

2 October 2024

HEALTH AND WELLNESS BOOM: VIVA LEISURE SURPASSES 400,000 MEMBERS, RECORDS 7.8 MILLION VISITS IN Q1 FY2025 AND ADDS \$17M IN ANNUALISED REVENUE FROM Q4 FY24

Viva Leisure Limited (ASX: VVA) (“Viva Leisure” or “the Company”), Australia’s second largest health club owner and operator is pleased to provide an update on its performance for the first quarter of the 2025 financial year (Q1 FY2025), showcasing strong growth and sustained momentum across all business units.

Key Highlights:

- **Strong Revenue Growth**
 - Q1 FY2025 revenue was \$47.5 million (\$190 million annualised), a 10% increase from Q4 FY2024 revenue of \$43.2 million (\$172.8 million annualised)
 - Reflects strong operational performance and increased member engagement.
- **Strong Network Membership Growth**
 - Membership increased by over 7.5% during the quarter.
 - Approximately 372,000 members as of June 30, 2024, to surpassing 400,000 members at September 30, 2024.
- **Significant Corporate Membership Expansion**
 - Corporate memberships grew by over 14.4% for the quarter.
 - Approximately 200,100 corporate members as of June 30, 2024, in increased to approximately 229,000 corporate members at September 30, 2024.
- **Record Member Visits**
 - Averaged over 87,000 visits per day during the September quarter.
 - Recorded over 7.8 million member visits across the network for the quarter.
 - Demonstrates the stickiness and importance of health and wellness to our members.
- **Expansion of Corporate Clubs**
 - Grew from 176 corporate clubs on June 30, 2024, to 190 at September 30, 2024.
 - Added 14 new locations in the first 12 weeks of the financial year.
- **Plus Fitness Milestones**
 - Sold an additional four locations during the quarter.
 - Opened three new locations during the quarter.
 - Total Plus Fitness locations now stand at 195.

Digital Wallet Access

Viva Leisure is excited to introduce NFC-enabled digital wallet access passes, enhancing convenience for our growing membership base. Members can now effortlessly access Club Lime facilities using their smartphones or smartwatches by simply tapping their devices to enter. This technology eliminates the need for physical cards or app-based check-ins, making gym visits smoother and quicker. The easy-to-use digital passes, compatible with both Apple and Android devices, reflect Viva Leisure's commitment to leveraging innovation for an improved member experience.

The new digital wallet feature also benefits our increasing number of members by significantly reducing entry wait times, which encourages more frequent visits. As gym access becomes more seamless, members are more likely to engage with Club Lime's offerings, contributing to higher usage rates and satisfaction levels. Additionally, the automatic display of the digital pass when approaching a facility simplifies the entry process, ensuring a frictionless experience for all.

By integrating this advanced technology across more than 120 locations, Viva Leisure is catering to a tech-savvy demographic, which drives membership growth. This innovation, coupled with our focus on enhancing convenience, positions Viva Leisure as a leader in the health and fitness industry, attracting new members while retaining existing ones. The launch of this feature underlines our ongoing commitment to offering the best experience possible for our expanding member base.

Share Buy-Back Update

During September 2024, Viva Leisure successfully purchased back **694,679 shares** as part of the ongoing share buy-back program, representing approximately **0.7%** of the shares on issue at the beginning of the buy-back. This achievement underscores the Company's strong financial position and its ability to execute capital management initiatives while simultaneously completing all growth initiatives undertaken during the quarter. The share buy-back reflects the Board's confidence in the Company's future prospects and commitment to delivering value to shareholders.

Outlook

The outlook for Q2 FY2025 remains positive, with Viva Leisure expecting to increase its network by a minimum of eight corporate locations, comprising a combination of greenfield developments and acquisitions, before the end of the second quarter. Additionally, the Company anticipates the opening of several new Plus Fitness franchise locations during the quarter, further expanding its footprint and enhancing accessibility for members across Australia. Viva Leisure is confident that these developments, along with the introduction of digital wallet access passes, will contribute to sustained growth and improved member experiences.

Management Commentary

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

"We are extremely pleased with the exceptional results achieved in the first quarter. The significant growth in our membership base, record member visits, and revenue underscores the strength of our business model and the dedication of our team. The high number of daily visits demonstrates the stickiness of our offerings and the importance of health and wellness to our members."

“Introducing NFC-enabled digital wallet access passes further exemplifies our commitment to innovation and enhancing the member experience. Expanding our corporate clubs and Plus Fitness locations has not only increased our market presence but also enhanced our ability to deliver unparalleled fitness experiences. Notably, we were able to repurchase 694,679 shares during September, reflecting our strong financial position and commitment to shareholder value, even as we pursued significant growth initiatives.

“We are confident that our strategic initiatives—including the addition of eight corporate locations through both greenfield developments and acquisitions and the rollout of new technologies will continue to drive strong performance in the coming quarters.”

Instructional video here on the new digital access pass: <https://go.clublime.com.au/tapntrain>



ENDS

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

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About Viva Leisure:

Viva Leisure is the leading and fastest growing provider of health and fitness clubs across Australia. With a mission to connect more Australians to a healthier lifestyle, Viva operates a portfolio of brands across various fitness categories, offering premium, boutique, flexible, and affordable fitness options.

For further information, please visit:

- <https://www.vivaleisure.group/>
- <https://www.clublime.com.au/>
- <https://www.plus.fitness/>
- <https://groundup.studio/>
- <https://rebalance.studio/>
- <https://hiitrepublik.com.au/>

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