

BI-MONTHLY MARKET UPDATE
JANUARY/FEBRUARY 2022

**ATTITUDE IS
EVERYTHING.**

23 MARCH 2022

ASX: VVA

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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.

Given the COVID shutdowns, comparing to the Previous Corresponding Period is not a relevant comparison. Accordingly, and as per the previous report, we have compared movements in metrics to the most recently reported half year results (December 2021). When possible, we will move to traditional reporting against the period 12 months earlier. The report provides a “Consolidated View” and individual business segment views (Health Clubs, Hiit Republic, and Plus Fitness). Readers can distinguish between the different views by the reference in the left margin of each page if relevant.

“ *The latest reporting period (January and February 2022) has continued to see a rebound in growth. This was expected due to the direct debit nature of revenue of the business as gyms were allowed to reopen.*

February 2022 saw record increases across all key metrics including revenue, membership, locations and average revenue per member. This is even more significant considering February is the shortest month of the year.

We are not slowing down, with the strong positive growth continuing so far in March. ”

Harry Konstantinou, CEO, Viva Leisure Limited



Performance Highlights

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Consolidated (All Segments)

MONTHLY RRR	DAILY RRR	MEMBERS	MEMBERS NMM	LOCATIONS
\$8.6m	\$308,734	309,791	12,580	330
PCP % 3.3%	PCP % 14.4%	PCP % 4.2%	PCP -1,165	PCP 325

Consolidated (Owned locations only)

CLUB m2	UTILISATION	ARPM ⁺	CLUB MARGIN	CLUB MARGIN >12 months locations	CHURN
112,194	65.8%	\$14.02	29.0%	28.5%	5.3%
PCP % 5.1%	PCP 63.2%	PCP \$13.79	PCP 29.0%	<12 months locations 29.5%	PCP 5.8%

• Excluding impacts of AASB16

* Excluding GST, affected this period by COVID-19 lockdowns in ACT, NSW & Victoria

PCP period: February 2022 compared to December 2021

Daily Revenue Run Rate (RRR) based on 28 days of February 2022

MARKET UPDATE (JAN/FEB 2022)

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HEALTH CLUBS & OTHER

MONTHLY RRR \$7.3m PCP % 0.7%	DAILY RRR \$260,288 PCP % 11.4%	MEMBERS 140,450 PCP % 10.1%	VIVA MEMBERS 133,308 PLUS MEMBERS 7,142	MEMBERS NMM 12,875 PCP 22,409	LOCATIONS 114 PCP 109
CLUB m2 103,793 PCP % 5.6%	UTILISATION 67.7% PCP 64.9%	ARPM+ \$13.55 PCP \$13.30	CLUB MARGIN Combined 29.5% PCP 27.9%	CLUB MARGIN >12 months locations 31.3% <12 months locations 29.8%	CHURN 4.7% PCP 5.1%

- Excluding impacts of AASB16
- + Excluding GST

PCP period: February 2022 compared to December 2021
Viva Leisure acquired one Plus Fitness location during the period



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HIIT REPUBLIC

MONTHLY RRR	DAILY RRR	TOTAL MEMBERS	DIRECT MEMBERS	MEMBERS NMM	LOCATIONS
\$0.5m	\$17,801	6,756	4,417	-198	23
PCP % -9.3%	PCP % 0.5%	PCP % -2.8%	INDIRECT MEMBERS# 2,339	PCP 689	PCP 23
CLUB m2	UTILISATION	ARPM ⁺	CLUB MARGIN Combined	CLUB MARGIN >12 months locations	CHURN
8,401	53.6%	\$27.99	12.8%	15.3%	7.4%
PCP % 0.0%	PCP 55.2%	PCP \$26.67	PCP 33.9%	<12 months locations -1.8%	PCP 8.4%

+ Excluding GST

• Excluding impacts of AASB16

• Monthly RRR excludes revenue included for Health Club Members who have a Hiit Republic 'add-on membership'

Refers to Health Club Members who have a Hiit Republic 'add on' Membership. Note these members are counted in the Health Club & Other Member Numbers

PCP period: February 2022 compared to December 2021

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MONTHLY RRR	DAILY RRR	MEMBERS	MEMBERS NMM	LOCATIONS
\$0.9m	\$30,645	164,924	-97	202
PCP % 48.7%	PCP % 64.6%	PCP % -0.1%	PCP -7,349	PCP 201

Represents the Plus Fitness (Master Franchisor) business and does not include corporate owned Plus Fitness locations performance

Note that Australian Fitness Management Pty Ltd (AFM) was renamed to Plus Fitness Pty Limited during the period

Excluding impacts of AASB16
Revenue for Plus Fitness can vary each month depending on club openings
PCP period: December 2021 compared to June 2021

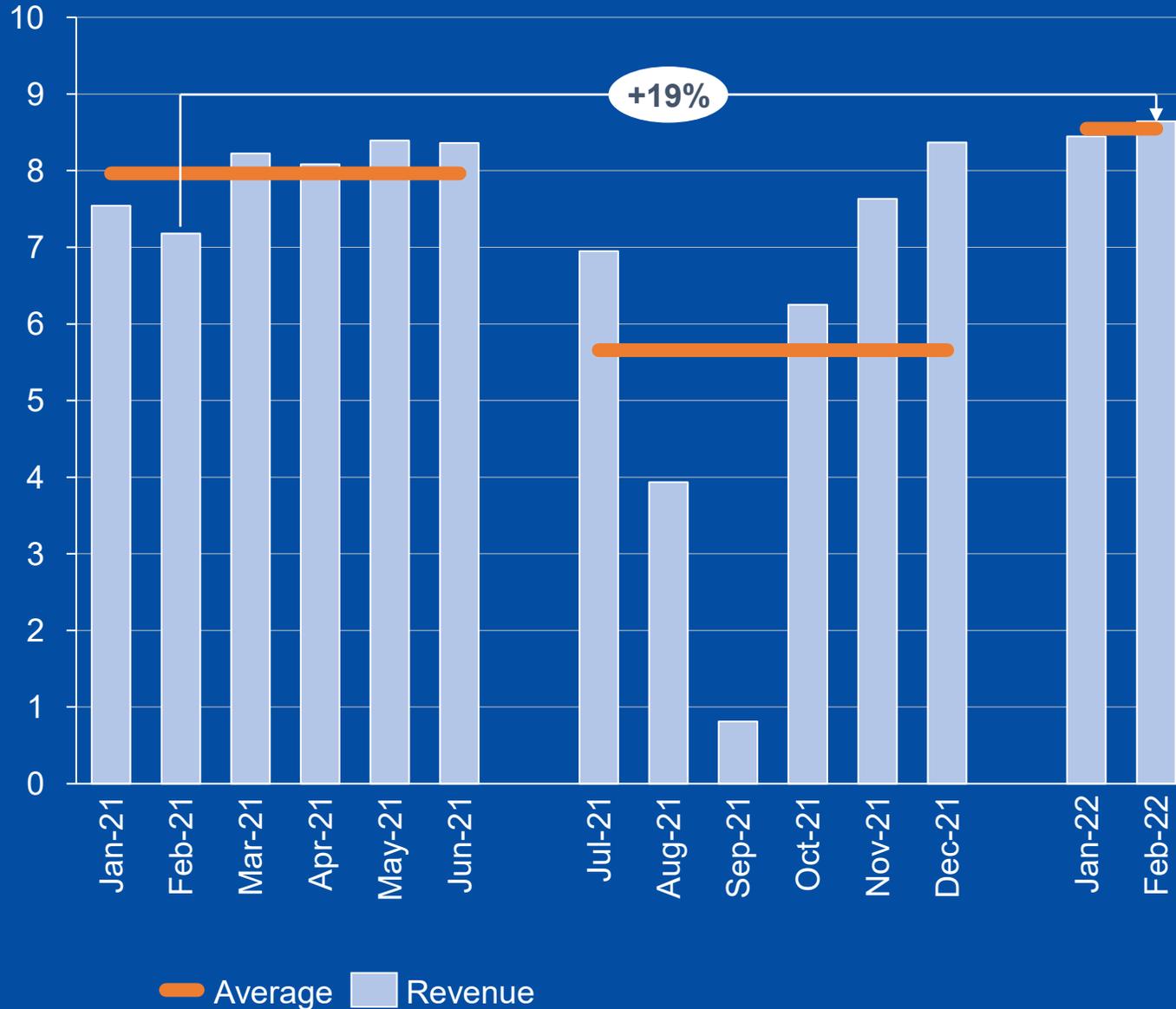


Revenue (\$m)

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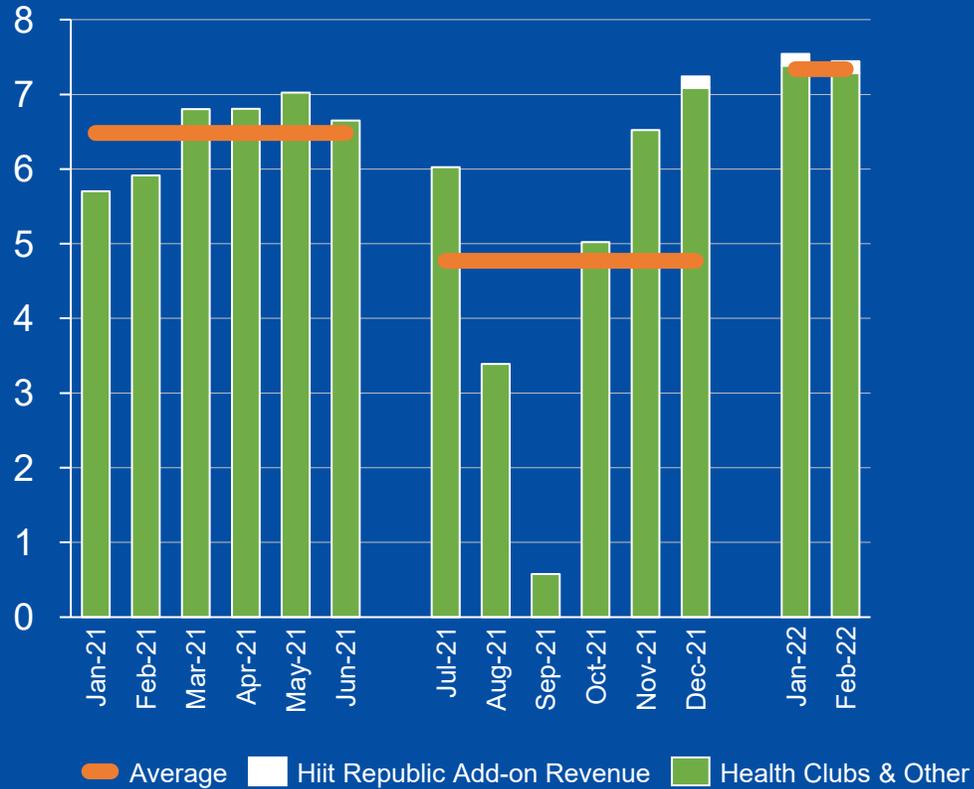
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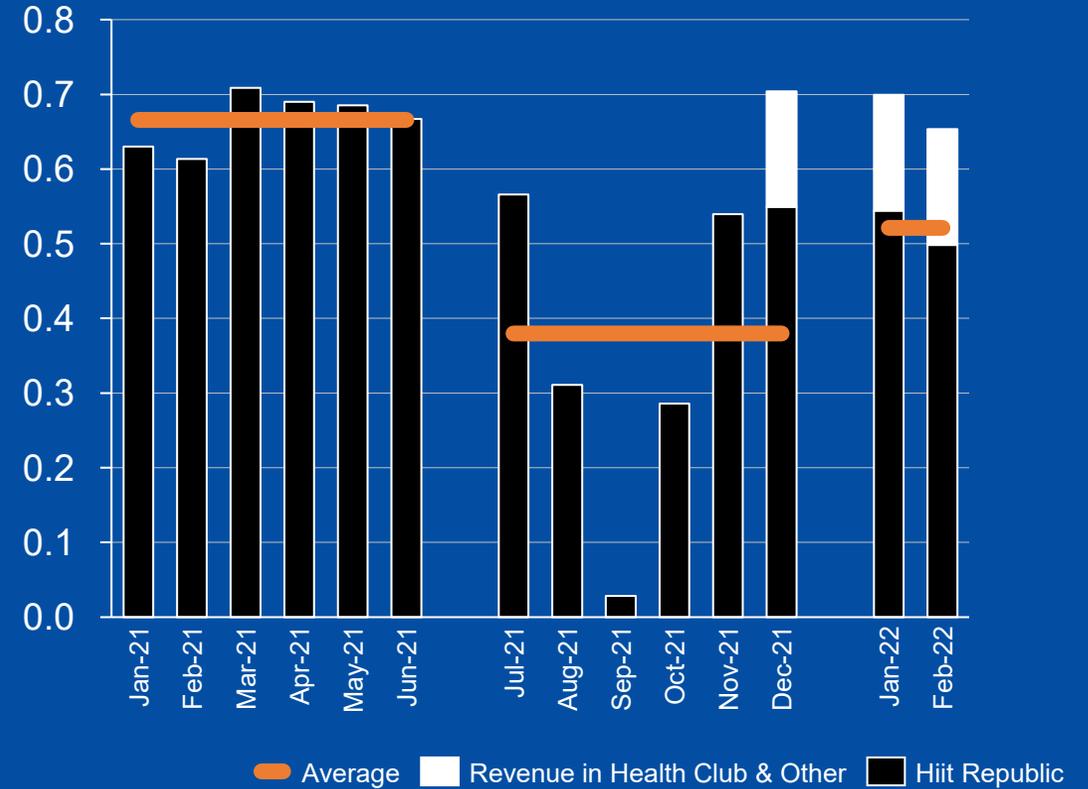
- February 2022:
 - Record revenue month for Viva Leisure in the shortest month of the year
 - One Plus Fitness club opening in the February (~\$400k revenue)
 - Revenues were 19% higher than February 2021 revenue

Revenue (\$m)

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- Revenue in the “Health Clubs & Other” Group comprises all revenue from health club brands (Club Lime, FitnFast, Pinnacle, etc), Aquatics and Swim School revenue, Boutique studio revenues, Viva owned Plus Fitness locations and corporate head office revenues
- Revenue decreases in June through to October 2021 due to COVID lockdowns in all States & Territories



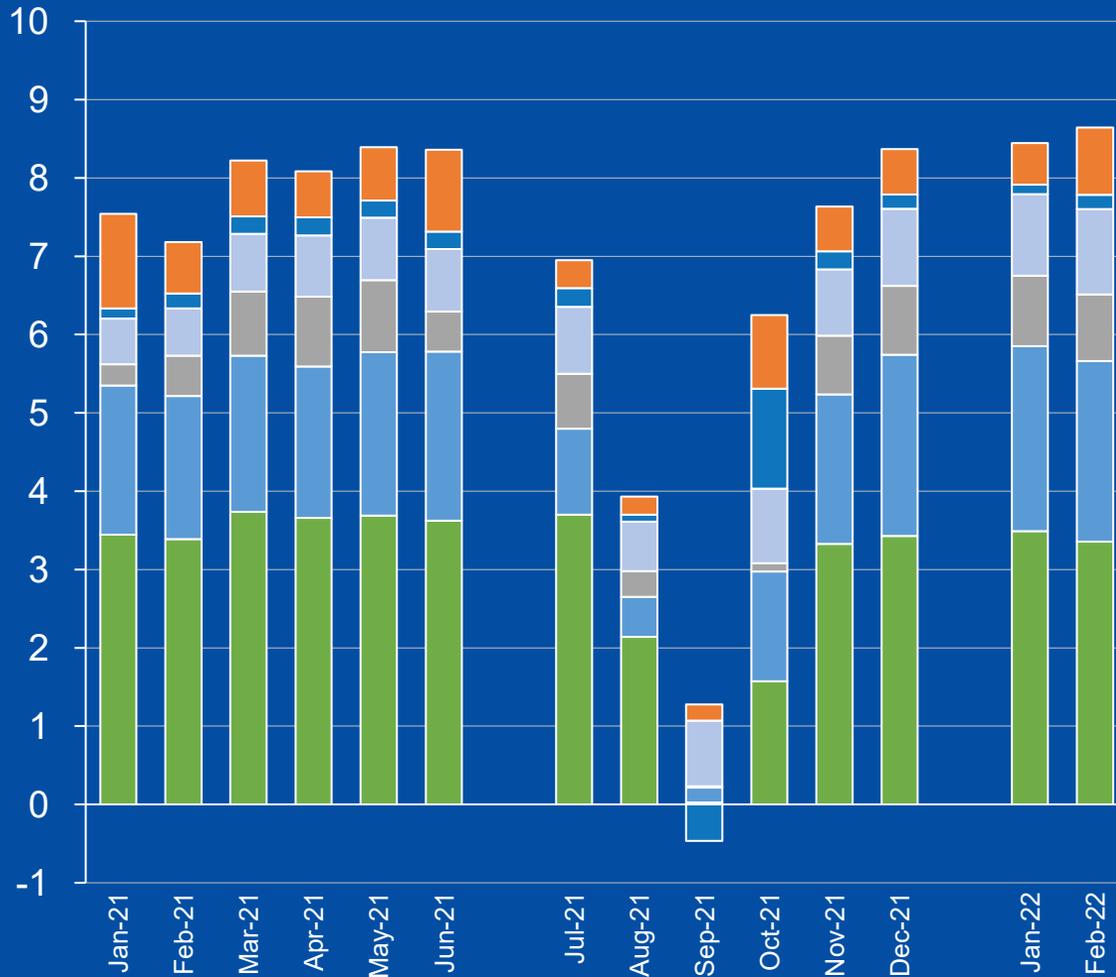
- Hiit Republic revenue continues to increase as greenfield rollouts open
- Revenue decrease in June through to October 2021 due to COVID lockdowns in all States & Territories
- Health Club Members with access to Hiit Republic revenue is included in Health Club & Other, shown here for indicative purposes only
 - Referred to as **Indirect Members** on slide 7

Revenue by Geographic Region (\$m)

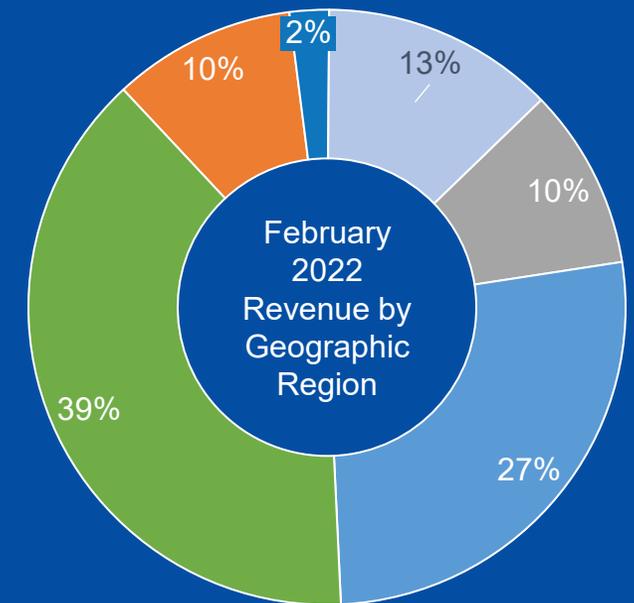
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- February 2022 revenue per segment now comfortably exceeds pre-COVID levels
- QLD was the only State to trade regularly in September and October 2021



Corporate Revenue negative in Sep-21 due to credits applied to memberships upon reopening after COVID lockdowns

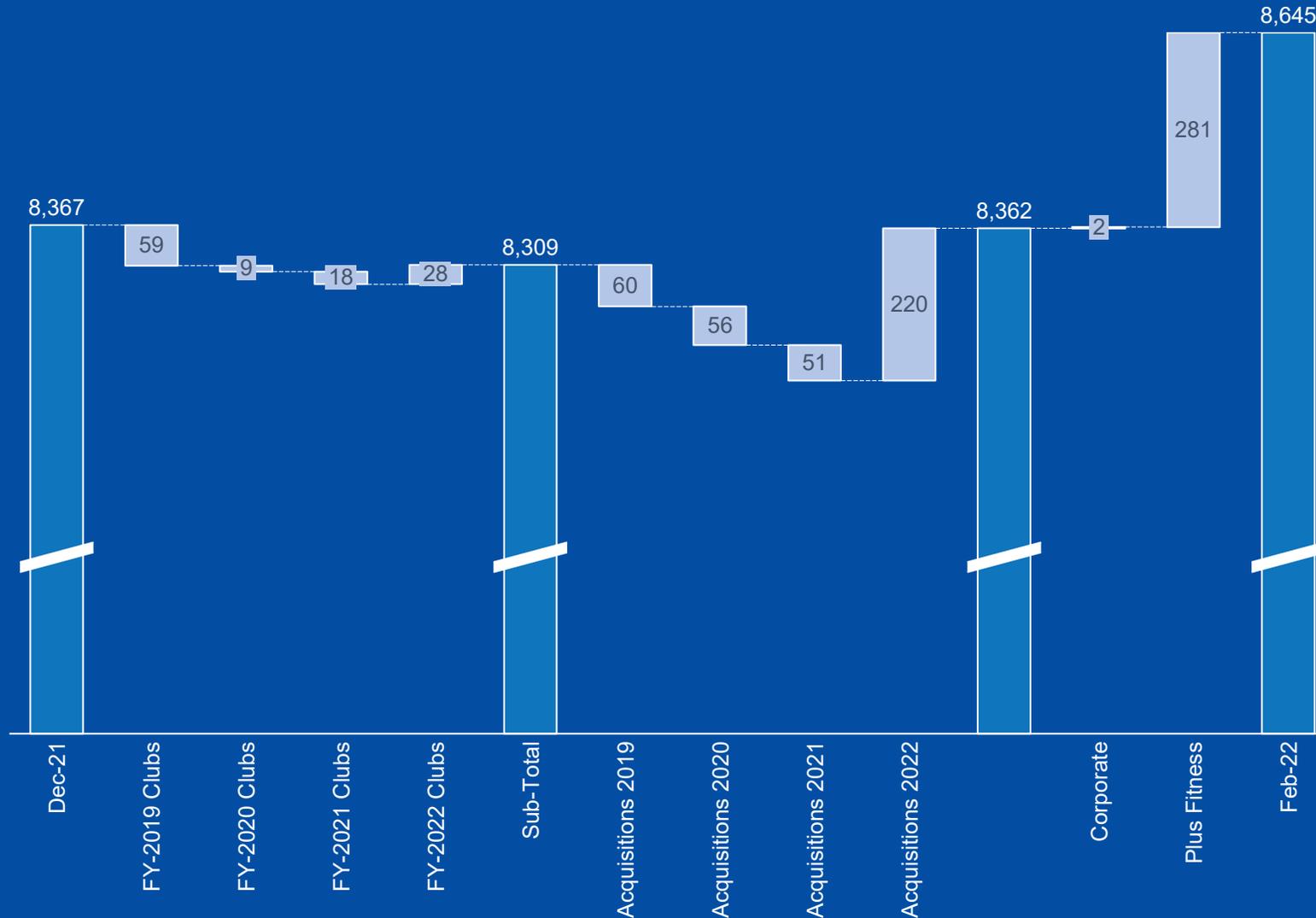
PLUS FITNESS CORPORATE QLD VIC NSW ACT

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Revenue Movement (\$'000)

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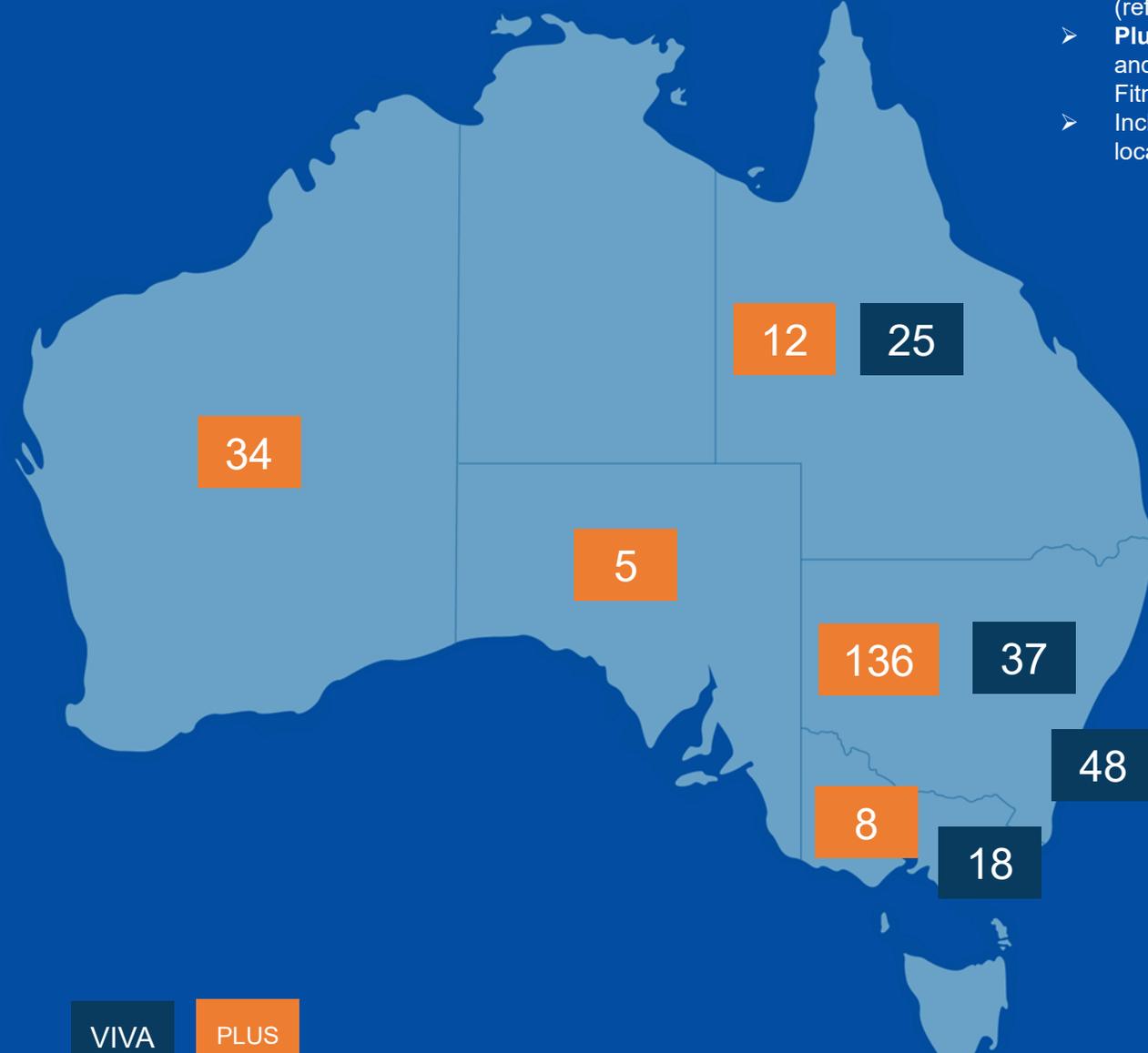
- Revenue movement from December 2021 split by the Financial Year in which clubs opened or were acquired
- FY2019 refers to clubs opened or acquired in FY2019 as well as any clubs from previous years
- Acquisitions column represents revenue in the period from clubs acquired since 1 July 2019
- Decline in FY-2019 and FY-2020 club revenue is as a result of longer-term (and older) members at these clubs who were not using the facilities as much during the period due to COVID

Locations

- **Health Clubs & Other & Hiit Republic** are all Corporate owned locations (referenced as "Viva" in the map)
- **Plus Fitness** includes both Corporate and Franchised locations. Refer Plus Fitness section for breakdown
- Includes New Zealand (2) and India (5) locations

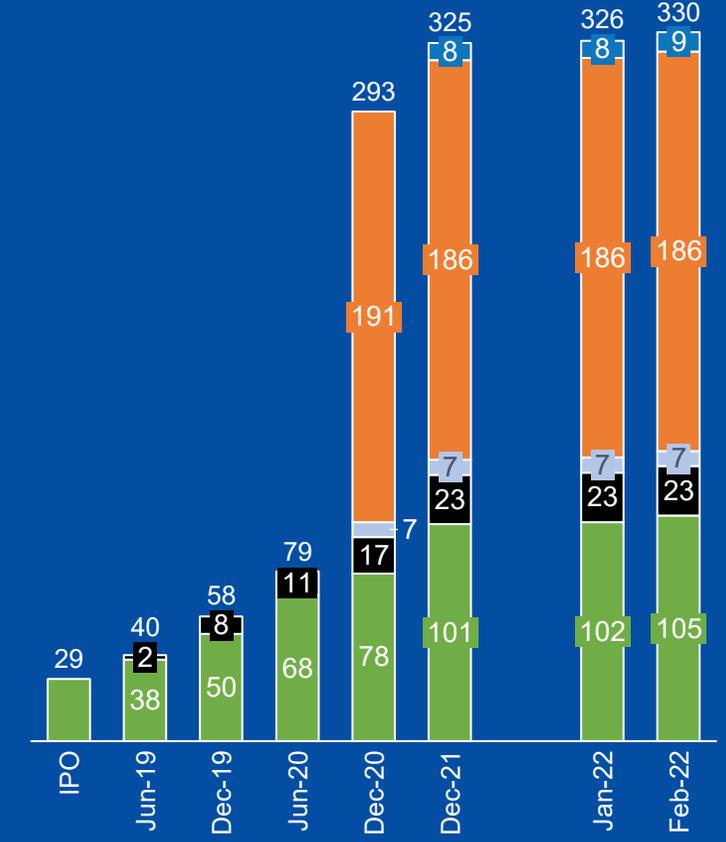
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VIVA PLUS

As at 28 February 2022

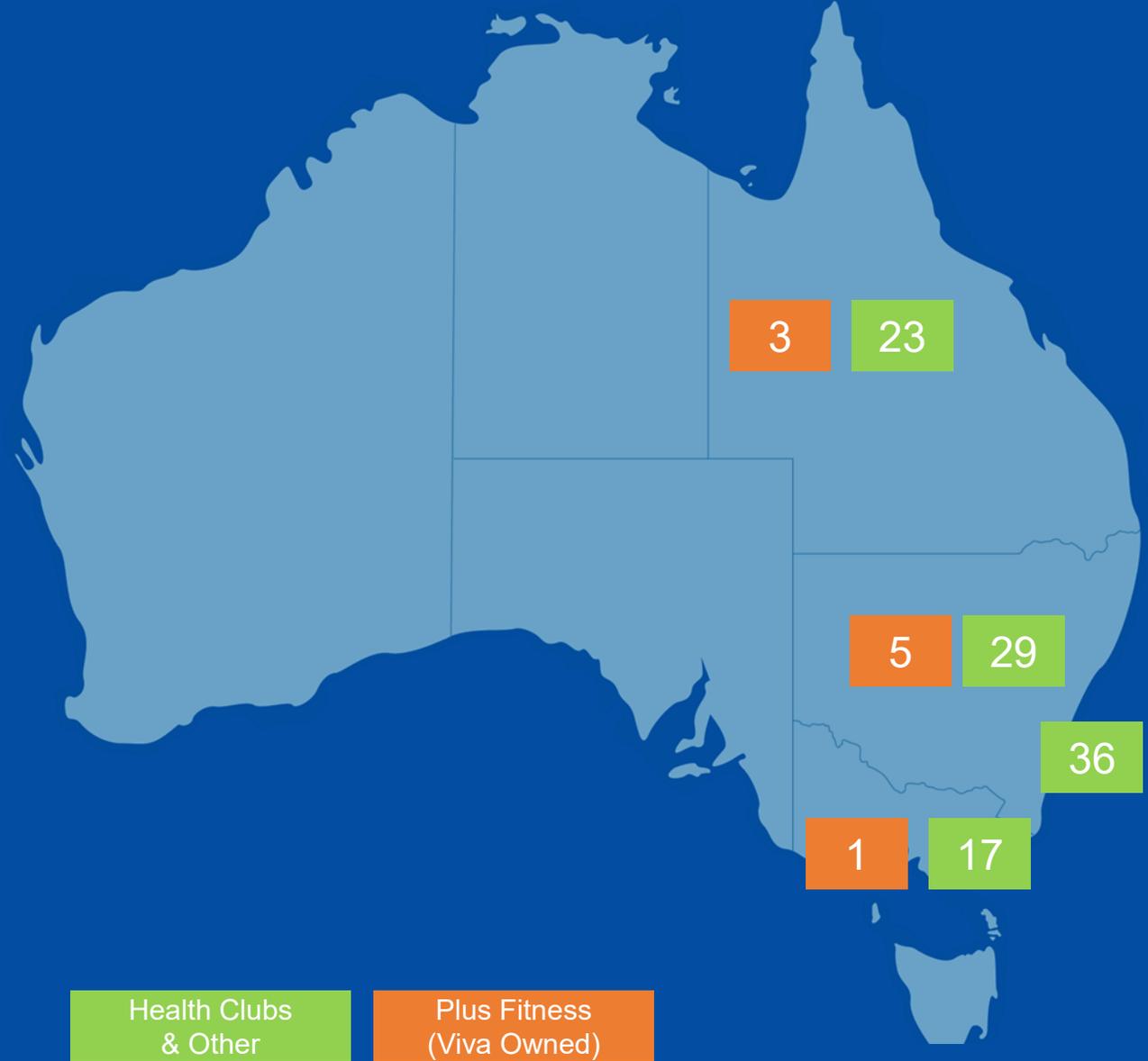


- Plus Fitness AU (Viva Owned)
- Plus Fitness AU (Franchisee Owned)
- Plus Fitness NZ/IN (Franchisee Owned)
- Hiit Republic
- Health Clubs & Other



Locations

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CLUBLIME



- Health Clubs & Other includes the following brands:
 - Club Lime
 - FitnFast
 - Psyche Life
 - Studio by Club Lime
 - GroundUp
 - Rebalance Pilates & Yoga

- As well as recent acquisitions
 - LiveWell Health Clubs (Gregory Hills, NSW)
 - My Fitness Clubs (x3, QLD)

- And the following segments:
 - Aquatics
 - Swim School

- Plus Fitness Corporate owned locations shown separately



Health Clubs & Other

Plus Fitness (Viva Owned)

As at 28 February 2022

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hiit
republic

- Greenfields rollouts continue to open as the brand expands interstate, however rollout put on hold during most recent COVID lockdowns (July to November 2021).
- Four additional locations secured and in the process of opening (Refer Greenfield Locations slides)



Hiit Republic

As at 28 February 2022

MARKET UPDATE (JAN/FEB 2022)

VIVA
LEISURE

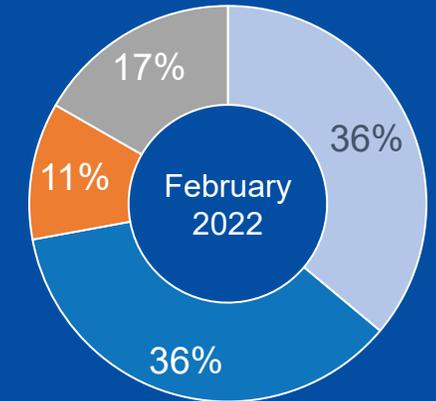
Member Snapshot

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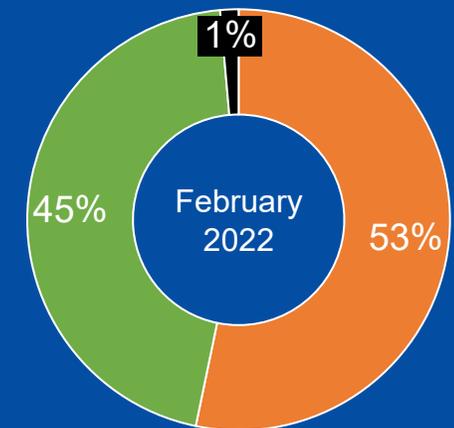
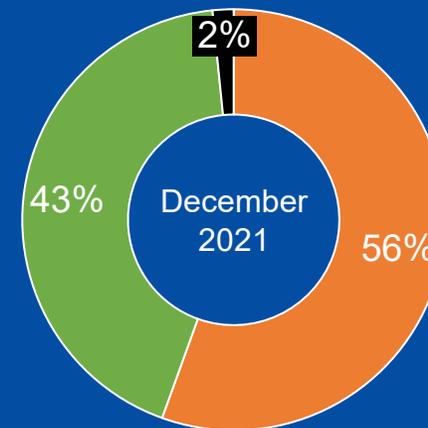
Members by State

Viva owned locations only



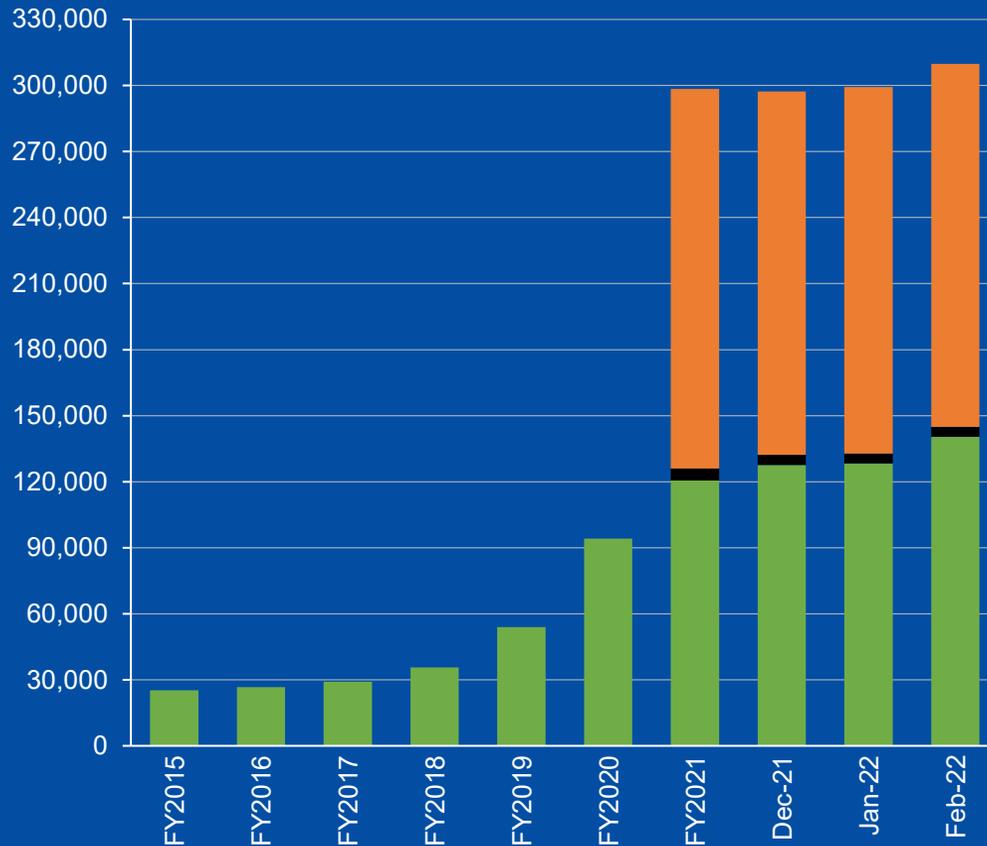
ACT NSW VIC QLD

Members by Segment



Plus Fitness (AU/NZ) Health Clubs & Other Hiit Republic

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Plus Fitness (AU/NZ) Hiit Republic Health Clubs & Other

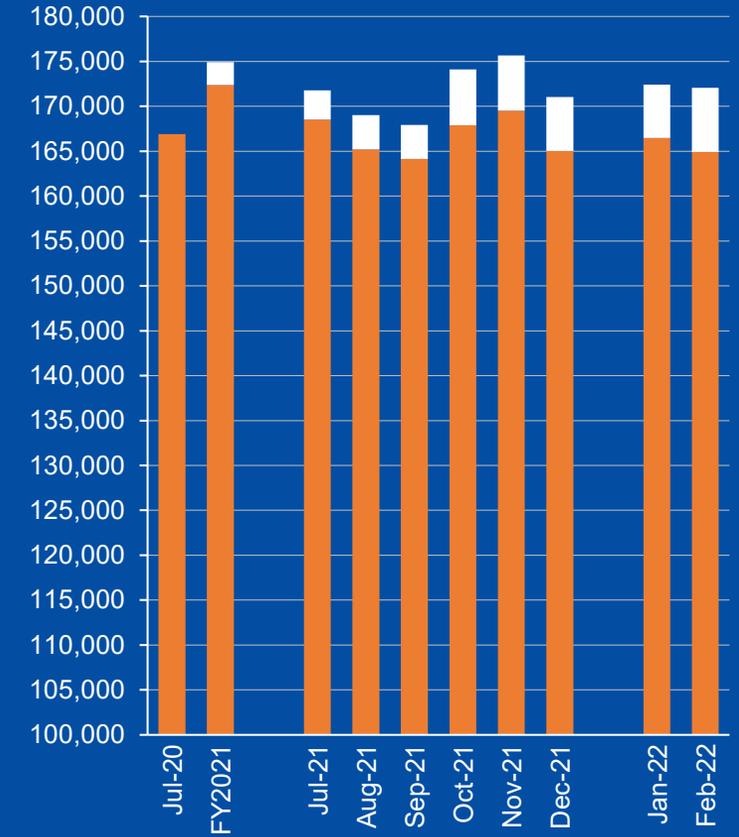
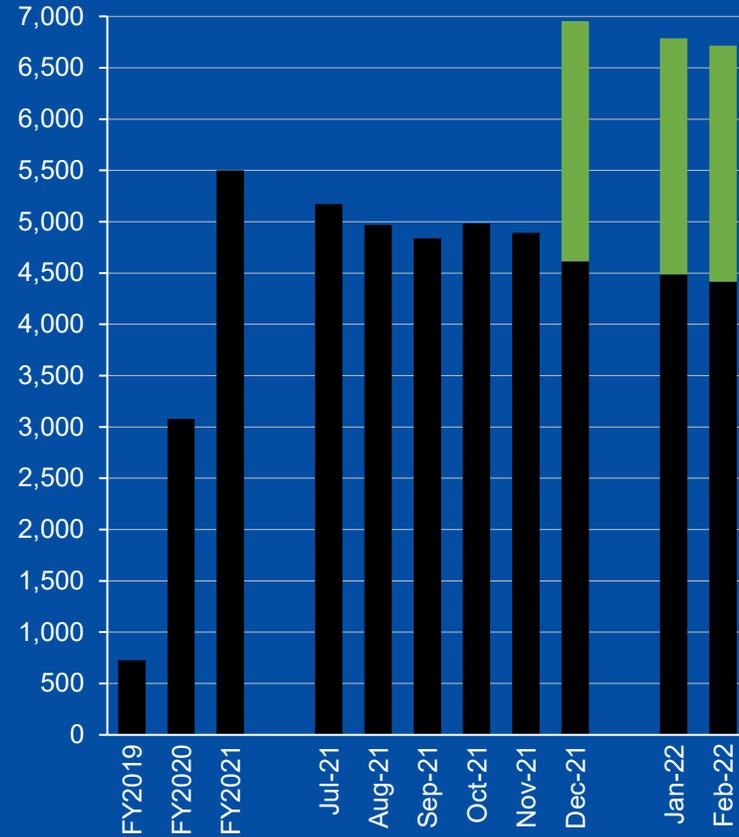
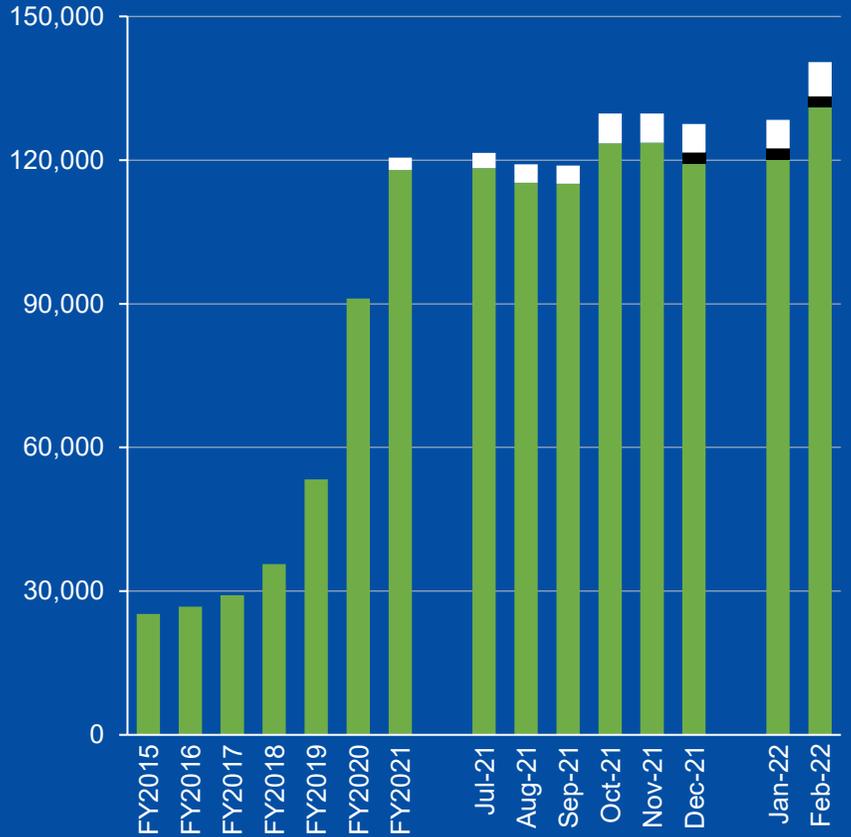
From June 2021, Plus Fitness Corporate Owned locations now included in **Health Clubs & Other** for all charts on this page



Member Growth by Segment

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Plus Fitness (Viva Owned)
 Health Clubs & Other
 Hiit Republic Add-on

Includes Plus Fitness Corporate Owned locations from June 2021

Health Club Add-on Members
 Hiit Republic

Health Club Add-On Members are included in Health Club Members chart, and shown here for illustrative purposes only

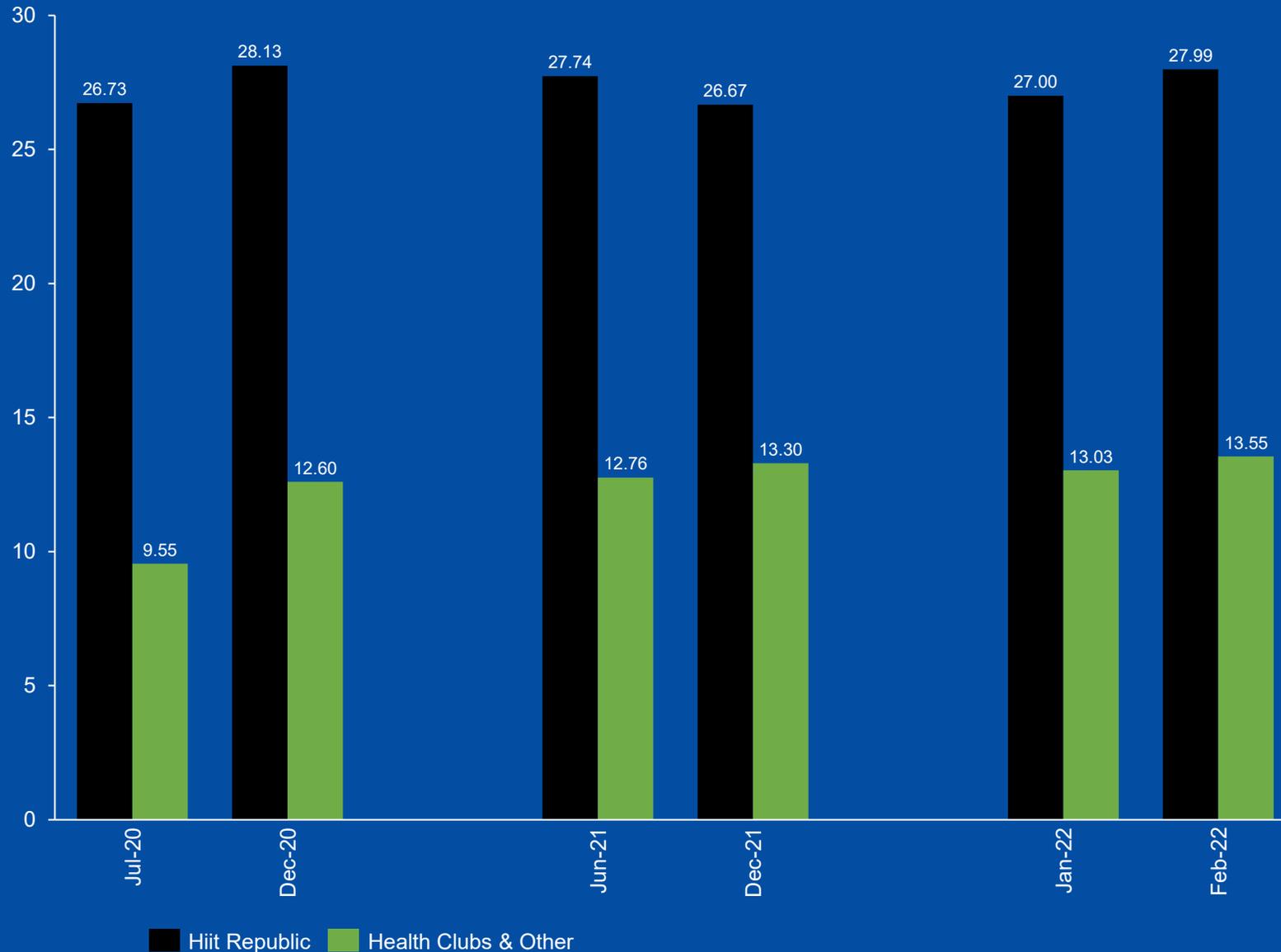
Plus Fitness (Viva Owned)
 Plus Fitness (AU/NZ)

Excludes India



Average Revenue Per Member (per week)

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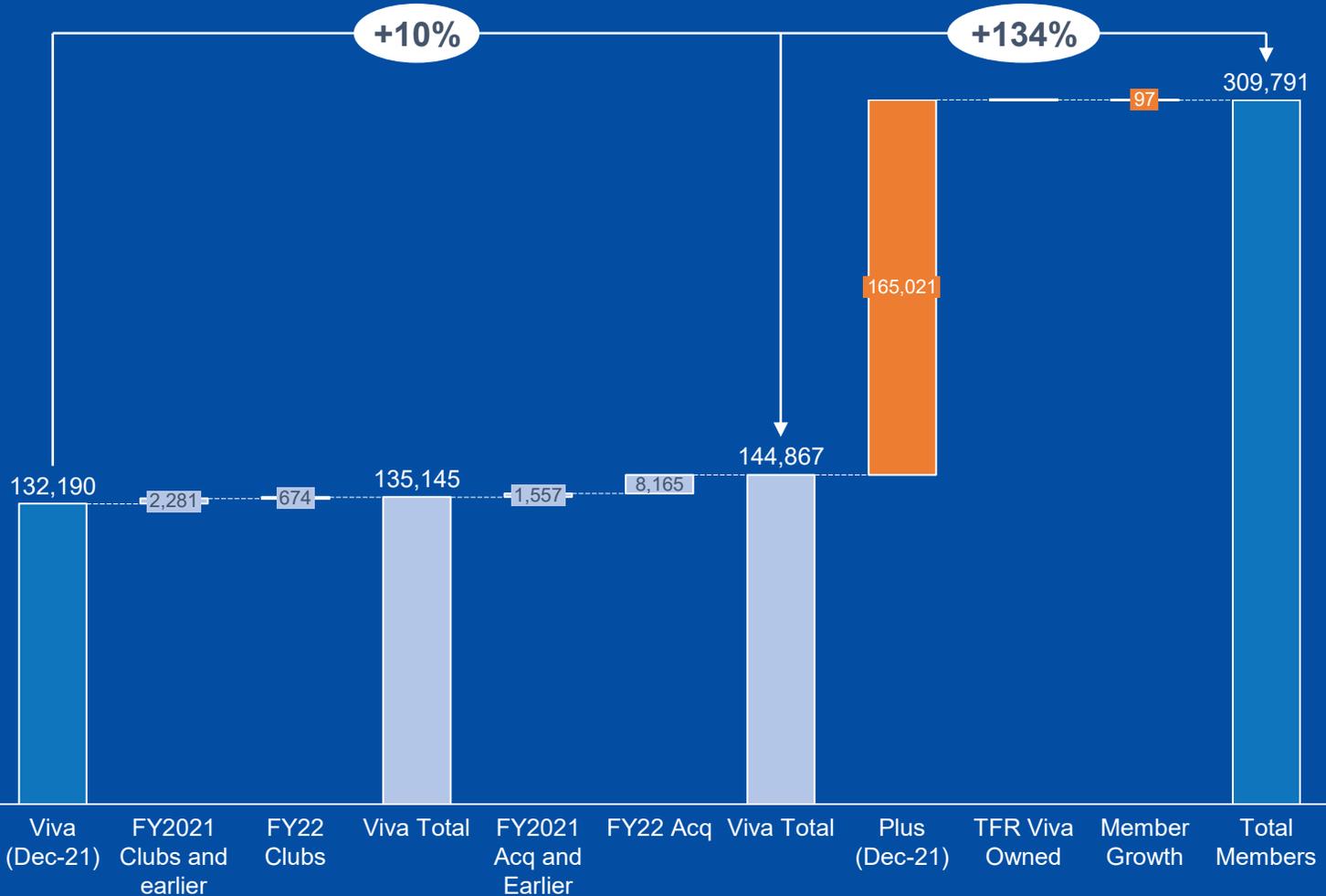
- Hiit Republic ARPM for February 2022 increasing above June 2021 for the first time
- Health Club ARPM second highest recorded (March 2021 \$13.88)
- COVID-19 lockdowns in most States and Territories directly affected revenue, which in-turn affects Average Revenue Per Member
- Plus Fitness franchisee ARPM not available
- ARPM is shown excluding GST. Add GST to determine 'retail pricing' paid by members
- Note, Add-On Hiit Republic members revenue is included in Health Clubs which reduces the ARPM for Hiit Republic

Membership Growth

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- **“Clubs”** section represents membership movement for locations opened in the respective periods
- **“Acq”** section represents membership movement for locations acquired in the respective periods
- Plus totals exclude Viva Corporate owned franchised Plus Fitness locations.
- FY19 refers to clubs opened or acquired in FY2019 as well as any clubs from previous years

(as at 28 February 2022)

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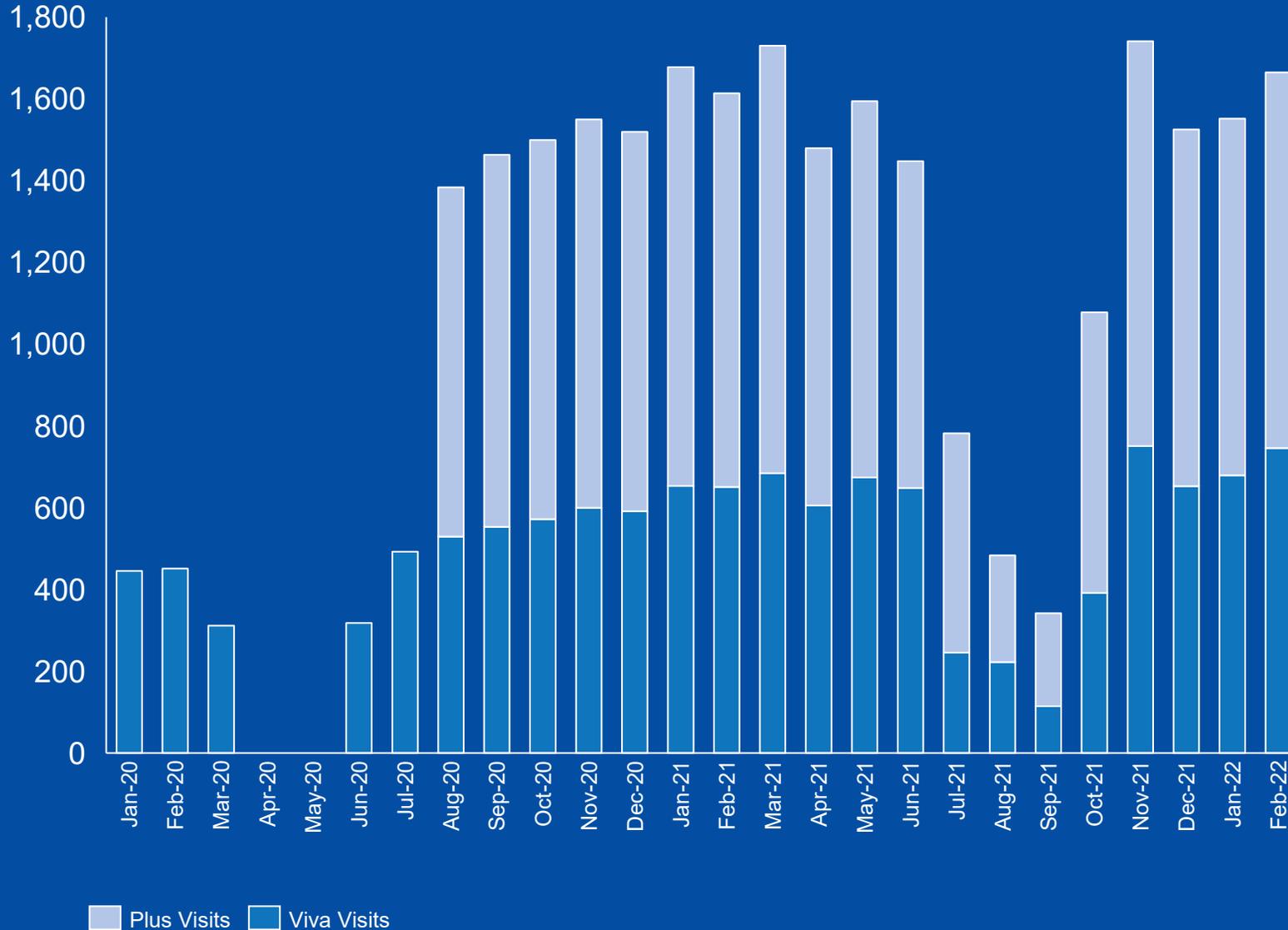


Member Monthly Visits ('000s)

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- **Over 1.74 million visits to facilities in February 2022 (28 days)**
- 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
- Based on days per month
- >22 million member visits per year across the entire network

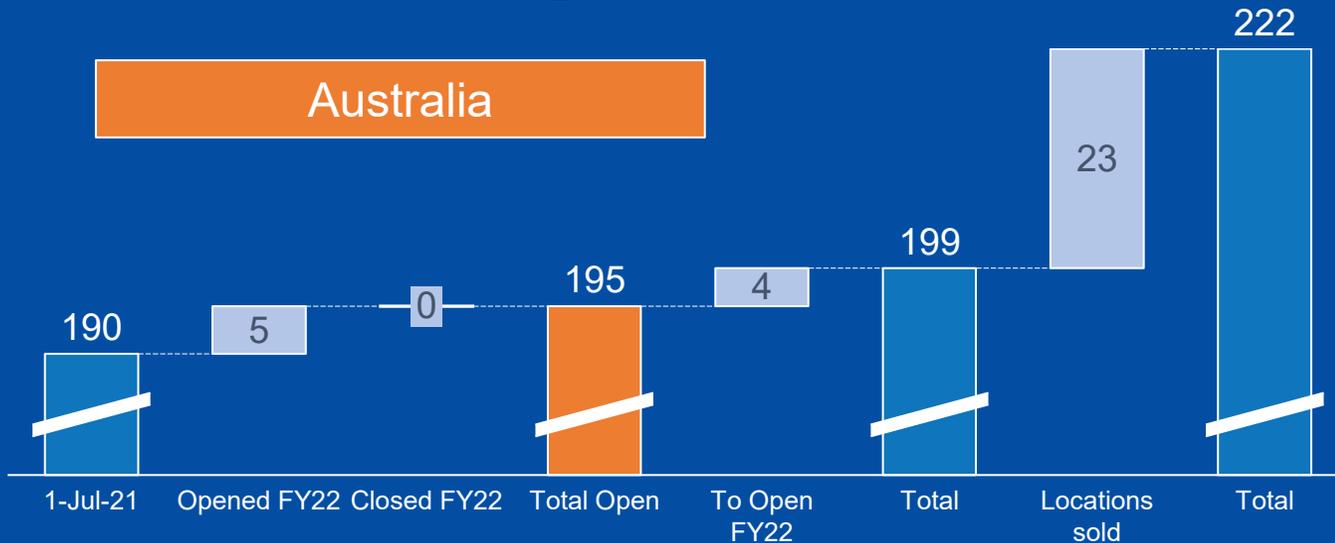
One member visit every
1.4 seconds
 for the month of February 2022



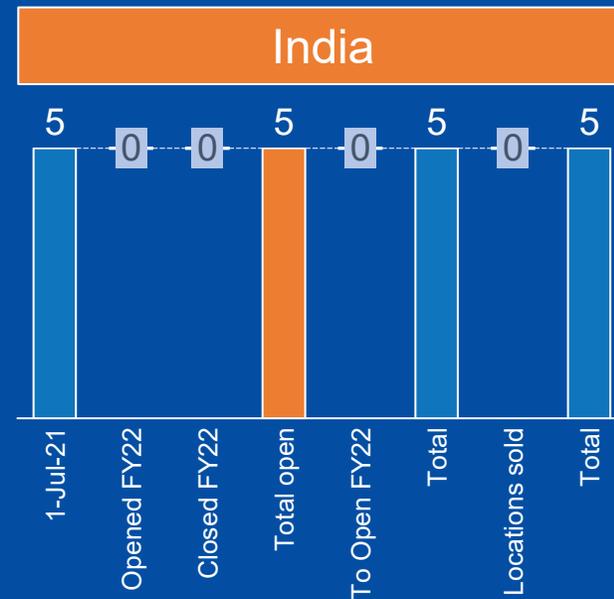
Plus Fitness Update

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- Australia growth of new locations slowed due to COVID-19, however the pipeline of new locations secured remains strong
- New Zealand was stable with no new territories sold. Management plan to start considering New Zealand opportunities when travel between Australia and New Zealand is permitted
- India has 5 locations opened and is currently seeking further territory sales in the market
- Initiatives to assist Franchisees and ensure their businesses are more competitive and profitable are in the process of being implemented across the network as well as new rebranding and repositioning of the brand and network
- A dedicated role for new Franchisee sales has recently joined the team to provide a dedicated resource to grow the volume of new territories sold



Plus Fitness Corporate Owned Locations

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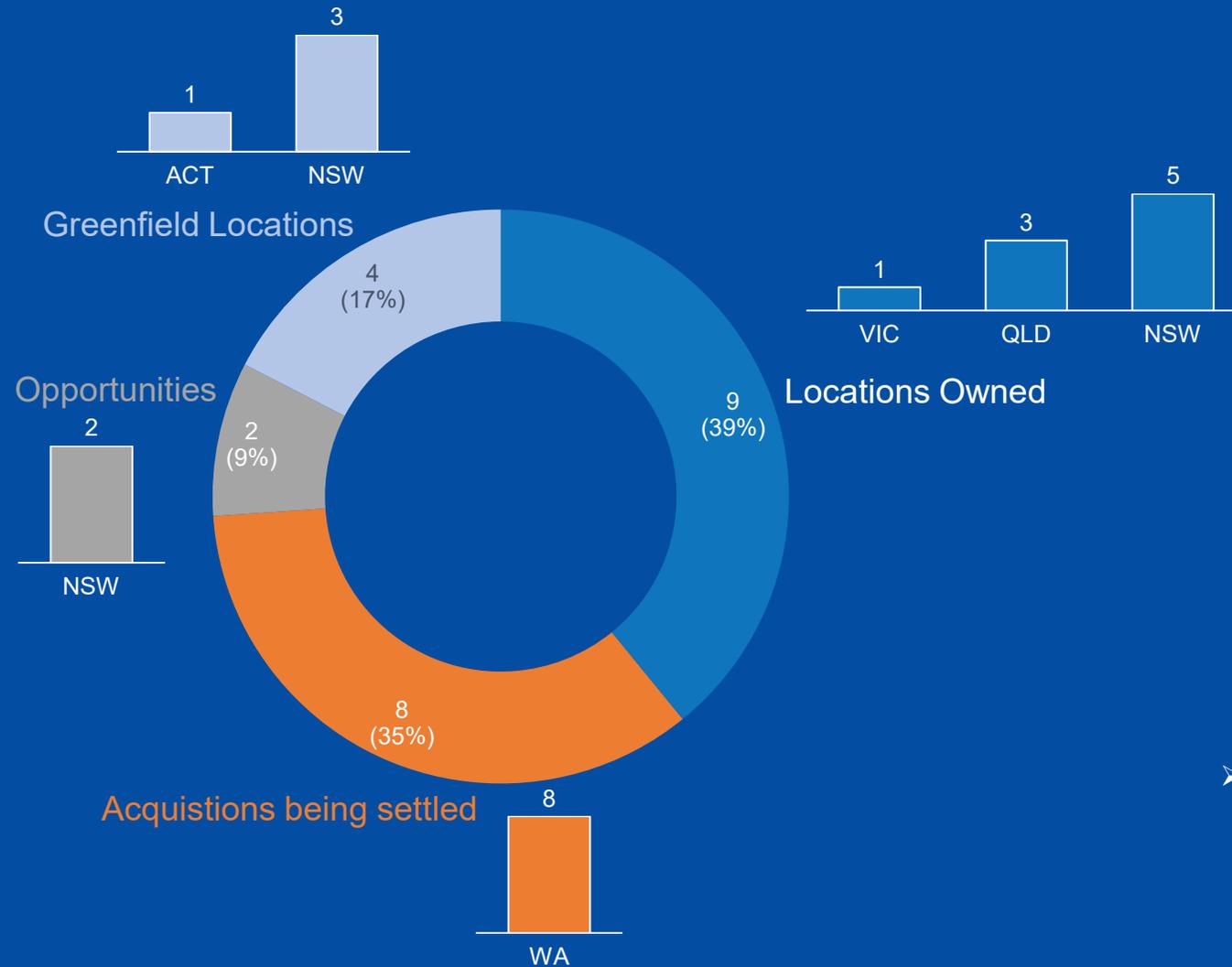
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➤ As at 28 February 2022

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Greenfield Locations

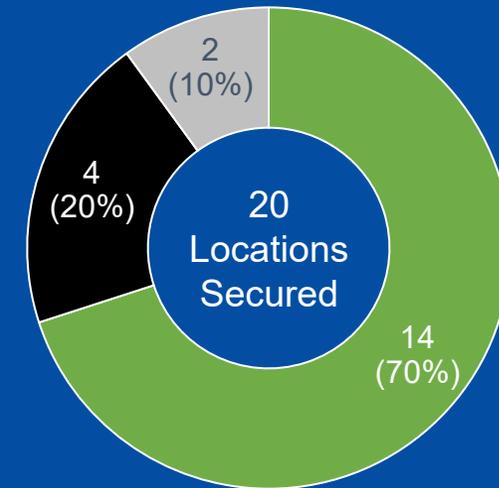
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- Greenfield locations refers to locations secured with a Heads of Agreement or Lease, and in different stages of pre-opening
- Viva's growth focus continues to be in Queensland and Victoria
- Excludes Plus Fitness greenfield locations. Refer Plus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



AUSTRALIA



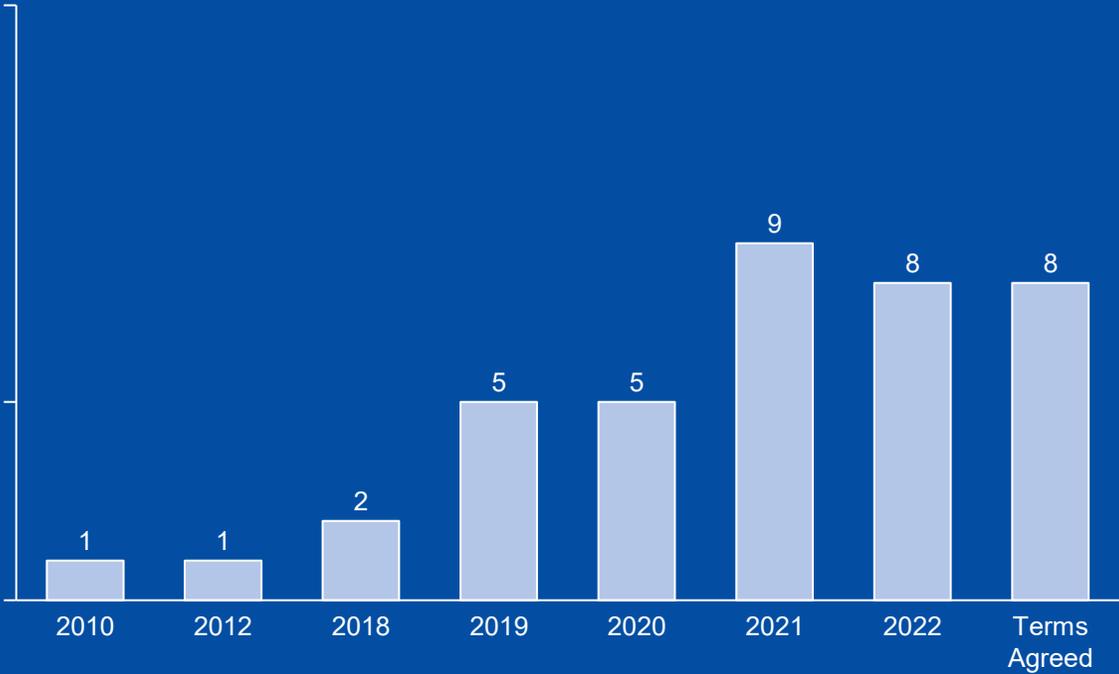
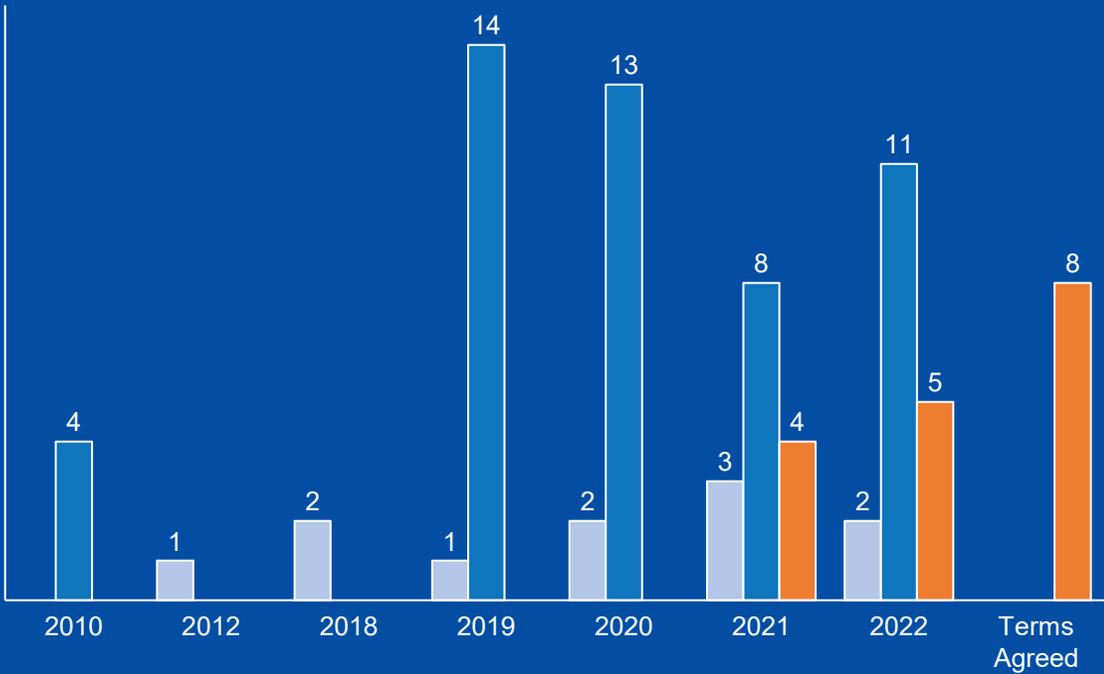
78 Locations
39 Acquisitions

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Clubs Acquired by Segment

Acquisitions made



Legend: ■ Independents ■ Multi-Club Chains ■ Plus Fitness Clubs

All dates are based on calendar years for this report.



Glossary

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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 1.5 (Hiit Republic) to measure theoretical capacity



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