

Fitness Sector Update

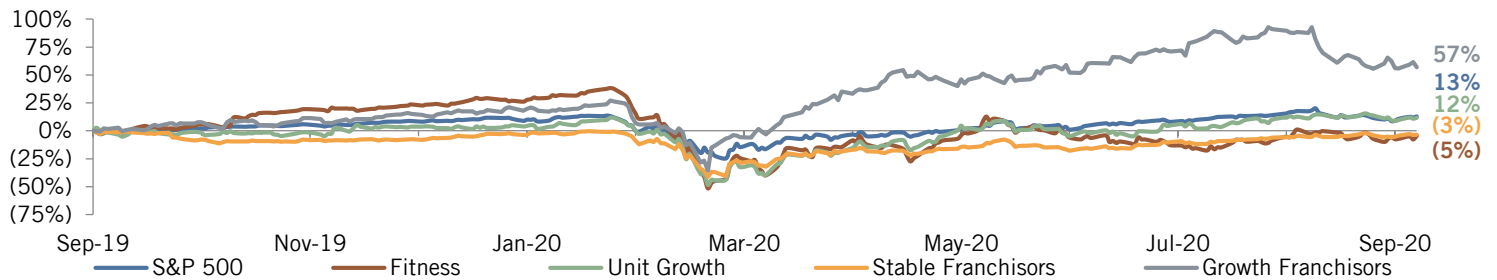
THIRD QUARTER 2020



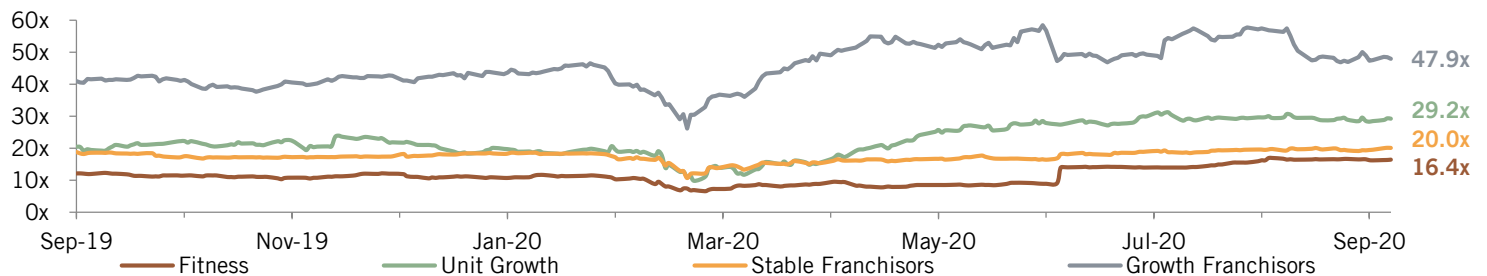
Recent Observations

- Despite igniting unprecedented industry wide disruption, COVID appears to have generated a significant amount of long-term interest in the fitness sector as consumers are increasingly seeking out healthy (or healthier) lifestyles
 - The demand for digital and at home fitness solutions is undeniable, but utilization and new join data indicates traditional consumption within the 4-walls of a fitness club or studio is likely to normalize over the next 12-18 months
 - Digital platforms and capabilities have emerged as a prerequisite to every club or studio's go-to-market strategy and technological innovation is now a key focus for everyone
 - While HVLP concepts appear positioned to benefit from economic uncertainty, boutique and studio concepts have exhibited tremendous resilience as they benefit from intensely loyal and engaged members
 - An increasingly favorable real estate market and a reduction in supply through closures and bankruptcies combined with growing consumer demand suggests a highly compelling growth and market share opportunity going forward
- Q3 registered nine fitness-related M&A transactions, down 40% versus 15 transactions in Q3'19
 - Connected equipment, apps and fitness technology/software accounted for 80% of transaction activity in Q3'20
 - Investors remain bullish on the industry's long-term tailwinds and many are actively searching for situations to deploy capital
 - While interest in deploying equity capital into the space is strong, many investors have found it necessary to over-equitize transactions to facilitate deal making as lenders remain cautious and conservative
- While Equity Capital Markets volatility remains high, new issue volume continues to gain momentum with 90% of recent deals pricing within or above the filing range and a 2020 IPO class that is trading +40% offer-to-current
 - Various strategies are being employed to de-risk transactions prior to launch including virtual roadshow meetings and a more extensive testing-the-waters process featuring 20-30 meetings prior to launch (versus a mid-single digit number of meetings pre-COVID)
 - No notable fitness new issues in Q3'20, but all eyes are on *Peloton* and *Planet Fitness* as expected beneficiaries of the current environment
- The Debt Capital Markets rebounded in Q3'20 after a pandemic-induced slump as stabilizing conditions and increasing investor demand drew borrowers off of the sidelines
 - Q3'20 institutional new-issue loan volume totaled \$71 billion, down 22% vs. Q3'19, but up 60% from a four-year low of \$45 billion in Q2'20, a period stunted by volatility and uncertainty surrounding the pandemic
 - While the market is generally wide open, issuance remains well below normal due to a snarled M&A market and investors are increasingly cautious around features like delay draw term loans

LTM INDEXED SHARE PRICE PERFORMANCE



LTM TRADING MULTIPLES (EV / LTM EBITDA)



Source: Capital IQ as of September 30, 2020.

Note: Indexed share price performance weighted by market capitalization. Fitness index includes ENXTAM:BF, LSE:GYM, OM:ATIC, PLNT and SASE:1830. Unit Growth index includes EYE, FIVE, FND, GO, OLLI and ULTA. Stable Franchisors index includes DENN, DIN, DNKN, DPZ, JACK, MCD, PLNT, QSR, SERV, WEN and YUM. Growth Franchisors index includes PZZA and WING.

SELECTED PUBLIC MARKET COMPARABLES

(USD\$ in millions, except per share data)

	9/30/20 Price	% of 52-Wk High	Equity Value	Enterprise Value	EV / Revenue	EV / EBITDA			P/E		PEG		LT EPS Growth	
						LTM	2021 (E)	2022 (E)	2021 (E)	2022 (E)	2021 (E)	2022 (E)		
Fitness														
Planet Fitness, Inc.	\$61.62	69%	\$5,455	\$6,802	14.0x	38.3x	22.0x	18.4x	37.0x	28.4x	4.66	3.58	7.9%	
Basic-Fit N.V.	23.90	57%	1,434	1,882	3.7x	16.4x	7.9x	6.0x	43.8x	25.1x	N/A	N/A	N/A	
Leejam Sports Company	19.06	82%	999	1,100	5.7x	16.8x	9.8x	7.7x	25.8x	16.0x	4.30	2.67	6.0%	
The Gym Group plc	1.76	42%	292	329	2.3x	6.8x	3.8x	2.8x	NM	20.0x	N/A	N/A	N/A	
Actic Group AB (publ)	1.43	46%	23	58	0.6x	6.6x	NM	NM	NM	NM	N/A	N/A	N/A	
					Mean:	5.2x	17.0x	10.9x	8.7x	35.5x	22.4x	4.48	3.13	7.0%
					Median:	3.7x	16.4x	8.8x	6.9x	37.0x	22.5x	4.48	3.13	7.0%
Unit Growth														
Ulta Beauty, Inc.	\$223.98	74%	\$12,615	\$12,258	1.9x	16.8x	10.8x	10.1x	20.8x	18.2x	2.45	2.15	8.5%	
Floor & Decor Holdings, Inc.	74.80	97%	7,759	7,834	3.8x	33.9x	22.7x	17.8x	47.9x	38.0x	1.98	1.57	24.2%	
Five Below, Inc.	127.00	91%	7,092	6,890	4.1x	38.2x	18.9x	15.9x	33.3x	27.5x	1.85	1.53	18.0%	
Ollie's Bargain Outlet Holdings, Inc.	87.35	78%	5,711	5,406	3.3x	21.3x	18.0x	15.8x	29.1x	24.9x	1.58	1.35	18.4%	
Grocery Outlet Holding Corp.	39.32	85%	3,602	3,976	1.4x	28.0x	17.1x	15.3x	35.4x	30.9x	2.17	1.89	16.4%	
National Vision Holdings, Inc.	38.24	96%	3,075	3,485	2.2x	30.4x	16.4x	14.7x	47.8x	37.2x	4.89	3.80	9.8%	
					Mean:	2.8x	28.1x	17.3x	14.9x	35.7x	29.5x	2.49	2.05	15.9%
					Median:	2.8x	29.2x	17.6x	15.6x	34.4x	29.2x	2.07	1.73	17.2%
Stable Franchisors (LTGR < -15% per annum)														
McDonald's Corporation	\$219.49	97%	\$163,323	\$198,830	10.4x	22.3x	18.2x	16.9x	26.9x	24.4x	3.93	3.57	6.8%	
Yum! Brands, Inc.	91.30	79%	27,518	37,921	6.9x	20.3x	17.8x	16.5x	23.5x	20.9x	2.11	1.88	11.1%	
Restaurant Brands International Inc.	57.51	80%	17,455	30,687	5.9x	15.8x	13.3x	12.4x	20.9x	18.9x	2.07	1.88	10.1%	
Domino's Pizza, Inc.	425.28	99%	16,734	20,657	5.5x	29.3x	24.3x	22.1x	32.7x	28.9x	2.27	2.01	14.4%	
Dunkin' Brands Group, Inc.	81.91	100%	6,739	9,261	7.1x	21.2x	19.0x	17.9x	26.3x	24.2x	3.30	3.03	8.0%	
The Wendy's Company	22.30	93%	4,990	7,537	5.6x	20.0x	16.9x	15.7x	32.0x	27.2x	2.98	2.53	10.7%	
Planet Fitness, Inc.	61.62	69%	5,455	6,802	14.0x	38.3x	22.0x	18.4x	37.0x	28.4x	4.66	3.58	7.9%	
ServiceMaster Global Holdings, Inc.	39.88	69%	5,264	6,686	3.1x	17.2x	18.4x	17.1x	35.2x	33.0x	5.03	4.71	7.0%	
Jack in the Box Inc.	79.31	85%	1,799	3,019	3.1x	13.7x	10.7x	10.5x	15.4x	14.3x	1.58	1.46	9.8%	
Dine Brands Global, Inc.	54.59	52%	896	2,247	3.0x	12.2x	9.9x	8.8x	10.2x	8.9x	N/A	N/A	N/A	
Denny's Corporation	10.00	43%	637	1,032	2.8x	16.1x	13.9x	10.9x	20.5x	14.8x	2.27	1.64	9.0%	
					Mean:	6.1x	20.6x	16.8x	15.2x	25.5x	22.2x	3.02	2.63	9.5%
					Median:	5.6x	20.0x	17.8x	16.5x	26.3x	24.2x	2.63	2.27	9.4%
Growth Franchisors (LTGR > -15% per annum)														
Wingstop Inc.	\$136.65	80%	\$4,045	\$4,326	19.3x	69.8x	49.9x	41.3x	95.7x	75.0x	5.52	4.33	17.3%	
Papa John's International, Inc.	82.28	80%	2,700	3,256	1.9x	26.0x	17.4x	15.9x	35.4x	31.7x	1.57	1.40	22.6%	
					Mean:	10.6x	47.9x	33.6x	28.6x	65.6x	53.3x	3.54	2.86	20.0%
					Median:	10.6x	47.9x	33.6x	28.6x	65.6x	53.3x	3.54	2.86	20.0%
Digital														
Peloton Interactive, Inc.	\$99.24	97%	\$28,649	\$26,894	14.7x	NM	92.6x	41.2x	NM	NM	N/A	N/A	N/A	

OPERATING STATISTICS

(USD\$ in millions)

	LTM			LTM Margin %		Sales Growth		EBITDA Growth		Balance Sheet			
	Revenue	Gross Profit	EBITDA	Gross Profit	EBITDA	1 Year	5 Year	1 Year	5 Year	Cash	Debt	Lev.	
Fitness													
Planet Fitness, Inc.	\$486	\$264	\$178	54.4%	36.5%	(18.5%)	9.0%	(30.2%)	12.1%	\$424	\$1,775	10.0x	
Basic-Fit N.V.	515	404	115	78.5%	22.3%	1.2%	0.0%	(25.7%)	0.0%	213	661	5.8x	
Leejam Sports Company	193	50	65	26.0%	33.8%	(16.8%)	0.0%	(32.2%)	0.0%	47	149	2.3x	
The Gym Group plc	144	142	49	98.7%	33.8%	(16.6%)	17.4%	(36.3%)	27.8%	8	45	0.9x	
Actic Group AB (publ)	94	57	9	61.2%	9.3%	(10.2%)	0.0%	N/A	N/A	15	50	5.7x	
				Mean:	63.7%	27.1%	(12.2%)	5.3%	(31.1%)	10.0%			4.9x
				Median:	61.2%	33.8%	(16.6%)	0.0%	(31.2%)	6.1%			5.7x
Unit Growth													
Ulta Beauty, Inc.	\$6,390	\$2,381	\$731	37.3%	11.4%	(9.9%)	12.5%	(38.2%)	3.9%	\$1,157	\$800	1.1x	
Floor & Decor Holdings, Inc.	2,065	877	231	42.4%	11.2%	10.4%	0.0%	11.8%	0.0%	134	210	0.9x	
Five Below, Inc.	1,692	568	180	33.6%	10.7%	(0.4%)	18.1%	(24.8%)	13.4%	202	0	0.0x	
Ollie's Bargain Outlet Holdings, Inc.	1,628	646	254	39.7%	15.6%	21.8%	18.6%	42.5%	26.6%	305	1	0.0x	
Grocery Outlet Holding Corp.	2,872	892	142	31.1%	4.9%	19.0%	N/A	23.1%	N/A	80	454	3.2x	
National Vision Holdings, Inc.	1,563	812	115	51.9%	7.3%	(4.3%)	0.0%	(15.7%)	0.0%	256	666	5.8x	
				Mean:	39.3%	10.2%	6.1%	9.8%	(0.2%)	8.8%			1.8x
				Median:	38.5%	10.9%	5.0%	12.5%	(2.0%)	3.9%			1.0x
Stable Franchisors (LTGR < -15% per annum)													
McDonald's Corporation	\$19,119	\$9,788	\$8,909	51.2%	46.6%	(8.8%)	(6.0%)	(13.5%)	(0.2%)	\$3,256	\$38,762	4.4x	
Yum! Brands, Inc.	5,494	2,664	1,869	48.5%	34.0%	(0.3%)	(15.9%)	(5.6%)	(7.0%)	1,441	11,844	6.3x	
Restaurant Brands International Inc.	5,210	2,986	1,940	57.3%	37.2%	(4.0%)	14.3%	(8.9%)	11.9%	1,540	13,205	6.8x	
Domino's Pizza, Inc.	3,764	1,046	706	27.8%	18.8%	7.1%	12.6%	11.3%	11.9%	248	4,172	5.9x	
Dunkin' Brands Group, Inc.	1,302	664	437	51.0%	33.6%	(3.4%)	10.7%	(5.2%)	2.3%	516	3,038	7.0x	
The Wendy's Company	1,343	578	376	43.0%	28.0%	2.3%	(6.9%)	(12.1%)	0.9%	338	2,885	7.7x	
Planet Fitness, Inc.	486	264	178	54.4%	36.5%	(18.5%)	9.0%	(30.2%)	12.1%	424	1,775	10.0x	
ServiceMaster Global Holdings, Inc.	2,154	911	388	42.3%	18.0%	15.4%	(3.2%)	14.1%	(7.7%)	302	1,724	4.4x	
Jack in the Box Inc.	987	297	220	30.1%	22.3%	8.9%	(8.4%)	(12.4%)	(5.4%)	160	1,380	6.3x	
Dine Brands Global, Inc.	762	306	184	40.2%	24.2%	(12.8%)	2.5%	(25.2%)	(6.4%)	279	1,629	8.8x	
Denny's Corporation	375	140	64	37.3%	17.1%	(39.6%)	(5.2%)	(35.6%)	(5.9%)	23	418	6.5x	
				Mean:	43.9%	28.8%	(4.9%)	0.3%	(11.2%)	0.6%			6.7x
				Median:	43.0%	28.0%	(3.4%)	(3.2%)	(12.1%)	(0.2%)			6.5x
Growth Franchisors (LTGR > -15% per annum)													
Wingstop Inc.	\$225	\$119	\$62	52.8%	27.6%	28.1%	25.3%	32.1%	22.1%	\$46	\$327	5.3x	
Papa John's International, Inc.	1,692	501	125	29.6%	7.4%	7.0%	0.5%	40.4%	(5.7%)	76	357	2.9x	
				Mean:	41.2%	17.5%	17.5%	12.9%	36.2%	8.2%			4.1x
				Median:	35.4%	12.4%	12.3%	6.7%	38.3%	1.3%			3.5x
Digital													
Peloton Interactive, Inc.	\$1,826	\$837	\$13	45.8%	N/A	99.6%	N/A	N/A	N/A	\$1,755	\$0	0.0x	

Sources: Capital IQ and public filings as of September 30, 2020.

SELECTED RECENT MERGERS & ACQUISITIONS

(\$Millions)

Announced	Acquiror	Target	Enterprise Value	LTM Valuation	
				EV / Rev.	EV / EBITDA
Sep-20	Piper PE LLP	Wattbike	ND	N/A	N/A
Sep-20	ABC Financial (Thoma Bravo)	Trainerize	ND	N/A	N/A
Sep-20	KKR / Permira / Zone 5 Ventures / Amazon Alexa Fund	Zwift	ND	N/A	N/A
Sep-20	Genesis Health Clubs	South Suburban YMCA	ND	N/A	N/A
Aug-20	Frasers Group (Sports Direct)	DW Sports Fitness (Fitness clubs business)	£37	N/A	N/A
Aug-20	Daxko (GI Partners)	Motionsoft	ND	N/A	N/A
Jul-20	Norwest Venture Partners / General Catalyst	Tempo	ND	N/A	N/A
Jul-20	ABC Financial (Thoma Bravo)	GymSales	ND	N/A	N/A
Jul-20	Smart Fit (Patria, CPPIB, OTPP)	Queima Diaria	ND	N/A	N/A
Jun-20	Genesis Health Clubs	The Athletic Clubs (f.k.a. Prairie Life Fitness)	ND	N/A	N/A
Jun-20	RSG Group GmbH (McFIT)	Gold's Gym	\$100	N/A	N/A
Jun-20	Gold's Gym Tennessee (Gold's Gym Franchisee)	Jackson Sport and Fitness	ND	N/A	N/A
Jun-20	Lululemon Athletica	Mirror	\$500	N/A	N/A
Jun-20	Crescent Acquisition Corp	F45 Training	\$845	9.1x	27.5x
Jun-20	Berkshire Partners / Investor Group (Eric Roza)	CrossFit	ND	N/A	N/A
Jun-20	LightBay Capital	Barry's Bootcamp	ND	N/A	N/A
May-20	Inspire Brands Asia (Aura Funds / Exacta Capital / RISA Partners)	Anytime Fitness Asia (Anytime Fitness Franchisee)	ND	N/A	N/A
May-20	SeventySix Capital	Forte	ND	N/A	N/A
Apr-20	Transaction Services Group (Advent International)	PerfectMind and TrueCoach	ND	N/A	N/A
Apr-20	Insight Partners	Aaptiv	ND	N/A	N/A
Mar-20	Advance Publications / Orkila Capital	Ironman Group	\$730	N/A	N/A
Mar-20	Hyperice Inc.	NormaTec	ND	N/A	N/A
Mar-20	Alder Partners LLC (Planet Fitness Franchisee)	PollyDot, Inc. (Planet Fitness Franchisee)	ND	N/A	N/A
Mar-20	Prospect Hill Growth Partners	Fitness Ventures (Crunch Franchisee)	ND	N/A	N/A
Mar-20	CFJ Holdings	Various Gold's Gym Locations (24 Clubs)	ND	N/A	N/A
Feb-20	David Lloyd Leisure	Meridian Spa & Fitness Deutschland GmbH	ND	N/A	N/A
Feb-20	Transaction Services Group (Advent International)	Zingfit and Triib	ND	N/A	N/A
Feb-20	New Heights Capital / Tensile Capital Management	Aspyr Holdings (Orangetheory Franchisee - Area Rep)	ND	N/A	N/A
Feb-20	Silver Lake	Equinox (Minority Investment)	ND	N/A	N/A
Jan-20	Providence Equity	The Studio Director	ND	N/A	N/A
Mean:				5.2x	12.3x
Median:				4.5x	8.8x

SAME STORE SALES

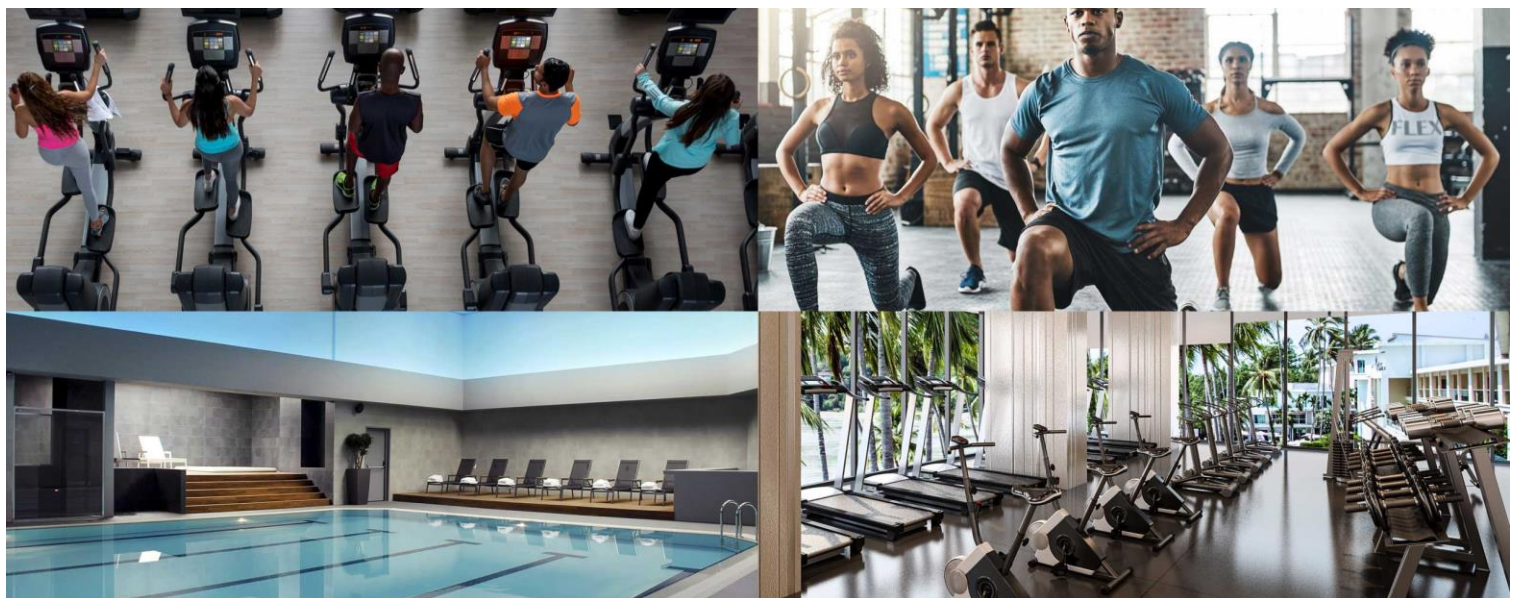
Fitness	Calendar Year Quarter											
	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20
Actic Group AB	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic-Fit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Leejam Sports Company	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Planet Fitness	9.3%	11.6%	11.1%	10.2%	9.7%	10.1%	10.2%	8.8%	7.9%	8.6%	9.8%	N/A
The Gym Group plc	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mean:	9.3%	11.6%	11.1%	10.2%	9.7%	10.1%	10.2%	8.8%	7.9%	8.6%	9.8%	N/A
Median:	9.3%	11.6%	11.1%	10.2%	9.7%	10.1%	10.2%	8.8%	7.9%	8.6%	9.8%	N/A
Unit Growth	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20
Five Below	8.5%	5.9%	3.2%	2.7%	4.8%	4.4%	3.1%	1.4%	2.9%	(2.2%)	(51.8%)	(12.2%)
Floor & Decor	13.5%	24.4%	15.6%	11.4%	11.1%	8.7%	3.1%	3.0%	4.6%	5.2%	2.4%	(20.8%)
Grocery Outlet	5.3%	5.1%	4.5%	2.7%	4.2%	4.1%	4.2%	5.8%	5.1%	17.4%	16.7%	
National Vision	7.0%	10.4%	4.6%	8.8%	6.8%	2.9%	6.7%	3.8%	6.2%	8.1%	(10.3%)	(36.5%)
Ollie's Bargain Outlet	2.1%	4.4%	1.9%	4.4%	4.6%	5.4%	0.8%	(1.7%)	(1.4%)	(4.9%)	(3.3%)	43.3%
Ulta Beauty	10.3%	8.8%	8.1%	6.5%	7.8%	9.4%	7.0%	6.2%	3.2%	4.0%	(35.3%)	(26.7%)
Mean:	7.8%	9.8%	6.3%	6.1%	6.6%	5.8%	4.2%	3.1%	3.6%	2.6%	(13.5%)	(6.0%)
Median:	7.8%	7.4%	4.6%	5.5%	5.8%	4.9%	3.7%	3.4%	3.9%	4.6%	(6.8%)	(16.5%)
Stable Franchisors	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20
Denny's	0.6%	2.2%	1.5%	(0.7%)	1.0%	1.4%	1.3%	3.8%	(0.2%)	1.7%	(6.3%)	(56.9%)
Dine Brands Global, Inc. (Applebee's)	(7.7%)	1.3%	3.3%	5.7%	7.7%	3.5%	1.8%	(3.0%)	(1.6%)	1.0%	(10.6%)	(49.4%)
Dine Brands Global, Inc. (IHOP)	(3.2%)	(5.3%)	1.0%	0.7%	1.2%	3.0%	1.2%	3.2%	0.3%	4.1%	(14.7%)	(59.1%)
Domino's Pizza	8.4%	4.2%	8.3%	6.9%	6.3%	5.6%	3.9%	3.0%	2.4%	1.7%	1.6%	16.1%
Dunkin' Brands (Baskin Robbins)	(0.4%)	0.0%	(1.0%)	(0.4%)	1.8%	(3.7%)	(2.8%)	(1.4%)	3.6%	4.1%	1.8%	(6.0%)
Dunkin' Brands (Dunkin' Donuts)	0.6%	0.6%	(0.5%)	1.4%	1.3%	0.0%	2.4%	1.7%	1.5%	2.8%	(2.0%)	(18.7%)
Jack in the Box	(1.0%)	(0.2%)	(0.1%)	0.5%	0.5%	(0.1%)	0.2%	2.7%	3.0%	1.7%	(4.2%)	6.6%
McDonald's	4.1%	4.5%	2.9%	2.6%	2.4%	2.3%	4.5%	5.7%	4.8%	5.1%	0.1%	(8.7%)
Planet Fitness	9.3%	11.6%	11.1%	10.2%	9.7%	10.1%	10.2%	8.8%	7.9%	8.6%	9.8%	N/A
Restaurant Brands International (BK)	3.6%	4.6%	3.8%	1.8%	1.0%	1.7%	2.2%	3.6%	4.8%	2.8%	(3.7%)	(25.2%)
Restaurant Brands International (TH)	0.3%	0.1%	(0.3%)	0.0%	0.6%	1.9%	(0.6%)	0.5%	(1.4%)	(4.3%)	(10.3%)	(33.4%)
Restaurant Brands International (PLKI)	(1.8%)	(1.3%)	3.2%	2.9%	0.5%	0.1%	0.6%	3.0%	9.7%	34.4%	26.2%	24.0%
ServiceMaster	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wendy's	2.0%	1.3%	1.6%	1.9%	(0.2%)	(0.1%)	1.2%	1.3%	4.4%	4.5%	0.0%	(4.4%)
YUM! Brands (KFC)	4.0%	3.0%	2.0%	2.0%	3.0%	3.0%	5.0%	6.0%	3.0%	1.0%	(8.0%)	(21.0%)
YUM! Brands (Pizza Hut)	1.0%	1.0%	1.0%	(1.0%)	(1.0%)	0.0%	0.0%	2.0%	0.0%	0.0%	(11.0%)	(9.0%)
YUM! Brands (Taco Bell)	3.0%	2.0%	1.0%	2.0%	5.0%	6.0%	4.0%	7.0%	4.0%	4.0%	1.0%	(8.0%)
Mean:	1.4%	1.9%	2.4%	2.3%	2.6%	2.2%	2.2%	3.0%	2.9%	4.6%	(1.9%)	(16.9%)
Median:	0.8%	1.3%	1.6%	1.9%	1.3%	1.8%	1.6%	3.0%	3.0%	2.8%	(2.9%)	(9.0%)
Growth Franchisors	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20
Papa John's	1.0%	(3.9%)	(5.3%)	(6.1%)	(9.8%)	(8.1%)	(6.9%)	(5.7%)	1.0%	3.5%	5.3%	28.0%
Wingstop	4.1%	5.2%	9.5%	4.3%	6.3%	6.0%	7.1%	12.8%	12.3%	12.2%	9.9%	31.9%
Mean:	2.6%	0.7%	2.1%	(0.9%)	(1.8%)	(1.1%)	0.1%	3.6%	6.7%	7.9%	7.6%	30.0%
Median:	2.6%	0.7%	2.1%	(0.9%)	(1.8%)	(1.1%)	0.1%	3.6%	6.7%	7.9%	7.6%	30.0%

Sources: Capital IQ, public filings and news articles as of September 30, 2020.

SELECTED DEBT CAPITAL MARKETS COMPARABLES

(\$Millions)

Issuer / Issue	Maturity Date	At Issue Ratings	At Issue			Current		Current Call Premium	Next Call		LTM Revenue	LTM EBITDA	Leverage		
			Size	Coupon	Floor	Price	Yield		Date	Premium			Sec. / 1 st	Total	Adj.
Fitness															
Bay Club <i>(Private - KKR)</i>															
			B3 / B								At Issue: \$221	\$72	6.5x	6.5x	6.7x
Revolver	Aug-23	NR / NR	\$50	Grid	N/A	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1st Lien Term Loan (Cov-Lite)	Aug-25	B2 / B+	\$525	L+375 bps	0.00%	85.750	7.506%	None	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2nd Lien Term Loan (Cov-Lite)	Aug-26	Caa2 / CCC+	\$190	L+775 bps	0.00%	82.688	12.272%	None	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ClubCorp Holdings, Inc. <i>(Private - Apollo)</i>															
			B2 / B								At Issue: N/A	N/A	N/A	N/A	N/A
Revolver	Aug-24	NR / NR	\$175	Grid	N/A	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Term Loan (Cov-Lite)	Sep-24	B1 / B+	\$1,151	L+275 bps	0.00%	85.250	6.631%	None	N/A	N/A	N/A	N/A	N/A	N/A	
Senior Notes	Sep-25	Caa1 / CCC+	\$425	8.500%	N/A	83.000	12.750%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Equinox <i>(Private - Related Companies, Silverlake, Leonard Green, L Catterton)</i>															
			Caa2 / CCC								At Issue: \$1,100	\$238	4.3x	5.1x	6.4x
Revolver	Feb-22	NR / NR	\$150	Grid	N/A	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
1st Lien Term Loan (Cov-Lite)	Mar-24	B1 / B+	\$1,021	L+300 bps	0.00%	76.648	9.032%	None	N/A	N/A	N/A	N/A	N/A	N/A	
1st Lien Term Loan	Jun-24	NR / NR	\$150	L+900 bps	1.00%	98.500	10.375%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
2nd Lien Term Loan (Cov-Lite)	Feb-25	Caa1 / CCC+	\$200	L+700 bps	1.00%	60.000	18.000%	None	N/A	N/A	N/A	N/A	N/A	N/A	
Excel Fitness (Planet Fitness Franchisee) <i>(Private - Altamont Capital Partners)</i>															
			B3 / B								At Issue: \$130	\$59	4.4x	4.4x	5.2x
Revolver	Oct-24	NR / NR	\$10	N/A	N/A	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Term Loan (Cov-Lite)	Oct-25	B3 / B	\$260	L+525 bps	1.00%	88.833	9.042%	101.000	Oct-20	100.000	N/A	N/A	N/A	N/A	
LA Fitness <i>(Private - Seidler Equity Partners)</i>															
			B2 / B+								At Issue: \$2,045	\$490	3.5x	5.0x	5.0x
Revolver	Apr-23	NR / NR	\$400	Grid	N/A	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Term Loan A	Apr-23	NR / NR	\$950	L+225 bps	0.00%	62.500	11.819%	None	N/A	N/A	N/A	N/A	N/A	N/A	
Term Loan B (Cov-Lite)	Apr-25	B1 / BB-	\$675	L+325 bps	0.00%	62.500	12.819%	None	N/A	N/A	N/A	N/A	N/A	N/A	
Life Time Fitness <i>(Private - Leonard Green and TPG)</i>															
			B / B2								At Issue: \$1,593	\$463	3.7x	4.7x	5.3x
Revolver	Jun-20	NR / NR	\$250	L+325 bps	N/A	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Secured Loan	Jun-21	NR / NR	\$102	N/A	N/A	DNT	DNT	None	N/A	N/A	N/A	N/A	N/A	N/A	
Term Loan B (Cov-Lite)	Jun-22	BB- / B1	\$1,517	L+275 bps	1.00%	90.675	6.081%	None	N/A	N/A	N/A	N/A	N/A	N/A	
Senior Notes	Jun-23	Caa1 / CCC+	\$450	8.500%	N/A	96.000	9.694%	None	N/A	N/A	N/A	N/A	N/A	N/A	
PF Growth Partners (Planet Fitness Franchisee) <i>(Private - Alaris, Exeter Street Capital and the Brick Family)</i>															
			NR / NR								At Issue: \$116	\$43	4.0x	4.0x	N/A
Revolver	Jul-25	NR / NR	\$5	Grid	0.00%	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
1st Lien Term Loan	Jul-25	NR / NR	\$200	L+500 bps	0.00%	91.000	7.444%	None	N/A	N/A	N/A	N/A	N/A	N/A	
Planet Fitness, Inc. <i>(Public - NYSE:PLNT)</i>															
			BB- / B1								At Issue: \$472	\$199	6.0x	6.0x	6.2x
Revolver / Variable Funding Notes	Sep-23	NA / BBB-	\$75	Grid	N/A	DNT	DNT	N/A	N/A	N/A	\$486	\$178	10.0x	10.0x	9.7x
2018 Class A-2-I Notes	Sep-22	NA / BBB-	\$575	4.262%	N/A	100.019	4.257%	None	N/A	N/A	N/A	N/A	N/A	N/A	
2018 Class A-2-II Notes	Sep-25	NA / BBB-	\$625	4.666%	N/A	100.049	4.654%	None	N/A	N/A	N/A	N/A	N/A	N/A	
2019 Class A-2 Notes	Dec-49	NA / BBB	\$550	3.858%	N/A	93.797	5.409%	None	N/A	N/A	N/A	N/A	N/A	N/A	
Pure Gym <i>(Private - Leonard Green)</i>															
			BB- / B1								At Issue: £447	£161	4.6x	4.7x	5.8x
Revolver	Feb-25	NR / NR	£145	Grid	N/A	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Bridge Facility	Feb-25	NR / NR	£445	5.500%	N/A	DNT	DNT	None	N/A	N/A	N/A	N/A	N/A	N/A	
Senior Notes	Feb-25	B / B3	£430	6.375%	N/A	87.220	9.570%	103.188	Jan-21	103.188	N/A	N/A	N/A	N/A	
United PF Holdings (Planet Fitness Franchisee) <i>(Private - American Securities)</i>															
			Caa1 / CCC+								At Issue: \$269	\$118	5.5x	6.4x	6.4x
Revolver	Feb-25	NR / NR	\$40	Grid	N/A	DNT	DNT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
1st Lien Term Loan (Cov-Lite)	Feb-27	B1 / B	\$590	L+400 bps	0.00%	87.125	7.413%	101.000	Feb-21	100.000	N/A	N/A	N/A	N/A	
Incremental 1st Lien Term Loan (Cov-Lite)	Dec-26	B3 / CCC+	\$100	L+850 bps	1.00%	99.000	9.750%	101.000	Jun-27	100.000	N/A	N/A	N/A	N/A	
2nd Lien Term Loan (Cov-Lite)	Feb-28	NR / NR	\$116	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(Privately placed)	

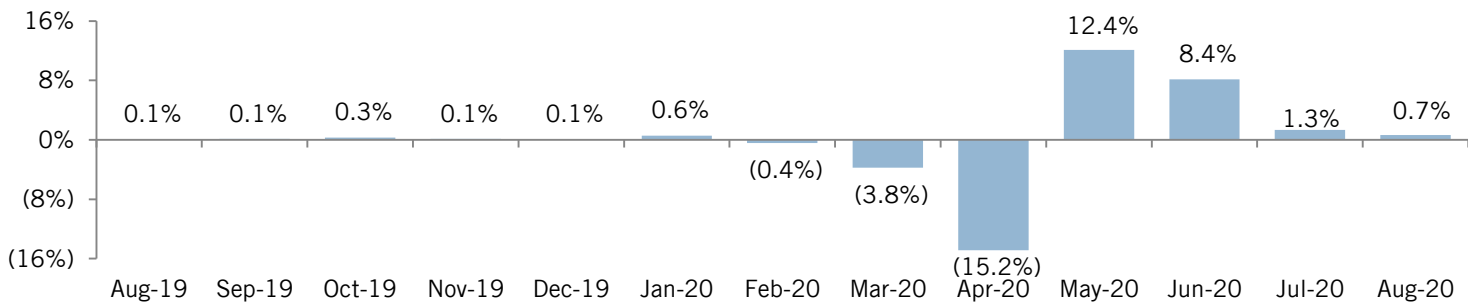


Sources: Capital IQ, LCD News, public filings and Markit Loans as of September 30, 2020.

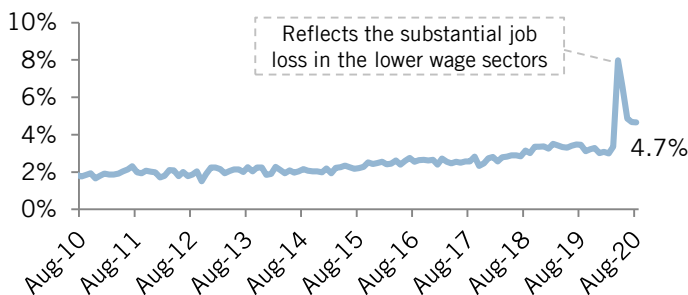
STATE OF THE CONSUMER

- Consumers are growing more optimistic about the economy as the labor market continued to gradually improve and a summer COVID surge receded in parts of the country
 - The August unemployment rate plummeted to 8.4%, from 10.2% in July, and the downward trend is expected to continue as the economy reopens
 - COVID trends remain a key factor for consumer outlook, suggesting that another outbreak could reverse the upturn in optimism
- Consumer spending proved largely resilient through the summer, but growth slowed in August due, in part, to the expiration of some government relief benefits
 - Political uncertainty will persist in the near term with the 2020 presidential election underway, but the impact on consumer spending remains to be seen
- The U.S. Federal Reserve signaled plans to maintain rates near zero until evidence of a tight labor market are apparent and inflation is on track to moderately exceed the 2 percent target for some time
- Mortgage rates fell to their lowest recorded level at the end of Q3'20, fueling the housing market which saw record setting growth in home sales and home prices
- Oil prices softened in September amid concerns of a stalling recovery in demand and planned production expansions by OPEC

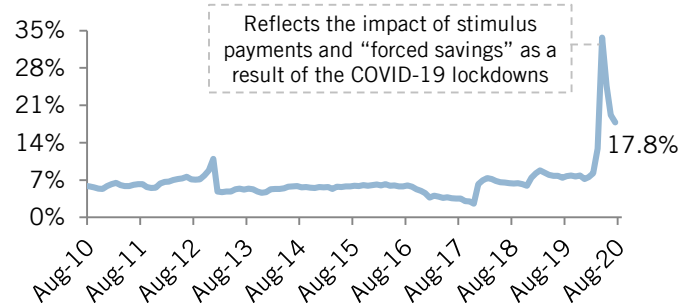
U.S. Retail Sales⁽¹⁾ Month-over-Month % Change



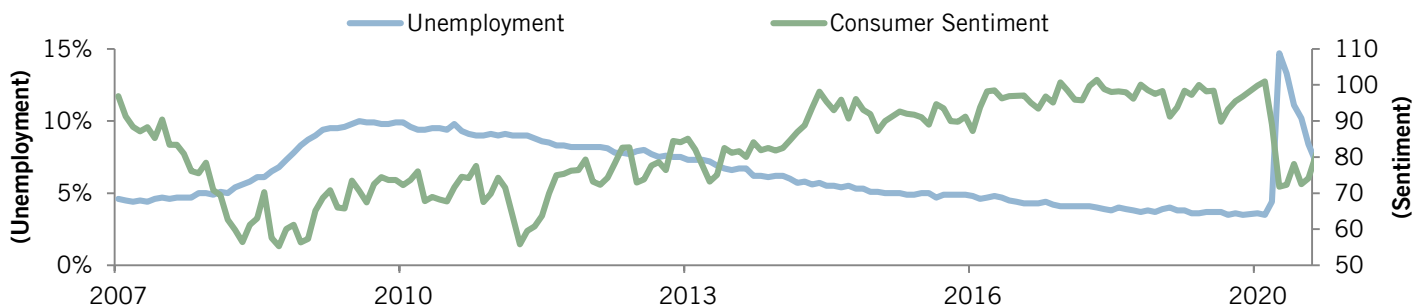
Y-o-Y Growth in Average Hourly Earnings⁽²⁾



Personal Savings % of Disposable Personal Income



U.S. Unemployment and Consumer Sentiment



Sources: Jefferies Equity Research, U.S. Census Bureau and news sources.

1) Reflects seasonally adjusted retail and food services sales excluding motor vehicle and parts sales.

2) Reflects average hourly earnings of all employees, total private, seasonally adjusted.

IMPORTANT DISCLAIMER

This material has been prepared by Jefferies Group LLC or one of its affiliates as noted below (herein collectively referred to as “Jefferies”).

- **United States:** Jefferies LLC, an SEC-registered broker dealer, a CFTC-registered Futures Commission Merchant and a member of FINRA and NFA; Jefferies Financial Services, Inc., a CFTC-provisionally registered swap dealer and pending membership with NFA; and Jefferies Financial Products, LLC, CFTC-provisionally registered swap dealer and pending membership with NFA, each located at 520 Madison Avenue, New York, NY 10022.
- **United Kingdom:** Jefferies International Limited, authorized and regulated by the Financial Conduct Authority and registered in England and Wales No. 1978621; with its registered office at Vintners Place, 68 Upper Thames Street, London EC4V 3BJ.
- **Hong Kong:** Jefferies Hong Kong Limited, licensed by the Securities and Futures Commission of Hong Kong, CE number ATS546; located at Suite 2201, 22nd Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.
- **India:** Jefferies India Private Limited (CIN - U74140MH2007PTC200509), licensed by the Securities and Exchange Board of India for: NSE Capital Market Segment INB231491037; BSE Capital Market Segment INB011491033, Research Analyst INH000000701 and Merchant Banker INM000011443, located at 42/43, 2 North Avenue, Maker Maxity, Bandra-Kurla Complex, Bandra (East) ,Mumbai 400 051.
- **Japan:** Jefferies (Japan) Limited, Tokyo Branch, registered by the Financial Services Agency of Japan and member of the Japan Securities Dealers Association; located at Hibiya Marine Bldg, 3F, 1-5-1 Yuraku-cho, Chiyoda-ku, Tokyo 100-0006.
- **Singapore:** Jefferies Singapore Limited, registered in Singapore No. 200605049K and licensed by the Monetary Authority of Singapore; located at 80 Raffles Place #15-20, UOB Plaza 2, Singapore 048624.

This document has been prepared employing appropriate expertise, and in the belief that it is fair and not misleading. The information upon which this material is based was obtained from sources believed to be reliable, but has not been independently verified, therefore, we do not guarantee its accuracy or completeness. It may be based on subjective assessments and assumptions and may utilize one among alternative methodologies that produce differing results; accordingly, it should not be relied upon as an accurate representation of future events. This is not an offer or solicitation of an offer to buy or sell any security or investment. Any opinion or estimates constitute our best judgment as of this date, and are subject to change without notice.

Jefferies and its affiliates, officers, directors, employees and agents may from time to time hold long or short positions in, buy or sell (on a principal basis or otherwise), or act as market maker in any securities, futures or other financial instruments or products related to matters discussed herein and may make trading decisions that are different from or contrary to any of those which may be discussed. Jefferies is not an adviser as to legal, taxation, accounting or regulatory matters in any jurisdiction, and is not providing any advice as to any such matter to the recipient. Recipients of this document should take their own independent advice with respect to such matters.

This communication is being provided strictly for informational purposes only. Any views or opinions expressed herein are solely those of the institutions identified, not Jefferies. This information is not a solicitation or recommendation to purchase securities of Jefferies and should not be construed as such. No responsibility is accepted, and no representation, undertaking or warranty is made or given, in either case, expressly or impliedly, by Jefferies as to the accuracy, reliability or completeness of the information contained herein or as to the reasonableness of any assumptions on which any of the same is based or the use of any of the same. Accordingly, neither Jefferies nor any of its officers, directors, employees, agents or representatives will be liable for any direct, indirect or consequential loss or damage suffered by any person resulting from the use of the information contained herein, or for any opinions expressed by any such person, or any errors, omissions or misstatements made by any of them.

In the UK, this document is intended for use only by persons who have professional experience in matters relating to investments falling within Articles 19(5) and 49(2)(a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended), or by persons to whom it can be otherwise lawfully distributed. Recipients of this document in jurisdictions outside the United Kingdom should inform themselves about and observe any applicable legal requirements in relation to the receipt of this document.

Reproduction without written permission of Jefferies is expressly forbidden. All Jefferies logos, trademarks and service marks appearing herein are property of Jefferies Group LLC.

© 2020 Jefferies LLC. Member SIPC.