
Kian Capital Transaction Announcement – Orangetheory North Carolina



KMJE Ventures, LLC

has been recapitalized by



in partnership with management

November 2018

November 2018: Kian Capital, a private investment firm with over \$425 million of capital under management, announced that in partnership with management it has completed a recapitalization of KMJE Ventures, LLC d/b/a Orangetheory North Carolina (“OTNC” or the “Company”). Terms of the transaction were not disclosed.

OTNC is a leading area developer (“AR”) and operator of Orangetheory Fitness (“OTF”) studios throughout Central and Eastern North Carolina. OTNC operates and manages 17 OTF studios, including 13 that are owned and operated by OTNC and four that are managed by OTNC franchisees. OTNC has additional studios under development and plans to continue growing its footprint. OTNC’s founder, Kristie Shifflette, will continue to lead the business as CEO.

Kristie Shifflette, Founder and CEO of OTNC, said “It was important for me to select a financial partner with a collaborative approach, who shared my vision for the Company’s next phase of growth. Kian has spent a tremendous amount of time to understand our strategy, and we are confident that they will be a value-added

partner who will enable us to accelerate our growth. We are eager to continue executing on our strategic vision of building a leading OTF platform as we help our members achieve their goals and lead healthier lives.”

Matt Levenson, Partner at Kian Capital, added “We are excited to partner with Kristie and the OTNC team. Orangetheory Fitness is a leader in the boutique fitness category, and Kristie has proven to be a leading operator within the OTF system, building a top tier platform in North Carolina. We believe there is an exciting opportunity to open more studios in North Carolina while selectively evaluating opportunities to acquire franchisees in other regions of the country. We look forward to working with Kristie to further accelerate growth and bring the OTF experience to more communities.”

Orangetheory® (www.orangetheoryfitness.com) makes it simple to get more life from your workout. One of the world's fastest-growing franchise companies, Orangetheory has developed a unique approach to fitness that blends a unique trifecta of science, coaching, and technology that work together seamlessly to elevate participants' heart rates to help burn more calories. Backed by the science of excess post-exercise oxygen consumption (EPOC), Orangetheory workouts incorporate endurance, strength, and power to generate the 'Orange Effect' – whereby participants keep burning calories for up to 36 hours after a 60-minute workout. Orangetheory has 1,000 studios in 49 U.S. states and 18 countries and was ranked #667 in Inc. magazine's Fastest Growing Private Companies List.

Fifth Third Securities, Inc. acted as financial advisor to OTNC. Robinson, Bradshaw & Hinson, P.A. acted as legal advisor to Kian Capital.

About Kian Capital

Kian Capital Partners, LLC (“Kian”), an investment firm with over \$425 million of capital under management, provides flexible capital solutions to established lower middle-market companies, often serving as the first institutional capital provider to closely held businesses. Kian has the flexibility to participate in all forms of junior capital, including common stock, preferred equity and subordinated debt. Kian’s investments typically incorporate both equity and subordinated debt and Kian can act in either a control or non-control capacity. Kian has offices in Atlanta, GA and Charlotte, NC.

ATLANTA

Rick Cravey

Partner

(404) 748-1755

rcravey@kiancapital.com

Scott Buschmann

Partner

(404) 748-1619

sbuschmann@kiancapital.com

CHARLOTTE

Kevin McCarthy

Partner

(704) 943-2501

kmccarthy@kiancapital.com

Matt Levenson

Partner

(704) 943-2504

mlevenson@kiancapital.com

2970 Peachtree Road, NW
Buckhead Centre, Suite 530
Atlanta, GA 30305

4201 Congress Street
Rotunda Building, Suite 440
Charlotte, NC 28209