Viva Leisure bi-monthly performance and trading update.

22 July 2021

Viva Leisure Limited (**Viva Leisure)** (ASX:VVA) wishes to update the market on its trading performance with its latest bi-monthly update presentation, the current impacts of COVID lockdowns, and updates on Plus Fitness and our new GroundUp concept.

Bi-Monthly Reporting Presentation

This, the second bi-monthly trading update presentation has been designed to provide shareholders with key relevant data in relation to the different segments that the business operates.

The bi-monthly report includes unaudited management results until June 2021. Key take-outs from the report include:

- Average monthly revenue for H2-FY2021 ~$8m compared to H1-FY2021 of ~$5.2m
- Four consecutive months of >$8m revenue, notwithstanding the Victoria lockdowns in June which resulted in Victorian members not able to be billed (a reduction of ~$415k in June revenue);
- June 2020 to June 2021 revenue increase of over 300%
- Members across the Viva Leisure network (owned and franchised) locations at 298,376;
- Net Member Movement from December 2020 of +24,403 members;
- Churn has returned to pre-COVID levels of ~4.4% across Viva Leisure owned locations;
- 309 locations now operating across the Viva Leisure and Plus Fitness network;
- Pipeline of Greenfield locations still strong with a further 21 locations secured;

Locations in Lockdown

Viva Leisure currently has 38 corporate owned locations not operating due to COVID-19 lockdown restrictions in NSW (21) and Victoria (17). This represents 32% of all Viva Leisure corporate owned locations. We will have more visibility of the total financial impacts of the July lockdowns once we finalise the July results.

There are currently 117 corporate owned locations (up from 115 from 30 June 2021).

Plus Fitness Update

Confidential discussions with a group of Plus Fitness franchisees in relation to concerns and potential claims they have expressed are continuing. No resolution has been concluded at this stage.

This segment of the business contributed approximately 10% of revenue for FY2021 to the Group.

GroundUp Concept

GroundUp is a boutique studio which offers Reformer and Mat Pilates, Barre and Yoga under one roof for a weekly membership fee.

The first GroundUp location opened in the first week of July 2021 and has exceeded expectations. There are over 365 members at this location, with an average yield of $50.43 per week per member (including GST).

The second location (again in the ACT) is currently being designed and is expected to open in Q2-FY2022.

ENDS

This announcement has been approved for release by the Board.

For further information, please contact:

Harry Konstantinou, CEO and Managing Director, +61 2 6163 8011
investor.relations@vivaleisure.com.au

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 117 health clubs within the Australian Capital Territory, New South Wales, Victoria, and Queensland, together with the master franchise for the Plus Fitness group of approximately 200 clubs.