

11 August 2022

VIVA LEISURE EXCEEDS FY22 GUIDANCE, ACHIEVING RECORD MONTHLY REVENUE AND MEMBERSHIP

Viva Leisure Limited (ASX: VVA) (“Viva Leisure” or “the Company”), Australia’s second largest health club owner and operator is pleased to release its bi-monthly market update for the period ended 30 June 2022.

FY22 revenue guidance exceeded:

- June monthly revenue above \$10.2 million, exceeding June target of \$10 million in monthly revenue
- H2 revenue to exceed guidance (previously \$54-56 million)
- H2 margin tracking toward upper end of previous guidance of between 15-17%
- June 2022 EBITDA Margin expected to exceed 20%.

Key highlights for May-June 2022:

- Record monthly Revenue Run Rate (MRRR) of \$10.2 million in June 2022, up 7.4% on previously reported April 2022 MRRR (\$9.5 million)
- June 2022 annualised Revenue Run Rate \$124.5 million
- Total record corporate members increased to ~160,000 (as of 30 June 2022), up from ~150,000 in April 2022
- Average Revenue Per Member (ARPM) increased to ~\$14.59 in June 2022, up from ~\$14.28 in April 2022
- Record post COVID portfolio utilisation of 69.3% (target level 75-80% per location).

Commenting on the Company’s strong performance, Viva Leisure CEO and Managing Director, Harry Konstantinou said:

“Our H2 FY22 revenue will exceed guidance thanks to our momentum continuing to increase during May and June as most metrics beat pre-Covid levels. In June we achieved an average monthly revenue run rate of \$10.2 million, up 23% on 12 months ago and exceeding our \$10 million target, and memberships continued to grow to record levels of over 320,000, including 160,000 corporate members.

“Pleasingly, we achieved a record June 2022 utilisation rate of 69.3% across our portfolio. An increase in portfolio utilisation rate shows our local marketing campaigns are working and provides increased margin due to limited additional costs to add new members to an already operating location. Average revenue per member per week also increased to \$14.59 in June 2022, up 23.8% on a year ago, as our established club’s members returned to pre-COVID levels and new clubs which opened in FY2022 continue to show good traction.

“Total locations have increased to 334. We have also successfully entered the Western Australian market with eight corporate owned Plus Fitness locations. We maintain our growth focus to 12 sites in Queensland and Victoria, we continue to execute on our growth ambitions and solidify our position as Australia’s second largest operator in the Australian health and leisure industry.”

ENDS

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

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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. It operates over 151 locations within the Australian Capital Territory, New South Wales, Victoria Queensland and Western Australia, together with the master franchise for the Plus Fitness group of approximately 200 clubs in three markets – Australia, New Zealand and India.

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