

ALLIANCE RESEARCH

# GUARANTOR CREDIT REVIEW

## Great Outdoors Group, LLC

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- There are substantial restrictions on transfers of the Interests.
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- DSTs are a relatively new vehicle for real estate investment and are inflexible vehicles to own real property.
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# Guarantor Credit Review

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## Great Outdoors Group, LLC

### Highlights

#### Key Positives

- The key flagship brands under Great Outdoors Group, LLC, Bass Pro Shops (founded in 1972) and Cabela's (founded in 1961), both have strong brand value and customer affinity in the market.
- Great Outdoors operates 181 total stores in the US and Canada, including 129 Bass Pro Shops in the US, 36 Cabela's stores in the US, and 16 Bass Pro Shops in Canada.
- The Company generated more than \$7.6 billion of revenue in each of the past three years. Total revenue generated from 2023 to 2025 was \$23.1 billion.
- Great Outdoors Group had positive EBITDA in each year from 2023 to 2025 and also generated an EBITDA margin above 15% for the period.
- Total EBITDA generated from 2023 to 2025 was \$3.48 billion, including EBITDA of \$1.23 billion in 2023, \$1.13 billion in 2024, and \$1.12 billion in 2025.
- The Company had a gross margin of 44.5% from 2023 to 2025, including margins of 44.3% in 2023, 44.8% in 2024, and 44.6% in 2025.
- In January 2025, the Company refinanced its \$4.9 billion term loan, extending the maturity by seven years to January 2032. In February 2025, the Company refinanced its \$1.275 billion revolving credit line, extending the maturity to February 2030.
- As of 12/31/25, the Company had \$1.2 billion of available capacity on its revolving line of credit plus \$934 million of cash, bringing total liquidity to \$2.1 billion.
- The original founder of Bass Pro Shops remains active with and is the majority owner of the Company today via Johnny Morris Outdoors LLC.

#### Key Negatives/Risks

- The Company's revenue declined by 2% in 2024 and by 0.2% in 2025.
- EBITDA decreased by 9% in 2024 and was down 0.4% in 2025.
- The Company benefited significantly from a cash flow hedge, which capped interest expenses from 2023 to 2025. It was not clear if this hedge was extended with the spring 2025 debt refinancing.
- Great Outdoors had elevated leverage ratios above 4x in each year from 2023 to 2025.
- Rated BB- from S&P Global in April 2026, which is several notches below investment grade, although still indicative of a reasonably healthy overall credit profile.
- Had \$1.1 billion in combined reward points and gift card liabilities as of 12/31/25.
- Negative tangible equity ratios in each year from 2023 to 2025 due to more than \$2 billion of goodwill + other intangibles on the balance sheet.
- No 2026 YTD financial statements were available to review, and we do not have any insight into the 2026 projections.

### Financial Highlights

| (\$ 000)               | 2023        | 2024        | 2025        |
|------------------------|-------------|-------------|-------------|
| Revenue                | \$7,800,954 | \$7,636,943 | \$7,621,304 |
| EBITDA                 | 1,230,295   | 1,125,143   | 1,120,293   |
| Cash & equivalents     | 305,716     | 504,576     | 934,405     |
| Total assets           | 8,646,829   | 8,768,022   | 9,135,479   |
| Total debt outstanding | 5,050,729   | 5,000,748   | 4,957,532   |
| Equity                 | (298,689)   | (170,859)   | (157,767)   |

### Conclusions

#### Risk Assessment/Credit Quality

Great Outdoors Group LLC operates the retail chains Bass Pro Shops and Cabela's in the US and Canada. The Company's financial performance from 2023 to 2025 was healthy, with stable gross and EBITDA margins, and delivered \$23.1 billion in total revenue, \$3.5 billion in EBITDA, \$2.6 billion in free cash flow, and \$2.2 billion in cash from operations. While leverage and net debt-to-EBITDA ratios were elevated at 4.4x and 3.6x as of 12/31/25, the spring 2025 debt refinancing extended the maturities of the term loan and the revolving credit facility to 2032 and 2030, respectively. As of 12/31/25, most of the Company's debt was not due for repayment until after the year 2030.



Due primarily to the leverage and a lack of insight into YTD 2026 results and projections, we have rated the overall level of tenant risk in a lease guaranteed by Great Outdoors at 7.0 (see Rating Guide), which is somewhat elevated. However, the Company generates significant EBITDA and free cash flow and currently has the financial wherewithal to ensure that the obligations on the lease in question are satisfied.

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June 30, 2026

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## Analyst Notes

**Entity overview** – Great Outdoors Group, LLC (“Great Outdoors” or “the Company”) operates Bass Pro Shops and Cabela’s, retailers of outdoor recreational products in the US and Canada. The Company was formed as a Delaware LLC in October 2005. It is a wholly owned subsidiary of Great American Outdoors Group, LLC. Great American is the sole Member of Great Outdoors and is a wholly owned subsidiary of Johnny Morris Outdoors, LLC. Great Outdoors Group sells outdoor sports and recreation products and other related merchandise and food services through retail stores, catalogs, e-commerce, wholesale, and restaurants. The Company also manufactures and sells fishing boats, pleasure boats, and trailers; and operates resorts which include lodges, cabins, golf courses, and restaurants.

The Company’s wholly owned subsidiaries include Bass Pro, LLC, Cabela’s, LLC, Big Cedar, LLC, White River Marine Group, LLC, and Sportsman’s Insurance Company, Inc. The Company also has a 49% indirect ownership interest in Bluegreen/Big Cedar Vacations LLC. Bass Pro Shops was founded in 1972 by Johnny Morris, while Cabela’s was founded in 1961 by members of the Cabela family. The two companies merged in 2017, with headquarters consolidated in a single location in Springfield, MO.

**Revenue** – Great Outdoors Group is a sizeable retail operator which had 181 total stores in the US and Canada, including 129 Bass Pro Shops in the US, 36 Cabela’s in the US, and 16 Bass Pro Shops in Canada as of June 2026. The states of Texas (17) and Florida (13) had the largest numbers of Bass Pro Shops, followed by Missouri (7) and Tennessee (6). For Cabela’s, the states of Nebraska (3) and Ohio (3) had the largest number of locations, followed by several other states with 2 Cabela’s stores each.

The Company generated more than \$7.6 billion of revenue in each of the past three years, 2023, 2024, and 2025, as shown in the chart at right. Total revenue generated by Great Outdoors from 2023 to 2025 was \$23.1 billion.

Revenue growth was (2%) in 2024 and (0.2%) in 2025. We did not yet have 2026 YTD revenue information at the time of this report.

Composition of revenue – Great Outdoors reported revenue in three main segments, including retail stores, marine sales, and hospitality. The first segment consisted of the Company’s Bass Pro Shops and Cabela’s stores and accounted for 81% of total revenue in 2024 and 80% in 2023 (the most recent data available).

The marine segment consisted of White River Marine Group, which the Company states is the world’s largest manufacturer of fishing boats. This segment accounted for 18% of revenue in 2023 and 16% in 2024.

The third segment consisted of the Company’s hospitality properties, including the Big Cedar Lodge in the Ozark Mountains, and the recently acquired Cheeca Lodge in the Florida Keys. The hospitality segment accounted for 2% of Great Outdoors Group revenue in 2023 and 3% in 2024, however this percentage should increase in 2027 with the Cheeca Lodge purchase.

Table 1 below shows the Company’s revenue and % of revenue by segment for the years 2023 and 2024 (most recent available). We did not have the revenue breakdown by segment for 2025:

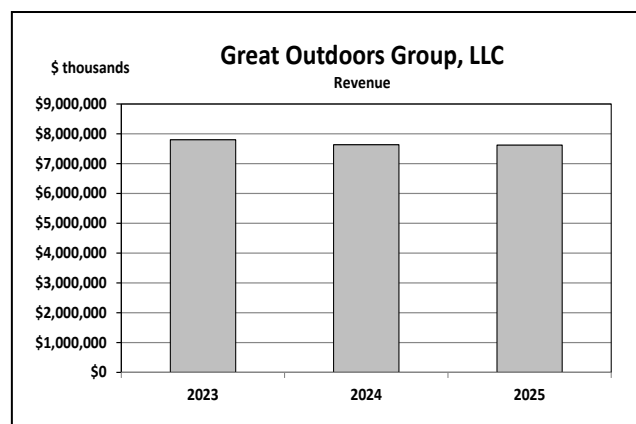


Table 1 – Great Outdoors Group revenue and % of revenue by segment, 2023 – 2024

|                      | USD 000s         |                  |            |
|----------------------|------------------|------------------|------------|
|                      |                  |                  | 2024       |
| Revenue by product   | 2023             | 2024             | yr/yr      |
| Retail               | 6,241,045        | 6,205,858        | -1%        |
| Marine               | 1,369,352        | 1,238,743        | -10%       |
| Hospitality          | 190,557          | 192,342          | 1%         |
| <b>Total revenue</b> | <b>7,800,954</b> | <b>7,636,943</b> | <b>-2%</b> |

|                      | % of revenue |             |      |
|----------------------|--------------|-------------|------|
|                      |              |             | 2024 |
| Revenue by product   | 2023         | 2024        | chg  |
| Retail               | 80%          | 81%         | 1%   |
| Marine               | 18%          | 16%         | -1%  |
| Hospitality          | 2%           | 3%          | 0%   |
| <b>Total revenue</b> | <b>100%</b>  | <b>100%</b> |      |

As shown in the table above, the Bass Pro Shops and Cabela's retail stores accounted for more than 80% of Company revenue in both 2023 and 2024, with the marine segment at 16% - 18% of revenue and the hospitality segment at 2% - 3% of revenue.

The Company's revenue growth during 2024 was negative 2%, with the retail segment revenue decreasing by 1%, the marine segment revenue decreasing by 10%, and the hospitality segment revenue 1% lower year over year, as shown in the table above. Without speaking with management, we were not able to assess the drivers of the marine segment's revenue decline in 2024.

Hospitality segment update – in June 2026, Bass Pro Shops acquired the historic Cheeca Lodge in Islamorada, FL, in the Florida Keys. The Cheeca Lodge was founded in 1946 and features oceanfront cottages, a 525-foot fishing pier, and other fishing and boating-related amenities.

As part of the transaction, Bass Pro Shops also acquired the World Wide Sportsman Store & Marina in Islamorada. The purchase price was not disclosed; however, earlier media reports indicated the property was on the market in the spring of 2026 for approximately \$300 million.

The Company's inventory turns seem somewhat low at an average of 4x per year for the 2023 to 2025 period. However, we believe this metric was impacted by the Company's marine segment, which keeps fishing boat inventory on dealer showroom floors.

We note that marine inventory (retail marine inventory + marine finished goods) totaled \$641 million as of 12/31/24, which was 34% of the Company's total inventory at year end 2024. The ratio of marine inventory to total inventory as of 12/31/23 was 35%. White River Marine Group boats are sold via a large network of independent dealers as well as through the Company's Bass Pro Shops stores.

Outlook - We did not have the Company's total number of stores at the end of the prior fiscal years, so we were unable to calculate the percentage change in the store count. We also did not have same store sales data for either the Bass Pro Shops or Cabela's stores, which is a key metric for assessing the health of a retailer.

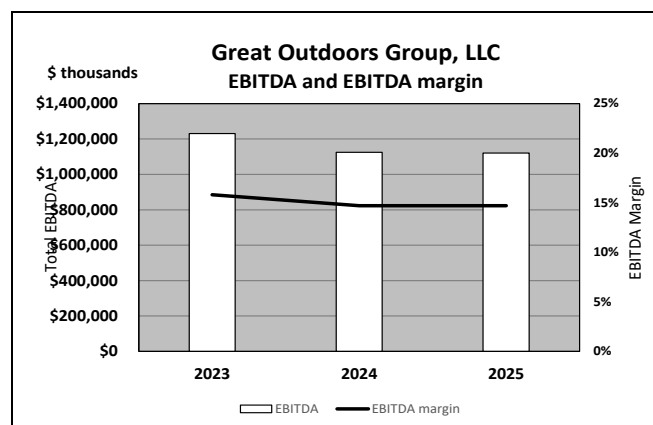
In addition, we did not have any 2026 YTD financial statements to review, although other public sources indicate that the first quarter of 2026 showed improvement in the Company's revenue growth compared with 2024 and 2025. However, without speaking with management we did not have any projections for full year 2026 revenue.

# Analyst Notes

**Profitability** – Great Outdoors Group had positive EBITDA in each year from 2023 to 2025 and also generated an EBITDA margin above 15% for the period.

Total EBITDA generated by the Company from 2023 to 2025 was \$3.48 billion, including EBITDA of \$1.23 billion in 2023, \$1.13 billion in 2024, and \$1.12 billion in 2025 as shown in the chart at right.

The Company's EBITDA decreased by (9%) in 2024 on (2%) lower revenue and a 110 basis point lower EBITDA margin. Great Outdoors had EBITDA margins of 15.8% in 2023, 14.7% in 2024, and also 14.7% in 2025, as shown in the chart.



Great Outdoors had an underlying operating margin of 11.0% for the 2023 to 2025 period, although we note that the margin decreased from 12.0% in 2023 to 10.9% in 2024. The 2025 operating margin decreased by 90 basis points to 10.0%, and operating income declined by (8%) year over year. It is possible that tariffs were one of the drivers behind the lower operating income in 2025, although without speaking with management, we were not able to confirm that.

The Company had a gross margin of 44.5% from 2023 to 2025, including margins of 44.3% in 2023, 44.8% in 2024, and 44.6% in 2025.

Great Outdoors had an average ratio of SG&A expenses to revenue of 33.6% from 2023 to 2025, including ratios of 33.9% in 2024 and 34.5% in 2025.

We did not have the Company's audited financial statements for 2025 or the notes to those statements, so we were unable to assess the impact, if any, of tariffs during 2025.

**Interest expenses** – Great Outdoors had interest expenses in the \$383 million to \$398 million range from 2023 to 2025, which equated to 7.7% to 7.9% of outstanding debt. The Company benefited in 2023 – 2025 from a cash flow hedge, which capped interest expenses at a certain level. We discuss this hedge in more detail in the last section of this report on cash flow/liquidity.

**Outlook** – the Company's relatively stable gross and EBITDA margins from 2023 to 2025 are a positive sign that its business is healthy and producing steady profits. Great Outdoors had EBITDA in the \$1.1 billion to \$1.2 billion range in each of the last three years. However, without speaking with management we did not have a projection for full year 2026 EBITDA or EBITDA margin.

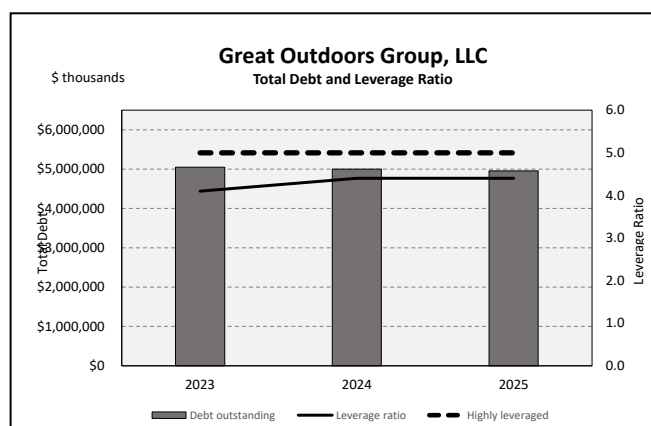
**Capitalization** – Great Outdoors Group had a relatively strong balance sheet as of 12/31/25, with good liquidity ratios, a large amount of cash on hand, and significant unused borrowing capacity.

These were partially offset by elevated leverage ratios above 4.0x in each year and \$2.2 billion of goodwill + other intangible assets, which rendered the Company’s tangible equity capital ratios negative in each year from 2023 to 2025.

One other significant positive is the Company’s first quarter 2025 debt refinancing, which extended the maturity dates on the term loan and revolving credit facility and also lowered the interest rate. We cover this refinancing in more detail below.

Great Outdoors had total debt outstanding of \$4.96 billion as of 12/31/25, down from \$5.0 billion at the end of 2024 and \$5.1 billion at the end of 2023, as shown in the chart at right.

The debt consisted of a \$4.84 billion balance on a term loan, a \$75 million balance on a maximum borrowing \$1.275 billion revolving credit facility, and \$47 million of notes payable/other long-term debt.



Refinancing – in January 2025, the Company refinanced its \$4.9 billion term loan, extending the maturity by seven years to January 2032. In February 2025, the Company refinanced its \$1.275 billion maximum borrowing revolving credit line, extending the maturity by 5 years to February 2030 and reducing the interest rate by 10 basis points.

The debt refinancing and extended maturity dates resulted in only small amounts of debt due for repayment between 2026 and 2030. The majority of the Company’s debt, \$4.76 billion, was not due until January 2032. There was a \$75 million balance on the revolver as of 12/31/25, 12/31/24, and 12/31/23.

Dealer floorplan financing – the Company’s subsidiary, White River Marine Group, had a \$400 million floorplan credit facility with Toyota Motor Credit Corp as of 12/31/24. It appears that any balances outstanding on this facility are held at the White River Marine Group LLC level. However, Great Outdoors may be liable for debt guarantees on this credit facility. Without speaking with management, we were unable to confirm this.

Leverage ratios – the Company had a leverage ratio of 4.4x as of 12/31/25, the same ratio as at the end of 2024 but up from 4.1x at the end of 2023, as shown in the chart above. Great Outdoors had net debt to EBITDA ratios of 3.9x in 2023, 4.0x in 2024, and 3.6x at the end of 2025.

Debt to equity ratios – these could not be calculated as the Company had negative shareholder equity at the end of each of 2023, 2024, and 2025.

Interest expense/debt outstanding – as noted above in the discussion on expenses, the Company had interest expenses in the 7.7% to 7.9% range of total debt from 2023 to 2025.

Liquidity ratios – Great Outdoors had good liquidity ratios as of 12/31/25, including a current ratio of 1.2x. The Company also had a substantial amount of unused borrowing capacity as a source of additional liquidity.

Cash on the balance sheet – as of 12/31/25, Great Outdoors had \$934 million of cash and short-term investments on hand, up from \$505 million at the end of 2024.

Capital ratios – the Company had negative shareholder equity as of the end of each year reviewed from 2023 to 2025, with stated equity capital ratios in the (2%) to (3%) range.

However, there was also more than \$2.1 billion of goodwill and other intangible assets on the balance sheet in each year, which drove the Company's tangible equity capital ratios to the (25%) to (30%) range in each year. The tangible equity capital ratio was (25%) as of 12/31/25.

While the Company's shareholder equity remained negative as of 12/31/25, we note that the shareholder equity balance improved by \$141 million from the end of 2023 at (\$299) million to the end of 2025 at (\$158) million.

Other liabilities – we note that the Company had a total of \$1.1 billion in combined reward points and gift card liabilities as of 12/31/25, with the majority of that liability (\$1.04 billion) on gift cards. The gift card liability was classified as a current liability in each of 2023, 2024, and 2025.

Great Outdoors Group was rated at 'Ba3/Negative' by Moody's as of August 2025. The Company was rated by S&P Global at an equivalent 'BB-/Stable' as of April 2026, with both ratings being several notches below investment grade.

Great Outdoors was in compliance with all lender debt covenants as of 12/31/24. We do not have insight into whether this has been the case since then.

Outlook – With the maturity dates extended by 5 and 7 years on the Company's revolving credit line and term loan, plus substantial levels of cash generated from operations in each year from 2023 to 2025, it does not appear that Great Outdoors will need to issue additional debt in the near term, other than perhaps periodic draws on the credit line for working capital needs.

# Analyst Notes

**Cash Flow/Liquidity** – Great Outdoors Group had positive free cash flow in each year from 2023 to 2025, along with interest coverage ratios above 2x and positive cash generated from operations.

Total free cash flow generated by the Company from 2023 to 2025 was \$2.6 billion, including \$848 million in 2024 and \$774 million in 2025 as shown in the chart at right.

The interest coverage ratio was 2.4x in 2023, 2.2x in 2024, and 2.0x in 2025, as shown in the chart.

Interest expenses - the Company had a cash flow hedge to manage interest rate risk on variable-rate term loan interest. This interest rate cap had a notional value of \$4 billion as of 12/31/24 and was designed to hedge increases in interest rates on the first \$4 billion of term loan principal.

The hedge was originally set to run through March 2028, the maturity date of the term loan prior to the January 2025 refinancing. It was not clear if the interest rate hedge was extended to 2032 to match the new term loan maturity date.

The hedge lowered Great Outdoors Group's interest expenses by \$115 million in 2023 and by \$110 million in 2024. The savings on interest expenses were significant, lowering the Company's interest costs as a percentage of outstanding debt from 10.2% before the hedge to 7.9% in 2023 and from 9.9% to 7.7% in 2024.

If the hedge was not extended during the debt refinancing, the Company may face higher interest expenses going forward, although we note that 2025 interest expenses of \$390 million were similar to 2024 interest expenses of \$383 million, which implies that the hedge remained in place during 2025. However, we would need the Company to confirm this.

Great Outdoors had a free cash flow margin of 11.2% for the 2023 to 2025 period, with margins in the 10.2% to 12.3% range in each year.

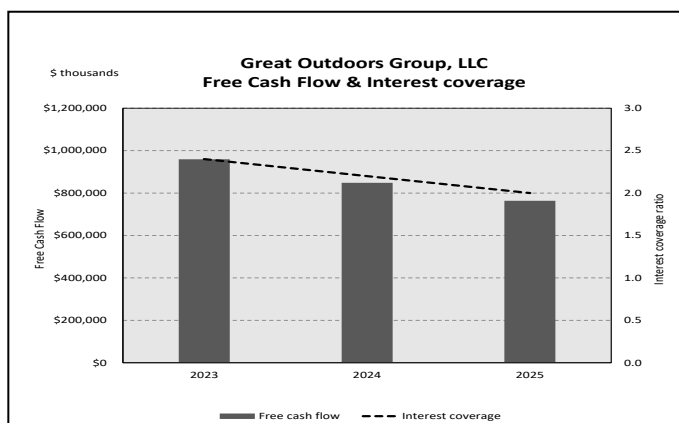
The Company generated positive cash from operations in each year from 2023 to 2025, with total cash generated of \$2.2 billion, including \$871 million in 2024 and \$720 million in 2025. We view consistent cash generated from operations as a positive from a credit standpoint.

Future lease payments due – as of 12/31/24, the most recent data available, the Company had a total of \$1.8 billion in future lease payments due, including \$149 million in 2025, \$144 million in 2026, and \$136 million in 2027.

Future debt repayments due – with the debt refinancing completed in the first quarter of 2025, debt payments due were extended by 5 years on the term loan and by 7 years on the revolving line of credit.

Current debt due within one year as of 12/31/25 was \$71 million, the \$75 million outstanding balance on the credit line was due in 2030, and the non-current portion of the term loan, which totaled \$4.76 billion as of 12/31/25, was not due until 2032.

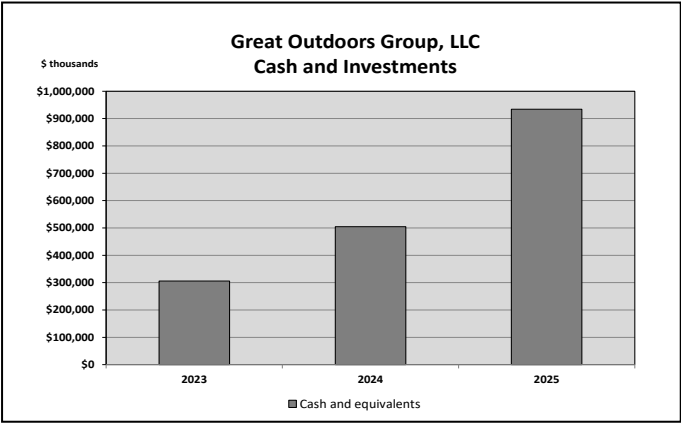
There are probably smaller debt payments due in the years 2027, 2028, and 2029, but we did not have any audited financial statements for 2025 or notes to those statements, so we could not confirm the exact amounts due by year.



Liquidity ratios – Great Outdoors had good liquidity ratios as of 12/31/25, including a current ratio of 1.2x.

Cash on the balance sheet – as of 12/31/25, Great Outdoors had \$934 million of cash and short-term investments on hand, up from \$505 million at the end of 2024, as shown in the chart at right.

The Company’s ratio of cash to total assets was 10% as of 12/31/25, up from 6% at the end of 2024.



Total liquidity – as of 12/31/25, the Company had \$1.2 billion of available capacity on its revolving line of credit, plus \$934 million of balance sheet cash, bringing total liquidity to \$2.1 billion. Combined with the relative lack of near-term debt repayments due, the Company’s liquidity position was strong as of year-end 2025.

## **Analyst Notes**

### **Corporate Profile**

Great Outdoors Group, LLC (“Great Outdoors” or “the Company”) operates Bass Pro Shops and Cabela’s, retailers of outdoor recreational products in the US and Canada. The Company was formed as a Delaware LLC in October 2005. It is a wholly owned subsidiary of Great American Outdoors Group, LLC. Great American is the sole Member of Great Outdoors and is a wholly owned subsidiary of Johnny Morris Outdoors, LLC. Great Outdoors Group sells outdoor sports and recreation products and other related merchandise and food services through retail stores, catalogs, e-commerce, wholesale, and restaurants. The Company also manufactures and sells fishing boats, pleasure boats, and trailers; and operates resorts which include lodges, cabins, golf courses, and restaurants. The Company’s wholly owned subsidiaries include Bass Pro, LLC, Cabela’s, LLC, Big Cedar, LLC, White River Marine Group, LLC, and Sportsman’s Insurance Company, Inc. The Company also has a 49% indirect ownership interest in Bluegreen/Big Cedar Vacations LLC. Bass Pro Shops was founded in 1972 by Johnny Morris, while Cabela’s was founded in 1961 by members of the Cabela family. The two companies merged in 2017, with headquarters consolidated in a single location in Springfield, MO.

### **Scope of Analysis**

Our analysis of Great Outdoors Group LLC included (i) review of the Company’s audited financial statements for the years 2023 and 2024; (ii) review of the Company’s internally prepared, unaudited financial statements for the year 2025; (iii) online search and review of information about Great Outdoors Group LLC and its markets; and (iv) a review of articles from trade and business publications.

**Great Outdoors Group LLC**  
**Financial Spreadsheet**

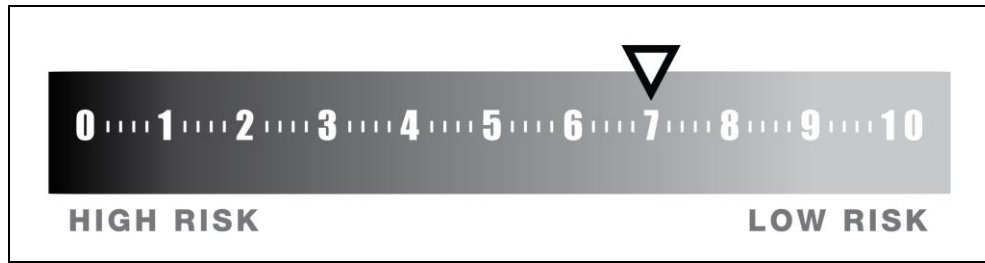
*For the fiscal years ended the Saturday closest to December 31<sup>st</sup>*

| (\$ 000)                           |             |             |             |              |
|------------------------------------|-------------|-------------|-------------|--------------|
| <i>Fiscal year</i>                 | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026P</u> |
| <b>For the period</b>              |             |             |             |              |
| Revenue                            | \$7,800,954 | \$7,636,943 | \$7,621,304 | n/a          |
| Year-to-year growth rate           | n/a         | (2%)        | (0%)        | --           |
| Pre-tax income (as reported)       | 521,228     | 451,243     | 348,125     | --           |
| EBITDA (adjusted)                  | 1,230,295   | 1,125,143   | 1,120,293   | --           |
| <b>Margins</b>                     |             |             |             |              |
| Gross margin                       | 44.3%       | 44.8%       | 44.6%       | --           |
| Pretax margin                      | 6.7%        | 5.9%        | 4.6%        | --           |
| EBITDA margin                      | 15.8%       | 14.7%       | 14.7%       | --           |
| <b>Expense ratios (% of revs.)</b> |             |             |             |              |
| SG&A expense                       | 32.3%       | 33.9%       | 34.5%       | --           |
| <b>Cash Flow</b>                   |             |             |             |              |
| EBITDA                             | 1,230,295   | 1,125,143   | 1,120,293   | --           |
| Capital expenditures               | (270,695)   | (276,506)   | (346,504)   | --           |
| Free cash flow                     | 959,600     | 848,637     | 773,789     | --           |
| Interest expense                   | (398,474)   | (382,923)   | (390,095)   | --           |
| Interest coverage                  | 2.4x        | 2.2x        | 2.0x        | --           |
| From operating activities          | 620,523     | 871,367     | 720,078     | --           |
| From investing activities          | (237,275)   | (311,100)   | (368,034)   | --           |
| From financing activities          | (425,284)   | (355,772)   | 73,668      | --           |
| Net change in cash & equiv.        | (41,504)    | 198,860     | 429,830     | --           |
| <b>At period end<sup>1</sup></b>   |             |             |             |              |
| <b>Assets</b>                      |             |             |             |              |
| Cash & ST investments (2)          | 305,716     | 504,576     | 934,405     | --           |
| Accounts receivable                | 328,132     | 333,545     | 359,416     | --           |
| Inventories                        | 1,971,239   | 1,890,928   | 1,921,314   | --           |
| Total current assets               | 2,803,621   | 2,913,001   | 3,384,772   | --           |
| Prop., plant & equip. (net)        | 2,076,487   | 2,167,414   | 2,653,660   | --           |
| Lease ROU assets                   | 1,147,633   | 1,150,176   | 1,123,617   | --           |
| Goodwill and intangibles           | 2,290,310   | 2,223,906   | 2,142,804   | --           |
| Total assets                       | 8,649,829   | 8,768,022   | 9,135,479   | --           |
| <b>Liabilities/Equity</b>          |             |             |             |              |
| Accounts payable                   | 696,230     | 723,041     | 832,357     | --           |
| Lease liabilities – current        | 59,560      | 75,945      | 79,139      | --           |
| Current portion of LT debt         | 63,525      | 75,426      | 71,263      | --           |
| Total current liabilities          | 2,545,339   | 2,684,568   | 2,817,208   | --           |
| Lease liabilities - LT             | 1,123,548   | 1,136,414   | 1,476,209   | --           |
| Long-term debt                     | 4,987,204   | 4,925,322   | 4,886,269   | --           |
| Total liabilities                  | 8,945,518   | 8,938,881   | 9,293,246   | --           |
| Stockholders' equity               | (298,689)   | (170,859)   | (157,767)   | --           |
| <b>Key financial ratios</b>        |             |             |             |              |
| Current ratio                      | 1.1         | 1.1         | 1.2         | --           |
| Leverage ratio                     | 4.1         | 4.4         | 4.4         | --           |
| Net debt/EBITDA                    | 3.9         | 4.0         | 3.6         | --           |

<sup>1</sup> These are balance sheet highlights. Certain line items have been excluded.

<sup>2</sup>) Includes \$42mm of restricted cash as of 12/31/25.

## Rating Guide



### Tenant Risk<sup>2</sup>/Credit Quality

| <u>Rating</u> | <u>Tenant Risk</u> | <u>Credit Quality</u> | <u>Security Recommended</u> |
|---------------|--------------------|-----------------------|-----------------------------|
| 0 – 1         | Very high          | Deficient             | Avoid as tenant             |
| 1 – 3         | High               | Unsafe                | Full security               |
| 3 – 5         | Worrisome          | Poor                  | Full/Partial security       |
| 5 – 7         | Some concerns      | Fair                  | Partial security            |
| 7 – 9         | Low                | Good                  | None or partial security    |
| 9 – 10        | Very low           | Excellent             | No security                 |

This rating is based on an analysis of a company's key financial documents and business fundamentals, as well as comparative data drawn from the Alliance Group's proprietary Tenant Index of more than 6,000 companies that reside in our research database. In our peer group studies, IndexSearch software is used to categorize and weigh companies by size, industry, risk levels, and other key factors to narrow the peer group and ensure a meaningful group of comparable companies.

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<sup>2</sup> Tenant Risk refers to the possibility that a tenant will default during the life of a lease.