

North Castle Partners Invests in CR Fitness, a Leading Crunch Fitness Franchisee

– 19 Years of Investing in the Fitness Industry –

GREENWICH, Conn., July 11, 2019 -- North Castle Partners today announced its new strategic partnership with CR Fitness, a leading franchisee group in the Crunch Fitness network in the Southeastern United States. As the original private equity firm focused on consumer businesses that promote Healthy, Active and Sustainable Living, North Castle has a long history of partnering with management teams in the fitness industry. The terms of the investment were not disclosed.

Headquartered in Brandon, FL, CR Fitness intends to rapidly expand its Crunch gym footprint across the U.S. The company currently operates 20 locations in Florida (Tampa, Sarasota, Clearwater, Orlando) and Atlanta and is set to open three more locations in 2019. In its partnership with North Castle, CR Fitness will expand both regionally and nationally through a mix of new greenfield locations and acquisitions.

"We are excited to welcome the management team of CR Fitness to the North Castle family and to re-enter the traditional fitness club space – especially the attractive high-value, low-price segment in which Crunch operates. Our passion for the fitness industry dates back to one of North Castle's original investments in Equinox Fitness almost 19 years ago," said Jon Canarick, North Castle Managing Director.

CR Fitness is North Castle's ninth partnership with fitness and fitness equipment industry entrepreneurs and executives in companies ranging from traditional fitness clubs (Equinox and World Health Club) to fitness equipment (Octane Fitness and HydroMassage) to boutique fitness (Barry's Bootcamp, Brooklyn Boulders, SLT and Curves).

"As seasoned fitness industry entrepreneurs and executives, we were looking for a partner that understood the opportunities and challenges specific to the fitness industry. After meeting the North Castle team with their extensive industry network and experience, we believe we have found a true partner with the knowledge and expertise to deliver real value to our business. We are looking forward to leveraging the power of their focus to grow our franchise through both continued greenfield expansion and acquisitions," commented Vince Julien, CEO CR Fitness.

"At the core, North Castle's Value & Values approach provides a foundation that is supportive and true to the CR Fitness mission and the way we operate as a Crunch Fitness franchisee. It's the combination of community, hard work, fun, and, of course, results. North Castle understands our customer, our space, and the opportunities to create new partnerships with other franchisees. We are confident that, in partnership with North Castle, we can achieve our goal of growing to 100 clubs within our existing markets," added Geoff Dyer, President CR Fitness.

Crunch Fitness centers serve over 1.3 million members across the United States, Australia, Canada and Spain. Founded in 1989 in New York City, Crunch has been committed to providing members with high quality training and service in convenient locations at an affordable price point for more than 30 years. 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 types of people, with all types of goals, exercising all different ways; working it out at the same place together and is renowned for creating one-of-a-kind group fitness classes with unique programming.

"We are thrilled to have North Castle Partners join the Crunch family along with the great team at CR Fitness. North Castle Partners has a fantastic history in the health and fitness sector and we are very excited for everything this new partnership will bring to Crunch," said Ben Midgley, CEO of Crunch Franchising.

"For more than 20 years, the foundation of the North Castle approach has been to partner with exceptional management teams and industry professionals to unlock the full potential performance of companies in the Healthy, Active and Sustainable Living sector. We believe that our partnership with the CR Fitness team will help grow the Crunch Fitness community and take CR Fitness to its next level of success," concluded Chip Baird, North Castle Founder, CEO.

North Castle was represented by Morrison Cohen LLP while Katten Muchin Rosenman LLP served as legal advisor for CR Fitness. Harris Williams served as financial advisor to North Castle and Piper Jaffray & Co served as the financial advisor to CR Fitness.

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) beauty & personal care, (ii) consumer health, (iii) fitness, recreation & sports, (iv) home & leisure and (v) nutrition sectors, among others. North Castle's current portfolio includes well-known brands such as Barry's Bootcamp, Sprout Organics, SmartyPants, HydroMassage, Encore Vet Group, VitaCup, Inc., Maya Kaimal Foods, Windham Mountain Resort, Strengthen Lengthen and Tone (SLT), Brooklyn Boulders, and Turnbridge. Prior portfolio company holdings include Atkins Nutritionals, Contigo, Curves International, Jenny Craig, Doctor's Best, Octane Fitness, Cascade Helmets, Mineral Fusion, Bora-Bora Organic Foods, gloProfessional, Equinox Fitness, EAS, Enzymatic Therapy, CRC Health Group, Doctor's Dermatologic Formula, Naked Juice Company, Flatout Flatbread, and Avalon Organics / Alba Botanicals. North Castle partners with management 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. For more information, visit www.northcastlepartners.com.

About CR Fitness

CR Fitness is a leading franchisee of Crunch Fitness. The company is rapidly expanding its club footprint throughout Florida and Georgia 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 types of people, with all types of goals, exercising all different ways; working out at the same place together. Crunch is 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 over 1.3 million members with over 300 gyms worldwide in 30 states, Puerto Rico and 4 countries. Crunch is rapidly expanding across the U.S. and around the globe.

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