

Stay Fit Gym continues its national expansion by acquiring two fitness centers in Sibiu and Galati

Stay Fit Gym, the second largest chain of gyms in Romania by the number of open centers, announces the complete takeover of two fitness centers in Sibiu and Galati. These represent the fourth and the fifth M&A transaction announced by Stay Fit Gym after taking over Neby Fitness, a center in the Domenii market area in Bucharest, and two fitness centers in Pitesti.

"We are excited about the acquisition of the two centers, and we look forward to continuing this process of growth. The transactions announced today represent a new stage in the expansion and transformation of Stay Fit Gym into a national brand, started in Romania and developed at an accelerated pace with the support of an investment fund consisting of Romanian entrepreneurs, Morphosis Capital. By the end of the year, we plan to open new fitness centers, both organically and through M&A, in Bucharest, Pitesti, Sibiu, and Galati, but also in new cities, such as Brasov, Buzau, Craiova, and Ramnicu Valcea. Our approach at the fitness center level is based on promoting a healthy lifestyle by offering premium equipment and excellent training conditions at affordable prices for all age groups," stated Alexandru Lascar, CEO of Stay Fit Gym.

The fitness center purchased in Sibiu was owned by Habit30, and will enter into a complete renovation process in the next period, which includes replacing equipment, changing rooms, and adapting it to the Stay Fit Gym design. The company estimates that works will be completed by early October.

Also, in October, Stay Fit Gym will open a second fitness center in Sibiu, in Promenada Mall. The total area of the two centers is approximately 1,500 square meters, and the value of the investments made by Stay Fit Gym in Sibiu for the renovation of the purchased fitness center and the opening of the new center is approximately 5 million lei. At the same time, the company targets the inauguration of the third center in Sibiu at the beginning of next year. Once all three centers in Sibiu are operational, Stay Fit Gym estimates that the customer portfolio in this city will include more than 3,000 members.

Regarding the fifth transaction, the fitness center in Galati was acquired from OneGym, the local market leader. The city center location will be renovated in the following period, immediately after the inauguration of a new Stay Fit Gym fitness center in this city, in Galati Shopping City. The company decided that the acquired fitness center would be renovated after opening the one in the mall so that Stay Fit Gym members would always have a location where they could train. The two locations will have a total area of 3,000 square meters.

As in the case of Sibiu, the company targets the inauguration of the third center in Galati at the beginning of next year. When all three centers in this city are operational, the Stay Fit Gym customer portfolio in Galati will include approximately 4,000 subscribers. The total value of the company's investments in Galati amounts to about 7.5 million lei.

"With the opening of the Promenada Mall location in Sibiu, we mark the beginning of a strategic partnership with NEPI Rockcastle. This location will be followed by Galati Shopping City, and next year we will also open fitness centers in other locations of the same owner. Since the beginning of the year, we have successfully completed five M&A transactions with local operators. Among the many upcoming openings, I would also mention the collaboration with the IGD group, the owner of the Winmarkt stores, where we have three openings planned in the next 4-5 months," stated Marius Preodisteanu, Head of Expansion Stay Fit Gym.

By acquiring the fitness centers in Sibiu and Galati and inaugurating two other locations in these cities, Stay Fit Gym will operate 16 fitness centers nationwide.

At the beginning of the year, the company targeted revenues of over 15 million lei, but following the successful development of the continuous expansion process and the organic growth recorded at the level of all centers, Stay Fit Gym estimates revenues of 20 million lei for the entire 2022 year. The company has also seen exponential growth in member numbers – from about 3,800 at the start of the year to over 10,000 members in August 2022.