

RSG Group Set to Acquire Gold's Gym

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BERLIN, July 14, 2020 /PRNewswire/ -- RSG Group GmbH, Europe's innovation leader in the fitness and lifestyle sectors, was selected as the winning bidder in a court- approved auction process held on July 13, 2020, and is set to acquire the most well-known and iconic gym chain in the world, Gold's Gym. With this acquisition the RSG Group, which has mainly been active in Europe up to now, will become a global leader in fitness with over 900 locations and will be represented on six continents.

Established in 1965 in Venice, California, Gold's Gym, hit hard by the economic shutdown due to the COVID-19 pandemic, filed voluntary petitions for relief under Chapter 11 on May 4, 2020, in an effort to facilitate the financial restructuring of the company.

In mid-May, as part of the initial bankruptcy filing, Gold's Gym announced its plan to emerge from bankruptcy quickly through a pre-negotiated plan from its majority owner, TRT Holdings, Inc. After extensive negotiations with TRT Holdings and its creditors, Gold's Gym announced in late-May that it would implement a court-approved marketing process with TRT Holdings serving as the "stalking horse bidder."

At the conclusion of the auction on July 13, 2020, Gold's Gym announced that, subject to final approval from the bankruptcy court on July 24, 2020, RSG Group would be the purchaser of the company and its assets, with an estimated final purchase price of \$100 million. Subject to final execution, approval and consummation, Gold's Gym will emerge from bankruptcy with 61 company-owned gyms and more than 600 franchise-owned gyms, along with a healthy balance sheet.

"Gold's Gym is a fitness institution that had a major influence on the industry's development. It was a huge source of inspiration when I was setting up my first McFIT studio in Würzburg, Germany back in 1997," said Rainer Schaller, the RSG Group's founder and CEO. "I am incredibly proud that, in partnership with their current leadership team, we will be able to breathe new life into this iconic brand under the umbrella of the RSG Group."

Schaller is also very familiar with the franchise model as he's been a franchisee in the food retail business for over 30 years. "Instead of my original idea of slowly approaching franchising in the fitness sector, we are now diving in headfirst. This is the start of a new era



(PRNewsfoto/RSG Group)

for the RSG Group and I'm really looking forward to its success," Schaller added.

From Venice Beach to a global player

From its humble beginnings as a small fitness studio in Venice Beach, California, Gold's Gym has developed into a global brand with just under 700 gyms, expanding to six continents with three million members in the last 50 years. In the fitness industry, the brand enjoys cult status and has a global appeal with brand awareness near 96% among gym-goers.

"With the acquisition of Gold's Gym, we are taking on a legacy that I have the utmost respect for. Our goal is to focus on the core values of Gold's Gym and find the right balance between preserving its roots and moving the brand forward," said Schaller.

Successful diversification strategy

Since 1997, Rainer Schaller has succeeded in building a global corporation, the RSG Group, with more than 5,000 employees in 48 countries in over 300 locations. This stems from one single brand, McFIT, whose slogan is "the fitness studio for everyone." Continually pushing his company to the next level, he has taken a 360-degree approach to build and grow 17 brands across multiple sectors, including fitness, lifestyle, design and fashion.

In recent years, Gold's Gym has focused on four different lines of business: managing its own gyms, franchising, driving revenues from its global licensing business and the digital personal training app GOLD'S AMP™, which was launched in 2017. Sebastian Schoepe, President of the RSG Group North America, who will be responsible for the migration of the Gold's Gym brand into the RSG Group, adds: "As we bring together our two teams, it is particularly important that we actively involve all team members and franchisees in the process. If we integrate their ideas into the expansion of the brand, we are confident that we will achieve our goal of leading Gold's Gym into a successful future," said Schoepe.

Adam Zeitsiff, President & CEO of Gold's Gym, added: "The RSG Group, with nearly 25 years of owner-managed expertise in the fitness sector, lives and breathes fitness and that is reflected in everything they do and how they do it. For us, this acquisition will open up brand-new opportunities to lead Gold's Gym into a strong future together. My team and I are excited to partner with RSG and we look forward to much success for our team members, our members, and our global brand."

Further expansion planned

In addition to the market entry of the RSG Group into Turkey, France and the USA this year, additional growth on six continents is now anticipated with the acquisition of Gold's Gym.

About RSG Group

With more than two million customers, RSG Group GmbH is the world's innovation leader in the areas of fitness and lifestyle. Our strong brands and future-oriented concepts include fitness club chains McFIT, the JOHN REED family (JOHN REED Fitness Music Club, JOHN REED Women's Club, JOHN & JANE'S, THE REED), High5 and Gold's Gym, the most well-known fitness brand in the USA, online workouts CYBEROBICS, the fitness planner app LOOX, the unique training experience Master of Enthusiasm, our own sports nutrition Qi², our in-house model agency McFIT MODELS, Pearl Management, artist management agency TIGERPOOL that represents fashion label MARCELL VON BERLIN and street artist RON MILLER, exclusive cake brand Steven Baker and THE MIRAI, where we motivate millions of people to get more active while having fun. With our varied portfolio, we ensure we remain a key component of our customers' active everyday lives.

About Gold's Gym

Gold's Gym has been the world's trusted fitness authority since 1965. From its beginning as a small gym in Venice, California, Gold's Gym has grown into a global icon with nearly 700 locations in 29 countries. Featuring personalized transformation plans, state-of-the-art equipment, certified personal trainers, a diverse group exercise program and a supportive, motivating environment, Gold's Gym delivers the most dynamic fitness experience in the industry. The Gold's Gym experience includes GOLD'S STUDIO® – which gives members access to boutique-style classes like GOLD'S FIT®, GOLD'S BURN™ and GOLD'S CYCLE™, all under one roof – along with GOLD'S AMP™, the first digital personal training app from a brick-and-mortar gym. More than a gym, Gold's Gym combines coaching, community and more than 50 years of fitness expertise to help people around the world achieve their potential through fitness. For more information, visit <https://www.goldsgym.com/> or follow Gold's Gym on [Facebook](#), [Instagram](#) and [Twitter](#).

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