

Brian G Rich
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March 4, 2021

To: Youfit Health Clubs, LLC *et al.*

Re: Recommendation of the Creditors' Committee in Favor
of Confirmation of the Chapter 11 Plan of Reorganization

Dear Sir/Madam:

We are counsel to the Official Committee of Unsecured Creditors (the "Creditors' Committee") of Youfit Health Clubs, LLC, *et al.* (collectively, "Youfit" or the "Debtors") in their chapter 11 cases pending before Bankruptcy Judge Walrath in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). On November 18, 2020, the Creditors' Committee was appointed by the Office of the United States Trustee for the District of Delaware to represent the interests of all unsecured creditors of the Debtors.

Copies of the *Combined Disclosure Statement and Amended Chapter 11 Plan of Liquidating of Youfit Health Clubs, LLC and its Debtor Affiliates* (the "Plan and Disclosure Statement")¹ is being distributed to you, along with a ballot with which to cast your vote. The Plan and Disclosure Statement contains the economic terms as reflected in the Creditors' Committee Settlement which provides a chance for there to be a recovery and if you do not vote in favor of the Plan and Disclosure Statement, that there is a risk the plan is not confirmed and there will be no recovery for General Unsecured Creditors. **The Creditors' Committee supports the Plan and Disclosure Statement and urges you to vote in favor of the Plan and Disclosure Statement by so indicating on the enclosed ballot.**

The Plan and Disclosure Statement contains extensive information with respect to the Debtors' plan going forward. **The Creditors' Committee urges you to read the Plan and Disclosure Statement carefully before you cast your vote(s) to accept or reject the Plan and to consult with an attorney to the extent you deem that necessary.** As set forth in the Plan and Disclosure Statement, the Debtors estimate that under the Plan, holders of allowed general unsecured claims in Class 4 ("General Unsecured Claims") will receive a higher recovery, if any, than Class 4 Creditors might expect in a liquidation under Chapter 7 of the Bankruptcy Code or in a Chapter 11

¹ Capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Plan and Disclosure Statement. In the event of any conflict between this letter and the Plan and Disclosure Statement, the terms of the Plan and Disclosure Statement shall control.

absent the Creditors' Committee Settlement, which is described in the Disclosure Statement and Plan.

Since its inception the Creditors' Committee has taken an active role in the Debtors' bankruptcy cases, including in the liquidation of substantially all of the Debtors' assets and the investigation and prosecution of claims for the benefit of the Debtors' Estates. **The Disclosure Statement includes a full summary of the (i) Debtors' chapter 11 cases, (ii) projected recoveries for holders of Allowed General Unsecured Claims, and (iii) terms of the Creditor's Committee Settlement (as defined in Article III.M of the Plan and Disclosure Statement) that provides the basis for creditor recoveries, if any, under the Plan and Disclosure Statement.**

The Creditors' Committee believes that the Plan and Disclosure Statement provides a treatment of your claim that is fair and equitable under the facts and circumstances of the Debtors' chapter 11 cases. While preserving all rights related to the final version of the Plan and Disclosure Statement and any modifications thereto, the Committee submits that the Plan and Disclosure Statement contains the economic terms as reflected in the Creditors' Committee Settlement and supports the Debtors' efforts to obtain approval of the Plan and Disclosure Statement.

Your vote to accept the Plan and Disclosure Statement is crucial, no matter how large or small your claim may be.

Enclosed herewith is a ballot and voting instructions. The voting deadline is April 12, 2021 at 4:00 p.m. (prevailing eastern time). Please complete and submit your ballots in accordance with the enclosed instructions so that they are received no later than the voting deadline. Please contact the undersigned with any questions regarding this matter.

Sincerely,

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