

PureGym completes acquisition of Blink Fitness

London - (November 29, 2024) - Pinnacle US Holdings LLC, a subsidiary of PureGym Limited ("PureGym" or "The PureGym Group"), a leading global gym operator, today announces the completion of its acquisition of Blink Fitness' ("Blink") corporate operations and a significant number of locations in New York and New Jersey for \$121m in cash.

Humphrey Cobbold, Chairman of PureGym, commented: "The conclusion of this sale process marks an important step, both in Blink's journey to strengthen its long-term financial health and in our ambition to develop a strong position in the U.S. market. Following our international success to-date, we can now accelerate our growth in the world's largest and most dynamic fitness market – a hugely exciting prospect."

Clive Chesser, CEO of PureGym Group, added: "I'm delighted that our acquisition of Blink Fitness has completed and to welcome Blink colleagues and members to PureGym. Bringing together two businesses with a common ambition to democratize fitness is an important strategic move and transforms our presence in the U.S. Building on Blink's provision of all-inclusive gym services, we will now start applying our proven smart cost operating model and invest in the estate, providing members with an elevated, affordable and flexible fitness experience."

Guy Harkless, President and Chief Executive Officer of Blink Fitness, commented: "We are delighted to be joining PureGym whose member proposition, track record and ambitious plans make them the ideal owner for Blink Fitness. I want to thank the entire team at Blink for their unwavering commitment to our members throughout this time and the continued focus on making "every-body" welcome. We are excited to move forward alongside a partner that shares our vision to inspire a healthier nation."

Background to the transaction

- On August 12, 2024 Blink Fitness announced that it had made the decision to commence an efficient and value-maximizing sale process to position the business for long-term success. To facilitate the sale process, the Company filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code.
- On September 10, 2024 PureGym entered into an asset purchase agreement ("APA") with Blink Fitness, which covered Blink's corporate operations and up to 67 of its locations in New York and New Jersey. This APA gave PureGym 'stalking horse bidder' status ahead of an auction.
- On October 31, 2024 PureGym's bid, for \$121 million in cash, was accepted by Blink Fitness as the winning bid in the auction.
- On November 12, 2024 PureGym received approval from the Court to proceed with its acquisition.
- As part of the sale process PureGym retained the right to reject sites if negotiations with landlords were unsuccessful and it was on this basis that PureGym has not proceeded with the acquisition of five gyms so far. Given no suitable buyer could be found, the Administrator took the decision to close Blink's locations in Linden, NJ; Paramus, NJ; Ironbound, NJ; West Islip, NY and Melville, NY on November 24, 2024. PureGym continues to negotiate with landlords for improvements in contractual terms before finalising the gyms that will be retained.

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Enquiries

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PureGym is represented by Latham & Watkins, LLP as legal advisor, PJT Partners as investment banker, and RCS as real estate advisor.

About PureGym

PureGym is a leading global gym operator, with around two million members across more than 600 gyms in six countries. PureGym operates corporate owned gyms in the UK, Denmark, Switzerland and the USA (the latter under the Pure Fitness brand) in addition to 20 sites operated by a franchise partner in Saudi Arabia and the UAE (under the PureGym Arabia brand).

PureGym was launched in the UK in 2009 where it pioneered the model for affordable, flexible, high-quality fitness clubs and is now the clear leader in the UK market. Typically, its members pay monthly and have no contractual commitment. Most of its gyms are open 24/7 and offer a full range of fitness equipment, including cardiovascular equipment, fixed-resistance and free weights as well as classes. PureGym is jointly owned by Leonard Green & Partners, KKR and over 100 members of the Group's management team.

As of 30 June 2024, Pure Gym had 387 gyms in the UK, 161 gyms in Denmark, 45 gyms in Switzerland, 3 gyms in the USA and 20 franchise gyms in the Middle East (18 in Kingdom of Saudi Arabia and 2 in United Arab Emirates).

PureGym is actively franchising in the Middle East and looking for partners in other markets. In the USA PureGym is seeking franchise partners operating under its PureFitness brand. More information can be found at <https://www.purefitness.com/franchise/>

About Blink Fitness

Blink Fitness - a premium and affordable fitness brand known for its commitment to an all-inclusive environment - is the gym for "every body" who wants to feel their best and improve their life through fitness. Blink provides a super-friendly and squeaky-clean experience with more than 80 locations throughout New York, New Jersey, California, Illinois, Massachusetts, and Texas. Blink Fitness, which was founded in 2011, currently has 67 gym locations with ongoing operations in the states of New York and New Jersey and has a corporate office in New York. Blink has been ranked on the Inc. 5000 list four times, was recognized as one of the top health clubs by Club Industry, and has been acknowledged for its affordability on "best gym" lists by Men's Health, Sports Illustrated, Time Out New York, Byrdie, and Forbes Health.