

Market Insights

Multi-Unit Education, Fitness, Restaurants, & Consumer Services | Q2 2020

"We are living in unprecedented times. While many companies have been fundamentally altered by the COVID-19 pandemic and the far-reaching government responses combatting the virus, many others are already experiencing a "V-shaped" recovery. Organizations will thrive in the new normal only if they listen to their customers and find relevant ways to meet customer needs." – **Nathan Kelly, Vice President**

Industry Buzz

"The thing that has challenged our industry for the last five to seven years has been the sense that there's too many other restaurants. [Due to COVID-19] restaurants are about to have a big shift in the supply and demand back in in their favor, with access to really good locations, good people, and good deals."

– **Dan Rowe, Fransmart CEO**

"Following two months of rapid decline, the free-fall in Consumer Confidence stopped in May. Short-term expectations moderately increased as the gradual re-opening of the economy helped improve consumers' spirits. However...while the decline in confidence appeared to have stopped for the moment, the uneven path to recovery and potential second wave are likely to keep a cloud of uncertainty hanging over consumers' heads." – **Lynn Franco, Senior Director of Economic Indicators at The Conference Board**

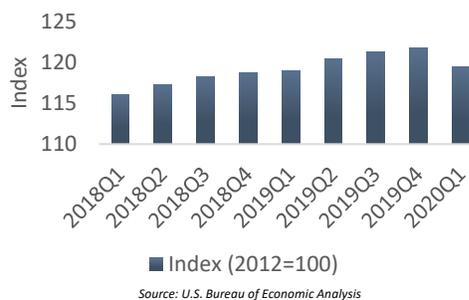
"M&A activity has slowed down as clients are trying to assess where the market is moving, the impact on individual sectors and businesses, and are waiting for valuations to stabilize, but dialogues remain robust. Certainly there will be a delay in deal-making activity, but once things reset they will probably bounce back much faster than after the financial crisis in certain sectors." – **Ros L'Esperance, UBS Head of Banking**

Macro Dashboard

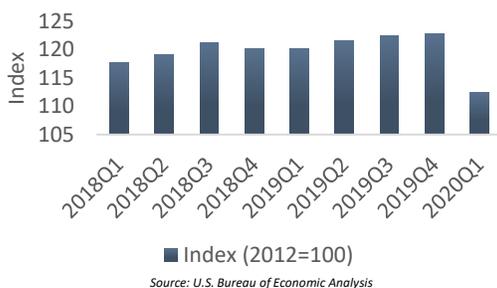
Consumer Confidence



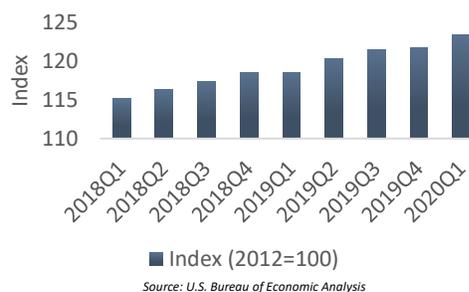
Overall Consumer Spending



Food Service & Accommodations Spending



Non-Durable Goods Spending



"Survive & Thrive" Multi-Unit Webinar Series

Click on the videos below to watch our webcasts:



**Episode I -
Milo's
Hamburgers
CEO
Tom Dekle**

**Episode II -
Iron Tribe
Fitness
CEO Forrest
Walden**

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Multi-Unit Team Contacts

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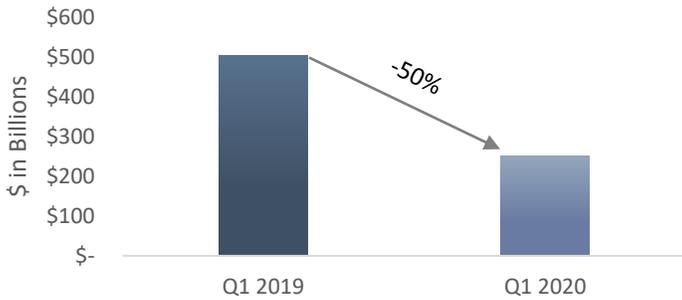
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Consumer Multi-Unit: Lower Middle Market Themes

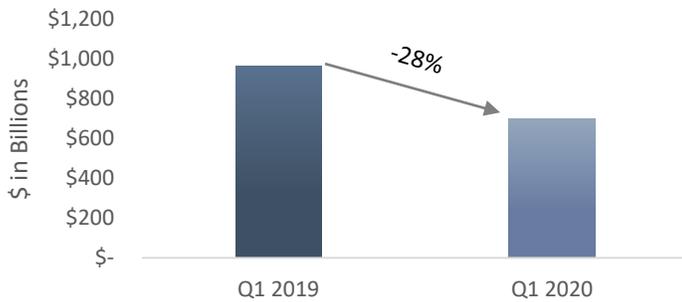
Q1 M&A Overview

- Due to COVID-19, oil price uncertainty, and a falling stock market, M&A activity dropped sharply in Q1 2020.
- U.S. deal value fell 50% compared to Q1 2019, with \$252B in total announced deals. Globally, Q1 total deal value was down 28% year-over-year, falling from \$964B to \$698B.

Total U.S. Deal Value



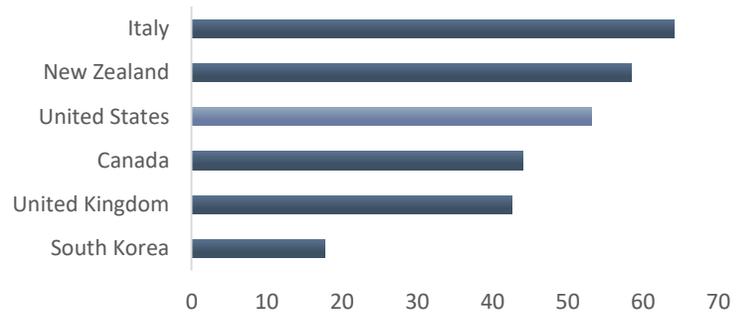
Total Global Deal Value



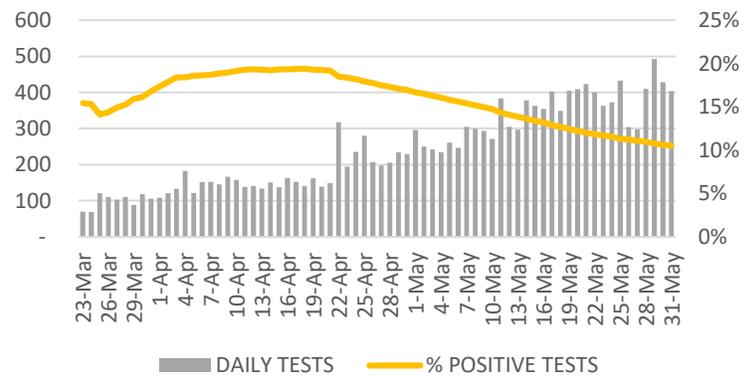
Source: Refinitiv

Key COVID-19 Indicators to Follow

COVID-19 Tests per 1,000 People
May 31, 2020



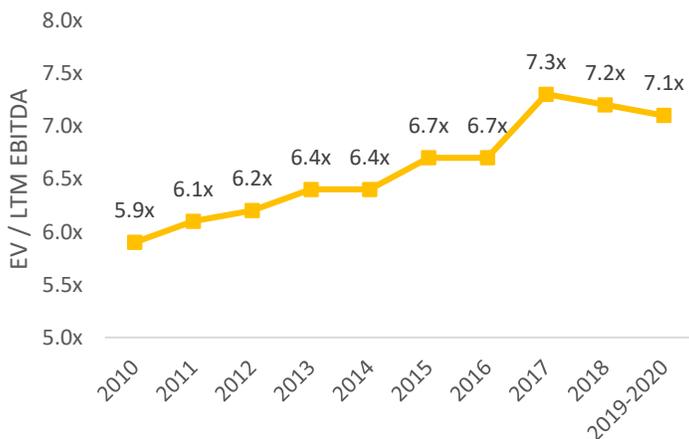
Daily U.S. Testing (Thousands)



Visit the links below and check out the Founders blog for full COVID-19 insights:

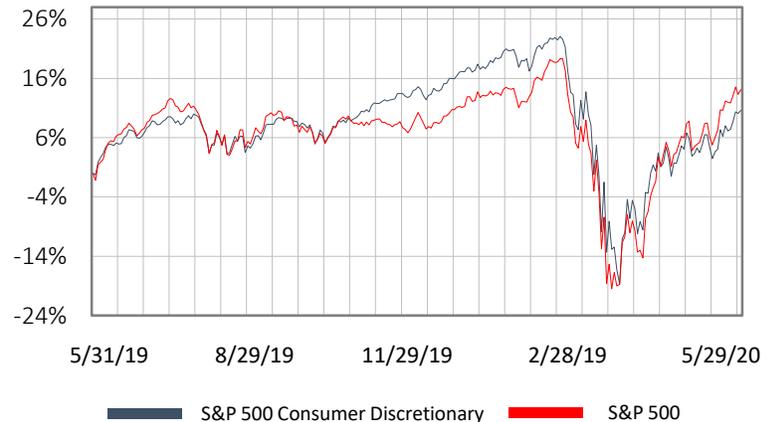
- [Testing Update](#)
- [Wesley Legg Featured on BMSS Web Series: Re-opening the Economy](#)
- [Founders' CARES Act Brief](#)
- [Multi-Unit Industry Buzz](#)

U.S. Private Equity Lower MM Transaction Multiples



Note: Lower Middle Market defined as transactions fewer than \$250mm

% Change, S&P 500 Consumer Discretionary vs S&P 500



Increasing the Value of a Multi-Unit Business (Chapter 3/4)



For high-growth multi-unit concepts, such as restaurants, fitness studios, education centers, and franchises, access to institutional capital through partnership with a debt or equity partner is often critical for streamlining operations and strategically expanding to new locations. Whether owners are looking to grow, recapitalize, or sell, select metrics are commonly evaluated by institutional lenders and investors. Built from our interactions with hundreds of middle-market investors each year, Founders' Financial Readiness Assessment gives an overview of the indicators we see having the greatest impact on multi-unit business valuations.

Founders' Financial Readiness Assessment

Chapter 1

- **Same Stores Sales Growth** – Historical proof, beating expectations and franchisor benchmarks
- **Financial Preparedness** – Consistency of reporting, ability to analyze at lower levels, GAAP
- **Average Unit Volume (AUV)** – Diversification of revenue mix, length of sales cycle, size of transactions

Chapter 2

- **EBITDA Margin** – Exceeding peer/industry benchmarks, ability to sustain, room for growth
- **Gross Profit Margin** – Accurately categorized costs, level of dependence on end market, ability to control
- **Cash on Cash Returns** – Control over buildout costs, success of marketing, ability to meet debt services

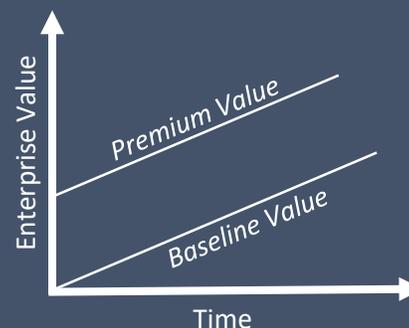
Chapter 3

- **Per Person Average** – Ability to increase wallet share, success of sales initiatives
- **Management Team** – Understanding of weakness, delineation of responsibilities, low levels of turnover
- **Site Selection** – Ability to secure high-traffic, high-visibility locations with attractive lease terms

Chapter 4

- **Technology Integration** – Effectiveness in minimizing disruptions and adapting to consumer preferences
- **Process Documentation** – Consistency of franchising process, employee onboarding, retention strategies
- **Talent Retention** – Retaining key management through profit interests, incentive plans, and stay bonuses

Whether preparing for a recapitalization or outright sale, improving key performance metrics can help unlock a premium valuation for multi-unit businesses.



Although technology continues to transform supply chains, service experiences, and product offerings of virtually all companies, these metrics will continue to function as key operational success indicators. For multi-unit operators, including franchisors and franchisees, who are preparing to grow, recapitalize, or sell, understanding these metrics can help realize the highest possible value for business owners.

Increasing the Value of a Multi-Unit Business (Chapter 3/4)



Why It's Important

What Investors Look For

How to Improve

Per Person Average

Per Person Average (PPA) refers to the mean revenue or profit generated by each customer. For restaurants and other businesses with high-volume transactions, this key metric is often tracked on an annual, monthly, or weekly basis.

PPAs are key for benchmarking a company against peer concepts without accounting for number of units or physical size.

They are used as the basis for converting financial budgets (*generate \$1mm in revenue*) into operational planning (*if our average revenue is \$20/person, we need 137 customers per day to breakeven*).

Investors look for companies whose revenue-per-customer meets or exceeds industry averages, and grows over time at or greater than the rate of inflation.

Additionally, multi-unit businesses should have similar PPAs across similar demographic locations

For membership-based businesses, investors may seek to determine whether marketing campaigns are worthwhile based on whether or not the average customer's lifetime value (PPA Monthly Revenue x Months as Member) exceeds the customer's acquisition cost.

1. In order to increase PPAs, customers must either (1) buy more of or (2) pay more for products or services offered. Therefore, businesses should regularly evaluate their pricing competitiveness and opportunities to add higher-priced ancillary product and services.
2. Membership-based businesses may devote additional resources toward "upselling" existing customers, or modifying the pricing and benefits of membership tiers.
3. Annual price increases are a way to increase PPAs on a consistent basis.

Management Team

The Management Team of any high-growth consumer business naturally has a significant impact on both the concept's short-term and long-term success.

For founders to achieve their vision, they should assemble a team that offers a range of skills, experiences, and opinions.

A CFO, COO, or other executive may not operate 50 units as successfully as 15 units, or vice versa, so management teams should be assessed at each stage of a company's growth cycle.

Investors look for management teams that are experienced and have defined roles, responsibilities, and methods of accountability.

If a company's founder does not plan to continue with the business after a sale, investors whether the company has high "key man" risk. This may be a major detractor if a significant portion of sales or expertise is dependent upon the founder's involvement.

1. Some multi-unit companies operating under a franchise system opt to have separate management teams for franchise vs corporate operations, which helps to drive unit count growth while retaining focus on operations and brand development.
2. Structuring a significant portion of executives' compensation to be driven by performance-based incentives (both top-line & bottom-line) may assist in retaining key employees while not overloading operating expenses.

Site Selection

Site Selection for new units is a critical component of the business strategy for any consumer multi-unit business. An ideal site will have sufficient customer capacity without an overly burdensome cost of rent, and will cater to the company's target customer demographic.

Since rent is typically one of the largest operating expenses for a 4-wall business, determining whether to finance new development or to secure a fair market rental lease can play a major impact on a company's profitability and overall capital structure.

Determining whether a site is appropriate for a new unit is generally assessed on four key components of the surrounding area:

1. Demographic profile
2. Density / traffic count
3. Proximity to competitors and similar businesses
4. Land requirements

Investors want to see demographic alignment between the unit's location and its target customers, particularly for "micro market" services where customers may not be willing to drive more than 5-10 minutes.

1. Many lower middle market multi-unit companies opt for sites that are as close as possible to larger blue chip brands, such as Target or Chipotle.
2. To the extent possible, multi-unit businesses should seek short-term leases and negotiate renewal options in order to maintain fixed cost flexibility.
3. Companies may also develop an alternative prototype for select circumstances where land capacity is limited, such as pop-up shops or ghost kitchens.

Notable Q1 2020 Multi-Unit Transactions (\$ in mm)

Restaurants

Announced Date	Target	Buyer	Purchase Price
2/25/2020			Undisclosed
2/24/2020			Undisclosed
2/21/2020			\$45
2/11/2020			Undisclosed
2/12/2020			\$4
1/23/2020			Undisclosed
1/8/2020			Undisclosed
1/6/2020			\$556

Fitness

Announced Date	Target	Buyer	Purchase Price
3/9/2020	PollyDot, Inc. – a franchisee of 		Undisclosed
1/6/2020	 unitedpfpartners		Undisclosed

Notable Q1 2020 Multi-Unit Transactions (\$ in mm)

Retail

Announced Date	Target	Buyer	Purchase Price
3/10/2020			Undisclosed
2/2/2020	FOREVER 21	 Brookfield 	\$81
1/31/2020			\$605

Other Consumer Services

Announced Date	Target	Buyer	Purchase Price
3/11/2020			\$4,550
2/12/2020			Undisclosed
1/31/2020			Undisclosed

Public Company Valuation and Growth Metrics (\$ in mm)

Restaurants - Fast Casual

Ticker	Company Name	EV	LTM Financials					EV Multiples		
			Revenue	YoY Rev. Growth	5yr Rev. CAGR	EBITDA	5 Year Beta	LTM		
								Revenue	EBITDA	
CMG	Chipotle Mexican Grill, Inc.	\$ 30,760	\$ 5,689	13%	6%	\$ 665	1.21	5.4x	46.2x	
MTY	MTY Food Group Inc.	\$ 1,412	\$ 443	34%	37%	\$ 117	1.80	3.2x	12.1x	
LOCO	El Pollo Loco Holdings, Inc.	\$ 844	\$ 439	0%	4%	\$ 59	1.65	1.9x	14.4x	
TACO	Del Taco Restaurants, Inc.	\$ 663	\$ 509	0%	1%	\$ 52	1.72	1.3x	12.7x	
FRGI	Fiesta Restaurant Group, Inc.	\$ 548	\$ 642	-6%	0%	\$ 40	1.62	0.9x	13.6x	
NDLS	Noodles & Company	\$ 346	\$ 453	-1%	2%	\$ 32	1.00	0.8x	10.8x	
NATH	Nathan's Famous, Inc.	\$ 336	\$ 104	4%	2%	\$ 28	0.12	3.2x	11.9x	
PBPB	Potbelly Corporation	\$ 293	\$ 399	-4%	3%	\$ 14	1.13	0.7x	20.7x	

Min	\$ 293	\$ 104	-6%	0%	\$ 14	0.12	0.7x	10.8x
Median	\$ 605	\$ 448	0%	2%	\$ 46	1.42	1.6x	13.2x
Mean	\$ 4,400	\$ 1,085	5%	7%	\$ 126	1.28	2.2x	17.8x
Max	\$ 30,760	\$ 5,689	34%	37%	\$ 665	1.80	5.4x	46.2x

Restaurants - QSR

Ticker	Company Name	EV	LTM Financials					EV Multiples		
			Revenue	YoY Rev. Growth	5yr Rev. CAGR	EBITDA	5 Year Beta	LTM		
								Revenue	EBITDA	
MCD	McDonald's Corporation	\$ 192,520	\$ 20,767	-1%	-5%	\$ 10,237	0.66	9.3x	18.8x	
YUM	Yum! Brands, Inc.	\$ 38,815	\$ 5,606	1%	-16%	\$ 2,006	0.88	6.9x	19.3x	
QSR	Restaurant Brands International Inc.	\$ 31,192	\$ 5,562	4%	24%	\$ 2,162	1.39	5.6x	14.4x	
DPZ	Domino's Pizza, Inc.	\$ 19,487	\$ 3,656	5%	12%	\$ 681	0.38	5.3x	28.6x	
DNKN	Dunkin' Brands Group, Inc.	\$ 8,509	\$ 1,374	3%	12%	\$ 476	0.90	6.2x	17.9x	
WEN	The Wendy's Company	\$ 8,476	\$ 1,368	6%	-7%	\$ 392	1.24	6.2x	21.6x	
JACK	Jack in the Box Inc.	\$ 3,805	\$ 967	11%	-9%	\$ 204	1.70	3.9x	18.6x	
PZZA	Papa John's International, Inc.	\$ 3,387	\$ 1,631	1%	0%	\$ 108	0.96	2.1x	31.3x	
TAST	Carrols Restaurant Group, Inc.	\$ 1,587	\$ 1,523	27%	16%	\$ 63	2.36	1.0x	25.0x	

Min	\$ 1,587	\$ 967	-1%	-16%	\$ 63	0.38	1.0x	14.4x
Median	\$ 8,509	\$ 1,631	4%	0%	\$ 476	0.96	5.6x	19.3x
Mean	\$ 34,198	\$ 4,717	6%	3%	\$ 1,814	1.16	5.2x	21.7x
Max	\$ 192,520	\$ 20,767	27%	24%	\$ 10,237	2.36	9.3x	31.3x

Public Company Valuation and Growth Metrics (\$ in mm)

Restaurants - Full Service

Ticker	Company Name	EV	LTM Financials					5 Year Beta	EV Multiples	
			Revenue	YoY Rev. Growth	5yr Rev. CAGR	EBITDA	LTM			
							Revenue		EBITDA	
DRI	Darden Restaurants, Inc.	\$ 15,536	\$ 8,766	4%	6%	\$ 1,062	1.34	1.8x	14.6x	
TXRH	Texas Roadhouse, Inc.	\$ 4,352	\$ 2,718	8%	11%	\$ 284	0.94	1.6x	15.3x	
EAT	Brinker International, Inc.	\$ 3,788	\$ 3,349	5%	2%	\$ 377	2.24	1.1x	10.0x	
BLMN	Bloomin' Brands, Inc.	\$ 3,580	\$ 4,020	-3%	-2%	\$ 315	1.79	0.9x	11.4x	
CBRL	Cracker Barrel Old Country Store, Inc.	\$ 3,935	\$ 2,815	-9%	0%	\$ 283	1.07	1.4x	13.9x	
CAKE	The Cheesecake Factory Incorporated	\$ 2,684	\$ 2,498	6%	4%	\$ 184	1.40	1.1x	14.6x	
DIN	Dine Brands Global, Inc.	\$ 2,575	\$ 880	6%	6%	\$ 238	1.74	2.9x	10.8x	
SHAK	Shake Shack Inc.	\$ 2,521	\$ 605	23%	36%	\$ 68	1.74	4.2x	36.8x	
DENN	Denny's Corporation	\$ 1,233	\$ 487	-22%	0%	\$ 96	1.39	2.5x	12.9x	
BJRI	BJ's Restaurants, Inc.	\$ 1,175	\$ 1,125	0%	5%	\$ 101	1.91	1.0x	11.7x	
RRGB	Red Robin Gourmet Burgers, Inc.	\$ 893	\$ 1,211	-9%	0%	\$ 47	2.56	0.7x	19.2x	
CHUY	Chuy's Holdings, Inc.	\$ 549	\$ 419	3%	10%	\$ 36	1.72	1.3x	15.1x	
JAX	J. Alexander's Holdings, Inc.	\$ 163	\$ 240	-2%	3%	\$ 16	1.61	0.7x	9.9x	

Min	\$ 163	\$ 240	-22%	-2%	\$ 16	0.94	0.7x	9.9x
Median	\$ 2,575	\$ 1,211	3%	4%	\$ 184	1.72	1.3x	13.9x
Mean	\$ 3,307	\$ 2,241	1%	6%	\$ 239	1.65	1.6x	15.1x
Max	\$ 15,536	\$ 8,766	23%	36%	\$ 1,062	2.56	4.2x	36.8x

Early Education Facility Operators

Ticker	Company Name	EV	LTM Financials					5 Year Beta	EV Multiples	
			Revenue	YoY Rev. Growth	5yr Rev. CAGR	EBITDA	LTM			
							Revenue		EBITDA	
BFAM	Bright Horizons Family Solutions Inc.	\$ 9,540	\$ 2,067	6%	9%	\$ 365	0.79	4.6x	26.2x	
OM:ACAD	AcadeMedia AB (publ)	\$ 1,741	\$ 1,229	6%	N/A	\$ 116	1.25	1.4x	15.0x	
GEM	G8 Education Limited	\$ 1,307	\$ 644	7%	14%	\$ 123	1.26	2.0x	10.6x	
SEHK:1317	China Maple Leaf Educational Systems	\$ 595	\$ 231	11%	22%	\$ 89	0.95	2.6x	6.7x	
ASX:TNK	Think Childcare Limited	\$ 189	\$ 81	35%	46%	\$ 12	0.81	2.3x	15.8x	
SGX:CNE	MindChamps PreSchool Limited	\$ 103	\$ 40	46%	38%	\$ 4	1.45	2.6x	27.7x	
TSE:6189	Global Kids Company Corp.	\$ 90	\$ 199	18%	N/A	\$ 9	1.14	0.5x	10.5x	
ASX:MFD	Mayfield Childcare Limited	\$ 44	\$ 25	14%	N/A	\$ 4	1.41	1.7x	9.9x	

Min	\$ 44	\$ 25	6%	9%	\$ 4	0.79	0.5x	6.7x
Median	\$ 392	\$ 215	13%	22%	\$ 51	1.19	2.2x	12.8x
Mean	\$ 1,701	\$ 564	18%	26%	\$ 90	1.13	2.2x	15.3x
Max	\$ 9,540	\$ 2,067	46%	46%	\$ 365	1.45	4.6x	27.7x

Public Company Valuation and Growth Metrics (\$ in mm)

Fitness Clubs

Ticker	Company Name	EV	LTM Financials					5 Year Beta	EV Multiples	
			Revenue	YoY Rev. Growth	5yr Rev. CAGR	EBITDA	LTM			
							Revenue		EBITDA	
PLNT	Planet Fitness, Inc.	\$ 6,980	\$ 620	11%	16%	\$ 263	1.19	11.3x	26.5x	
BFIT	Basic-Fit N.V.	\$ 3,126	\$ 578	28%	26%	\$ 176	1.77	5.4x	17.7x	
CLUB	Town Sports International Holdings, Inc.	\$ 804	\$ 467	5%	1%	\$ 39	2.25	1.7x	20.4x	

Min	\$ 804	\$ 467	5%	1%	\$ 39	1.19	1.7x	17.7x
Median	\$ 3,126	\$ 578	11%	16%	\$ 176	1.77	5.4x	20.4x
Mean	\$ 3,637	\$ 555	15%	14%	\$ 160	1.73	6.1x	21.5x
Max	\$ 6,980	\$ 620	28%	26%	\$ 263	2.25	11.3x	26.5x

Entertainment / Experiential

Ticker	Company Name	EV	LTM Financials					5 Year Beta	EV Multiples	
			Revenue	YoY Rev. Growth	5yr Rev. CAGR	EBITDA	LTM			
							Revenue		EBITDA	
LYV	Live Nation Entertainment, Inc.	\$ 13,863	\$ 11,186	1%	10%	\$ 657	1.11	1.2x	21.1x	
AMC	AMC Entertainment Holdings, Inc.	\$ 10,858	\$ 5,212	-1%	14%	\$ 616	1.73	2.1x	17.6x	
MTN	Vail Resorts, Inc.	\$ 9,995	\$ 2,131	-5%	9%	\$ 543	1.20	4.7x	18.4x	
SIX	Six Flags Entertainment Corporation	\$ 5,075	\$ 1,462	0%	4%	\$ 544	2.23	3.5x	9.3x	
CNK	Cinemark Holdings, Inc.	\$ 4,993	\$ 3,112	-1%	3%	\$ 578	1.80	1.6x	8.6x	
FUN	Cedar Fair, L.P.	\$ 4,260	\$ 1,462	7%	5%	\$ 478	1.89	2.9x	8.9x	
PLAY	Dave & Buster's Entertainment, Inc.	\$ 2,721	\$ 1,355	7%	13%	\$ 281	1.60	2.0x	9.7x	
MCS	The Marcus Corporation	\$ 1,002	\$ 773	15%	N/A	\$ 125	1.26	1.3x	8.0x	
IMAX	IMAX Corporation	\$ 838	\$ 350	-5%	3%	\$ 72	1.52	2.4x	11.6x	
RDI	Reading International, Inc.	\$ 559	\$ 277	-10%	2%	\$ 33	1.50	2.0x	17.0x	

Min	\$ 559	\$ 277	-10%	2%	\$ 33	1.11	1.2x	8.0x
Median	\$ 4,627	\$ 1,462	-1%	5%	\$ 510	1.56	2.1x	10.6x
Mean	\$ 5,416	\$ 2,732	1%	7%	\$ 393	1.59	2.4x	13.0x
Max	\$ 13,863	\$ 11,186	15%	14%	\$ 657	2.23	4.7x	21.1x

Public Company Valuation and Growth Metrics (\$ in mm)

Grocery

Ticker	Company Name	EV	LTM Financials					EV Multiples	
			Revenue	YoY Rev.	5yr Rev.	EBITDA	5 Year Beta	LTM	
				Growth	CAGR			Revenue	EBITDA
KR	The Kroger Co.	\$ 46,375	\$ 122,286	0%	2%	\$ 5,354	0.38	0.4x	8.7x
SFM	Sprouts Farmers Market, Inc.	\$ 4,277	\$ 5,867	10%	14%	\$ 393	0.22	0.7x	10.9x
IMKT.A	Ingles Markets, Incorporated	\$ 1,602	\$ 4,362	5%	3%	\$ 294	0.63	0.4x	5.5x
SPTN	SpartanNash Company	\$ 1,600	\$ 8,850	8%	2%	\$ 165	1.08	0.2x	9.7x
WMK	Weis Markets, Inc.	\$ 1,299	\$ 3,534	1%	5%	\$ 172	0.13	0.4x	7.6x
	Min	\$ 1,299	\$ 3,534	0%	2%	\$ 165	0.13	0.2x	5.5x
	Median	\$ 1,602	\$ 5,867	5%	3%	\$ 294	0.38	0.4x	8.7x
	Mean	\$ 11,031	\$ 28,980	5%	5%	\$ 1,276	0.49	0.4x	8.5x
	Max	\$ 46,375	\$ 122,286	10%	14%	\$ 5,354	1.08	0.7x	10.9x

C-Store

Ticker	Company Name	EV	LTM Financials					EV Multiples	
			Revenue	YoY Rev.	5yr Rev.	EBITDA	5 Year Beta	LTM	
				Growth	CAGR			Revenue	EBITDA
ATD.B	Alimentation Couche-Tard Inc.	\$ 43,099	\$ 57,559	-3%	10%	\$ 3,650	0.78	0.7x	11.8x
CASY	Casey's General Stores, Inc.	\$ 7,081	\$ 9,175	10%	5%	\$ 643	0.78	0.8x	11.0x
SUN	Sunoco LP	\$ 5,872	\$ 16,176	-4%	4%	\$ 443	1.81	0.4x	13.3x
MUSA	Murphy USA Inc.	\$ 4,352	\$ 12,152	-2%	-3%	\$ 535	1.01	0.4x	8.1x
TA	TravelCenters of America Inc.	\$ 2,422	\$ 5,993	-4%	-4%	\$ 169	1.96	0.4x	14.4x
GTY	Getty Realty Corp.	\$ 1,755	\$ 142	3%	7%	\$ 103	0.80	12.4x	17.0x
	Min	\$ 1,755	\$ 142	-4%	-4%	\$ 103	0.78	0.4x	8.1x
	Median	\$ 5,112	\$ 10,663	-3%	5%	\$ 489	0.91	0.6x	12.5x
	Mean	\$ 10,763	\$ 16,866	0%	3%	\$ 924	1.19	2.5x	12.6x
	Max	\$ 43,099	\$ 57,559	10%	10%	\$ 3,650	1.96	12.4x	17.0x

Public Company Operating Statistics (\$ in mm)

Restaurants - Fast Casual

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
CMG	Chipotle Mexican Grill, Inc.	\$ 30,760	66%	34%	10%	2%	12%	3%
MTY	MTY Food Group Inc.	\$ 1,412	18%	82%	0%	Undisclosed	26%	7%
LOCO	El Pollo Loco Holdings, Inc.	\$ 844	78%	22%	8%	Undisclosed	13%	5%
TACO	Del Taco Restaurants, Inc.	\$ 663	81%	19%	9%	Undisclosed	10%	5%
FRGI	Fiesta Restaurant Group, Inc.	\$ 548	81%	19%	13%	4%	6%	4%
NATH	Nathan's Famous, Inc.	\$ 336	60%	40%	13%	Undisclosed	27%	5%
NDLS	Noodles & Company	\$ 346	83%	17%	10%	Undisclosed	7%	1%
PBPB	Potbelly Corporation	\$ 293	73%	27%	10%	Undisclosed	4%	4%

Min	\$ 293	18%	17%	0%	2%	4%	1%
Median	\$ 605	76%	24%	10%	3%	11%	4%
Mean	\$ 4,400	68%	32%	9%	3%	13%	4%
Max	\$ 30,760	83%	82%	13%	4%	27%	7%

Restaurants - QSR

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
MCD	McDonald's Corporation	\$ 192,520	47%	53%	11%	Undisclosed	49%	4%
YUM	Yum! Brands, Inc.	\$ 38,815	50%	50%	16%	Undisclosed	36%	6%
QSR	Restaurant Brands International	\$ 31,192	42%	58%	22%	Undisclosed	39%	8%
DPZ	Domino's Pizza, Inc.	\$ 19,487	72%	28%	10%	Undisclosed	19%	6%
DNKN	Dunkin' Brands Group, Inc.	\$ 8,509	48%	52%	18%	Undisclosed	35%	6%
WEN	The Wendy's Company	\$ 8,476	56%	44%	15%	Undisclosed	29%	11%
JACK	Jack in the Box Inc.	\$ 3,805	70%	30%	9%	Undisclosed	21%	6%
PZZA	Papa John's International, Inc.	\$ 3,387	71%	29%	12%	Undisclosed	7%	3%
TAST	Carrols Restaurant Group, Inc.	\$ 1,587	86%	14%	9%	4%	4%	8%

Min	\$ 185	20%	16%	0%	4%	7%	0%
Median	\$ 452	74%	26%	10%	4%	12%	1%
Mean	\$ 2,038	68%	32%	10%	4%	15%	2%
Max	\$ 13,999	84%	80%	14%	4%	39%	5%

Public Company Operating Statistics (\$ in mm)

Restaurants - Full Service

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
DRI	Darden Restaurants, Inc.	\$ 15,536	78%	22%	9%	3%	12%	4%
TXRH	Texas Roadhouse, Inc.	\$ 4,352	83%	17%	7%	1%	10%	2%
EAT	Brinker International, Inc.	\$ 3,788	85%	15%	4%	Undisclosed	11%	5%
BLMN	Bloomin' Brands, Inc.	\$ 3,580	85%	15%	7%	Undisclosed	8%	6%
CBRL	Cracker Barrel Old Country Store, Inc.	\$ 3,935	66%	34%	28%	Undisclosed	10%	4%
CAKE	The Cheesecake Factory Incorporated	\$ 2,684	60%	40%	14%	Undisclosed	7%	9%
DIN	Dine Brands Global, Inc.	\$ 2,575	58%	42%	18%	Undisclosed	27%	9%
SHAK	Shake Shack Inc.	\$ 2,521	64%	36%	13%	Undisclosed	11%	3%
DENN	Denny's Corporation	\$ 1,233	62%	38%	11%	Undisclosed	20%	6%
BJRI	BJ's Restaurants, Inc.	\$ 1,175	86%	14%	5%	Undisclosed	9%	5%
RRGB	Red Robin Gourmet Burgers, Inc.	\$ 893	83%	17%	12%	3%	4%	5%
CHUY	Chuy's Holdings, Inc.	\$ 549	84%	16%	8%	1%	9%	4%
JAX	J. Alexander's Holdings, Inc.	\$ 163	65%	35%	8%	Undisclosed	7%	4%
	Min	\$ 163	58%	14%	4%	1%	4%	2%
	Median	\$ 2,575	78%	22%	9%	2%	10%	5%
	Mean	\$ 3,307	74%	26%	11%	2%	11%	5%
	Max	\$ 15,536	86%	42%	28%	3%	27%	9%

Early Education Facility Operators

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
BFAM	Bright Horizons Family Solutions Inc.	\$ 9,540	75%	25%	11%	Undisclosed	18%	3%
OM:ACAD	AcadeMedia AB (publ)	\$ 1,741	71%	29%	13%	Undisclosed	9%	5%
GEM	G8 Education Limited	\$ 1,307	67%	33%	1%	Undisclosed	19%	4%
SEHK:1317	China Maple Leaf Educational Systems Limited	\$ 595	53%	47%	15%	2%	39%	1%
ASX:TNK	Think Childcare Limited	\$ 189	4%	96%	71%	1%	15%	9%
SGX:CNE	MindChamps PreSchool Limited	\$ 103	49%	51%	49%	2%	9%	6%
TSE:6189	Global Kids Company Corp.	\$ 90	89%	11%	7%	Undisclosed	4%	9%
ASX:MFD	Mayfield Childcare Limited	\$ 44	0%	100%	72%	Undisclosed	17%	4%
	Min	\$ 44	0%	11%	1%	1%	4%	1%
	Median	\$ 392	60%	40%	14%	2%	16%	5%
	Mean	\$ 1,701	51%	49%	30%	2%	16%	5%
	Max	\$ 9,540	89%	100%	72%	2%	39%	9%

Public Company Operating Statistics (\$ in mm)

Fitness Clubs

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
PLNT	Planet Fitness, Inc.	\$ 6,980	44%	56%	13%	Undisclosed	42%	7%
BFIT	Basic-Fit N.V.	\$ 3,126	20%	80%	6%	4%	31%	6%
CLUB	Town Sports International Holdings, Inc.	\$ 804	20%	80%	72%	1%	8%	4%

Min	\$ 804	20%	56%	6%	1%	8%	4%
Median	\$ 3,126	20%	80%	13%	3%	31%	6%
Mean	\$ 3,637	28%	72%	30%	3%	27%	6%
Max	\$ 6,980	44%	80%	72%	4%	42%	7%

Entertainment / Experiential

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
LYV	Live Nation Entertainment, Inc.	\$ 13,863	73%	27%	21%	Undisclosed	6%	5%
AMC	AMC Entertainment Holdings, Inc.	\$ 10,858	84%	16%	4%	Undisclosed	12%	6%
MTN	Vail Resorts, Inc.	\$ 9,995	61%	39%	14%	Undisclosed	25%	4%
SIX	Six Flags Entertainment Corporation	\$ 5,075	47%	53%	16%	5%	37%	4%
CNK	Cinemark Holdings, Inc.	\$ 4,993	52%	48%	30%	Undisclosed	19%	4%
FUN	Cedar Fair, L.P.	\$ 4,260	53%	47%	14%	Undisclosed	33%	5%
PLAY	Dave & Buster's Entertainment, Inc.	\$ 2,721	73%	27%	7%	Undisclosed	21%	4%
MCS	The Marcus Corporation	\$ 1,002	59%	41%	17%	3%	16%	4%
IMAX	IMAX Corporation	\$ 838	50%	50%	39%	Undisclosed	21%	4%
RDI	Reading International, Inc.	\$ 559	79%	21%	9%	Undisclosed	12%	7%

Min	\$ 559	47%	16%	4%	3%	6%	4%
Median	\$ 4,627	60%	40%	15%	4%	20%	4%
Mean	\$ 5,416	63%	37%	17%	4%	20%	5%
Max	\$ 13,863	84%	53%	39%	5%	37%	7%

Public Company Operating Statistics (\$ in mm)

Grocery

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
KR	The Kroger Co.	\$ 46,375	77%	23%	18%	1%	4%	3%
SFM	Sprouts Farmers Market, Inc.	\$ 4,277	66%	34%	28%	1%	7%	3%
SPTN	SpartanNash Company	\$ 1,600	85%	15%	14%	Undisclosed	2%	4%
IMKT.A	Ingles Markets, Incorporated	\$ 1,602	76%	24%	20%	Undisclosed	7%	3%

Min	\$ 1,600	66%	15%	14%	1%	2%	3%
Median	\$ 2,940	76%	24%	19%	1%	6%	3%
Mean	\$ 13,464	76%	24%	20%	1%	5%	3%
Max	\$ 46,375	85%	34%	28%	1%	7%	4%

C-Store

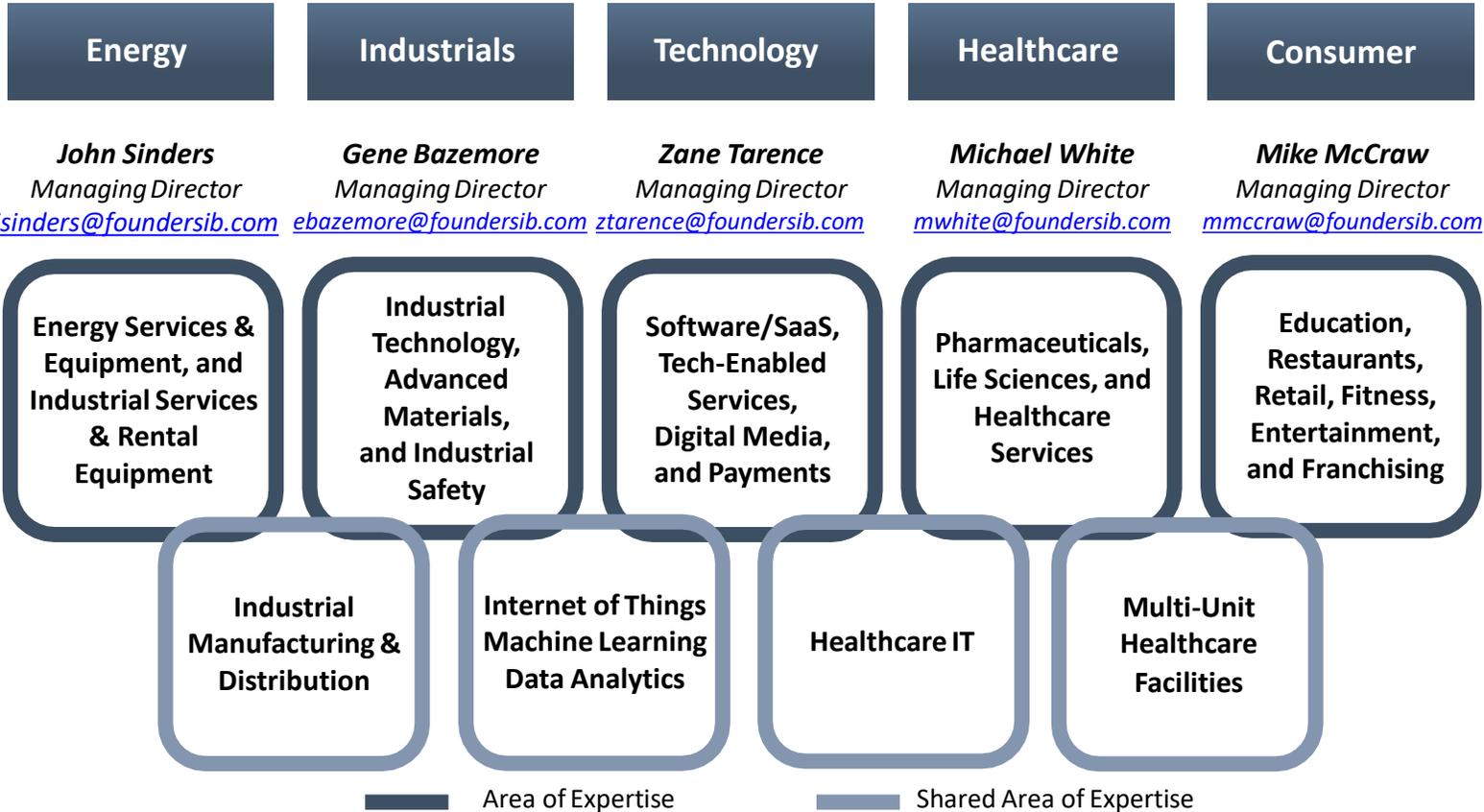
Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
ATD.B	Alimentation Couche-Tard Inc.	\$ 43,099	84%	16%	9%	Undisclosed	6%	2%
CASY	Casey's General Stores, Inc.	\$ 7,081	77%	23%	16%	Undisclosed	7%	2%
SUN	Sunoco LP	\$ 5,872	94%	6%	1%	Undisclosed	3%	8%
MUSA	Murphy USA Inc.	\$ 4,352	94%	6%	1%	Undisclosed	4%	2%
TA	TravelCenters of America Inc.	\$ 2,422	92%	8%	7%	Undisclosed	3%	5%
GTY	Getty Realty Corp.	\$ 1,755	17%	83%	11%	Undisclosed	73%	6%

Min	\$ 1,755	17%	6%	1%	0%	3%	2%
Median	\$ 5,112	88%	12%	8%	0%	5%	4%
Mean	\$ 10,763	76%	24%	8%	0%	16%	4%
Max	\$ 43,099	94%	83%	16%	0%	73%	8%

About Founders Advisors

Founders Advisors (Founders) is a merger, acquisition, & strategic advisory firm serving lower middle-market companies. Our focus is on consumer, industrials, energy, health care, business services, and technology companies throughout the United States. Our skilled professionals, proven expertise, and process-based solutions help companies access growth capital, make acquisitions, and/or prepare for and execute liquidity events to achieve specific financial goals.

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