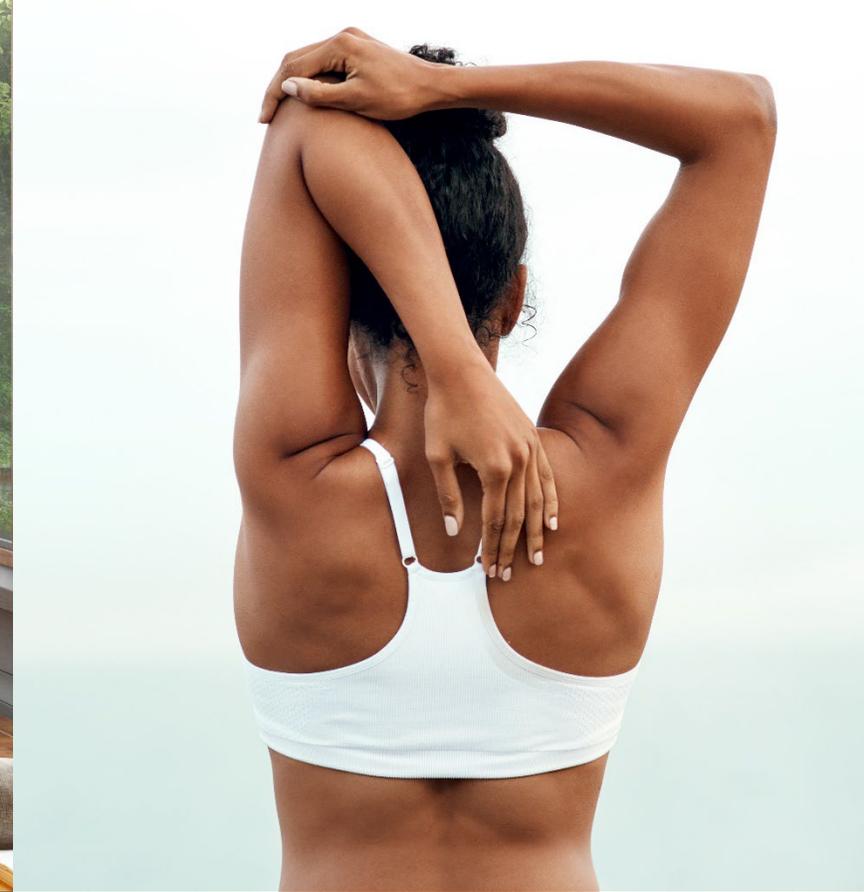


Houlihan
Lokey



Fitness & Wellness Software Market Update

July 2024

Houlihan Lokey Is the Global Technology M&A Advisory Leader

36 Locations Worldwide ~2,000 Financial Professionals HQ Los Angeles \$9.3B Market Cap⁽¹⁾



Independent Advice + Deep Sector Coverage + High Touch Execution

No. 1 Global Tech M&A Advisor

2023 M&A Advisory Rankings
All Global Technology Transactions

Advisor	Deals	150+ Tech Financial Professionals
1 Houlihan Lokey	89	~30 Tech Managing Directors
2 Rothschild & Co	76	
3 JP Morgan	68	
4 Goldman Sachs & Co	63	
5 Morgan Stanley	59	

Source: LSEG (formerly Refinitiv).
Excludes accounting firms and brokers.

No. 1 Global Private Equity M&A Advisor

2023 Most Active Investment Banks to
Private Equity – Globally

Advisor	Deals	30 Global Coverage Team Members	1,200+ PE firms
1 Houlihan Lokey	217	2,000+ Sponsor-Related Engagements in 2023	800+ Companies Sold to Financial Sponsors Over the Past Five Years
2 Lincoln International	156		
3 William Blair & Co	112		
4 Lazard	96		
5 Raymond James Financial	85		

Source: PitchBook. Excludes accounting firms and brokers.

(1) As of June 30, 2024.

Highly Active Global Vertical Software Coverage

Leader in Vertical Software Advisory

 has acquired Buyside Advisor	 a portfolio company of has received investment from Sellside Advisor	THE ATCORE GROUP a portfolio company of has been acquired by a portfolio company of Sellside Advisor	Transaction Pending a portfolio company of has agreed to receive an investment from Retschold & Co Sellside Advisor	 a portfolio company of has been acquired by a portfolio company of Sellside Advisor	 a portfolio company of has been acquired by Sellside Advisor
 a portfolio company of has been acquired by Sellside Advisor	 has acquired a portfolio company of Buyside Advisor	 has acquired a portfolio company of Buyside Advisor	 has been acquired by Sellside Advisor	 has received growth financing from Financial Advisor	 has been acquired by a portfolio company of Sellside Advisor
 a portfolio company of has been acquired by Sellside Advisor	 has received a strategic growth investment from Sellside Advisor	 has been acquired by Sellside Advisor	 growth financing in Financial Advisor	 has been acquired by Sellside Advisor	 a portfolio company of has been acquired by Sellside Advisor
 has merged with Financial Advisor	 has been acquired by Sellside Advisor	 has been acquired by Sellside Advisor	 has been acquired by Sellside Advisor	 has been acquired by Sellside Advisor	 has received a strategic investment from Sellside Advisor

Tombstones included herein represent transactions closed from 2020 forward.

*Selected transactions were executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company.

U.S. Vertical Software



Chris Gough
 Managing Director
 +1 415.273.3696
Chris.Gough@HL.com



Kevin Walsh
 Managing Director
 +1 415.273.3664
Kevin.Walsh@HL.com



Rip Furniss
 Senior Vice President
 +1 917.588.2672
Rip.Furniss@HL.com



Cooper Byrne
 Vice President
 +1 646.259.7529
Cooper.Byrne@HL.com



Pat Hagerty
 Vice President
 +1 646.259.7528
Pat.Hagerty@HL.com

Global Coverage



Sascha Pfeiffer
 Managing Director,
 Head of European Tech
 +49 (0) 69 204 34 6415
Sascha.Pfeiffer@HL.com



James Craven
 Managing Director
 +44 (0) 788 431 4630
James.Craven@HL.com



Raymond Fröjd
 Managing Director
 +46 (0) 70 747 25 17
Raymond.Froj@HL.com



Eric Erbeck
 Senior Vice President
 +49 (0) 69 20 434 6420
Eric.Erbeck@HL.com

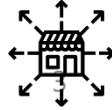
How We Segment and Cover the Fitness & Wellness Software Market

Fitness and wellness software streamlines operations by centralizing member onboarding, payment processing, and administrative tasks into a single platform, providing members and guests with access to facility information and account updates, integrating client and management features for a seamless user experience.

Fitness, Gyms & Health Clubs



Big Box/
Enterprise



Franchises



Independent/
Single Centers

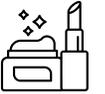
Beauty & Wellness



Spa



Salon



MedSpa

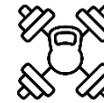
Boutique Fitness & Studios



Boxing



Martial Arts



CrossFit



Yoga & Pilates



Dance



Cycling

Private Clubs



Racquet



Cycling



Sailing



Golf



Rowing

Personal Trainers & Coaches



Performance



Nutrition



Boot Camp

Community & Recreation Centers



YMCAs



JCCs

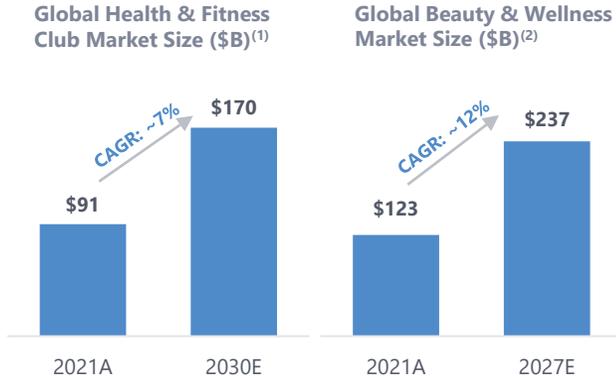


Boys & Girls
Clubs

Fitness & Wellness Macro Observations

Large, Resilient Market⁽¹⁾

The global beauty & wellness market size is **~\$123 billion, growing at ~12% CAGR through 2027E**—a highly attractive software + payments opportunity created by a massive end market exhibiting strong growth.



31K+

2023 U.S. Health Clubs⁽¹⁾

115K+

2023 Fitness Industry Enterprises⁽¹⁾

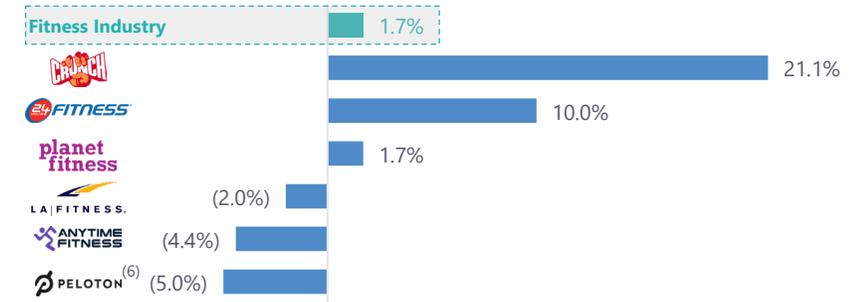
200K+

2022 Beauty & Wellness Establishments⁽²⁾

Consumers Have Returned to In-Person Training⁽⁴⁾

People are prioritizing in-person fitness: **81%** of people say **motivation is greater in class**, and **67%** say **in-studio classes make it easier to maintain a workout routine**.⁽⁵⁾

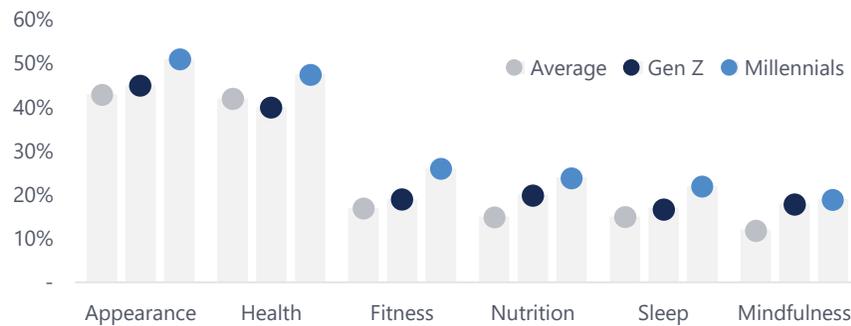
Jan-24A Gym Visits Compared to Jan-23A



Shifting Generational Priorities Driving Long-Term Growth

Young generations prioritize fitness and wellness spending at a higher rate than older generations across all segments, positioning the category for long-term growth as the Millennial and Gen Z share of overall consumer spending continues to increase.

U.S. Health & Wellness Purchases, by Product Type and Generation⁽³⁾



Health and Wellness Here to Stay

With the post-pandemic years marked by increased consciousness about physical and mental well-being, consumers are spending more on wellness than ever before—now, a **~\$1.5 trillion market** globally growing **~5–10% annually**.⁽⁷⁾

The health and wellness market is growing as people across the globe are increasingly prioritizing their physical and mental health, spending more on products that improve their health, nutrition, and fitness.

Consumers are increasingly viewing health and wellness as “essential”: In 2022, Accenture found that 80% of global consumers expected to maintain or increase their health and wellness spending, despite 66% feeling financially squeezed.⁽⁸⁾

~\$1.5T

2024E Global Consumer Wellness Market Size⁽⁷⁾

~82%

of U.S. Consumers Consider Wellness a Top Priority in Their Daily Lives in 2024⁽⁷⁾

~58%

of U.S. Consumers Are Prioritizing Wellness More in 2024 Than in 2023⁽⁷⁾

(1) Statista, “Health and Fitness Clubs.”

(2) Global Wellness Institute, includes Spas and Thermal/Mineral Springs.

(3) McKinsey, “The trends defining the \$1.8 trillion global wellness market in 2024.”

(4) Placer.AI, “Fitness: A Strong Start to 2024.”

(5) MindBody, “2023 State of the Wellness Industry.”

(6) Peloton, May 2024 Investor Presentation.

(7) McKinsey, “2024 Future of Wellness Survey.”

(8) Accenture, “Consumers See Health and Well-Being as “Essential” Spend Category.”

Market Overview

Fitness & Wellness Software

Market Observations

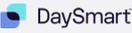
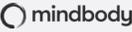
- Fitness and wellness providers are requiring more flexibility and enhanced feature sets, such as communication with members, workout and usage stats, reservation scheduling and management, and gym-related news and events.
- Health clubs have been implementing digital sales and marketing strategies such as targeted email and SEO to boost membership sales, retain members, and attract and convert leads.
- Boutique fitness studios and virtual experiences have become an increasingly popular format, leading software vendors to focus on integrating virtual classes, as well as contactless access control systems and digital payment gateways, into class schedules.
- Clubs are prioritizing reliable back-office features, including staff attendance tracking, payroll, and inventory management to maximize business efficiencies.
- The prioritization of fitness and wellness by younger generations positions clubs, gyms, and spas for increased demand and long-term growth.

Recent M&A and Recap. Transactions

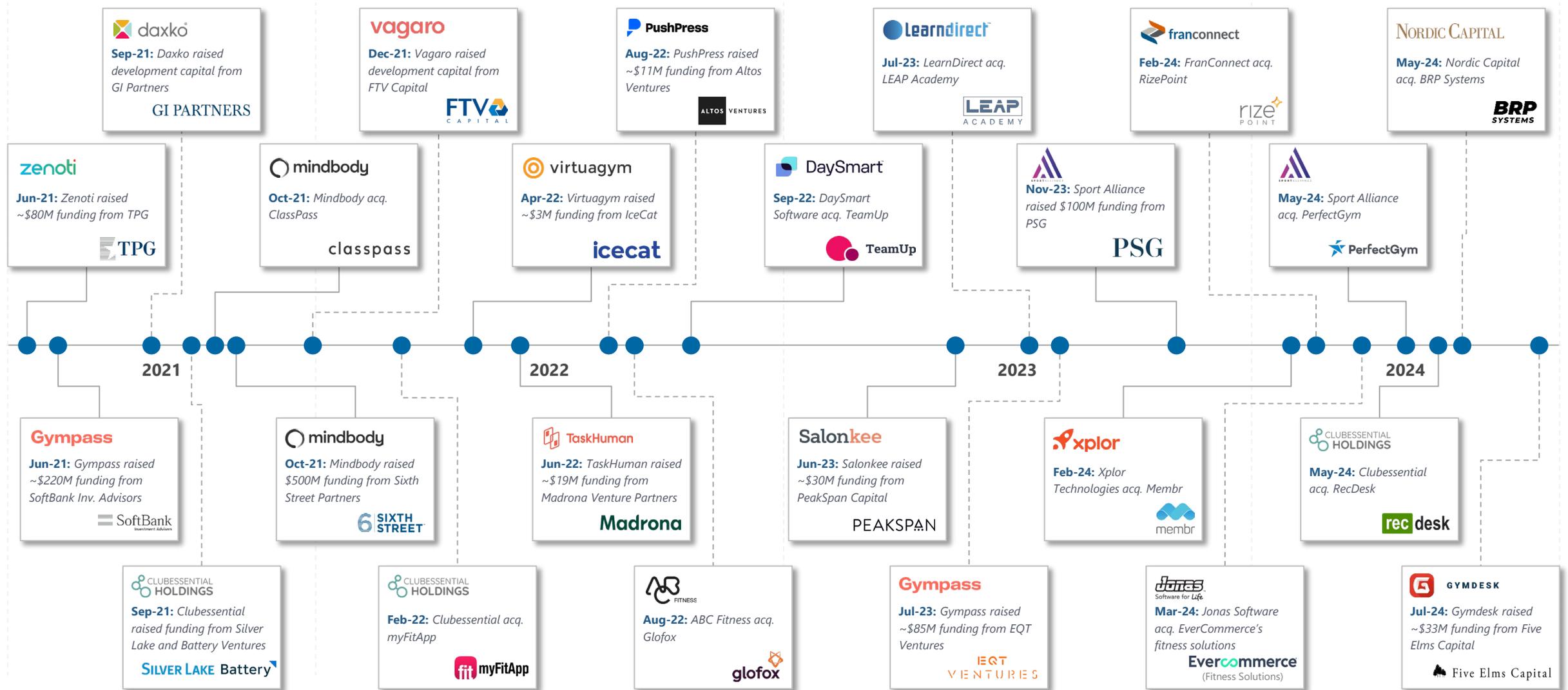
Date	Target	Acquirer	Target Description
Jul. 2024	 GYMDESK	 Five Elms Capital	Gym membership management platform
May 2024	 BRP SYSTEMS	 NORDIC CAPITAL	Nordic gym and fitness ERP platform
May 2024	 rec desk	 CLUBESSENTIAL HOLDINGS	Recreation management platform for parks and recreation teams
May 2024	 PerfectGym	 SPORTSILLIGENCE	European/Australian fitness club management platform
Mar. 2024	 Evercommerce Fitness Solutions	 JONES Software for Life	Fitness solutions: ClubOS, ASF, ClubWise, My PT Hub
Feb. 2024	 membr	 xplor	Cloud-based gym management platform

Sources: U.S. Bureau of Labor Statistics, PitchBook, LinkedIn, Databridge Market Research, IBISWorld.

Leading Vendors

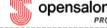
Company	HQ/Founded	Leadership	Ownership	Employees
 AB FITNESS	Sherwood, AR 1981	Bill Davis	Acquired (Jan-18) (Thoma Bravo)	~1,910
 book4time	Markham, ON 2004	Roger Sholanki	Acquired (Dec-20) (Serent)	~130
 CLUBESSENTIAL HOLDINGS	Cincinnati, OH 1998	Randy Eckels	Acquired (Jul-16) (Battery)	~500
 daxko	Homewood, AL 1998	Ron Lamb	Acquired (Sep-16) (GI Partners, Genstar)	~840
 DaySmart	Ann Arbor, MI 1998	Patrick Shanahan	Acquired (Oct-19) (LLR, Parthenon)	~200
 eversports	Vienna, AUT 2013	Hanno Lippitsch	Private (VC & Angel Consortium)	~100
 Millennium	Parsippany, NJ 1987	Sebastian Vos	PE-Backed (Sep-21) (Serent)	~200
 mindbody	San Luis Obispo, CA 2001	Fritz Lanman	\$1.9B LBO (Feb-19) (Vista)	~1,380
 NS NORTHSTAR	Alpharetta, GA 2003	Prasad Suryadevara	Private	~275
 vagaro	Hamburg, DEU 2011	Daniel Hanelt	PE-Backed (Aug-21) (PSG)	~350
 vagaro	Pleasanton, CA 2009	Fred Helou	PE-Backed (Nov-21) (FTV)	~460
 xplor	Creve Coeur, MO 1994	Pamela Joseph	\$1.0B LBO (Jun-19) (Advent)	~1,300
 zenoti	Bellevue, WA 2010	Sudheer Koneru	\$80M Series D (Jun-21) (TPG)	~960

Fitness & Wellness Software Transaction Timeline



Sources: PitchBook, S&P Capital IQ, Mergermarket, 451 Research, Company websites.

Fitness & Wellness Vendor Capabilities Comparison

Vendor	Verticals					Property Type				Geography			
	Fitness Clubs	Studios (incl. Specialty)	Personal Trainers	Spas & Salons	Other	Hotel & Resort	SMB / Single Location	Mid-Market / Multi-Location	Franchises & Enterprises	North America	United Kingdom	Europe	Australia
	●	●						●	★	●			
	●	●	●	●	Tennis, Pickleball, Resorts	★	●	●		●	●	●	●
					Golf & Yacht Clubs, Marina, Recreation					●			
	  	  			YMCA's, JCC's, Boys & Girls, Rec Clubs					●	●	●	
				●	Vet, Pet (Groom & Board), Body Art (Tattoo)	●							
		●					●	●				●	
				●			●	●	●	●	●	●	
	●	●				●	★	●	●	●	●	●	●
				●	Golf, Marina, POA, Private Clubs, Retail	●	★			●		●	●
	●	●	●									●	
	●	●	●	●	Barber Shops, Tattoo Parlors, Pet Grooming		●			●	●		●
		 			Rec Centers, Field Services, Education			 		●		 	
	●	●		 	Barber Shops	●	●	●	●	●			●

Sources: Company websites.

★ Indicates primary property type.

Featured Vendor Profiles

Company	Description	Summary Metrics	Investors / Parent
 <p>ABC Fitness Solutions abcfitness.com</p> <p>HQ: Sherwood, AR Founded: 1981 CEO: Bill Davis</p>	<ul style="list-style-type: none"> Club management software intended for the health and fitness industry Company's solution suite features <i>Ignite</i> (club management for traditional and HVLP gyms), <i>Evo</i> (gym management in Latin America), <i>Glofox</i> (member management for boutique fitness and studios), <i>Trainerize</i> (coaching app to deliver engaging client experiences), and <i>Gymsales</i> (fitness CRM for growing clubs and franchises globally) Six acquisitions since 2019, including Glofox, Fitness BI, Trainerize, and Gymsales Select customers: 	<ul style="list-style-type: none"> Employees: ~1,910 30K clubs and studios 100+ countries 40M active members (entire portfolio) 570K trainers and coaches 	
 <p>Book4Time book4time.com</p> <p>HQ: Markham, ON Founded: 2004 CEO: Roger Sholanki</p>	<ul style="list-style-type: none"> Ancillary revenue and spa management software for the hospitality industry Company's platform offers appointment booking, revenue management, inventory management, guest experience and CRM, marketing and retention, and business intelligence and reporting Built for hotels and resorts, casinos, day spas, gym and fitness centers, destination wellness, and hot springs Select customers: 	<ul style="list-style-type: none"> Employees: ~130 1,500+ locations 85+ countries 	
 <p>BRP Systems brpsystems.com</p> <p>HQ: Linköping, Sweden Founded: 2004 CEO: Thomas Söld</p>	<ul style="list-style-type: none"> Nordics-based enterprise business software designed for the leisure industry Company's platform features CRM and POS software, best-in-class booking management, finance and business intelligence, and hardware-as-a-service Primarily serves fitness facilities as well as facilities across sports, yoga, swim, functional, bouldering, and spa and wellness Three acquisitions since 2019: Astrofarm, Sports Solution, and Pastell Data Select customers: 	<ul style="list-style-type: none"> Employees: ~115 2,500+ facilities ~3.5M members 	
 <p>Bsport pro.bsport.io</p> <p>HQ: Paris, France Founded: 2018 CEO: Zakaria Mansour</p>	<ul style="list-style-type: none"> All-in-one marketing and management platform tailored for boutique fitness studios Company's platform offers audience campaigns, smart marketing, membership management, premium brand experiences, and bookings and payments Serves boutique studios across fitness and personal training, sports and martial arts, dance, pole, barre, bootcamp, CrossFit, yoga, and Pilates Select customers: 	<ul style="list-style-type: none"> Employees: ~120 30+ countries 2,000+ partners 600K+ active members 	 

Sources: PitchBook, Company website, LinkedIn.

Featured Vendor Profiles (cont.)

Company	Description	Summary Metrics	Investors / Parent
 Clubessential Holdings clubessentialholdings.com HQ: Cincinnati, OH Founded: 1998 CEO: Randy Eckels	<ul style="list-style-type: none"> Software and integrated payments provider to private clubs, golf courses, health and fitness clubs, spas, military organizations, municipalities, and camp organizations Fitness and leisure solutions feature staff and membership management, customer engagement, mobile marketing, billing and payments, and reporting and analytics across four brands (ClubReady, Exerp, Innovatise, TAC) 14 acquisitions since 2017 Select customers: 	<ul style="list-style-type: none"> Employees: ~500 Total Known Capital Raised: ~\$881M 17,000+ customers 50M+ members 	 
 Daxko daxko.com HQ: Birmingham, AL Founded: 1998 CEO: Jeff VanDixhorn	<ul style="list-style-type: none"> SaaS platform intended to build and deliver integrated technology, services, insights, and payments to power health and wellness communities Company offers member management, community relationship management, payment services, accounting, mobile apps, facility access, customer engagement, performance analytics, full-service billing, digital marketing, and card services Communities served: YMCAs, JCCs, Boys & Girls Clubs, and recreation centers Nine acquisitions since 2017, including Motionsoft, UpLaunch, and Club Automation 	<ul style="list-style-type: none"> Employees: ~840 Total Known Capital Raised: ~\$56M 19K+ facilities 55 countries 25M+ members served 	 
 DaySmart daysmart.com HQ: Ann Arbor, MI Founded: 1998 CEO: Patrick Shanahan	<ul style="list-style-type: none"> Business management software suite designed to serve the diverse needs of business owners and managers Company offers appointment booking, reputation management, dashboards and reporting, strategic marketing, staff management, reminders, and a client database Tailored solutions for salons, tattoo and piercing shops, spas, pet stores and grooming shops, veterinary practices, recreation centers, gyms and studios, and children's camps Eight acquisitions since 2019, including Sawyer, ReCPro Software, and TeamUp 	<ul style="list-style-type: none"> Employees: ~200 2M+ active customers 	 
 Eversports eversports.at HQ: Vienna, Austria Founded: 2013 CEO: Hanno Lippitsch	<ul style="list-style-type: none"> Sports booking platform intended to discover and book sports events and venues Eversports Manager: intuitive management tools, invoicing and financing, community building and engagement, marketing tools, and online classes/VOD tools Targets yoga, boxing, Pilates, dance, and MMA studios, as well as personal trainers Acquired Fitmanager (Jan-19) and GymEntry (Nov-18) to boost member administration and consumer booking/scheduling capabilities Select customers: 	<ul style="list-style-type: none"> Employees: ~100 Total Known Capital Raised: ~\$12M 4,000+ partner studios ~50K daily users 	    

Sources: PitchBook, Company website, LinkedIn.

Featured Vendor Profiles (cont.)

Company	Description	Summary Metrics	Investors / Parent
 EverWell evercommerce.com HQ: Denver, CO Founded: 2006 CEO: Eric Remer	<ul style="list-style-type: none"> Tailored, integrated solutions for fitness, wellness, and salon and spa professionals EverWell solutions streamline day-to-day business operations, improve marketing effectiveness, and modernize engagement with customers Target customers: big box and franchise gyms, boutique fitness studios, salons and spas, and dance, gymnastics, and martial arts facilities Recently announced divestment of four Fitness solutions to Jonas Software in March 2024 (ClubOS, ASF, ClubWise, My PT Hub)—seven brands to remain in portfolio 	<ul style="list-style-type: none"> 46K+ customers 	 Evercommerce (NAS:EVCM)
 Jonas Fitness jonasfitness.com HQ: Webster, TX Founded: 2013 CEO: Tony Autin	<ul style="list-style-type: none"> Enterprise management software and billing solutions designed for the fitness industry Compete: flagship, PCI-certified club management and billing software solution tailored for a seamless customer experience Also offers member management solutions for the health and wellness industry Specializes in building long-lasting partnerships with multi-purpose, North American health and fitness clubs, as well as wellness and corporate fitness centers Select customers: 	<ul style="list-style-type: none"> Employees: ~100 4,000+ facilities 1,000+ integration partners 	Private
 Millennium Systems International meevo.com HQ: Parsippany, NJ Founded: 1987 CEO: Sebastian Vos	<ul style="list-style-type: none"> Business management software designed for the beauty and wellness industry across single and multi-location businesses, franchises, and cosmetology schools Meevo 2, the cloud-based all-in-one solution, assists with client management, streamlines business operations, and facilitates marketing campaigns 25+ third-party partnerships with industry leaders, including ADP (payroll solutions) and REACH.ai (smart scheduling) Select customers: 	<ul style="list-style-type: none"> Employees: ~200 100K+ users 36+ countries 	
 Mindbody mindbodyonline.com HQ: San Luis Obispo, CA Founded: 2001 CEO: Fritz Lanman	<ul style="list-style-type: none"> Business management software intended for fitness, beauty, and wellness businesses Seamless platform featuring CRM tools, automated staff scheduling, multi-location management, booking, marketing, payments, lead management, automated insights, AI Front Desk, a branded mobile app, a 360 client experience Seven acquisitions since 2017, including ClassPass, a fitness training app providing global access to thousands of top-rated gyms, fitness studios, salons, and spas Serves business owners, wellness seekers, and enterprise businesses Select partners: 	<ul style="list-style-type: none"> Employees: ~1,380 Total Known Capital Raised: ~\$586M 	 VISTA 

Sources: PitchBook, Company website, LinkedIn.

Featured Vendor Profiles (cont.)

Company	Description	Summary Metrics	Investors / Parent
 Northstar Technologies globalnorthstar.com HQ: Alpharetta, GA Founded: 2003 CEO: Prasad Suryadevara	<ul style="list-style-type: none"> Complete club management and communication association software for private clubs and facilities Company's platform features club management, membership management and reservations, marketing, and accounting tools Serves F&B, golf courses, spas, retail, hotels, security, and marinas Seven acquisitions since 2020, including Abacus 21, MiClub, and TopYacht Select customers:   	<ul style="list-style-type: none"> Employees: ~275 1,000+ clubs 	Private
 PushPress pushpress.com HQ: Claymont, DE Founded: 2011 CEO: Dan Uyemura	<ul style="list-style-type: none"> Comprehensive gym management software designed to help gyms grow faster Core: Robust, simple, and elegant recurring billing and membership management solutions for both customers and staff—additional features include sign-up forms, sale of retail products, lead management, class reservations, and staff appointments Train: Workout tracking system to motivate gym members to push themselves harder Acquired Ignite, a workout tracking and community engagement software tool (Sep-21) Select customers:   	<ul style="list-style-type: none"> Employees: ~70 Total Known Capital Raised: ~\$13M Last Known Valuation: \$63M (Aug-22) 2,500+ customers 	  
 Sport Alliance sportalliance.com HQ: Hamburg, Germany Founded: 2011 CEO: Daniel Hanelt	<ul style="list-style-type: none"> Digital management solutions for sports and health facilities, including comprehensive ERP software, mobile apps for members in the studio, and extensive services Company's software offers studio management, financial services, logistics and supply, booking and training management capabilities Targets small and medium-sized sport schools, yoga, physio, EMS, martial arts centers, gyms, franchise systems, and independent fitness providers Brand ecosystem: PerfectGym, Magicline, Finion Capital, and Finion Fairpay Acquired PerfectGym on May 14, 2024, to boost gym management capabilities throughout Europe and Australia 	<ul style="list-style-type: none"> Employees: ~350 Raised \$100M from PSG (Nov-23) 10,000+ facilities 14 of Europe's top 30 chains 130 international chains across 55 countries 	
 Vagaro vagaro.com HQ: Pleasanton, CA Founded: 2009 CEO: Fred Helou	<ul style="list-style-type: none"> Cloud-based business management platform and online marketplace for the salon, spa, and fitness industries Platform runs on any device and can accept online bookings, schedule clients, run marketing campaigns, and manage overall business operations Additional features: calendar, notifications, membership management, POS, customer tracking, invoices, mobile apps, payments, online store, and inventory management 123 million appointments booked in 2022 	<ul style="list-style-type: none"> Employees: ~460 Total Known Capital Raised: ~\$63M Last Known Valuation: \$1.0B (Nov-21) ~180K professionals 	

Sources: PitchBook, Company website, LinkedIn.

Featured Vendor Profiles (cont.)

Company	Description	Summary Metrics	Investors / Parent
 virtuagym Virtuagym virtuagym.com HQ: Amsterdam, Netherlands Founded: 2008 CEO: Paul Braam	<ul style="list-style-type: none"> Cloud-based fitness software platform designed to provide a modular and scalable fitness infrastructure that focuses on developer friendliness All-in-one solution for client coaching, membership management, billing, scheduling, access control, and webshop and lead management Targets small and medium-sized fitness studios, personal trainers, boxing and martial arts facilities, indoor cycling and rowing clubs, and yoga, pilates, and dance studios Also serves large gyms, gym chains, franchise businesses, and corporate wellness Select customers:    	<ul style="list-style-type: none"> Employees: ~200 Total Known Capital Raised: ~\$14M 9,000+ businesses 45K+ personal trainers 80+ countries 20M+ consumers 	 
 wellhub Wellhub wellhub.com HQ: New York, NY Founded: 2012 CEO: Cesar Carvalho	<ul style="list-style-type: none"> Corporate well-being platform intended to offer an alternative to the classic model of a gym membership Empowers companies to create a healthy and engaged workforce by providing access to a global network of workout facilities for employees Offers unlimited access to gyms, fitness studios, swimming centers, boot camps, and various other activities at a low price Five acquisitions since 2019: Vitalk, Andjoy, 7card, Trainiac, and Flaner Select customers:    	<ul style="list-style-type: none"> Employees: ~3,100 Total Known Capital Raised: ~\$711M Last Known Valuation: \$2.4B (Jul-23) 50K+ gyms and clubs 2,500+ virtual personal trainers 	  
 xplor Xplor xplortechnologies.com HQ: Creve Coeur, MO Founded: 1994 CEO: Pamela Joseph	<ul style="list-style-type: none"> Cloud-based payments processing platform serving education, health and fitness (i.e., gyms, clubs, leisure, parks), boutique wellness, field services, and personal services Offers commerce-enabling software such as CRM and loyalty program applications, online learning and training software, consumer engagement mobile apps, employee service delivery mobile apps, and billing and account management services 16 acquisitions since 2019, including Membr (Feb-24): cloud-based gym management Select customers:    	<ul style="list-style-type: none"> Employees: ~1,300 106K+ customers 20+ countries 	  
 zenoti Zenoti zenoti.com HQ: Bellevue, WA Founded: 2010 CEO: Sudheer Koneru	<ul style="list-style-type: none"> Cloud-based enterprise software empowering beauty, fitness, and wellness businesses of all sizes—enterprise, franchises, and single centers Specializes in AI, predictive analytics, and communication tools to manage reporting and analytics, inventory management, marketing, and employee management Also offers omnichannel booking and contactless payments for seamless checkouts Four acquisitions since 2020, including Opensalon Pro and SuperSalon Select customers:    	<ul style="list-style-type: none"> Employees: ~960 Total Known Capital Raised: ~\$334M Last Known Valuation: \$1.5B (Jun-21) ~30K customers 50+ countries 	   

Sources: PitchBook, Company website, LinkedIn.



Appendix



Comparable Public Companies: Trading and Operating Analysis

	Company Name	Market Cap (\$M)	EV (\$M)	EV / Revenue		EV / EBITDA		Revenue Growth		Gross Margin		EBITDA Margin	
				2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Vertical Software	Autodesk	53,065	53,690	9.8x	8.9x	25.6x	23.3x	9.8%	10.1%	91.6%	91.9%	38.2%	38.1%
	Veeva	30,184	25,474	10.8x	9.4x	29.1x	23.3x	9.7%	14.4%	71.3%	75.4%	37.0%	40.4%
	Tyler Technologies	22,347	22,796	11.7x	10.7x	NM	NM	5.5%	9.1%	44.1%	47.3%	25.0%	26.4%
	Guidewire	12,061	11,724	12.7x	11.4x	NM	NM	6.4%	11.4%	56.2%	62.6%	8.5%	14.5%
	AppFolio	9,778	9,579	15.4x	12.4x	NM	NM	31.5%	24.6%	62.0%	65.2%	13.3%	26.4%
	CCC	6,938	7,626	8.8x	8.0x	21.6x	19.4x	10.7%	9.4%	76.5%	77.6%	40.8%	41.4%
	Blackbaud	4,003	5,045	4.6x	4.3x	14.2x	12.8x	4.5%	6.9%	54.6%	61.8%	32.2%	33.3%
	Instructure	3,352	4,436	8.4x	6.7x	20.7x	16.3x	11.6%	25.1%	65.4%	79.0%	40.4%	41.1%
	EverCommerce	2,223	2,665	3.9x	3.9x	17.1x	15.4x	8.8%	2.5%	65.8%	66.4%	23.0%	24.9%
	Mean			9.6x	8.4x	21.4x	18.4x	10.9%	12.6%	65.3%	69.7%	28.7%	31.8%
	Median			9.8x	8.9x	21.1x	17.8x	9.7%	10.1%	65.4%	66.4%	32.2%	33.3%
Integrated Payments	Shopify	80,817	76,785	10.9x	9.0x	NM	NM	26.1%	21.0%	49.8%	50.8%	11.5%	14.1%
	Block	41,333	40,373	1.8x	1.6x	22.5x	14.5x	25.0%	14.7%	34.6%	34.8%	8.2%	11.1%
	Wix	9,445	9,557	6.1x	5.4x	NM	27.4x	12.5%	12.5%	67.2%	68.5%	16.7%	19.9%
	Shift4	6,042	7,517	2.9x	2.1x	16.3x	11.5x	28.7%	41.1%	26.8%	71.0%	17.9%	18.1%
	Lightspeed	2,083	1,384	1.6x	1.3x	NM	NM	24.6%	21.6%	43.2%	42.6%	(0.9%)	3.3%
	Olo	777	441	1.9x	1.6x	15.4x	15.6x	23.1%	20.7%	60.9%	60.7%	12.5%	10.3%
	BigCommerce	641	725	2.3x	2.2x	NM	NM	10.9%	7.7%	76.0%	77.6%	(0.5%)	5.7%
		Mean			3.9x	3.3x	18.1x	17.2x	21.6%	19.9%	51.2%	58.0%	9.3%
	Median			2.3x	2.1x	16.3x	15.0x	24.6%	20.7%	49.8%	60.7%	11.5%	11.1%
	Overall - Mean			7.1x	6.2x	20.3x	17.9x	15.6%	15.8%	59.1%	64.6%	20.2%	23.1%
	Overall - Median			7.2x	6.1x	20.7x	15.9x	11.2%	13.4%	61.4%	65.8%	17.3%	22.4%

Source: S&P Capital IQ as of 7/23/2024. Notes: Multiples <0 or >50 considered NM. Margins <0% or >100% considered NM.

Representative M&A Transactions

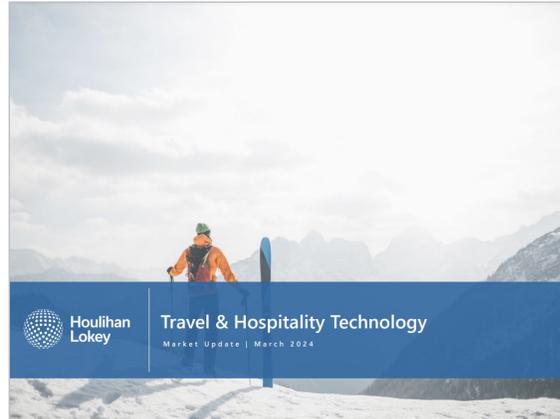
Date	Target	Acquirer	Description	EV (\$M)	LTM Rev (\$M)	EV/ LTM Rev.
7/8/24	 GYMDESK	 Five Elms Capital	Gym management software designed to simplify member management activities for gyms, studios, and other fitness and wellness businesses	n/a	n/a	n/a
5/21/24	 BRP SYSTEMS	 NORDIC CAPITAL	Nordic-based business management and ERP platform for the gym and fitness industry	n/a	n/a	n/a
5/16/24	 rec desk	 CLUBESSENTIAL HOLDINGS	Recreation management software intended to simplify operations of recreation organizations	n/a	n/a	n/a
5/14/24	 PerfectGym	 SPORTALLIANCE	Cloud-based fitness club management software designed to cultivate fitness trends and advances into actionable tools	n/a	n/a	n/a
3/13/24	 Evercommerce Fitness Solutions	 JUNAS Software for Life	End-to-end business management software for large-format gyms, specialty fitness, and personal trainers (ClubOS, ASF, ClubWise, My PT Hub)	n/a	n/a	n/a
2/1/24	 membr	 xplor	Cloud-based gym management platform designed to motivate, educate, and inspire people to a healthier lifestyle	n/a	n/a	n/a
7/24/23	 LEAP ACADEMY	 learnirect QUEEN'S PARK EQUITY	Online personal training platform offering nutrition courses, business courses, and short courses delivered through a team of qualified trainers	n/a	n/a	n/a
9/8/22	 TeamUp	 DaySmart	Fitness studio and gym management SaaS to businesses in the fitness industry in Europe and North America	n/a	n/a	n/a
8/2/22	 glofox	 AB FITNESS	Fitness management SaaS for businesses in the health and fitness industry globally	n/a	n/a	n/a
2/21/22	 fit myFitApp	 CLUBESSENTIAL HOLDINGS	Digital fitness tracking and marketing SaaS for gyms and health clubs globally	n/a	n/a	n/a
10/13/21	 classpass	 mindbody	Subscription-based solution that enables consumers to book fitness classes for more than 30 markets primarily in the U.S.	n/a	n/a	n/a
4/14/21	 teamsNAP	 Waud Capital	Sports management platform intended to simplify communication and coordination between sports members	<i>Confidential</i>		

Sources: 451 Research, PitchBook, S&P Capital IQ, company websites.

Note: Globe denotes a Houlihan Lokey deal.

Houlihan Lokey's Vertical Software Market Updates

Click on the images to access Houlihan Lokey's recent reports



Travel & Hospitality Technology



2023 PropTech Year in Review



Field and Frontline Operations



Multi-Family PropTech



Commercial Real Estate Technology



Transportation Technology

Disclaimer

© 2024 Houlihan Lokey. All rights reserved. This material may not be reproduced in any format by any means or redistributed without the prior written consent of Houlihan Lokey.

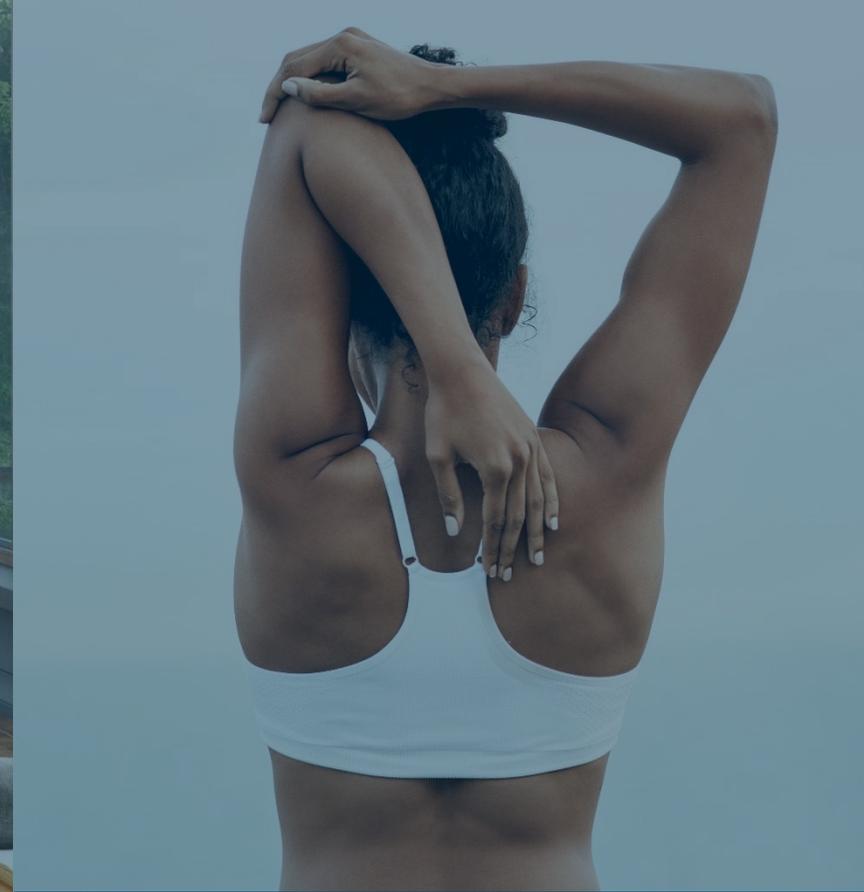
Houlihan Lokey is a trade name for Houlihan Lokey, Inc., and its subsidiaries and affiliates, which include the following licensed (or, in the case of Singapore, exempt) entities: in (i) the United States: Houlihan Lokey Capital, Inc., an SEC-registered broker-dealer and member of FINRA (www.finra.org) and SIPC (www.sipc.org) (investment banking services); (ii) Europe: Houlihan Lokey UK Limited (FRN 792919), Houlihan Lokey Advisory Limited (FRN 116310), and Houlihan Lokey PFG Advisory Limited (FRN 725267), authorized and regulated by the U.K. Financial Conduct Authority; Houlihan Lokey (Europe) GmbH, authorized and regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht); Houlihan Lokey PFG Advisory S.A., a member of CNCEF Patrimoine and registered with the ORIAS (#14002730); (iii) the United Arab Emirates, Dubai International Financial Centre (Dubai): Houlihan Lokey (MEA Financial Advisory) Ltd. and Houlihan Lokey (MEA PFG Advisory) Limited, regulated by the Dubai Financial Services Authority; (iv) Singapore: Houlihan Lokey (Singapore) Private Limited, an “exempt corporate finance adviser” able to provide exempt corporate finance advisory services to accredited investors only; (v) Hong Kong SAR: Houlihan Lokey (China) Limited, licensed in Hong Kong by the Securities and Futures Commission to conduct Type 1, 4, and 6 regulated activities to professional investors only; (vi) India: Houlihan Lokey Advisory (India) Private Limited, registered as an investment adviser with the Securities and Exchange Board of India (registration number INA000001217); and (vii) Australia: Houlihan Lokey (Australia) Pty Limited (ABN 74 601 825 227), a company incorporated in Australia and licensed by the Australian Securities and Investments Commission (AFSL number 474953) in respect of financial services provided to wholesale clients only. In the United Kingdom, European Economic Area (EEA), Dubai, Singapore, Hong Kong, India, and Australia, this communication is directed to intended recipients, including actual or potential professional clients (UK, EEA, and Dubai), accredited investors (Singapore), professional investors (Hong Kong), and wholesale clients (Australia), respectively. No entity affiliated with Houlihan Lokey, Inc., provides banking or securities brokerage services, nor is any such affiliate subject to FINMA supervision in Switzerland or similar regulatory authorities regarding such activities in other jurisdictions. Other persons, such as retail clients, are NOT the intended recipients of our communications or services and should not act upon this communication.

Houlihan Lokey gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this presentation. The material presented reflects information known to the authors at the time this presentation was written, and this information is subject to change. Any forward-looking information and statements contained herein are subject to various risks and uncertainties, many of which are difficult to predict, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. In addition, past performance should not be taken as an indication or guarantee of future performance, and information contained herein may be subject to variation as a result of currency fluctuations. Houlihan Lokey makes no representations or warranties, expressed or implied, regarding the accuracy of this material. The views expressed in this material accurately reflect the personal views of the authors regarding the subject securities and issuers and do not necessarily coincide with those of Houlihan Lokey. Officers, directors, and partners in the Houlihan Lokey group of companies may have positions in the securities of the companies discussed. This presentation does not constitute advice or a recommendation, offer, or solicitation with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Houlihan Lokey or its affiliates may from time to time provide financial or related services to these companies. Like all Houlihan Lokey employees, the authors of this presentation receive compensation that is affected by overall firm profitability.





Houlihan
Lokey



Corporate Finance
Financial Restructuring
Financial and Valuation Advisory

[HL.com](https://www.hl.com)