



Every Day
is a
Fresh Start

KPMG Corporate Finance LLC
Leisure & Wellness M&A Newsletter
Q3 2017

Leisure & Wellness (L&W) M&A Overview

KPMG Corporate Finance LLC

KPMG Corporate Finance LLC (KPMG CF) is a leading investment bank to the middle market serving domestic and international clients. We offer a broad range of investment banking and advisory services. The global Corporate Finance practices of KPMG International's network of independent member firms (KPMG) operate in 170 countries with more than 2,500 professionals meeting the needs of clients across the globe.

KPMG CF is ranked No. 1 globally for M&A transactions among all investment banks based on deal volume with transaction value ≤ \$500 million, 2017 year to date, with over 188 completed transactions⁽¹⁾. KPMG has over 75 dedicated senior M&A bankers focused on Consumer & Retail in 32 countries worldwide.

¹Thomson Reuters SDC; Each set of figures is taken from the league table press releases issued for that year. Middle market is defined as deals less than US\$500 million.

*Represents the global Corporate Finance practices of KPMG International's network of independent member firms.

Leisure & Wellness Industry Practice

KPMG CF's Leisure & Wellness investment banking team is a leader in providing customized advisory services to public and private companies throughout the Leisure & Wellness industry. Now more than ever, global consumers are embracing lifestyle choices and pursuing branded products that promote physical and mental health and wellness. Our team is well-positioned to leverage our industry experience and KPMG's global platform to offer customized investment banking solutions tailored to meet the specific goals and needs of our clients.

Leisure & Wellness M&A

According to data compiled by Capital IQ, overall global M&A activity declined in Q3 2017, both in terms of total deal count and value, compared to Q3 2016. While deal volume slipped by ~16% to 12,204 in Q3 2017, disclosed deal value fell by ~19% to \$705.5 billion during the same period. Deal activity was hampered by ongoing uncertainties around the economic environment, policies in the U.S. and Europe, and antitrust and regulatory challenges.

Global L&W deal volume fell by 12% from 202 deals in Q3 2016 to 178 in Q3 2017. However, disclosed deal value rose 43% to reach \$9.5 billion during the same period, supported by a few large deals in the beauty & personal care and leisure facilities sub-sectors. The industry is benefiting from changing consumer demographics and preferences, which are extending the concept of wellness beyond traditional categories, industries, and consumers. The U.S. represents the largest segment of the booming global wellness market and continues to be a lucrative investment destination on the back of factors including aging population, increasing incidence of chronic conditions, rising healthcare costs, and the growing adoption of a holistic approach towards physical health and emotional wellbeing.



Sources: Capital IQ and other publicly available information.

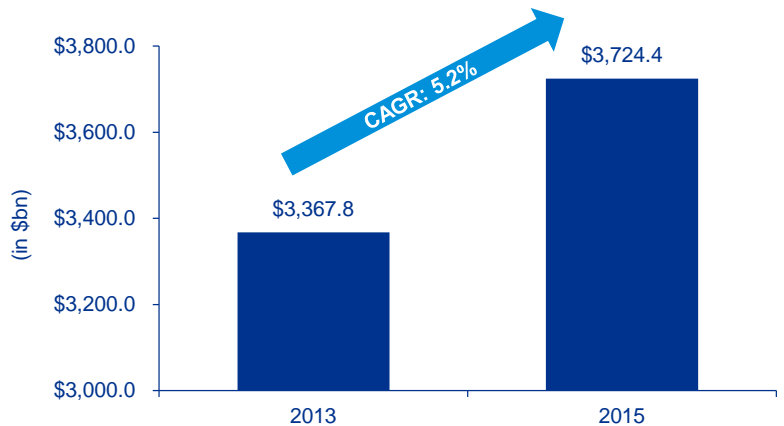


The Global Wellness Industry

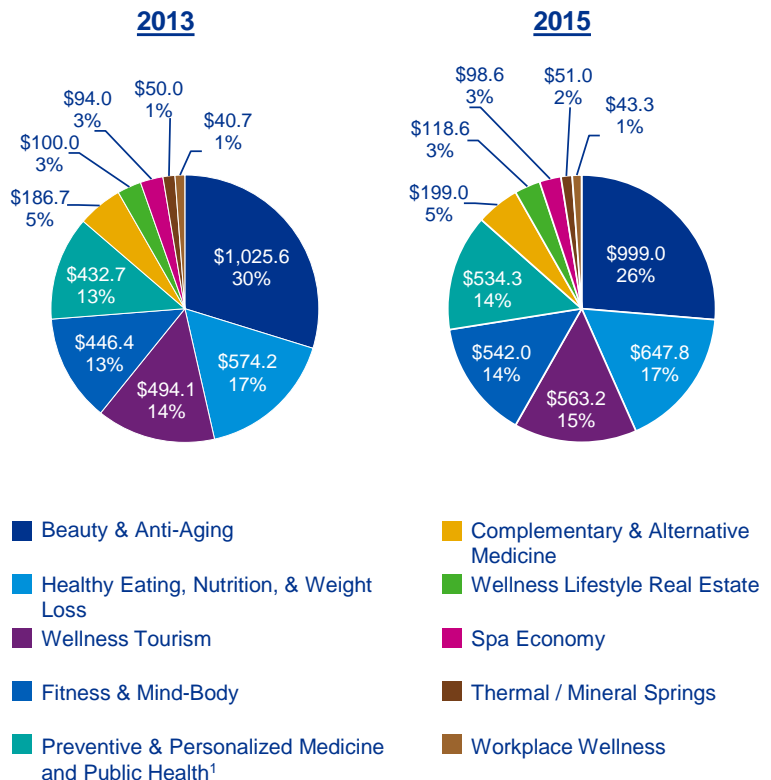
With consumers across the globe placing increased value on health and wellness experiences over material objects, the global wellness economy rests on fertile ground and is witnessing a growth trajectory that is expected to remain persistent in the coming years.

- The Global Wellness Institute defines wellness as the active pursuit of activities, choices, and lifestyles
- Valued at \$3.7 trillion in 2015, the wellness economy represents over 5% of global economic output and is almost half the size of all global health expenditures, which reached \$7.6 trillion in 2014
 - From 2013 to 2015, the wellness economy grew by 10.6%, while the global economy shrank by 3.6%
- The wellness economy is comprised of industries that enable consumers to incorporate wellness activities and lifestyles into their daily lives
 - Millennials are increasingly seeking experiences connected to wellbeing, rather than spending on material objects
- Among these, Beauty and Anti-Aging represents the largest portion of the wellness economy, followed by Healthy Eating, Nutrition, & Weight Loss
- The fastest growing industries from 2013 to 2015 include Preventive & Personalized Medicine and Public Health⁽¹⁾ and Fitness & Mind-Body, registering a CAGR of 11.1% and 10.2%, respectively
- In addition to the growing focus of consumers on wellness, governments and employers across the globe are displaying continued investments around the concept of holistic health & wellness
- The wellness economy is rising, with an upward trajectory, due to the following megatrends:
 - An emerging global middle class with rising disposable incomes
 - Growing consumer interest related to maintaining and improving health, driven by
 - Rapidly aging world population
 - Rising global epidemic of chronic disease and stress
 - Negative health impacts of environmental degradation
 - Failure of the ‘sick-care’ medical model, resulting in less controllable healthcare costs
 - A growing subset of more affluent, educated consumers seeking experiences rooted in meaning, purpose, authenticity, and nature

Growing Global Wellness Economy (in \$bn)



Sector Wise Breakup⁽²⁾ (in \$bn)



Sources: Global Wellness Economy Monitor, January 2017 and other publicly available information.

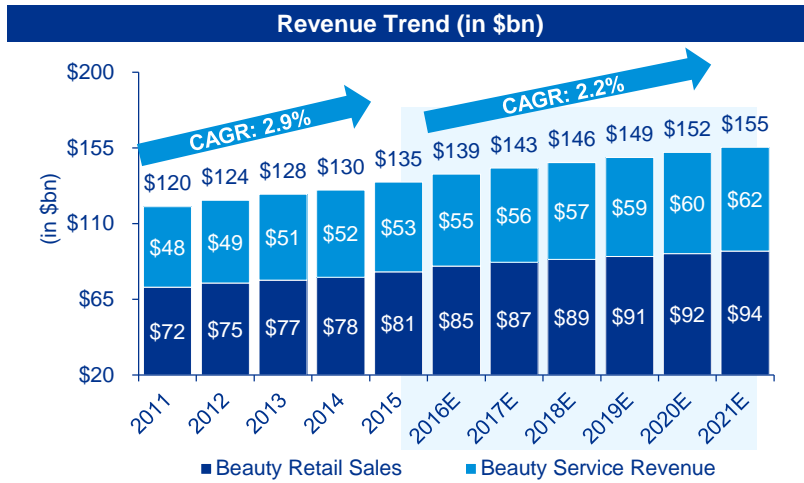
⁽¹⁾ Includes medical services that focus on treating “well” people, preventing disease, or detecting risk factors (examples: routine physical exams, diagnostic and screening tests, genetic testing, etc.)

⁽²⁾ Numbers do not sum to total due to overlap in segments.

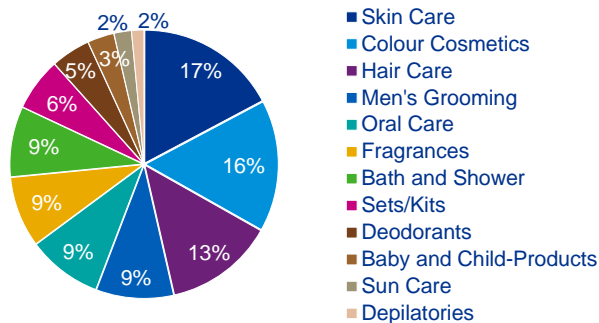
Sector Analysis: U.S. Beauty and Personal Care Market

The beauty and personal care market in the U.S., which is one of the largest globally, is growing at a steady pace and will continue benefiting from the strengthening economy and positive consumer trends.

- The U.S. beauty and personal care product sales totaled \$81.4 billion in 2015, up 4.1% Y-o-Y, while revenue generated from salon and spa services totaled an estimated \$53.3 billion, up 2.9% from 2014
- The market has grown steadily in the recent years on the back of the strong consumer sector
- Within the market, the premium segment represents a bright spot driven by an evolving consumer lifestyle and preferences
 - Stronger purchasing power coupled with the increased desire for products that provide specialized, enhanced or exclusive benefits, are leading to solid growth in the premium market
- With purchasing decisions increasingly focused around healthy living and green consumption, the market is witnessing high demand for products with organic / all-natural ingredients, sustainable sourcing, and clean labels
 - Largely driven by this wellness trend, the Spa market, which has historically been and continues to be focused on the clean-beauty movement, is driving sales for products that contain natural and ethically sourced ingredients
- Furthermore, the growing prominence of e-commerce and the rising influence of social media are transforming the beauty and personal care industry
 - Industry players are seeking both organic and inorganic growth, and are investing in a broad range of digital initiatives and beauty tech start-ups – spanning the areas of content marketing, personalization and data, and e-commerce, etc.
 - The space is experiencing active deal making from industry giants, including L’Oréal, Unilever, and Coty, aiming to align themselves closely with the digital focus
- The ensuing growth opportunities in the beauty and personal care market are attracting a number of incumbents as well as new players, resulting in an explosion of new product offerings

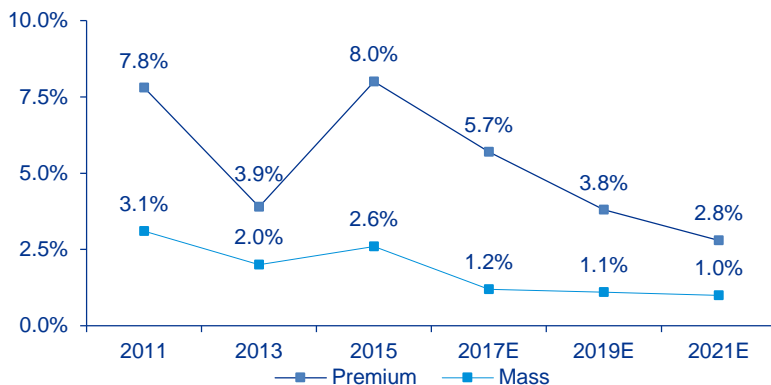


Beauty and Personal Care Products Market Segmentation (2015)



Premiumization of the Market is Forecasted to Continue

The premium beauty and personal care market is outperforming mass-market growth by a factor of 3-4x (4-8% vs. 1-3%). The premium market is expected to continue driving over 60% of total market growth through 2021.

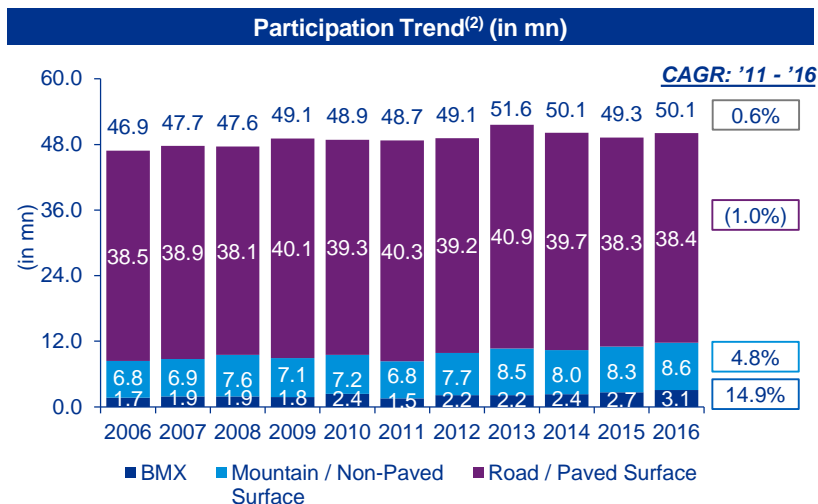
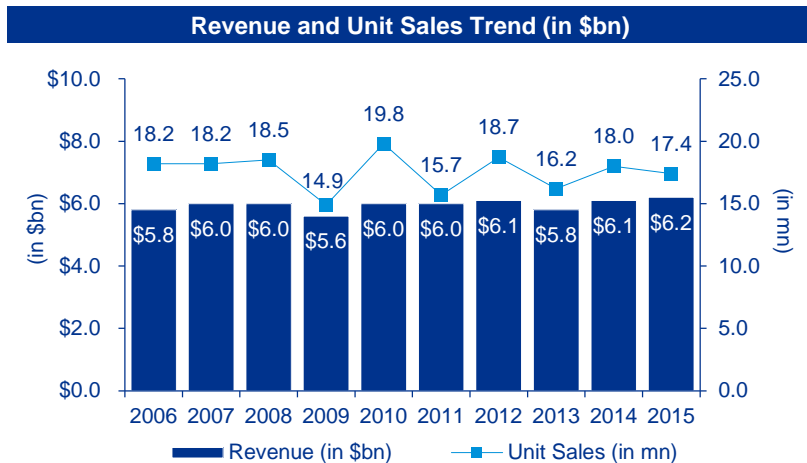


Sources: Euromonitor International, Guggenheim Securities, and other publicly available information.

Sector Analysis: U.S. Bicycle Market

The bicycle market in the U.S. holds a positive outlook, driven by factors such as: product innovation around high quality, premium products; a shift toward environment friendly practices; and growing consumer interest in outdoor sports and physical activities.

- The bicycle market in the U.S. has displayed stable growth over the last decade, reaching \$6.2bn in 2015
- The industry has gradually overcome challenges posed by the downturn and strong international competition
- Rising consumer demand of discretionary products and the relocation of manufacturing facilities abroad have helped the industry
 - However, rising offshore costs, cost savings from automation and innovative processes, and the benefits of "Made in USA" branding are motivating manufacturers to relocate their facilities back to the U.S.
- Bicycles in the U.S. are primarily available through five distinct channels: (1) specialty bicycle retailers, (2) mass merchants, (3) full-line sporting goods stores, (4) outdoor specialty stores, (5) and others⁽¹⁾
 - Mass Merchant retailers that sell mostly price-oriented products, represented ~74% of unit sales and ~32% of dollar sales in 2015, followed by specialty retailers with ~13% and ~49%, respectively
- The industry is benefiting from the emergence of cycling as a preferred recreational activity, increasing health and environmental concerns, growing traffic congestion, and government efforts to promote cycling
 - Bike sharing and rental programs are becoming prevalent as they offer environmental, social, economic, and public health benefits
 - The objective is to make bicycles available to a wider range of the population traveling in urban areas
- Furthermore, increased technological innovation and the introduction of specialized premium products are expected to boost the demand in the coming years
 - International and domestic manufacturers are devising strategies to replicate Europe's success in the growing U.S. e-bike market



Aspirational Participation – 2016

Bicycling is one of the outdoor activities that non-participants in each age group are interested in trying, therefore it represents a significant potential opportunity.

Age Group	% of Respondents	Bicycling's Rank Among Top 10 Aspirational Activities
Ages 6-12	12%	6
Ages 13-17	9%	5
Ages 18-24	16%	2
Ages 25-34	13%	3
Ages 35-44	13%	2
Ages 45+	10%	4

Sources: National Bicycle Dealers Association, 2017 Outdoor Recreation Participation Topline Report, and other publicly available information.

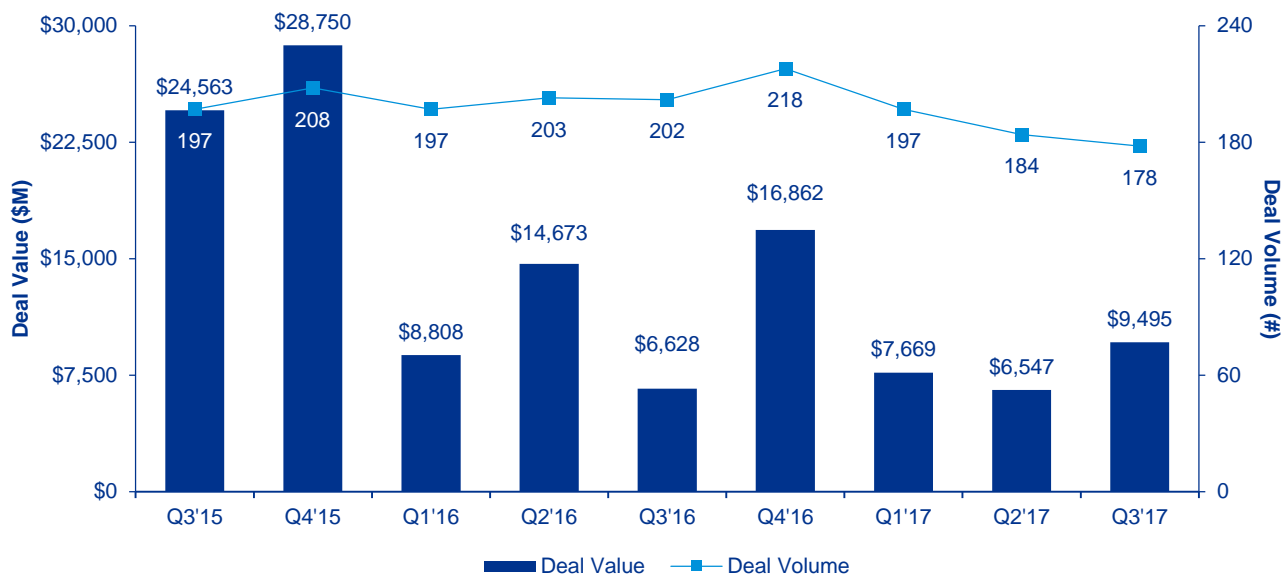
⁽¹⁾ Others is comprised of a mixture of retailers including Internet sales.

⁽²⁾ Includes participants taking part in more than one activity.

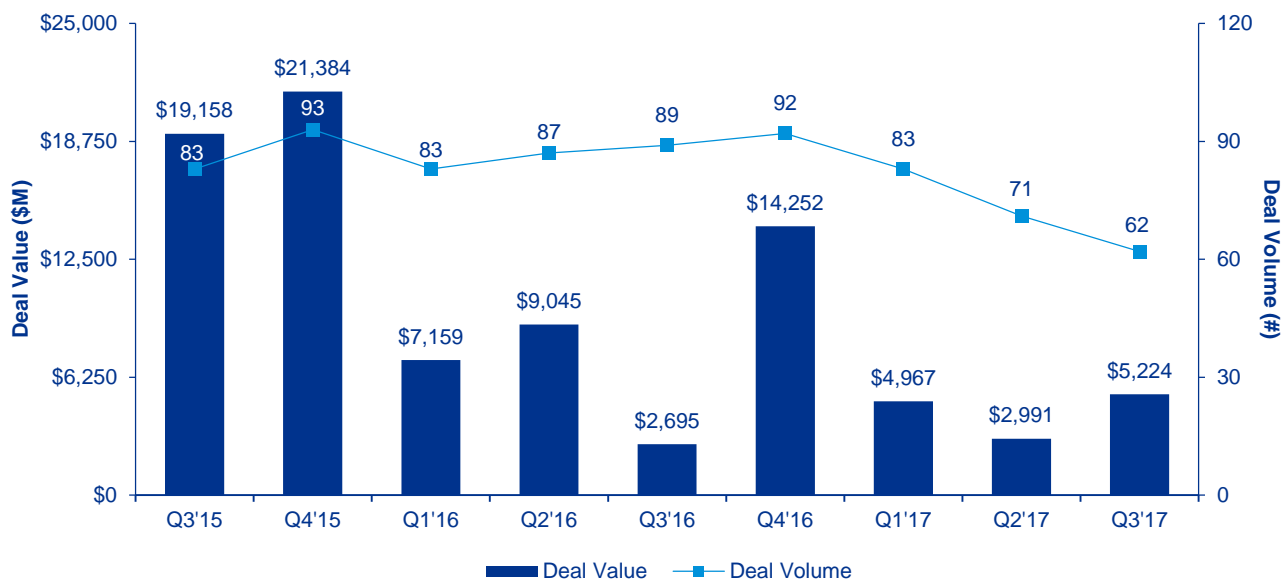


Global and U.S. M&A deal volume

Global Leisure & Wellness Sector M&A Trend Q3'15 – Q3'17 ⁽¹⁾⁽²⁾



U.S. Leisure & Wellness Sector M&A Trend Q3'15 – Q3'17 ⁽¹⁾⁽²⁾

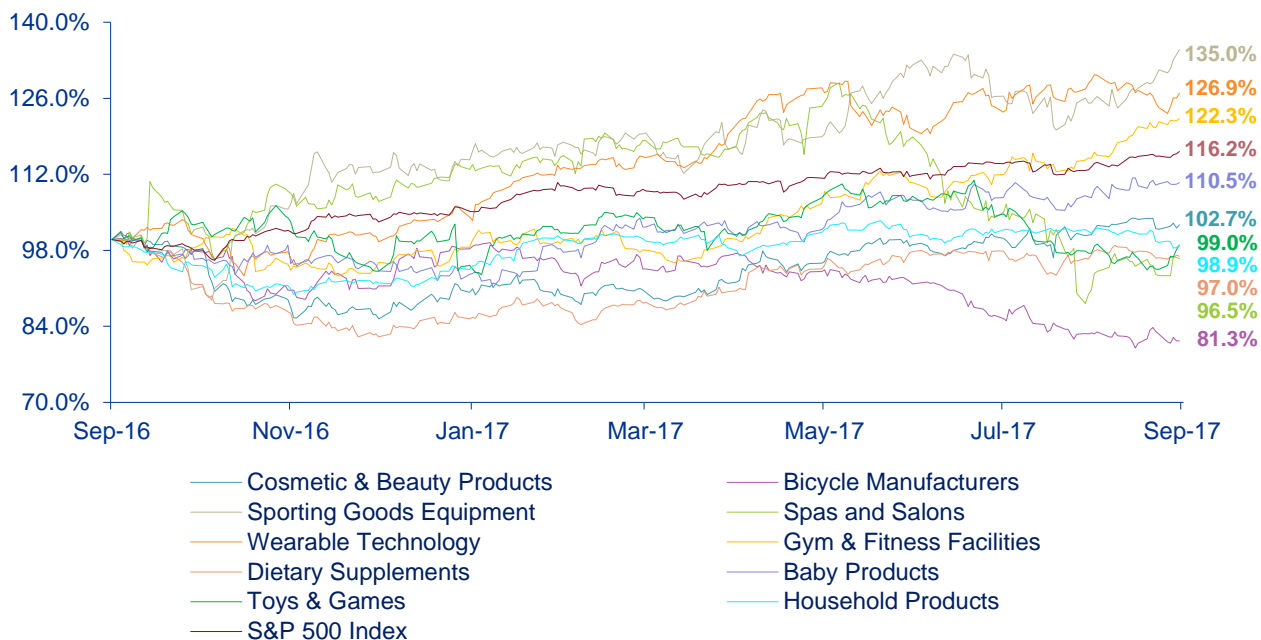


Source: Capital IQ as of September 30, 2017.

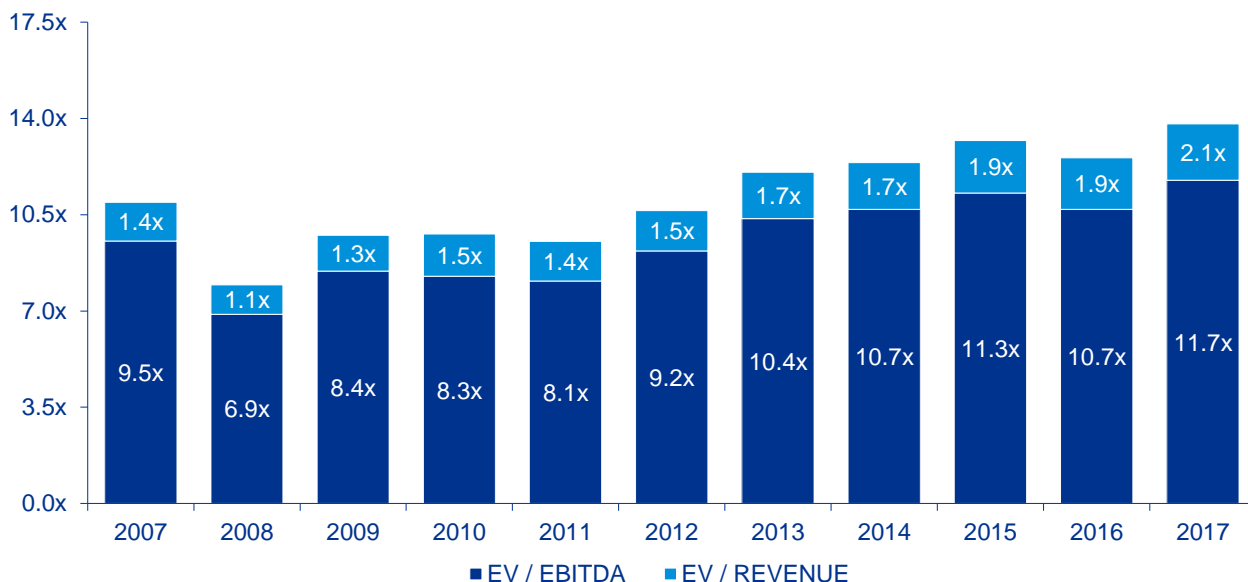
- (1) M&A analysis based on deals announced during the respective periods. Deal value represents aggregate deal value for disclosed transactions for the time periods noted on the above graphs.
- (2) Deal volume and value data based on internally defined sub-sectors.

Stock valuations

Leisure & Wellness Sector Relative Stock Price Performance Trend ⁽¹⁾



Leisure & Wellness Sector Trading Multiple Valuation Trend ⁽¹⁾



Source: Capital IQ as of September 30, 2017.

⁽¹⁾ The Leisure & Wellness stock price performance and valuation trend are based on internally originated lists of representative public companies within the sub-sectors. The list of public companies selected in each sub-sector can be found on pages 11-14.

Recent Transactions

Selected Q3'17 Transaction Summaries

YogaWorks, Inc.	September 27, 2017: YogaWorks, one of the largest providers of yoga instruction in the U.S., continued its acquisition spree with the purchase of Pure Prana Yoga Studio. This is YogaWorks' third studio acquisition since it became a publicly traded company in August 2017. Since its founding in 2003, Pure Prana has served tens of thousands of students and graduated over 100 yoga teachers. The acquisition would result in growing YogaWorks' total studio count to 53 and further broadening of its presence on the east coast.
<i>Acquired</i>	
Pure Prana Yoga Studio	
Hyatt Hotels Corp.	August 29, 2017: As a part of its aggressive strategy to venture into the wellness space, Hyatt Hotels acquired Exhale, a 15-year-old branded concept that offers boutique fitness classes and/or spa services, for an undisclosed amount. In January 2017, Hyatt acquired New York based Miraval Group, a wellness resort and spa company in a \$375 million deal. "As a company, we have made a strategic decision to move into the area of wellness to serve our customer base as a strategic matter" said Steve Haggerty, Hyatt's global head of capital strategy, franchising and select service.
<i>Acquired</i>	
Exhale Enterprises, Inc.	
Crown Crafts, Inc.	August 07, 2017: Louisiana based baby products maker, Crown Crafts announced the acquisition of Carousel Designs, a manufacturer and online retailer of infant, toddler/kids' bedding and nursery décor sold directly to consumers through babybedding.com. The transaction aims to expand Crown Crafts' online presence, providing a major sales channel for the company and enhancing its direct-to-consumer business. The transaction includes a purchase price of \$8.8 million in cash plus assumption of certain liabilities. Crown Crafts funded the acquisition with cash on hand.
<i>Acquired</i>	
Carousel Designs, LLC	
Camping World Holdings, Inc.	July 27, 2017: Recreational vehicle and supplies retailer, Camping World acquired TheHouse.com, one of the largest outdoor gear retailers in the world, for an undisclosed amount. The deal aims to position Camping World for expanded e-Commerce growth and customer reach. "We believe this acquisition of the online retailer, TheHouse.com, continues our focus of an omni channel approach", said Marcus Lemonis, Chairman of Camping World. Camping World recently acquired certain assets of Gander Mountain, a leader in the hunting, fishing, camping, and outdoor gear market, and its Overton's boating business.
<i>Acquired</i>	
TheHouse.com	
Church & Dwight Co., Inc.	July 17, 2017: Church & Dwight, manufacturer and marketer of personal care, household, and specialty products, signed a definitive agreement to acquire Water Pik, one of the market leaders in water-jet technology in both oral water flossers and replacement showerheads, for ~\$1 billion in cash. Waterpik's net sales for the trailing twelve months through June 30, 2017 were ~\$265 million and EBITDA ~\$80 million, a 30% EBITDA margin. "Waterpik will be our 11th power brand. The acquisition is consistent with our strategy of acquiring #1 or #2 brands in areas with growth potential," said Matthew T. Farrell, CEO of Church & Dwight.
<i>Acquired</i>	
Water Pik, Inc.	
Apollo Global Management, LLC	July 09, 2017: Private equity firm Apollo Global Management agreed to acquire ClubCorp Holdings, one of the largest owners and operators of private golf and country clubs in the U.S. The deal valued ClubCorp at \$2.2 billion, including debt. The all-cash transaction represents a premium of ~30.7% over ClubCorp's closing stock price on July 07, 2017. ClubCorp operates more than 200 properties, including golf and country clubs, business clubs, and sports clubs across the U.S., Mexico, and China, serving more than 430,000 members. "...This transaction represents the culmination of our review of strategic alternatives and achieves our goal of enhancing value for shareholders..." said John Beckert, Chairman of the Board of ClubCorp.
<i>Acquired</i>	
ClubCorp Holdings, Inc.	
BWX Limited	July 03, 2017: BWX Ltd., a manufacturer and distributor of natural body, hair, and skin care products in Australia and internationally, announced the acquisition of Mineral Fusion National Brands, the owner of Mineral Fusion, a natural cosmetics brand in the U.S., from North Castle Partners. The purchase price includes cash consideration of \$38.4 million plus a potential earn out of \$4.6 million upon the achievement of agreed targets over the next 12 months. The acquisition provides BWX with significant opportunities to expand its Sukin product range and to leverage the existing Mineral Fusion distribution network to sell Sukin in the U.S.. BWX will also seek to leverage its international networks to grow Mineral Fusion's sales outside the U.S.
<i>Acquired</i>	
Mineral Fusion Natural Brands, LLC	

Sources: Capital IQ and other publicly available information.

Q3'17 M&A Transactions

Selected recent leisure & wellness M&A transactions
(US\$ in millions)

Ann. date	Target	Buyer	Sub-sector	Implied Enterprise Value (TEV)	TEV/revenue	TEV/EBITDA
9/27/2017	Pure Prana Yoga Studio	YogaWorks, Inc.	Fitness & Spa Facilities	-	-	-
9/21/2017	Personalized Beauty Discovery, Inc., EM Cosmetics	Divinium Labs, LLC	Personal Care	-	-	-
9/18/2017	ThinkFun, Inc.	Ravensburger North America, Inc.	Toys & Games	-	-	-
9/14/2017	Hello Waffle Cosmetics	Shiro Cosmetics, LLC	Personal Care	-	-	-
9/12/2017	Peaceable Kingdom Inc.	Mindware, Inc.	Toys & Games	-	-	-
9/1/2017	United States Dinnerware Inc., Proton Dinnerware Brand	New ThermoServ, Ltd.	Household Products	-	-	-
8/30/2017	Union Street Athletics	Young's MMA	Fitness & Spa Facilities	-	-	-
8/29/2017	Exhale Enterprises, Inc.	Hyatt Hotels Corporation	Fitness & Spa Facilities	-	-	-
8/29/2017	Southport Boats LLC	Carbon Craft Inc.	Recreational Products	-	-	-
8/29/2017	Tranquil SPACE LLC	YogaWorks, Inc.	Fitness & Spa Facilities	-	-	-
8/24/2017	Watch Yo Mouth, LLC	Watch Ya Mouth	Toys & Games	-	-	-
8/14/2017	Freeman Beauty, LLC	Yellow Wood Partners, LLC	Personal Care	-	-	-

Source: Capital IQ.

Q3'17 M&A Transactions (continued)

Selected recent leisure & wellness M&A transactions (US\$ in millions)						
Ann. date	Target	Buyer	Sub-sector	Implied Enterprise Value (TEV)	TEV/revenue	TEV/EBITDA
8/13/2017	Alliance Sports Group, L.P.	Capital Southwest Corporation; Luther King Capital Management Corporation	Recreational Products	-	-	-
8/7/2017	Carousel Designs, LLC	Crown Crafts, Inc.	Baby Products	\$9.7	1.3x	-
7/31/2017	Aerobie, Inc., Flying Disc Product Line	Swimways Corporation	Recreational Products	\$10.7	-	-
7/27/2017	TheHouse.com	Camping World Holdings, Inc.	Recreational Products	-	-	-
7/27/2017	Lifefactory, Inc.	Thermos L.L.C.	Household Products	-	-	-
7/17/2017	Water Pik, Inc.	Church & Dwight Co., Inc.	Personal Care	\$1,033.0	3.9x	12.9x
7/14/2017	Lucille Roberts Health Club, Inc.	Town Sports International Holdings, Inc.	Fitness & Spa Facilities	-	-	-
7/12/2017	Fish Tales, LLC	Battenfeld Technologies, Inc.	Recreational Products	\$12.0	-	-
7/10/2017	Superior International Industries, Inc.	PlayCore Holdings, Inc.	Toys & Games	-	-	-
7/9/2017	ClubCorp Holdings, Inc.	Apollo Global Management, LLC	Fitness & Spa Facilities	\$2,180.1	2.0x	10.4x
7/5/2017	NüYU Skin LLC	SISTAR Cosmetics LLC	Personal Care	-	-	-
7/3/2017	Mineral Fusion Natural Brands, LLC	BWX Limited	Personal Care	\$43.0	-	-

Source: Capital IQ.

Q3'17 Public Comps

Leisure & Wellness Performance Summary by Sub-sector (\$M, except per share data)

Selected public leisure & wellness companies

(US\$ in millions, except per share amounts)

Company name	Market cap	Enterprise value ⁽¹⁾	Share price ⁽²⁾	% Of 52-Wk high	Last Twelve Months (LTM)				Enterprise value	
					Revenue	Revenue growth	EBITDA ⁽³⁾	EBITDA margin	NTM revenue	NTM EBITDA
Cosmetic & Beauty Products										
The Estée Lauder Companies Inc.	\$39,743	\$41,571	\$107.84	97.2%	\$11,824	5.0%	\$2,344	19.8%	3.2x	15.9x
Coty Inc.	12,381	18,983	16.53	65.2%	7,650	75.9%	1,006	13.2%	2.2x	13.8x
Herbalife Ltd.	6,062	6,726	67.83	91.1%	4,416	(2.4%)	728	16.5%	1.5x	9.6x
Edgewell Personal Care Company	4,146	5,289	72.77	86.2%	2,344	1.4%	455	19.4%	2.3x	11.2x
Nu Skin Enterprises, Inc.	3,255	3,326	61.48	93.1%	2,185	(1.4%)	327	15.0%	1.4x	9.2x
Sally Beauty Holdings, Inc.	2,594	4,407	19.58	64.9%	3,940	(0.0%)	603	15.3%	1.1x	6.9x
Revlon, Inc.	1,292	3,984	24.55	65.6%	2,646	37.7%	293	11.1%	1.5x	13.1x
Inter Parfums, Inc.	1,286	1,114	41.25	98.0%	565	16.2%	76	13.4%	2.1x	13.5x
Avon Products, Inc.	1,025	2,734	2.33	33.5%	5,706	(1.4%)	386	6.8%	0.5x	5.4x
Natural Health Trends Corp.	269	133	23.90	78.5%	244	(21.0%)	62	25.2%	NA	NA
Nature's Sunshine Products, Inc.	192	172	10.15	61.7%	334	0.7%	13	4.0%	NA	NA
Lifevantage Corporation	60	56	4.22	41.4%	199	(3.4%)	6	3.1%	NA	NA
Mannatech, Incorporated	39	5	14.50	60.9%	179	0.2%	4	2.3%	NA	NA
CCA Industries, Inc.	23	27	3.35	87.9%	20	2.3%	3	16.8%	NA	NA
Reliv International, Inc.	12	12	6.69	48.6%	44	(9.0%)	1	2.8%	NA	NA
<i>Cosmetic & Beauty Products Mean</i>				71.6%		6.7%		12.3%	1.7x	11.0x
<i>Cosmetic & Beauty Products Median</i>				65.6%		0.2%		13.4%	1.5x	11.2x
Spas and Salons										
Ulta Beauty, Inc.	\$13,887	\$13,614	\$226.06	71.8%	\$5,317	23.0%	\$974	18.3%	2.2x	11.7x
Regis Corporation	662	610	14.27	91.4%	1,692	(5.5%)	79	4.7%	0.4x	7.7x
Siam Wellness Group Public Company Ltd	265	267	0.47	99.4%	25	29.8%	8	30.1%	NA	NA
Perfect Shape Beauty Technology Limited	129	89	0.12	97.9%	97	(13.9%)	26	26.9%	NA	NA
Water Oasis Group Limited	111	67	0.15	95.8%	82	(2.2%)	39	47.5%	NA	NA
RVH Inc.	89	72	5.28	52.9%	391	68.6%	37	9.4%	NA	NA
Modern Beauty Salon Holdings Limited	40	8	0.04	80.2%	89	(10.6%)	14	15.4%	NA	NA
ARTE Salon Holdings, Inc.	36	49	7.26	97.8%	66	3.5%	9	13.0%	NA	NA
M H Group Ltd	27	26	2.42	81.0%	17	6.9%	(0)	NM	NA	NA
<i>Spas and Salons Mean</i>				85.4%		11.1%		20.7%	1.3x	9.7x
<i>Spas and Salons Median</i>				91.4%		3.5%		16.9%	1.3x	9.7x

Q3'17 Public Comps (continued)

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(US\$ in millions, except per share amounts)

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					Revenue	Revenue growth	EBITDA ⁽³⁾	EBITDA margin	NTM revenue	NTM EBITDA
Sporting Goods Equipment										
Brunswick Corporation	\$4,966	\$4,971	\$55.97	87.7%	\$4,688	9.3%	\$602	12.8%	1.0x	7.1x
Fox Factory Holding Corp	1,613	1,635	43.10	99.0%	448	16.5%	74	16.6%	3.4x	17.8x
Callaway Golf Company	1,362	1,306	14.43	99.6%	965	13.7%	88	9.2%	1.3x	13.9x
Johnson Outdoors Inc.	721	627	73.28	99.4%	474	6.6%	52	10.9%	1.2x	10.2x
Malibu Boats, Inc.	642	662	31.64	99.1%	282	11.5%	49	17.4%	1.5x	8.6x
Marine Products Corporation	560	551	16.05	93.8%	255	13.1%	28	10.9%	1.9x	15.5x
Clarus Corporation	225	162	7.50	96.2%	153	1.59%	(0.5)	NM	1.0x	26.6x
Escalade, Incorporated	195	217	13.60	92.5%	168	4.0%	18	10.9%	1.2x	10.2x
<i>Sporting Goods Equipment Mean</i>				95.9%		9.5%		12.7%	1.6x	13.7x
<i>Sporting Goods Equipment Median</i>				97.6%		10.4%		10.9%	1.3x	12.0x
Bicycle Manufacturers										
Giant Manufacturing Co., Ltd.	\$1,761	\$1,789	\$4.70	62.2%	\$1,807	(7.3%)	\$141	7.8%	0.9x	11.0x
Merida Industry Co.,Ltd.	1,300	1,224	4.35	76.7%	719	(15.7%)	44	6.1%	1.6x	20.5x
Zhonglu Co., Ltd.	938	940	1.61	65.6%	102	4.4%	(1)	NM	NA	NA
Accell Group N.V.	811	967	30.91	81.2%	1,201	1.0%	75	6.2%	0.8x	11.7x
Dorel Industries Inc.	775	1,247	23.89	73.1%	2,578	(2.0%)	148	5.7%	0.5x	6.7x
Shenzhen China Bicycle Co.(Holdings)Ltd.	454	452	0.39	55.3%	18	(21.9%)	0	1.2%	NA	NA
Very Good Tour Co.,Ltd.	133	139	9.57	85.5%	63	(6.1%)	9	14.2%	NA	NA
Samchuly Bicycle Co., Ltd	88	134	7.32	54.4%	105	(16.7%)	3	2.7%	NA	NA
Euro-Cycles SA	65	69	12.07	67.1%	35	13.0%	7	20.0%	1.9x	8.0x
Ideal Bike Corporation	53	94	0.36	85.8%	140	(22.4%)	3	1.9%	NA	NA
Alton Sports Co., Ltd.	33	51	2.62	42.4%	40	(15.9%)	(5)	NM	NA	NA
Atlas Cycles (Haryana) Limited	19	29	5.96	56.1%	106	19.8%	2	2.1%	NA	NA
<i>Bicycle Manufacturers Mean</i>				67.1%		(5.8%)		6.8%	1.1x	11.6x
<i>Bicycle Manufacturers Median</i>				66.3%		(6.7%)		5.9%	0.9x	11.0x
Gym & Fitness Facilities										
Planet Fitness, Inc.	\$2,311	\$2,939	\$26.98	99.2%	\$402	15.0%	\$127	31.6%	6.6x	15.5x
Basic-Fit N.V.	1,208	1,503	22.10	98.9%	332	26.5%	94	28.2%	3.4x	10.7x
Tosho Co., Ltd.	942	1,035	24.58	95.6%	195	11.6%	65	33.4%	4.7x	13.5x
Central Sports Co., Ltd.	385	417	34.15	77.9%	471	1.8%	52	11.0%	NA	NA
The Gym Group plc	366	371	2.86	96.8%	104	19.5%	31	30.1%	2.6x	8.5x
Town Sports International Holdings, Inc.	187	317	7.00	97.9%	394	(3.2%)	47	11.8%	0.8x	6.3x
Talwalkars Better Value Fitness Limited	123	167	4.13	81.0%	45	13.9%	27	59.2%	3.2x	5.2x
Actic Group AB (publ)	77	127	4.73	71.2%	104	0.0%	13	12.7%	1.1x	6.4x
Grupo Sports World, S.A.B. de C.V.	74	100	0.94	94.4%	81	14.1%	13	16.4%	1.1x	NA
<i>Gym & Fitness Facilities Mean</i>				90.3%		11.0%		26.1%	2.9x	9.4x
<i>Gym & Fitness Facilities Median</i>				95.6%		13.9%		28.2%	2.9x	8.5x

Q3'17 Public Comps (continued)

Leisure & Wellness Performance Summary by Sub-sector (\$M, except per share data)

Selected public leisure & wellness companies

(US\$ in millions, except per share amounts)

Company name	Market cap	Enterprise value ⁽¹⁾	Share price ⁽²⁾	% Of 52-Wk high	Last Twelve Months (LTM)				Enterprise value	
					Revenue	Revenue growth	EBITDA ⁽³⁾	EBITDA margin	NTM revenue	NTM EBITDA
Dietary Supplements										
Herbalife Ltd.	\$6,062	\$6,726	\$67.83	91.1%	\$4,416	(2.4%)	\$728	16.5%	1.5x	9.6x
Glanbia plc	5,563	6,478	18.85	81.4%	3,372	22.1%	399	11.8%	2.2x	16.1x
Nu Skin Enterprises, Inc.	3,255	3,326	61.48	93.1%	2,185	(1.4%)	327	15.0%	1.4x	9.2x
By-health Co., Ltd.	3,014	2,587	2.05	88.9%	378	10.3%	123	32.5%	5.8x	21.4x
Blackmores Limited	1,595	1,630	92.57	97.3%	421	(8.2%)	74	17.6%	2.7x	17.4x
USANA Health Sciences, Inc.	1,410	1,181	57.70	76.9%	1,020	5.7%	147	14.4%	1.1x	7.3x
Fancl Corporation	1,367	1,084	21.58	92.8%	879	7.0%	60	6.8%	1.2x	12.5x
Medifast, Inc.	708	620	59.37	98.7%	277	2.5%	40	14.4%	2.0x	12.5x
GNC Holdings, Inc.	605	2,063	8.84	39.6%	2,484	(6.4%)	279	11.2%	0.8x	7.9x
Jamieson Wellness Inc.	600	1,037	15.92	99.5%	198	0.0%	35	17.6%	4.1x	20.2x
Midsona AB (publ)	272	352	5.89	82.4%	244	44.9%	18	7.4%	1.2x	12.6x
Natural Health Trends Corp.	269	133	23.90	78.5%	244	(21.0%)	62	25.2%	NA	NA
Nature's Sunshine Products, Inc.	192	172	10.15	61.7%	334	0.7%	13	4.0%	NA	NA
Nanjing Sinolife United Company Limited	179	115	0.19	69.8%	77	20.7%	17	21.7%	NA	NA
Vitamin Shoppe, Inc.	127	252	5.35	18.8%	1,241	(2.8%)	100	8.1%	0.2x	3.3x
Youngevity International, Inc.	93	111	4.73	67.6%	162	0.3%	(1)	NM	NA	NA
Eagle Health Holdings Limited	86	65	0.27	77.8%	67	0.0%	0	0.0%	NA	NA
Real Nutraceutical Group Limited	61	(182)	0.04	41.1%	138	(41.7%)	20	14.1%	NA	NA
Lifevantage Corporation	60	56	4.22	41.4%	199	(3.4%)	6	3.1%	NA	NA
Mannatech, Incorporated	39	5	14.50	60.9%	179	0.2%	4	2.3%	NA	NA
New Nordic Healthbrands AB (publ)	23	25	3.74	95.3%	39	8.5%	2	5.5%	NA	NA
Cyanotech Corporation	23	29	4.06	75.9%	34	6.2%	3	8.0%	NA	NA
Reliv' International, Inc.	12	12	6.69	48.6%	44	(9.0%)	1	2.8%	NA	NA
<i>Dietary Supplements Mean</i>				73.0%		1.4%		11.8%	2.0x	12.5x
<i>Dietary Supplements Median</i>				77.8%		0.2%		11.5%	1.4x	12.5x
Wearable Technology										
Apple Inc.	\$796,065	\$827,656	\$154.12	93.4%	\$223,507	1.5%	\$70,206	31.4%	3.2x	10.4x
Alphabet Inc.	669,590	578,832	973.72	96.5%	99,275	21.4%	32,251	32.5%	4.9x	12.2x
Sony Corporation	46,970	40,356	37.17	90.7%	69,864	(0.8%)	6,588	9.4%	0.6x	4.8x
Garmin Ltd.	10,130	9,022	53.97	96.8%	3,038	4.9%	727	23.9%	3.0x	11.8x
Under Armour, Inc.	6,944	7,733	16.48	42.0%	4,982	12.6%	526	10.6%	1.4x	16.7x
Fitbit, Inc.	1,621	945	6.96	46.2%	1,730	(21.8%)	(240)	NM	0.6x	NM
GoPro, Inc.	1,585	1,561	11.01	62.3%	1,296	4.4%	(159)	NM	1.1x	17.6x
<i>Wearable Technology Mean</i>				75.4%		3.2%		21.6%	2.1x	12.2x
<i>Wearable Technology Median</i>				90.7%		4.4%		23.9%	1.4x	12.0x

Q3'17 Public Comps (continued)

Leisure & Wellness Performance Summary by Sub-sector (\$M, except per share data)

Selected public leisure & wellness companies

(US\$ in millions, except per share amounts)

Company name	Market cap	Enterprise value ⁽¹⁾	Share price ⁽²⁾	% Of 52-Wk high	Last Twelve Months (LTM)				Enterprise value	
					Revenue	Revenue growth	EBITDA ⁽³⁾	EBITDA margin	NTM revenue	NTM EBITDA
Baby Products										
Pigeon Corporation	\$4,089	\$3,862	\$34.15	88.7%	\$881	5.9%	\$178	20.2%	4.1x	18.8x
Carter's, Inc.	4,724	5,212	98.75	99.4%	3,261	5.9%	495	15.2%	1.5x	9.7x
Dorel Industries Inc.	775	1,247	23.89	73.1%	2,578	(2.0%)	148	5.7%	0.5x	6.7x
Goodbaby International Holdings Limited	618	706	0.55	93.3%	809	(2.5%)	46	5.7%	0.8x	8.1x
Crown Crafts, Inc.	65	53	6.50	63.5%	64	(22.0%)	9	14.4%	0.8x	5.2x
Summer Infant, Inc.	35	81	1.89	81.5%	194	(3.6%)	5	2.4%	0.4x	6.5x
<i>Baby Products Mean</i>				83.2%		(3.1%)		10.6%	1.3x	9.1x
<i>Baby Products Median</i>				85.1%		(2.3%)		10.1%	0.8x	7.4x
Toys & Games										
Hasbro, Inc.	\$12,217	\$12,495	\$97.67	84.1%	\$5,132	10.4%	\$1,004	19.6%	2.3x	11.4x
BANDAI NAMCO Holdings Inc.	7,530	5,902	34.28	94.1%	5,513	6.3%	690	12.5%	1.0x	7.2x
Mattel, Inc.	5,305	7,672	15.48	46.6%	5,340	(5.0%)	687	12.9%	1.4x	11.4x
Spin Master Corp.	3,919	3,979	38.55	98.3%	1,318	33.6%	194	14.7%	2.6x	14.1x
TOMY Company, Ltd.	1,298	1,422	13.81	99.9%	1,534	5.3%	167	10.9%	0.9x	NA
China Healthwise Holdings Limited	105	108	0.01	40.3%	41	(9.5%)	(17)	NM	NA	NA
JAKKS Pacific, Inc.	68	157	3.00	32.8%	684	(7.2%)	27	3.9%	0.2x	3.7x
<i>Toys & Games Mean</i>				70.9%		4.8%		12.4%	1.4x	9.6x
<i>Toys & Games Median</i>				84.1%		5.3%		12.7%	1.2x	11.4x
Household Products										
The Procter & Gamble Company	\$232,000	\$249,461	\$90.98	96.1%	\$65,058	(0.4%)	\$17,420	26.8%	3.7x	13.9x
Reckitt Benckiser Group plc	64,262	84,058	91.34	84.0%	13,665	18.2%	4,375	32.0%	5.0x	16.7x
Henkel AG & Co. KGaA	55,357	57,252	135.89	88.7%	22,551	9.4%	4,315	19.1%	NA	NA
Kimberly-Clark Corporation	41,577	48,607	117.68	86.4%	18,175	(0.8%)	4,023	22.1%	2.6x	11.7x
Kao Corporation	28,968	27,442	58.79	92.2%	13,134	(0.1%)	2,209	16.8%	2.1x	11.6x
Newell Brands Inc.	20,913	31,526	42.67	77.5%	15,411	86.5%	2,633	17.1%	2.1x	11.2x
The Clorox Company	17,004	18,781	131.91	93.1%	5,973	3.7%	1,257	21.0%	3.1x	14.0x
Church & Dwight Co., Inc.	12,089	13,375	48.45	89.4%	3,542	2.3%	845	23.9%	3.4x	14.0x
Spectrum Brands Holdings, Inc.	6,148	10,139	105.92	72.5%	4,935	(3.2%)	864	17.5%	2.0x	10.2x
Tupperware Brands Corporation	3,145	3,839	61.82	83.1%	2,250	2.1%	393	17.4%	1.6x	8.7x
Tempur Sealy International, Inc.	3,482	5,305	64.52	91.6%	2,983	(6.0%)	454	15.2%	1.9x	12.0x
Helen of Troy Limited	2,638	3,075	96.90	94.2%	1,559	0.8%	224	14.3%	1.9x	12.6x
Central Garden & Pet Company	1,948	2,369	38.84	98.8%	1,977	9.7%	201	10.2%	1.2x	11.5x
WD-40 Company	1,568	1,611	111.90	93.3%	381	1.5%	80	21.0%	4.1x	18.8x
Select Comfort Corporation	1,275	1,287	31.05	84.5%	1,395	15.0%	148	10.6%	0.9x	8.0x
<i>Household Products Mean</i>				88.4%		9.3%		19.0%	2.5x	12.5x
<i>Household Products Median</i>				89.4%		2.1%		17.5%	2.1x	11.9x

Source: Capital IQ.

All figures in US\$; where applicable, converted at rates as of September 30, 2017.

(1) As shown, Enterprise Value defined as Market Capitalization plus Preferred Stock and Net Debt.

(2) Closing share prices as of September 30, 2017.

(3) EBITDA reduced to account for minority interest expense.

Leading Middle Market M&A Advisor⁽¹⁾

Selected Transactions*

 <p>Full Swing Golf, Inc.</p> <p>acted as financial advisor to Full Swing Golf on its recapitalization by North Castle Partners and Topgolf</p>	 <p>Nopa Nordic A/S</p> <p>acted as financial advisor to Nopa Nordic A/S in relation to its acquisition of Allison A/S</p>	 <p>Club16 and She's FIT!</p> <p>acted as financial advisor to Club16 and She's FIT! on its sale to Founders Advantage Capital</p>	 <p>Pon Holdings B.V.</p> <p>acted as financial advisor to Pon in connection with its acquisition of Gazelle Bicycles</p>	 <p>Life Science Nutritionals</p> <p>acted as financial advisor to Life Science Nutritionals on its sale to Santa Cruz Nutritionals</p>	 <p>INTERCO Cosmetics</p> <p>acted as financial advisor to INTERCO Cosmetics on the sale of the company</p>
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KPMG Corporate Finance* is a leading global M&A advisor in the Middle Market

2007-2016 Advisor Rankings ⁽¹⁾		No. of deals	2017 YTD September Advisor Rankings ⁽¹⁾		No. of deals
1	KPMG*	4,039	1	KPMG*	188
2	PwC	3,874	2	Rothschild & Co	186
3	Goldman Sachs & Co	3,681	3	PwC	183
4	Morgan Stanley	3,457	4	Ernst & Young	142
5	JP Morgan	3,212	5	Lazard	134

⁽¹⁾Source: Thomson Reuters SDC; Middle market is defined as transactions less than US\$500 million.

*Represents the Corporate Finance practices of KPMG International's network of independent member firms.

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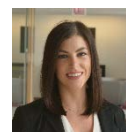
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