

North Castle Partners Extends CR Fitness Partnership with First Continuation Fund, Led by TPG

GREENWICH, Conn., October 12th, 2022 /PRNewswire/ -- North Castle Partners, a leading private equity firm that has focused on consumer businesses that promote Healthy, Active and Sustainable Living for more than 20 years, announced today the closing of a single-asset continuation fund transaction dedicated to CR Fitness, a leading Crunch Fitness franchisee. This transaction continues North Castle's ownership of the company and reaffirms its commitment to supporting CR Fitness' long-term growth strategy. The new continuation fund acquired CR Fitness from North Castle Partners VII, LP ("NCP VII") and other existing investors.

The transaction was led by TPG GP Solutions, TPG's dedicated U.S. and European GP-led secondaries strategy. The transaction was also supported by a consortium of institutional investors that included Montana Capital Partners as a co-lead investor, and North Castle Partners' reinvesting LPs and GPs, among others. The new North Castle Partners managed fund includes additional capital to support CR Fitness' organic growth initiatives and expansion strategy. Terms of the investment were not disclosed.

"We are pleased to present NCP VII's limited partners with this opportunity – North Castle's first continuation vehicle," said Jon Canarick, Managing Partner of North Castle Partners. "We believe this transaction provided our limited partners with the maximum optionality to make the best choice for their investment objectives, whether that be to generate an attractive return today or access a compelling investment opportunity. We are delighted to have the support of TPG GP Solutions as the lead investor and look forward to partnering with them, Montana Capital Partners, our other new and existing investors and our management team as we continue this journey."

"We are excited to partner with North Castle to invest in CR Fitness, led by a talented management team, to continue to execute an ambitious growth plan," said Michael Woolhouse, Co-Managing Partner of TPG GP Solutions. "Our investment speaks to TPG's network and long history of investment in the health and wellness space, including TPG Growth's current investment in Crunch Fitness."

Headquartered in Brandon, FL, CR Fitness has rapidly expanded its Crunch gym footprint across the U.S. The company has 45 locations located across Florida, Georgia, North Carolina and Texas. CR Fitness has more than doubled its footprint and tripled its revenue since North Castle invested in 2019.

“Three years ago when we set out on this journey, we chose North Castle as our partner because we believed they had the knowledge and expertise to deliver real value to our business – and they have exceeded our teams’ expectations,” said Vince Julien, Founder and Senior Chairman of CR Fitness. “We are ecstatic to have the opportunity to continue on with them as our partners and are confident that we can achieve our goal of doubling our club count over the next few years.”

David Weston, Partner at North Castle Partners added, "CR Fitness' exceptional performance over the past several years is a testament to the strength of its management team and the company they have built. CR Fitness is an example of the power of North Castle's approach, which is to partner with best-in-class management teams to unlock the full potential of companies in the Healthy, Active and Sustainable Living sector. We are thrilled to continue our partnership with Vince and the team to support their next level of success."

CR Fitness was supported in this secondary transaction by Sixpoint Partners (financial advisor), Ropes & Gray LLP (legal counsel) and Valuation Research (fairness opinion). The new investors were supported by Debevoise & Plimpton LLP (legal counsel).

About North Castle Partners

North Castle Partners is a leading private equity firm focused on investments in consumer driven product and service businesses that promote healthy, active, and sustainable living. North Castle is a hands-on, value-added investor in high-growth, middle-market companies in the (i) fitness, recreation & sports, (ii) consumer health, (iii) beauty & personal care, (iv) home & leisure and (v) nutrition sectors, among others. North Castle's current portfolio includes well-known brands such as Barry's Bootcamp, Encore Vet Group, EWC Growth, Genexa, VitaCup, Mack Weldon and Echelon. Prior portfolio company holdings include Equinox Fitness, Curves / Jenny Craig, Octane Fitness, Atkins Nutritionals, Contigo, Cascade, EAS, Doctor's Dermatologic Formula, Naked Juice, Flatout Flatbread and Avalon Organics / Alba Botanicals. North Castle partners with management teams and entrepreneurial founders to bring a wide range of strategic and operational capabilities to build world class companies by unlocking the exponential power of full potential partnerships. North Castle is headquartered in Greenwich, CT.

About CR Fitness

CR Fitness is a leading franchisee of Crunch Fitness. The company is rapidly expanding its club footprint throughout Florida, Georgia, North Carolina and Texas and is led by a veteran management team with over one hundred

years of combined experience in the fitness industry. With a comprehensive fitness offering and affordable price point, Crunch Fitness offers unmatched value to its members regardless of fitness level and is well positioned to take advantage of consumers' increasing focus on health and wellness.

About Crunch

Crunch is a gym that believes in making serious exercise fun by fusing fitness and entertainment and pioneering a philosophy of 'No Judgments.' Crunch serves a fitness community for all kinds of people, with all types of goals, exercising all different ways, working it out at the same place together. Today, we are renowned for creating one-of-a-kind group fitness classes and unique programming for our wildly diverse members. Headquartered in New York City, Crunch serves two million members with over 400 gyms worldwide in 34 states, the District of Columbia, Australia, Canada, Costa Rica, Portugal, Puerto Rico, and Spain. Crunch is rapidly expanding across the U.S. and around the globe.

About TPG

TPG is a leading global alternative asset management firm founded in San Francisco in 1992 with \$127 billion of assets under management and investment and operational teams in 12 offices globally. TPG invests across five multi-product platforms: Capital, Growth, Impact, Real Estate, and Market Solutions and our unique strategy is driven by collaboration, innovation, and inclusion. Our teams combine deep product and sector experience with broad capabilities and expertise to develop differentiated insights and add value for our fund investors, portfolio companies, management teams, and communities. For more information, visit www.tpg.com or @TPG on Twitter.