

SPORTS (Under Review)

Flash: Signs possible merger with Smart Fit Mexico

Sports World announced today the signing of a memorandum of understanding (MOU) with Smart Fit, a Brazilian gym operator (positioned as the largest in Latin America) for a possible merger with its subsidiary in our country, Smart Fit Mexico, leader in the low-cost segment nationwide. This transaction, subject to the signing of a binding agreement and other corporate and governmental approvals, would result in the merger of two of the most important wellness chains in Mexico, which translates into more than 230 units throughout the country.

Positive implication: If this merger goes through, and pending further information in this regard (probably in conjunction with the 1Q21 report), Sports World would be positioned as the leader in both the high-end and low-cost segments in Mexico, a market that the issuer had previously sought to access through *Zuma Fit*, but its plans were halted by the pandemic. Although the transaction would take place in a context of uncertainty for SW and the sector in which it operates, being one of the most affected by the sanitary crisis, we believe that the news could be positive for the company, especially in terms of boosting profitability through seeking operating synergies.

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Document for distribution among the general public

Certification of Analysts.

We, Gabriel Casillas Olvera, Alejandro Padilla Santana, Delia María Paredes Mier, Juan Carlos Alderete Macal, Manuel Jiménez Zaldívar, Marissa Garza Ostos, Francisco José Flores Serrano, Katia Celina Goya Ostos, Santiago Leal Singer, José Itzamna Espitia Hernández, Valentín III Mendoza Balderas, Víctor Hugo Cortes Castro, Hugo Armando Gómez Solís, Miguel Alejandro Calvo Domínguez, Luis Leopoldo López Salinas, Leslie Thalía Orozco Vélez, Gerardo Daniel Valle Trujillo, Eridani Ruibal Ortega and Juan Barbier Arizmendi, certify that the points of view expressed in this document are a faithful reflection of our personal opinion on the company (s) or firm (s) within this report, along with its affiliates and/or securities issued. Moreover, we also state that we have not received, nor receive, or will receive compensation other than that of Grupo Financiero Banorte S.A.B. of C.V for the provision of our services.

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	Reference
BUY	When the share expected performance is greater than the MEXBOL estimated performance.
HOLD	When the share expected performance is similar to the MEXBOL estimated performance.
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History of PT and ratings

Stock	Date	Rating	PT
SPORT S	9/1/2020	Under Review	Under Review
SPORT S	29/07/2019	Hold	\$25.00
SPORT S	25/02/2018	Hold	\$19.00

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