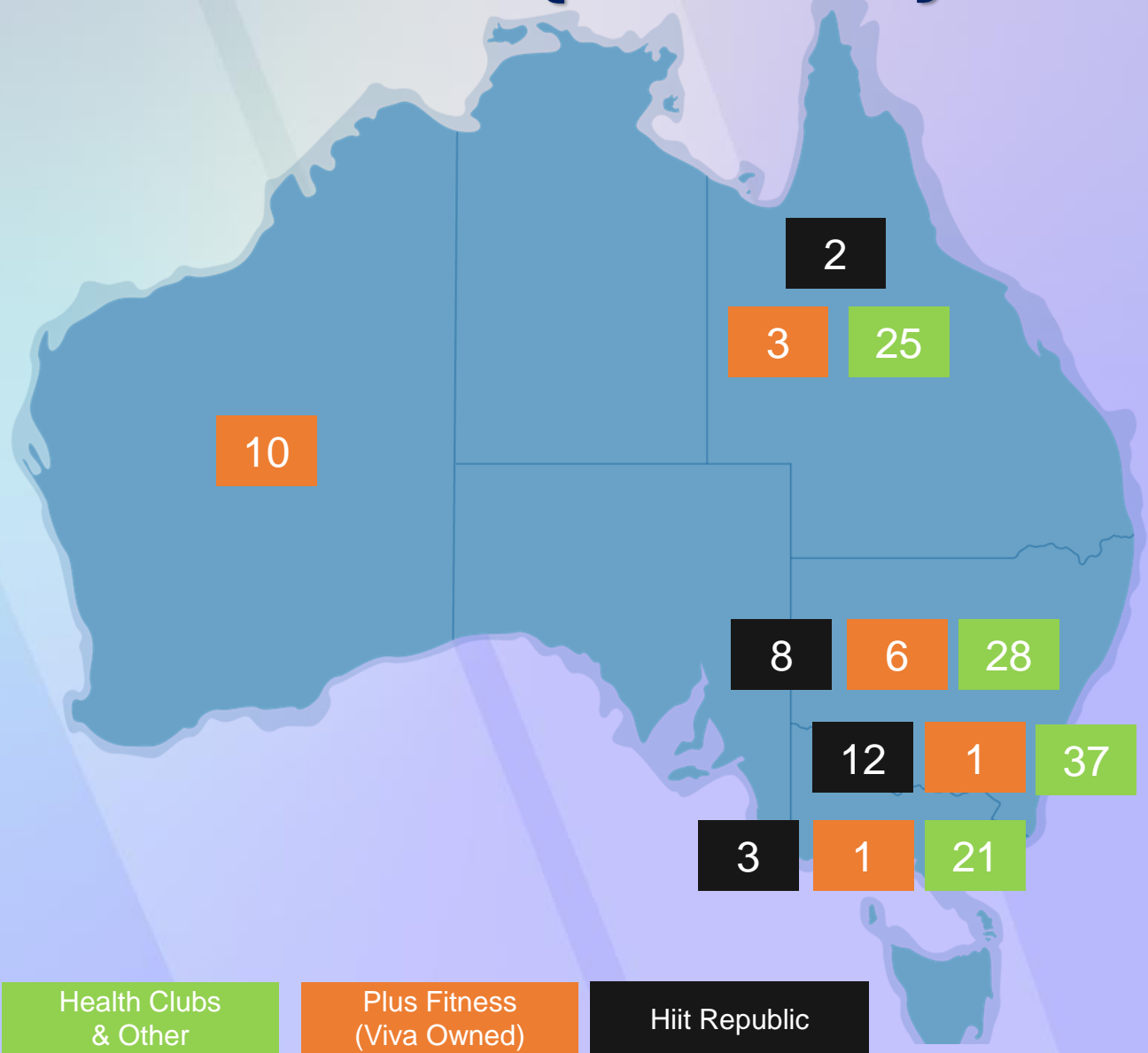


VIVA PLUS



■ Plus Fitness AU (Viva Owned)
■ Plus Fitness AU (Franchisee Owned)
■ Plus Fitness NZ/IN (Franchisee Owned)
■ Hiit Republic
■ Health Clubs & Other

LOCATIONS (OWNED)



HIGHLIGHTS

- Health Clubs & Other includes the following brands:
 - Club Lime
 - Psycle Life
 - GroundUp
 - Rebalance Pilates & Yoga
- And the following segments:
 - Aquatics
 - Swim School
- Plus Fitness Corporate owned locations shown separately

157

Owned Locations

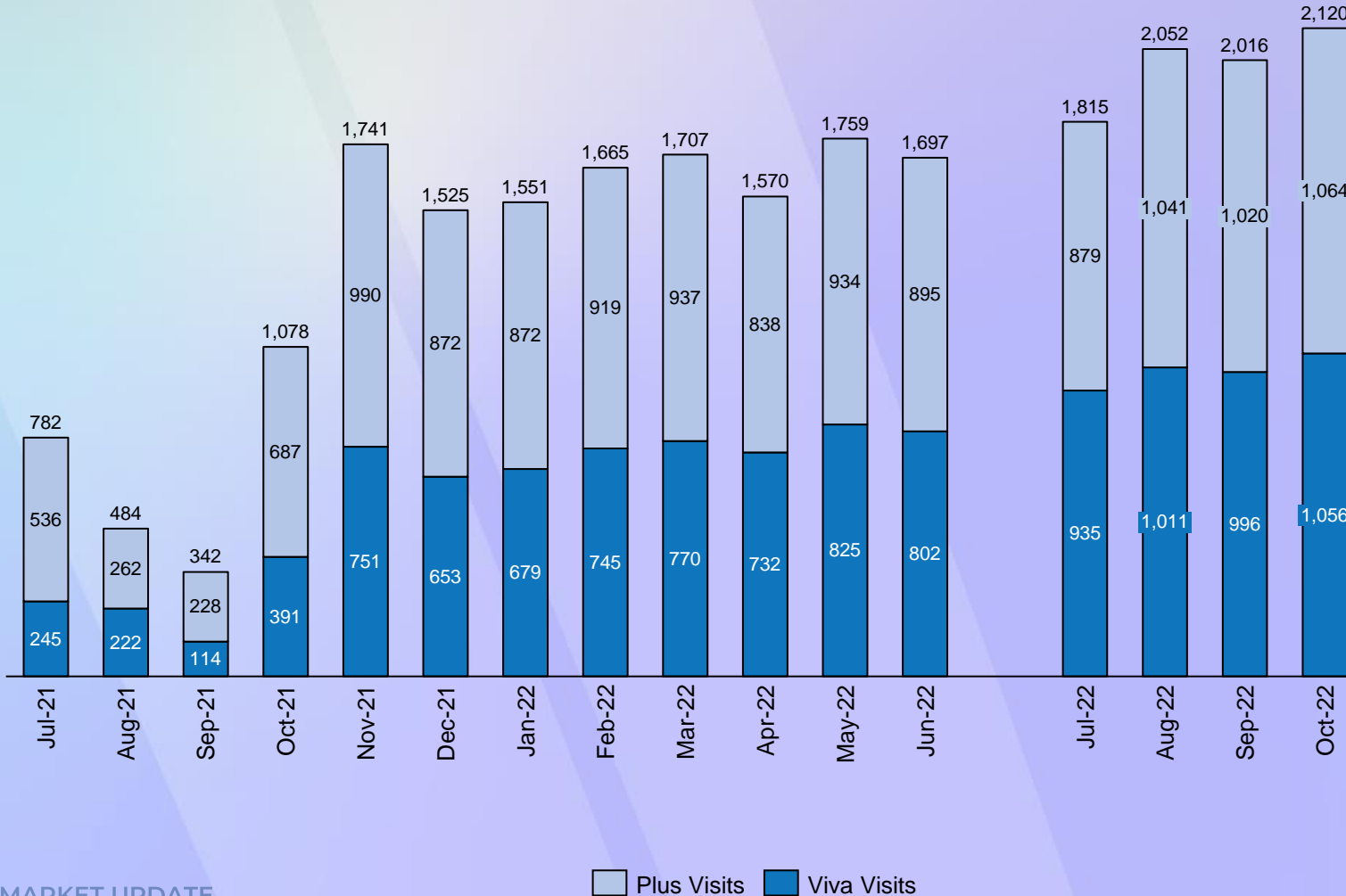
Health Clubs & Other

Plus Fitness (Viva Owned)

Hiit Republic

MEMBER MONTHLY VISITS ('000)

Based on days per month

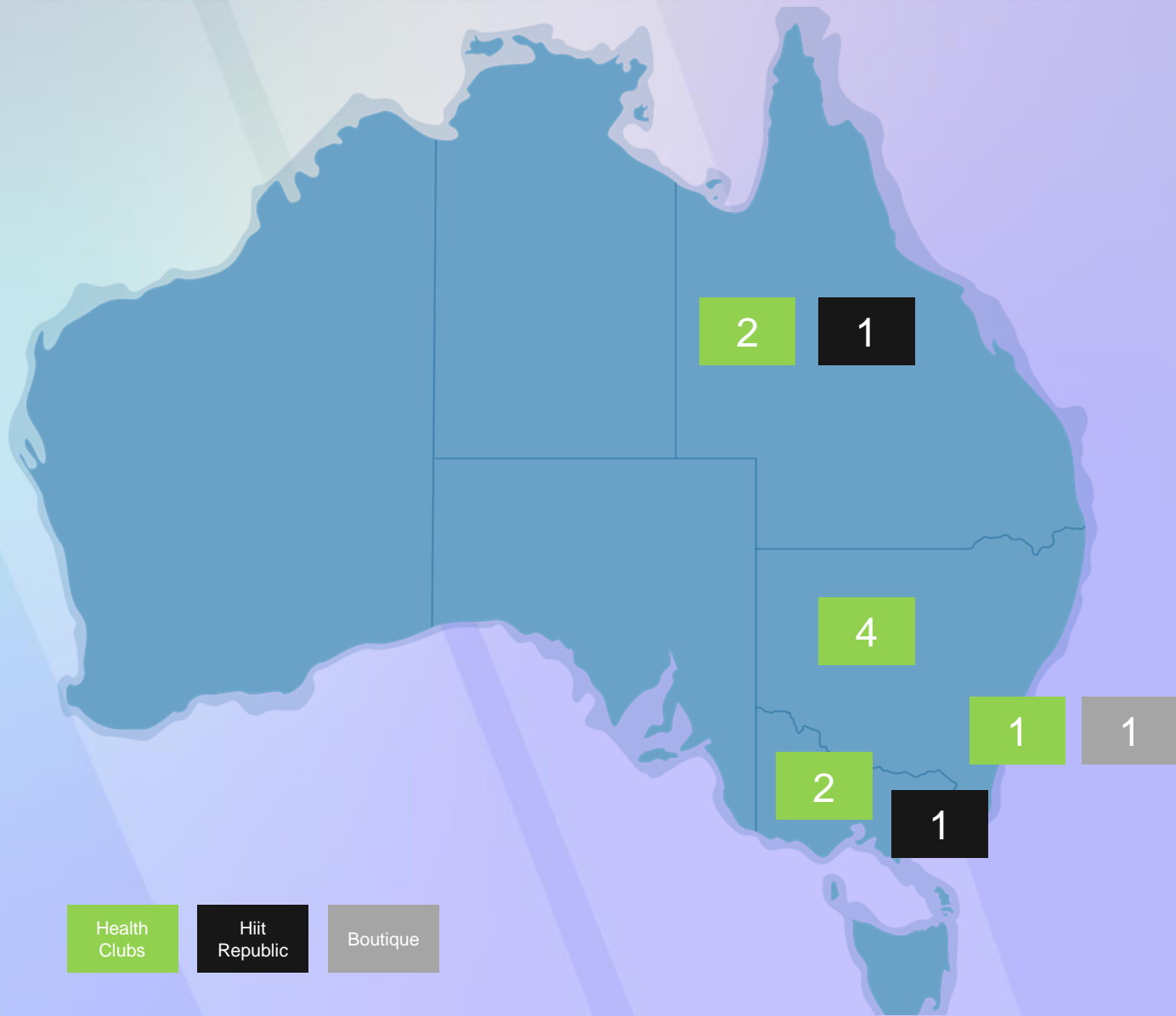


HIGHLIGHTS

- >2 million visits per month to facilities in each of August, September and October 2022, was 1.7 million visits in June 2022
- December 2021 visitations lower due to seasonality and requirement to self-isolate if a close-contact with a COVID positive family member
- July through to October 2021 visitations affected by COVID-19 lockdowns in ACT, NSW and VIC
- >24 million member visits per year across the entire network

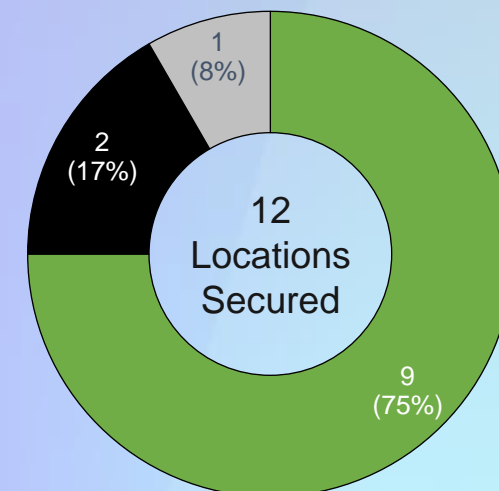
One member visit every
1.26 seconds
 for the month of October 2022

GREENFIELD LOCATIONS



HIGHLIGHTS

- Greenfield locations refers to locations secured with a Heads of Agreement or Lease, and in different stages of pre-opening
- Viva's growth focus continues to be in Queensland and Victoria
- Excludes Plus Fitness greenfield locations.



Health Clubs Hiit Republic Boutique

Abbreviation	Explanation
AFM	Australian Fitness Management Pty Ltd (Master Franchisor for Plus Fitness) – entity renamed to Plus Fitness Pty Ltd
ARPM	Average Revenue Per Member
Add-On Hiit Republic Membership	Refers to Health Club Members who have a higher level membership permitting them to access Hiit Republic. They are included for revenue and member purposes in the Health Club Members statistics (as they are primarily a health club member) and shown on some pages separately for illustrative purposes
Club Margin	4-wall Club EBITDA Margin. Also shown is Margin for clubs operating for greater than, and less than 12 months
Health Clubs & Other	Refers to Health Club brands and other smaller boutiques
Mature / Non-Mature	Refers to locations opened greater than 12 months (mature) and less than 12 months (non-mature)
N/C	Not able to be calculated
NMM	Net Member Movement
PCP	Previous Corresponding Period reported (ie: February 2022 compared to either half year or full year accounts)
PCP %	Percent movement from Previous Corresponding Period (ie: June 2021 compared to either half year or full year accounts)
Plus Fitness Corporate	Refers to locations owned by Viva Leisure and not franchised to third parties
RRR	Revenue Run Rate
Utilisation	Is calculated by multiplying Club m2 by 2.0 (Health Clubs) or 1.0 (Hiit Republic) to measure theoretical capacity

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