

Market Insights

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

“While many companies spent the first two quarters of 2020 surviving a global pandemic, Q3 has seen more of an adjustment to this new normal. Adapting means different things for different companies, but it almost always means innovation, a focus on people, and clear commitment to a vision.” – **Mike McCraw, Managing Director**

Industry Buzz

“When I look back on all that has transpired, one thing that stands out is the resiliency of the full-service dining industry. In fact, going out to a restaurant with friends and family is the #1 activity consumers say they look forward to doing as the economy opens back up, and we’ve seen that as our dine-ins reopen across the country.”

– **Eugene Lee, President & CEO, Darden Restaurants**

“I think most companies will take a step back, sit down and look at ways to reassess or re-evaluate their operations. We actually looked at the current [economic] situation [as] less of an opportunity to reset and more of an opportunity to re-emerge.”

– **Charles Guzzetta, President of Burger Fi**

“M&A is one of the areas that we identified in our strategic planning process as a big opportunity, and to accelerate that, we are going to focus on the smaller chains. We believe that as things get back to normal, there will be a greater opportunity to acquire some folks who may want to get out of the business.”

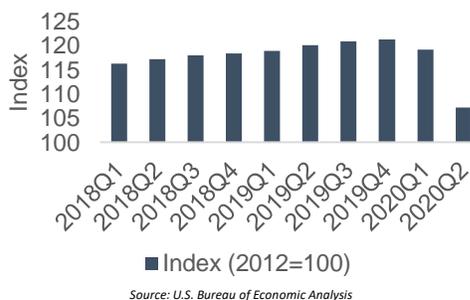
– **Darren Reblez, Casey’s Convenience Store CEO**

Macro Dashboard

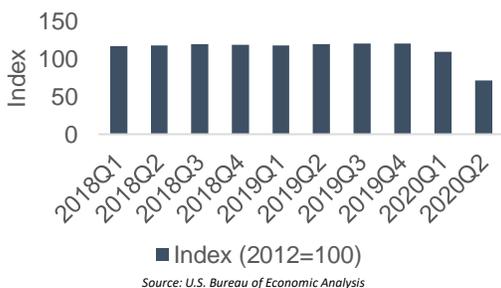
Consumer Confidence



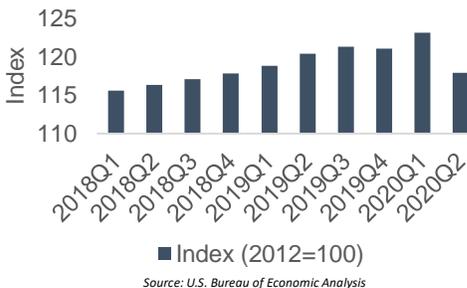
Overall Consumer Spending



Food Service & Accommodations Spending



Non-Durable Goods Spending



“Survive & Thrive” Multi-Unit Webinar Series

Click on the videos below to watch our webcasts:



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Retail Strategies**
President Lacy
Beasley
&
Downtown
Strategies
President Jenn
Gregory



**Episode IV -
Moe’s Original
BBQ**
Owner & Co-
Founder
Jeff Kennedy

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Multi-Unit Team Contacts

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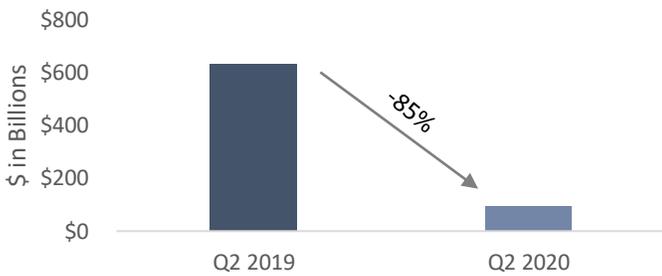
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Consumer Multi-Unit: Lower Middle Market Themes

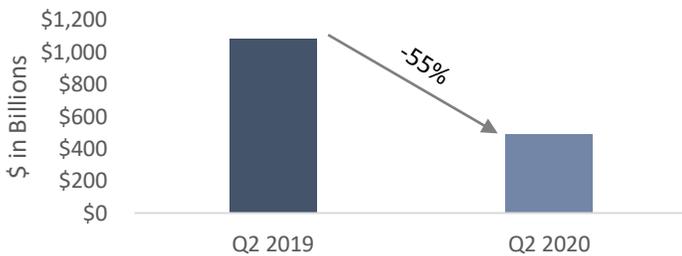
Q2 M&A Overview

- Due to uncertainty surrounding COVID-19 and widespread closures, M&A activity fell in Q2 2020.
- U.S. deal value fell 85% compared to Q2 2019, with \$94B in total announced deals. Globally, Q2 total deal value was down 55% year-over-year, falling from \$1,078B to \$485B.
- However, preliminary data suggests M&A activity will return in Q3 and Q4 2020 as companies digest the pandemic's effects.

Q2 2020 U.S. Deal Value



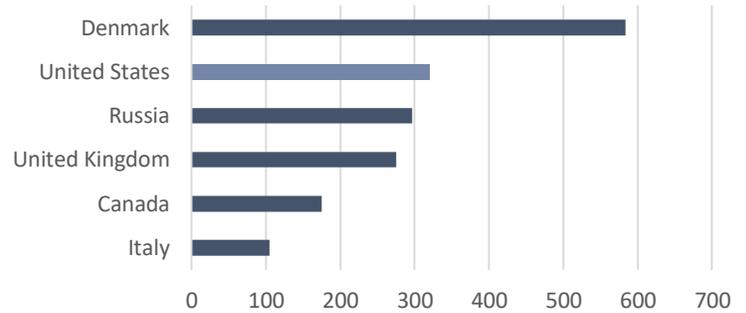
Q2 2020 Global Deal Value



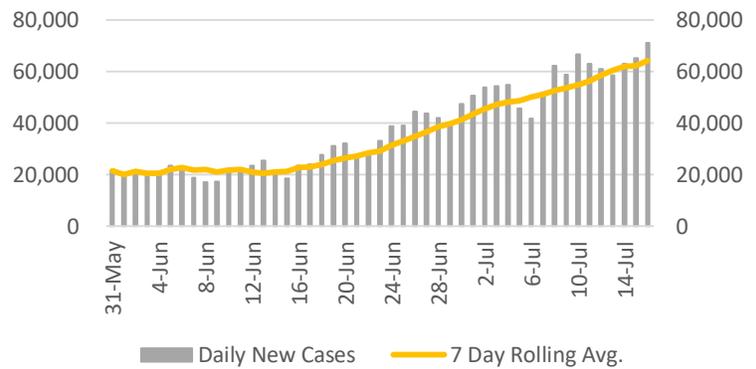
Source: Refinitiv

Key COVID-19 Indicators to Follow

COVID-19 Tests per 1,000 People
September 23, 2020



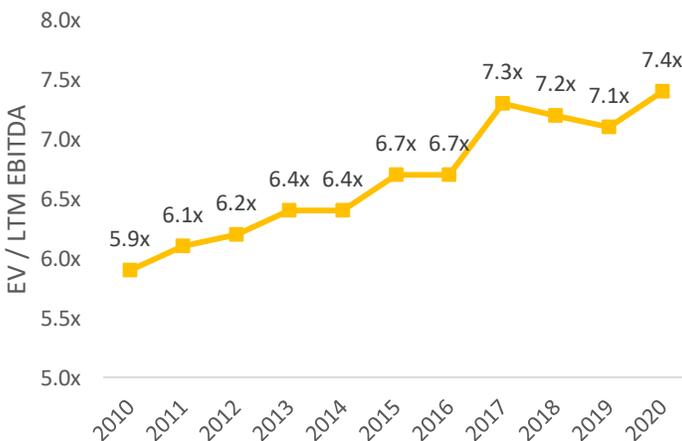
Daily Cases - U.S.



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

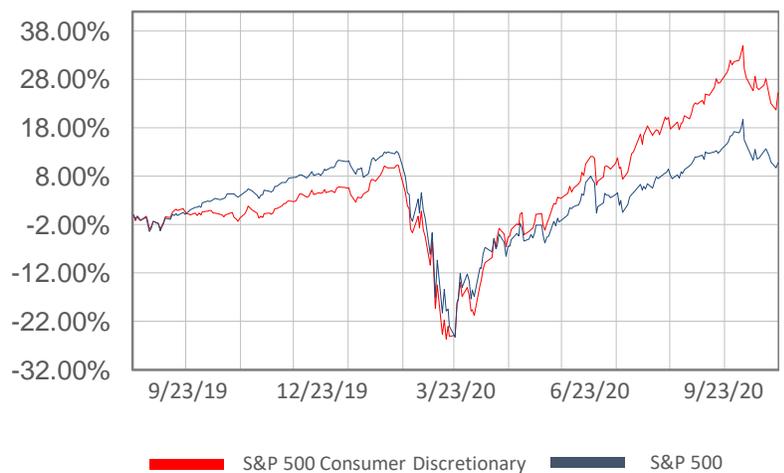
- [Testing Update](#)
- [Wesley Legg Featured on BMSS Web Series: Re-opening the Economy](#)
- [Founders' CARES Act Brief](#)
- [Multi-Unit Industry Buzz](#)

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 4/4)



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

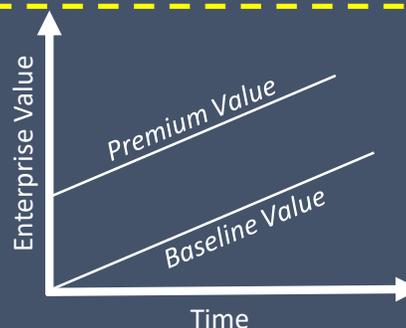
Chapter 3

- **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 4/4)



Why It's Important

What Investors Look For

How to Improve

Technology Integration

The Coronavirus pandemic has solidified the need for technology integration in multi-unit consumer businesses. The pandemic has accelerated digitization in the space, leading with online ordering, delivery, and innovative pickup options.

As digital restaurant orders increased >130% in May of 2020, restaurants with adequate integration were able to capture the benefits of this trend.

While online ordering and delivery have surely been accelerated by government mandates, these were long term trends existing far ahead of 2020.

If proof is needed in the investor community's attraction to technology in the foodservice space, look no further than the recent UberEats \$2.65bn acquisition of Postmates, or the \$7.3bn acquisition of Grubhub by Just Eat Takeaway.

Beyond food delivery technologies, consumer desires for ease-of-order can be bolstered through integration with ordering software, and even in-location ordering and payment hardware (such as iPads).

Efficiencies offered through further tech integrations can drop more sales to the bottom line, driving margin expansion.

1. Offer a flexible, digitized purchase/ordering process. Outside of the obvious COVID-related benefit, this assists in data collection, future remarketing opportunities, and ease-of-use for the consumer.
2. Utilize scheduling, inventory ordering, and A/P software to streamline your operations and minimize your back-office expense base.
3. Monitor newly-released technology as innovation such as facial recognition re-ordering and big data integration continue to penetrate the industry.

Process Documentation

Standardized processes drive efficiency and consistent service. Whether it be onboarding and training processes, product/food preparation, maintaining the books, making accuracy as easy as possible for your employees will yield results.

Recording and consistently updating business procedures optimize processes over time and make turnover less costly.

Efficiencies, consistent service, and confidence in overall business continuity are gained through process standardization.

As mentioned in prior chapters of "Increasing the Value of a Multi-Unit Business", 'Key Man' risk is a key point of evaluation for potential investors. "What happens if the founder/CEO/key manager leaves the business?" Process documentation and standardization reduces reliance on a single person or small group of managers.

Investors will also look to how easily they can open new locations and scale, both made easier through process documentation and standardization.

1. Begin by recording the most critical processes; food preparation, inventory stocking, new member signups, etc.
2. Train employees using standardized processes. Re-evaluate and iterate until the documentation can successfully 'speak for itself.'
3. Expand documentation to all repeatable processes undergone, even if typically only done by top management. Think budgeting, book-keeping, etc.

Talent Retention

Strong service & a superior customer experience drive repeat business, and retaining talent enables your organization to serve customers at that high level consistently.

Turnover can also be an expensive thorn in the multi-unit business' side, especially if processes aren't documented as described above.

Turnover is an unfortunate reality for many multi-unit businesses that rely heavily on hourly employees, so proactiveness in talent retention can be key to mitigation.

Depending on your sub-industry, an investor may evaluate your retention rate in a data-driven approach by comparing to an industry benchmark. For example, industry studies have shown that personal trainers turnover at an 80% rate, hospitality workers at over 70%, and retail workers as high as 76%.

Investors know that higher retention may lead to improvement in other financial metrics, such as repeat customers (and thus same store sales growth) and cost improvement.

1. Listen to employee/staff referrals. Your employees understand the company culture and potential fit with their connections more than a resume could ever convey, and culture fit can be crucial to long-term retention.
2. Heavily vet candidates' qualifications. Underqualified employees lead to early terminations or voluntary turnover.
3. Source your management roles internally when possible. Cultural alignment follows, as well as proving to your employee base that elevation is possible for top performers.

Notable Recent Multi-Unit Transactions (\$ in mm)

Restaurants

Announced Date	Target	Buyer	Purchase Price	
8/31/2020	 RED LOBSTER FRESH FISH • LIVE LOBSTER	 Thai Union	Undisclosed	
8/26/2020	 tropical CAFE SMOOTHIE		Undisclosed	
8/13/2020	 Johnny Rockets THE ORIGINAL HAMBURGER	 FAT BRANDS FRESH. AUTHENTIC. TASTY.	\$25	
7/13/2020	 chewse	 foodee	Undisclosed	
7/02/2020	 TOAST & BERRY BREAKFAST • BRUNCH • LUNCH	 LGHG LOOKING GLASS HOSPITALITY GROUP	Undisclosed	
6/19/2020	 TRIPLE TWO REAL FOOD, AWESOME COFFEE	 COOKS GLOBAL FOODS LTD.	\$7	
6/11/2020	 BRIO tuscan grille	 BRAVO! CUCINA ITALIANA	 earl enterprises	\$30
6/08/2020	 BURGERFI. NATURAL BURGERS • FRIES • DOGS • CUSTARD • CRAFT BEERS • WINE	 opes acquisition corp.	\$179	
5/27/2020	 Le Pain QUOTIDIEN	 aurify brands	Undisclosed	
5/22/2020	 Carluccio's	 Boparan Restaurant Group	\$4	
5/14/2020	 Krystal	 FORTRESS	\$49	
04/29/2020	 BOSTON Rotisserie Kitchen MARKET	 Engage Brands	Undisclosed	

Notable Recent Multi-Unit Transactions (\$ in mm)

Fitness

Announced Date	Target	Buyer	Purchase Price
7/17/2020	 THE ATHLETIC CLUB	 HEALTH GENESIS CLUBS	Undisclosed
7/14/2020	 GOLD'S GYM	 RSG GROUP	\$100
06/24/2020	 F45 Training	 CRESCENT Crescent Acquisition Corp	\$845
05/26/2020	 ANYTIME FITNESS	 inspire BRANDS ASIA	Undisclosed

Retail

Announced Date	Target	Buyer	Purchase Price
6/24/20	 GNC LIVE WELL.	 HPGC 哈药集团 HARBIN PHARMACEUTICAL GROUP	\$760
6/24/2020	 ASHLEY STEWART	 MC MONROE CAPITAL	Undisclosed
6/04/2020	 CT Charlotte Tilbury	 PUIG	\$1,132

Other Consumer Services

Announced Date	Target	Buyer	Purchase Price
06/08/2020	 Roompot.	 KKR	Undisclosed

Public Company Valuation and Growth Metrics (\$ in mm) – 9/30/2020

Restaurants - Fast Casual / QSR

Ticker	Company Name	EV	LTM Financials					EV Multiples	
			Revenue	YoY Rev.	5yr Rev.	EBITDA	5 Year Beta	LTM	
				Growth	CAGR			Revenue	EBITDA
CMG	Chipotle Mexican Grill, Inc.	\$ 36,883	\$ 5,619	8%	5%	\$ 555	1.26	6.6x	66.5x
MTY	MTY Food Group Inc.	\$ 1,419	\$ 410	23%	34%	\$ 100	1.88	3.5x	14.2x
LOCO	El Pollo Loco Holdings, Inc.	\$ 871	\$ 424	-4%	4%	\$ 56	1.50	2.1x	15.5x
TACO	Del Taco Restaurants, Inc.	\$ 717	\$ 492	-4%	4%	\$ 48	1.78	1.5x	15.0x
FRGI	Fiesta Restaurant Group, Inc.	\$ 573	\$ 592	-13%	-2%	\$ 28	1.77	1.0x	20.8x
NDLS	Noodles & Company	\$ 594	\$ 413	-10%	-1%	\$ 18	1.04	1.4x	33.7x
NATH	Nathan's Famous, Inc.	\$ 290	\$ 90	-11%	-2%	\$ 28	0.18	3.2x	10.4x
PBPB	Potbelly Corporation	\$ 325	\$ 350	-15%	0%	\$ (6)	1.40	0.9x	N/A

Min	\$ 290	\$ 90	-15%	-2%	\$ (6)	0.18	0.9x	N/A
Median	\$ 655	\$ 419	-7%	2%	\$ 38	1.45	1.8x	15.2x
Mean	\$ 5,209	\$ 1,049	-3%	5%	\$ 103	1.35	2.5x	15.1x
Max	\$ 36,883	\$ 5,619	23%	34%	\$ 555	1.88	6.6x	66.5x

Restaurants - Fast Food

Ticker	Company Name	EV	LTM Financials					EV Multiples	
			Revenue	YoY Rev.	5yr Rev.	EBITDA	5 Year Beta	LTM	
				Growth	CAGR			Revenue	EBITDA
MCD	McDonald's Corporation	\$ 211,990	\$ 19,119	-9%	-6%	\$ 8,909	0.67	11.1x	23.8x
YUM	Yum! Brands, Inc.	\$ 37,921	\$ 5,494	0%	-16%	\$ 1,869	0.87	6.9x	20.3x
QSR	Restaurant Brands International Inc.	\$ 31,856	\$ 5,210	-4%	14%	\$ 1,940	1.20	6.1x	16.4x
DPZ	Domino's Pizza, Inc.	\$ 20,893	\$ 3,764	7%	13%	\$ 706	0.33	5.6x	29.6x
DNKN	Dunkin' Brands Group, Inc.	\$ 9,665	\$ 1,302	-3%	11%	\$ 437	0.87	7.4x	22.1x
WEN	The Wendy's Company	\$ 8,462	\$ 1,343	2%	-7%	\$ 376	1.04	6.3x	22.5x
JACK	Jack in the Box Inc.	\$ 3,966	\$ 987	9%	-8%	\$ 220	1.60	4.0x	18.0x
PZZA	Papa John's International, Inc.	\$ 3,397	\$ 1,692	7%	1%	\$ 125	1.03	2.0x	27.1x
TAST	Carrols Restaurant Group, Inc.	\$ 1,649	\$ 1,523	21%	14%	\$ 76	2.54	1.1x	21.6x

Min	\$ 1,649	\$ 987	-9%	-16%	\$ 76	0.33	1.1x	16.4x
Median	\$ 9,665	\$ 1,692	2%	1%	\$ 437	1.03	6.1x	22.1x
Mean	\$ 36,644	\$ 4,493	3%	2%	\$ 1,629	1.13	5.6x	22.4x
Max	\$ 211,990	\$ 19,119	21%	14%	\$ 8,909	2.54	11.1x	29.6x

Public Company Valuation and Growth Metrics (\$ in mm) – 9/30/2020

Restaurants - Full Service

Ticker	Company Name	EV	LTM Financials					EV Multiples	
			Revenue	YoY Rev.	5yr Rev.	EBITDA	5 Year Beta	LTM	
				Growth	CAGR			Revenue	EBITDA
DRI	Darden Restaurants, Inc.	\$ 18,332	\$ 7,807	-8%	3%	\$ 623	1.23	2.3x	29.4x
TXRH	Texas Roadhouse, Inc.	\$ 4,769	\$ 2,505	-3%	8%	\$ 183	0.98	1.9x	26.0x
EAT	Brinker International, Inc.	\$ 4,290	\$ 3,079	-4%	1%	\$ 272	2.53	1.4x	15.8x
BLMN	Bloomin' Brands, Inc.	\$ 3,821	\$ 3,576	-13%	-4%	\$ 235	1.75	1.1x	16.3x
CBRL	Cracker Barrel Old Country Store, Inc.	\$ 3,932	\$ 2,523	-18%	-2%	\$ 180	1.21	1.6x	21.9x
CAKE	The Cheesecake Factory Incorporated	\$ 2,953	\$ 2,192	-7%	1%	\$ 65	1.53	1.3x	45.2x
DIN	Dine Brands Global, Inc.	\$ 2,669	\$ 762	-13%	2%	\$ 184	1.86	3.5x	14.5x
SHAK	Shake Shack Inc.	\$ 2,680	\$ 544	3%	29%	\$ 35	1.69	4.9x	76.9x
DENN	Denny's Corporation	\$ 1,196	\$ 375	-40%	-5%	\$ 64	1.47	3.2x	18.7x
BJRI	BJ's Restaurants, Inc.	\$ 1,218	\$ 952	-17%	2%	\$ 50	2.08	1.3x	24.3x
RRGB	Red Robin Gourmet Burgers, Inc.	\$ 903	\$ 1,064	-19%	-3%	\$ 3	2.40	0.8x	309.9x
CHUY	Chuy's Holdings, Inc.	\$ 542	\$ 371	-10%	7%	\$ 34	2.00	1.5x	16.1x
JAX	J. Alexander's Holdings, Inc.	\$ 172	\$ 205	-17%	0%	\$ 2	1.28	0.8x	71.5x
Min		\$ 172	\$ 205	-40%	-5%	\$ 2	0.98	0.8x	14.5x
Median		\$ 2,680	\$ 1,064	-13%	1%	\$ 65	1.69	1.5x	24.3x
Mean		\$ 3,652	\$ 1,996	-13%	3%	\$ 148	1.69	2.0x	52.8x
Max		\$ 18,332	\$ 7,807	3%	29%	\$ 623	2.53	4.9x	309.9x

Early Education Facility Operators

Ticker	Company Name	EV	LTM Financials					EV Multiples	
			Revenue	YoY Rev.	5yr Rev.	EBITDA	5 Year Beta	LTM	
				Growth	CAGR			Revenue	EBITDA
BFAM	Bright Horizons Family Solutions Inc.	\$ 10,774	\$ 1,832	-7%	6%	\$ 315	0.81	5.9x	34.2x
OM:ACAD	AcadeMedia AB (publ)	\$ 1,875	\$ 1,319	5%	8%	\$ 390	1.33	1.4x	4.8x
GEM	G8 Education Limited	\$ 1,112	\$ 549	-11%	6%	\$ 69	1.32	2.0x	16.0x
SEHK:1317	China Maple Leaf Educational Systems Limited	\$ 680	\$ 231	11%	22%	\$ 89	1.00	2.9x	7.6x
ASX:TNK	Think Childcare Group	\$ 198	\$ 80	16%	N/A	\$ 13	0.96	2.5x	15.2x
SGX:CNE	MindChamps PreSchool Limited	\$ 99	\$ 38	16%	N/A	\$ (3)	1.39	2.6x	N/A
TSE:6189	Global Kids Company Corp.	\$ 113	\$ 202	15%	N/A	\$ 11	1.07	0.6x	10.1x
ASX:MFD	Mayfield Childcare Limited	\$ 43	\$ 25	9%	N/A	\$ 4	1.34	1.7x	10.6x
Min		\$ 43	\$ 25	-11%	6%	\$ (3)	0.81	0.6x	N/A
Median		\$ 439	\$ 217	10%	7%	\$ 41	1.19	2.3x	10.4x
Mean		\$ 1,862	\$ 535	7%	10%	\$ 111	1.15	2.5x	7.8x
Max		\$ 10,774	\$ 1,832	16%	22%	\$ 390	1.39	5.9x	34.2x

Public Company Valuation and Growth Metrics (\$ in mm) – 9/30/2020

Fitness Clubs

Ticker	Company Name	EV	LTM Financials					EV Multiples	
			Revenue	YoY Rev.	5yr Rev.	EBITDA	5 Year Beta	LTM	
				Growth	CAGR			Revenue	EBITDA
PLNT	Planet Fitness, Inc.	\$ 6,450	\$ 486	-19%	9%	\$ 178	1.11	13.3x	36.3x
BFIT	Basic-Fit N.V.	\$ 3,146	\$ 515	1%	N/A	\$ 115	1.75	6.1x	27.4x
CLUB	Town Sports International Holdings, Inc.	\$ 768	\$ 448	-1%	0%	\$ 22	N/A	1.7x	34.9x

Min	\$ 768	\$ 448	-19%	0%	\$ 22	1.11	1.7x	27.4x
Median	\$ 3,146	\$ 486	-1%	4%	\$ 115	1.43	6.1x	34.9x
Mean	\$ 3,455	\$ 483	-6%	4%	\$ 105	1.43	7.0x	32.9x
Max	\$ 6,450	\$ 515	1%	9%	\$ 178	1.75	13.3x	36.3x

Entertainment / Experiential

Ticker	Company Name	EV	LTM Financials					EV Multiples	
			Revenue	YoY Rev.	5yr Rev.	EBITDA	5 Year Beta	LTM	
				Growth	CAGR			Revenue	EBITDA
LYV	Live Nation Entertainment, Inc.	\$ 15,277	\$ 8,103	-28%	3%	\$ (92)	1.19	1.9x	N/A
AMC	AMC Entertainment Holdings, Inc.	\$ 10,951	\$ 3,725	-30%	6%	\$ 46	1.90	2.9x	239.1x
MTN	Vail Resorts, Inc.	\$ 10,995	\$ 1,964	-14%	7%	\$ 510	1.23	5.6x	21.6x
SIX	Six Flags Entertainment Corporation	\$ 4,825	\$ 1,004	-33%	-3%	\$ 266	2.27	4.8x	18.2x
CNK	Cinemark Holdings, Inc.	\$ 4,298	\$ 2,163	-33%	-5%	\$ 213	1.96	2.0x	20.2x
FUN	Cedar Fair, L.P.	\$ 4,006	\$ 1,032	-27%	-3%	\$ 233	1.96	3.9x	17.2x
PLAY	Dave & Buster's Entertainment, Inc.	\$ 2,599	\$ 857	-35%	1%	\$ 55	1.73	3.0x	47.3x
MCS	The Marcus Corporation	\$ 789	\$ 558	-21%	N/A	\$ 45	1.52	1.4x	17.6x
IMAX	IMAX Corporation	\$ 779	\$ 254	-32%	-5%	\$ 8	1.74	3.1x	95.9x
RDI	Reading International, Inc.	\$ 580	\$ 192	-33%	-6%	\$ (2)	1.66	3.0x	N/A

Min	\$ 580	\$ 192	-35%	-6%	\$ (92)	1.19	1.4x	N/A
Median	\$ 4,152	\$ 1,018	-31%	-3%	\$ 50	1.73	3.0x	19.2x
Mean	\$ 5,510	\$ 1,985	-29%	-1%	\$ 128	1.72	3.2x	N/A
Max	\$ 15,277	\$ 8,103	-14%	7%	\$ 510	2.27	5.6x	239.1x

Public Company Valuation and Growth Metrics (\$ in mm) – 9/30/2020

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.	\$ 44,086	\$ 128,905	6%	3%	\$ 6,305	0.35	0.3x	7.0x
SFM	Sprouts Farmers Market, Inc.	\$ 3,823	\$ 6,095	12%	13%	\$ 436	0.12	0.6x	8.8x
IMKT.A	Ingles Markets, Incorporated	\$ 1,487	\$ 4,490	7%	3%	\$ 342	0.66	0.3x	4.3x
SPTN	SpartanNash Company	\$ 1,413	\$ 9,038	9%	3%	\$ 188	1.00	0.2x	7.5x
WMK	Weis Markets, Inc.	\$ 1,296	\$ 3,534	4%	5%	\$ 172	0.09	0.4x	7.5x

Min	\$ 1,296	\$ 3,534	4%	3%	\$ 172	0.09	0.2x	4.3x
Median	\$ 1,487	\$ 6,095	7%	3%	\$ 342	0.35	0.3x	7.5x
Mean	\$ 10,421	\$ 30,412	8%	6%	\$ 1,489	0.44	0.4x	7.0x
Max	\$ 44,086	\$ 128,905	12%	13%	\$ 6,305	1.00	0.6x	8.8x

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.	\$ 45,172	\$ 49,679	-15%	8%	\$ 4,257	0.81	0.9x	10.6x
CASY	Casey's General Stores, Inc.	\$ 7,596	\$ 7,606	-9%	2%	\$ 699	0.84	1.0x	10.9x
SUN	Sunoco LP	\$ 5,600	\$ 13,781	-18%	-4%	\$ 558	1.83	0.4x	10.0x
MUSA	Murphy USA Inc.	\$ 4,509	\$ 10,849	-12%	-3%	\$ 716	1.05	0.4x	6.3x
TA	TravelCenters of America Inc.	\$ 2,414	\$ 5,382	-13%	-4%	\$ 181	2.01	0.4x	13.3x
GTY	Getty Realty Corp.	\$ 1,612	\$ 145	5%	7%	\$ 104	0.80	11.1x	15.5x

Min	\$ 1,612	\$ 145	-18%	-4%	\$ 104	0.80	0.4x	6.3x
Median	\$ 5,054	\$ 9,227	-13%	0%	\$ 629	0.95	0.7x	10.7x
Mean	\$ 11,150	\$ 14,574	-10%	1%	\$ 1,086	1.22	2.4x	11.1x
Max	\$ 45,172	\$ 49,679	5%	8%	\$ 4,257	2.01	11.1x	15.5x

Public Company Operating Statistics (\$ in mm) – 9/30/2020

Restaurants - Fast Casual / QSR

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as %	EBITDA Margin	Debt as % of EBITDA
CMG	Chipotle Mexican Grill, Inc.	\$ 36,883	67%	33%	10%	3%	10%	3%
MTY	MTY Food Group Inc.	\$ 1,419	18%	82%	0%	0%	24%	7%
LOCO	El Pollo Loco Holdings, Inc.	\$ 871	78%	22%	9%	0%	13%	4%
TACO	Del Taco Restaurants, Inc.	\$ 717	81%	19%	9%	0%	10%	5%
FRGI	Fiesta Restaurant Group, Inc.	\$ 573	82%	18%	13%	3%	5%	5%
NATH	Nathan's Famous, Inc.	\$ 290	55%	45%	14%	0%	31%	5%
NDLS	Noodles & Company	\$ 594	85%	15%	10%	0%	4%	6%
PBPB	Potbelly Corporation	\$ 325	77%	23%	10%	0%	-2%	5%

Min	\$ 290	18%	15%	0%	0%	-2%	3%
Median	\$ 655	78%	22%	10%	0%	10%	5%
Mean	\$ 5,209	68%	32%	9%	1%	12%	5%
Max	\$ 36,883	85%	82%	14%	3%	31%	7%

Restaurants - Fast Food

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	\$ 211,990	49%	51%	13%	0%	47%	5%
YUM	Yum! Brands, Inc.	\$ 37,921	52%	48%	17%	0%	34%	6%
QSR	Restaurant Brands International Inc.	\$ 31,856	43%	57%	24%	0%	37%	7%
DPZ	Domino's Pizza, Inc.	\$ 20,893	72%	28%	10%	0%	19%	6%
DNKN	Dunkin' Brands Group, Inc.	\$ 9,665	49%	51%	18%	0%	34%	6%
WEN	The Wendy's Company	\$ 8,462	57%	43%	15%	0%	28%	10%
JACK	Jack in the Box Inc.	\$ 3,966	70%	30%	8%	0%	22%	6%
PZZA	Papa John's International, Inc.	\$ 3,397	70%	30%	11%	0%	7%	3%
TAST	Carrols Restaurant Group, Inc.	\$ 1,649	86%	14%	9%	4%	5%	7%

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

Public Company Operating Statistics (\$ in mm) – 9/30/2020

Restaurants - Full Service

Ticker	Company Name	EV	LTM Financials					
			COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales / Mktg as %	EBITDA Margin	Debt as % of EBITDA
DRI	Darden Restaurants, Inc.	\$ 18,332	82%	18%	10%	3%	8%	6%
TXRH	Texas Roadhouse, Inc.	\$ 4,769	86%	14%	7%	1%	7%	3%
EAT	Brinker International, Inc.	\$ 4,290	87%	13%	4%	0%	9%	5%
BLMN	Bloomin' Brands, Inc.	\$ 3,821	86%	14%	7%	0%	7%	6%
CBRL	Cracker Barrel Old Country Store, Inc.	\$ 3,932	68%	32%	30%	0%	7%	6%
CAKE	The Cheesecake Factory Incorporated	\$ 2,953	61%	39%	17%	0%	3%	7%
DIN	Dine Brands Global, Inc.	\$ 2,669	60%	40%	20%	0%	24%	11%
SHAK	Shake Shack Inc.	\$ 2,680	67%	33%	14%	0%	6%	4%
DENN	Denny's Corporation	\$ 1,196	63%	37%	13%	-1%	17%	9%
BJRI	BJ's Restaurants, Inc.	\$ 1,218	89%	11%	6%	0%	5%	6%
RRGB	Red Robin Gourmet Burgers, Inc.	\$ 903	86%	14%	13%	4%	0%	7%
CHUY	Chuy's Holdings, Inc.	\$ 542	83%	17%	8%	1%	9%	3%
JAX	J. Alexander's Holdings, Inc.	\$ 172	68%	32%	9%	0%	1%	8%
Min		\$ 172	60%	11%	4%	-1%	0%	3%
Median		\$ 2,680	82%	18%	10%	0%	7%	6%
Mean		\$ 3,652	76%	24%	12%	1%	8%	6%
Max		\$ 18,332	89%	40%	30%	4%	24%	11%

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.	\$ 10,774	75%	25%	12%	0%	17%	4%
OM:ACAD	AcadeMedia AB (publ)	\$ 1,875	70%	30%	10%	0%	30%	3%
GEM	G8 Education Limited	\$ 1,112	65%	35%	2%	0%	13%	6%
SEHK:1317	China Maple Leaf Educational Systems Limited	\$ 680	53%	47%	15%	2%	39%	1%
ASX:TNK	Think Childcare Group	\$ 198	4%	96%	68%	1%	16%	8%
SGX:CNE	MindChamps PreSchool Limited	\$ 99	56%	44%	55%	3%	-7%	18%
TSE:6189	Global Kids Company Corp.	\$ 113	88%	12%	7%	0%	6%	5%
ASX:MFD	Mayfield Childcare Limited	\$ 43	0%	100%	73%	0%	16%	4%
Min		\$ 43	0%	12%	2%	0%	-7%	1%
Median		\$ 439	60%	40%	13%	0%	16%	4%
Mean		\$ 1,862	51%	49%	30%	1%	16%	6%
Max		\$ 10,774	88%	100%	73%	3%	39%	18%

Public Company Operating Statistics (\$ in mm) – 9/30/2020

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.	\$ 6,450	46%	54%	15%	0%	37%	9%
BFIT	Basic-Fit N.V.	\$ 3,146	21%	79%	7%	4%	22%	7%
CLUB	Town Sports International Holdings, Inc.	\$ 768	21%	79%	74%	1%	5%	5%

Min	\$ 768	21%	54%	7%	0%	5%	5%
Median	\$ 3,146	21%	79%	15%	1%	22%	7%
Mean	\$ 3,455	29%	71%	32%	2%	21%	7%
Max	\$ 6,450	46%	79%	74%	4%	37%	9%

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.	\$ 15,277	75%	25%	26%	0%	-1%	27%
AMC	AMC Entertainment Holdings, Inc.	\$ 10,951	95%	5%	5%	0%	1%	10%
MTN	Vail Resorts, Inc.	\$ 10,995	60%	40%	14%	0%	26%	5%
SIX	Six Flags Entertainment Corporation	\$ 4,825	53%	47%	20%	7%	26%	9%
CNK	Cinemark Holdings, Inc.	\$ 4,298	54%	46%	36%	0%	10%	7%
FUN	Cedar Fair, L.P.	\$ 4,006	61%	39%	17%	0%	23%	11%
PLAY	Dave & Buster's Entertainment, Inc.	\$ 2,599	85%	15%	9%	0%	6%	10%
MCS	The Marcus Corporation	\$ 789	62%	38%	21%	4%	8%	9%
IMAX	IMAX Corporation	\$ 779	57%	43%	53%	0%	3%	27%
RDI	Reading International, Inc.	\$ 580	89%	11%	13%	0%	-1%	16%

Min	\$ 580	53%	5%	5%	0%	-1%	5%
Median	\$ 4,152	61%	39%	19%	0%	7%	10%
Mean	\$ 5,510	69%	31%	21%	1%	10%	13%
Max	\$ 15,277	95%	47%	53%	7%	26%	27%

Public Company Operating Statistics (\$ in mm) – 9/30/2020

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.	\$ 44,086	76%	24%	19%	1%	5%	3%
SFM	Sprouts Farmers Market, Inc.	\$ 3,823	65%	35%	28%	1%	7%	3%
SPTN	SpartanNash Company	\$ 1,413	85%	15%	14%	0%	2%	4%
IMKT.A	Ingles Markets, Incorporated	\$ 1,487	75%	25%	20%	0%	8%	2%

Min	\$ 1,413	65%	15%	14%	0%	2%	2%
Median	\$ 2,655	76%	24%	20%	1%	6%	3%
Mean	\$ 12,702	75%	25%	20%	1%	5%	3%
Max	\$ 44,086	85%	35%	28%	1%	8%	4%

C-Store

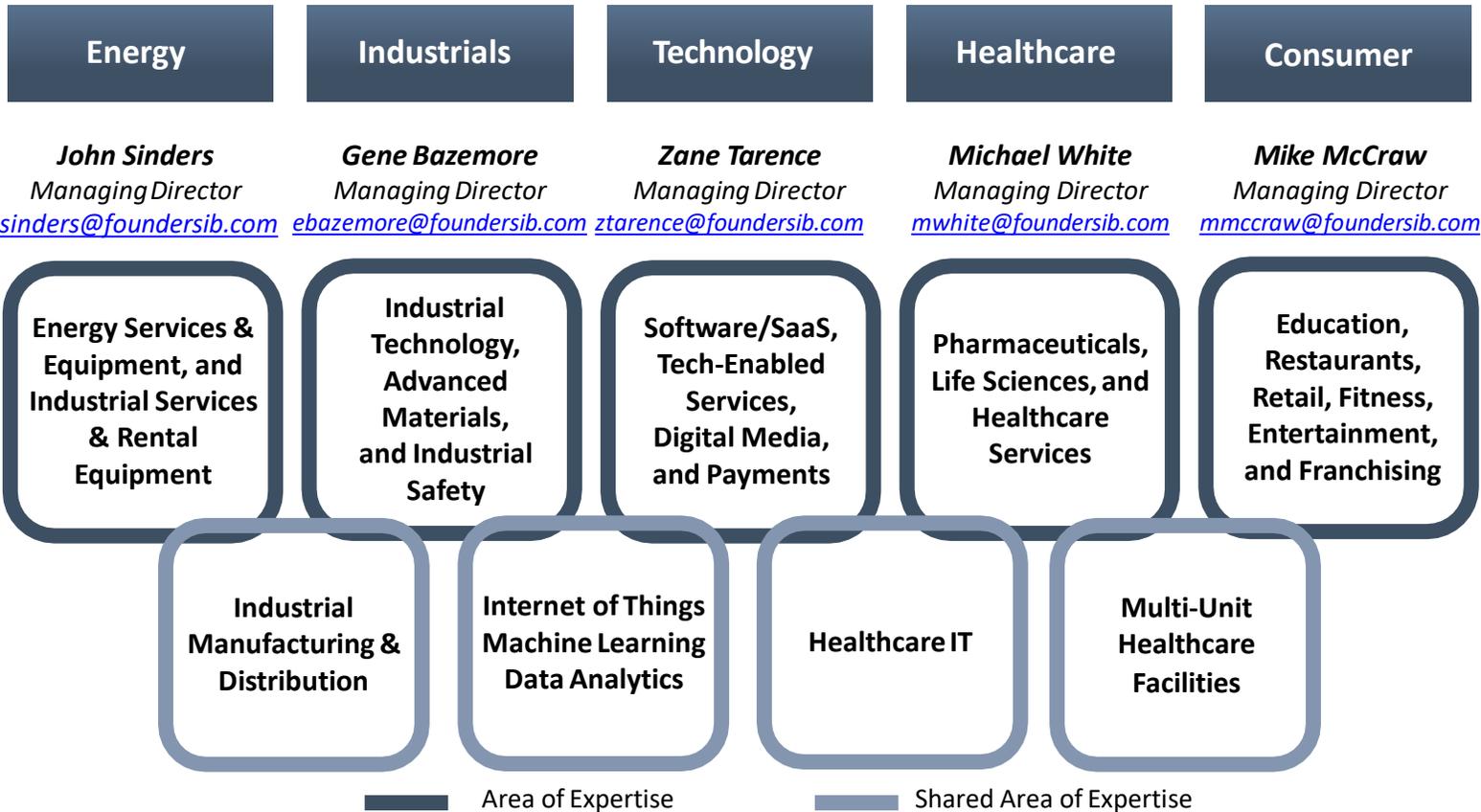
Ticker	Company Name	EV	LTM Financials						
			Revenue	COGS as % of Revenue	Gross Margin	SG&A as % of Revenue	Sales/Mktg as % of Revenue	EBITDA Margin	Debt as % of EBITDA
ATD.B	Alimentation Couche-Tard Inc.	\$ 45,172	\$ 49,679	80%	20%	11%	0%	9%	2%
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SUN	Sunoco LP	\$ 5,600	\$ 13,781	92%	8%	1%	0%	4%	6%
MUSA	Murphy USA Inc.	\$ 4,509	\$ 10,849	92%	8%	2%	0%	7%	2%
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Max	\$ 45,172	\$ 49,679	92%	83%	20%	0%	72%	6%

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, healthcare, 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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