



The Wellness Company

Financial Results FY 2023

Investor Presentation - March 25th 2024

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William Marabini, the Manager in charge of preparing the corporate accounting documents, declares that, pursuant to art. 154-bis, paragraph 2, of the Legislative Decree no. 58 of February 24, 1998, the accounting information contained herein correspond to document results ,books and accounting records.

Some figures related to previous periods were reclassified for a better representation of balance sheet and the profit and loss statements.

A man with grey hair, wearing a dark blue blazer over a white shirt and blue jeans, stands with his arms crossed in a modern gym. He is positioned between two treadmills. The treadmills have large digital screens displaying workout programs like 'OUTDOORS' and 'APPS'. The gym has large windows in the background, showing a view of a city with a prominent skyscraper. A semi-transparent dark banner is overlaid across the middle of the image, containing the text.

Nerio Alessandri (*Founder & CEO*)

"2023 Healthy Results confirm our long-term sustainable and profitable growth story, as we promised during our IPO"

Nerio Alessandri

TECHNOGYM | FY 2023 Results Highlights

TECHNOGYM FY 2023 REVENUE

EUR 808 m (*new record*)
+12% vs. 2022
+14% at constant F/X

EBITDA

EUR 152 m (*new record*)

18.8% on revenue

NET INCOME

EUR 78 m

9.7% on revenue

NET CASH POSITION

EUR 127 m

Cash conversion rate 63%

proposed dividend of € 52 million (70% payout)

Michele Bertacco
Investor Relations Director



Wellness market growth drivers are EXPANDING with Health as prevention

1

Growing consumer interest for longevity & wellbeing



- From life-span to health-span
- Physical activity for good mental health and balanced lifestyle
- Renewed healthy nutrition focus

2

Ageing population emphasize prevention & health needs



- Prevention
- More activities to secure healthy living
- Elderly people to increase spending on health products

3

Governments aim to reduce healthcare costs



- Reduction of increasing healthcare costs
- Increase quality of care and prevention

4

Focus on employee's wellness & HC cost reduction



- Increase workforce productivity & talent retention
- Reduce health expenses
- Provide attractive, but cost-efficient benefit plans

Health is wealth

Our potential market account for \$ 4.4 trillion: a great upside

WELLNESS ECONOMY: ~4.400 B\$ (*Health, prevention, nutrition, weight loss...*)

PHYSICAL ACTIVITY: ~738 B\$

FITNESS EQUIPMENT MARKET: ~14 B\$

COMMERCIAL MARKET ~7B\$

HOME MARKET ~7B\$

Club

Residential

Private users

Health

Corporate

PRECISION TRAINING



PERSONALIZED EXPERIENCE



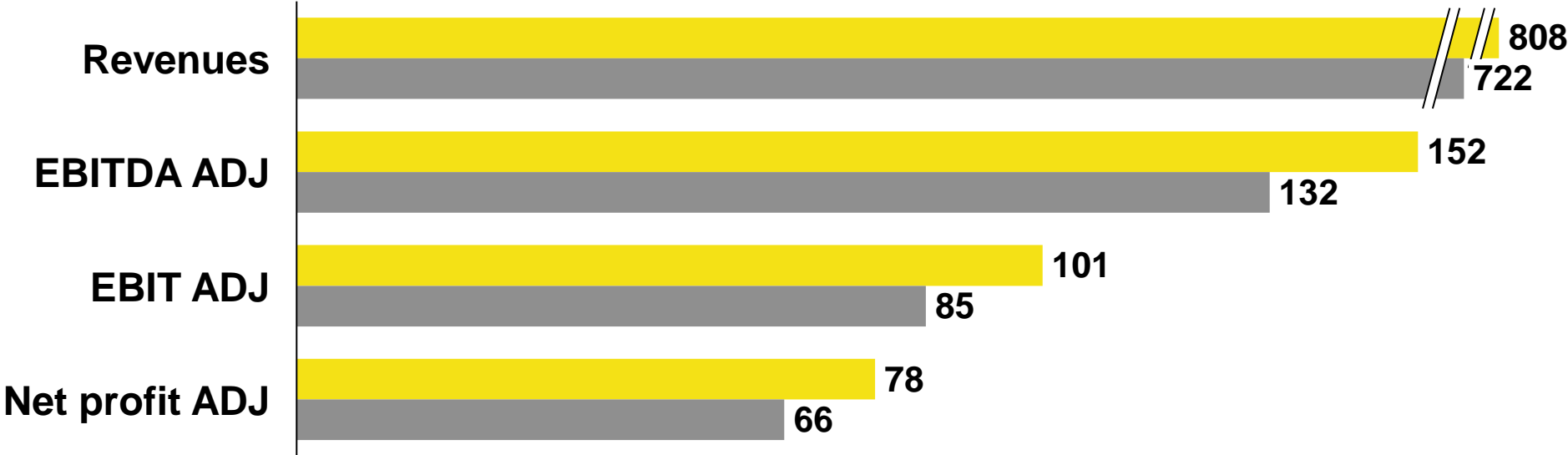
William Marabini
Chief Financial Officer



All Key Performance Indicators UP

€ millions

P&L



2023 vs 2022

+12.0%

+15.2%

+18.6%

+18.6%

Balance sheet

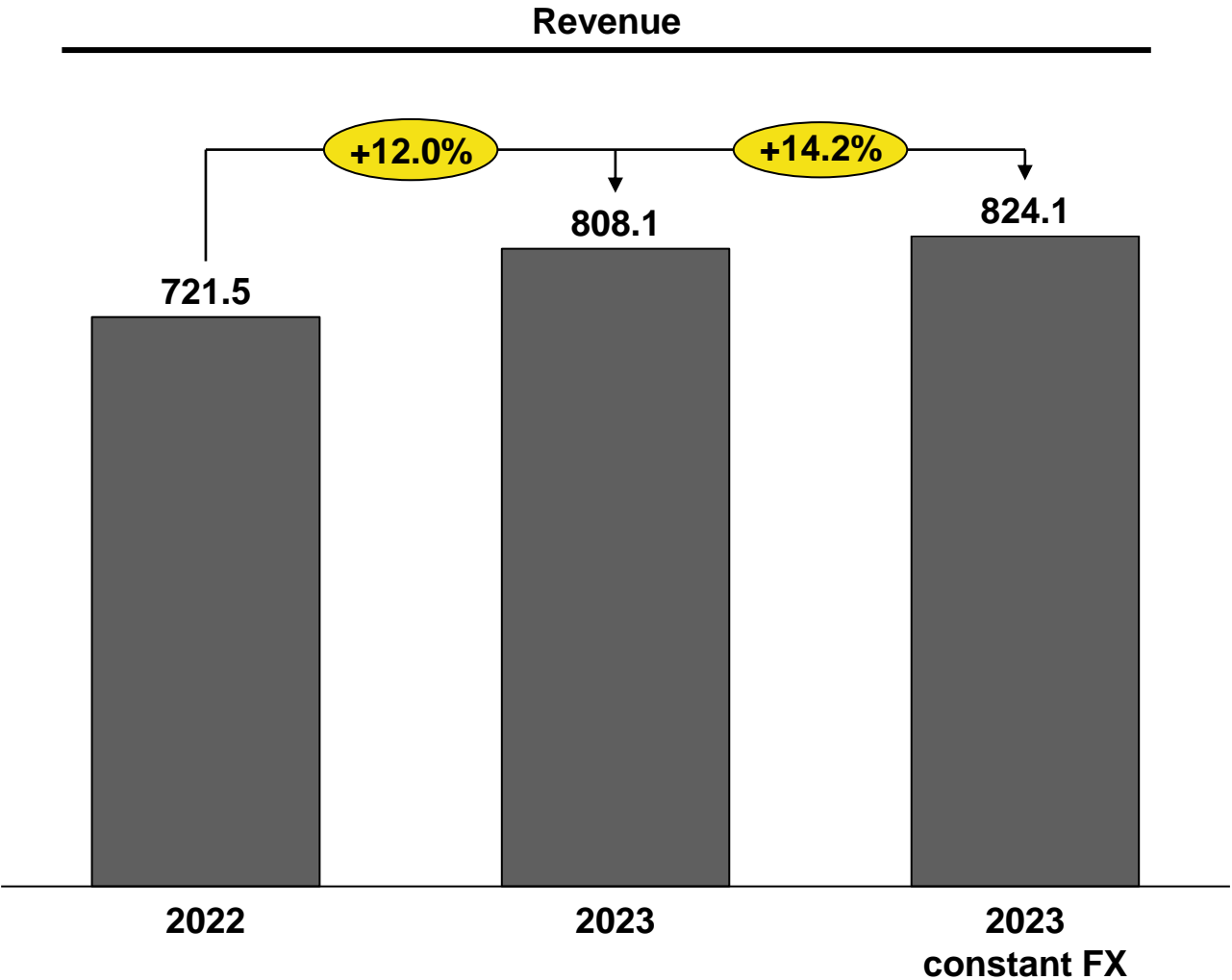


+5.2

-6.5

At costant F/X growth was even higher: +14%

€ millions

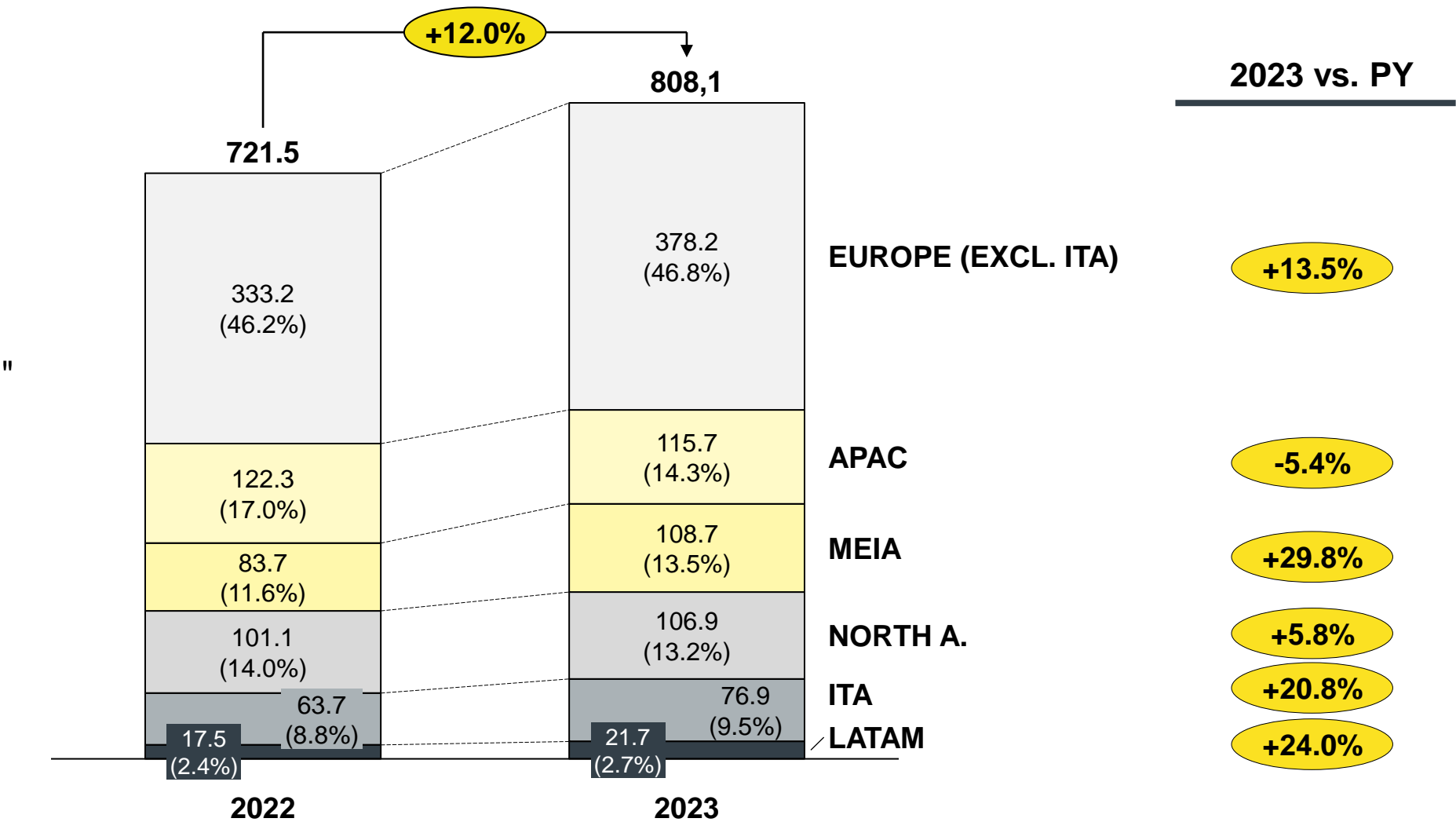


Comments

- Growth would have been even higher at costant F/X
- Worth noting that US and Canada at constant F/X posted a +10% growth

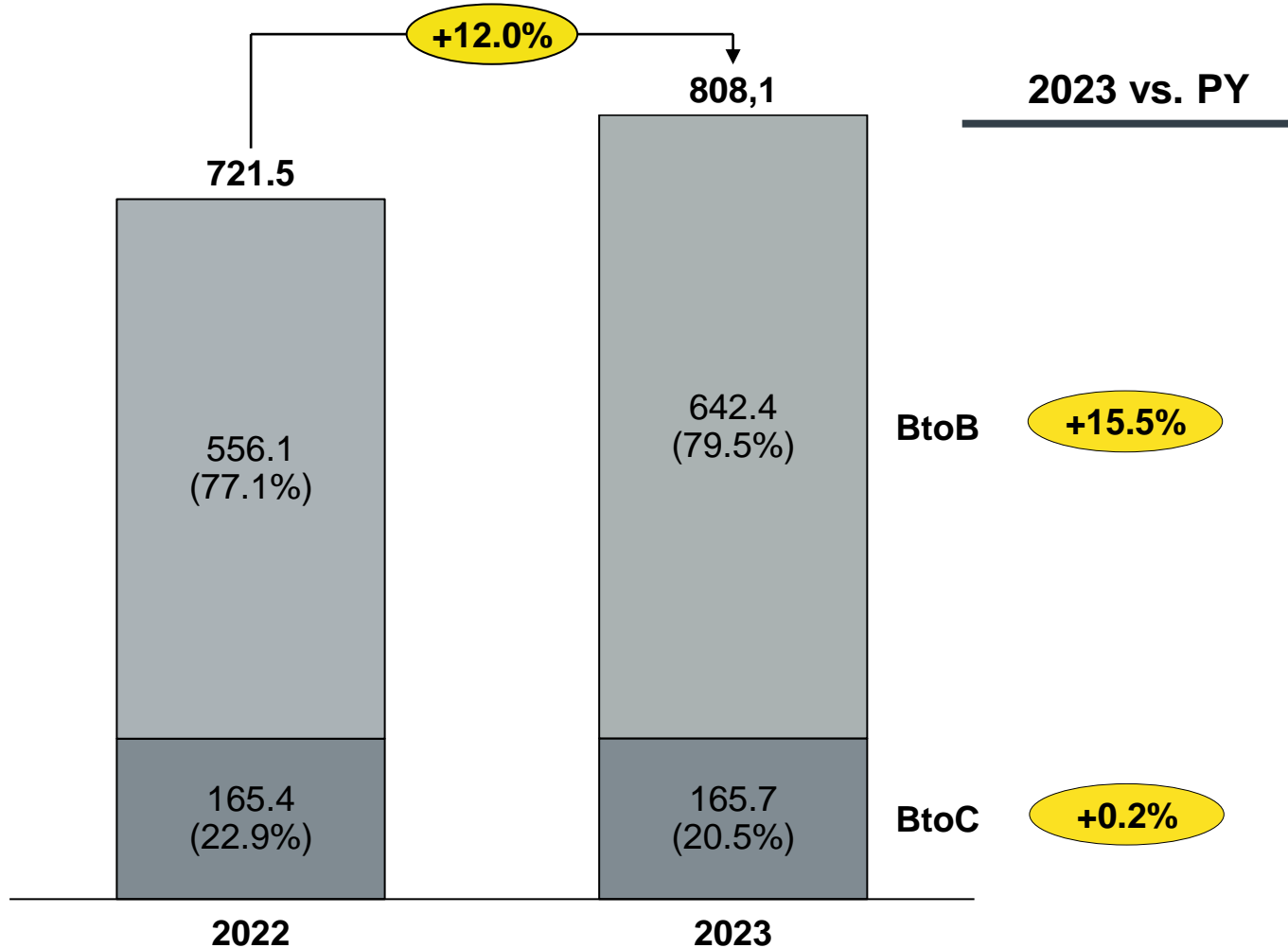
Strong growth in MEIA, Europe and LATAM

€ millions



Strong growth in BtoB

€ millions



Comments

Commercial or BtoB

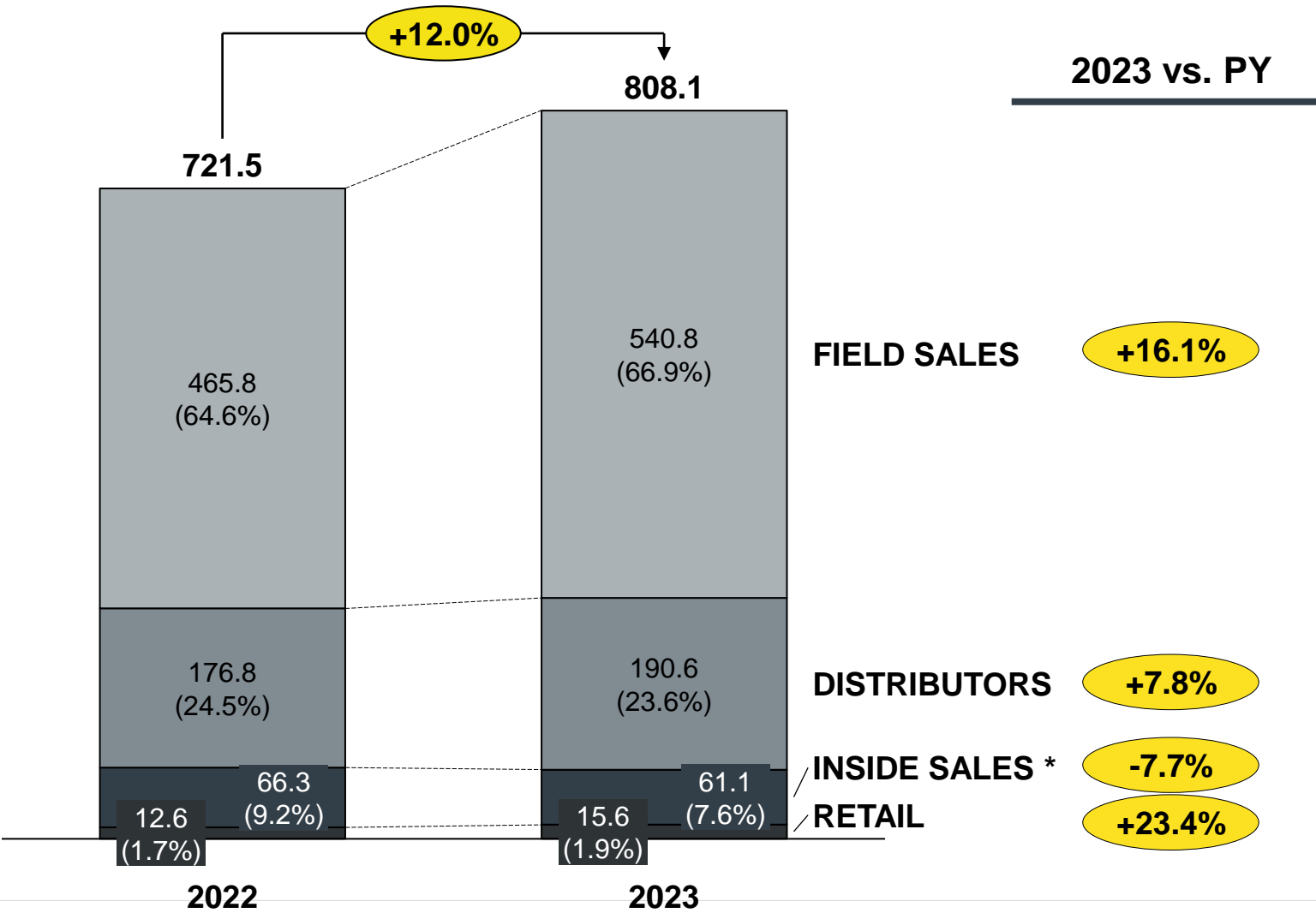
- All segments grew
- Growth level was double digit for all the segments
- Health Corporate and Performance Segments being the best performer boosted thanks to the unique positioning of Technogym able to identify the precise posology

Consumer or BtoC

- Home segment back to growth in second half of 2023 allowing a more than complete recovery compared to 2022 numbers

Strong growth in Field Sales and Retail

€ millions



Comments

- Field sales performance boosted by increased productivity
- Retail pushed by new openings in Germany and UK
- Wholesale posted another positive year with significant performance in LATAM, MEIA and Europe
- It is also worth noting that the customer base of Technogym is very well fragmented and there are no customers who represent more than 10% of Company's revenue

* Includes E-Commerce and Teleselling channels
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Strictly private & confidential



Statutory Profit & Loss FY 2023

€ millions	Dec 2022		Dec 2023		Var.	Var. %
		% on sales		% on sales		
Total revenue	721.5		808.1		86.6	12.0%
Cost of raw, ancillary and consumable materials and goods for resale <i>of which (cost) not recurrent</i>	(248.1) (0.0)	(34.4%)	(269.8) (0.0)	(33.4%)	(21.8) 0.0	8.8%
Service, Rentals and leases <i>of which (cost) not recurrent</i>	(189.2) (0.7)	(26.2%)	(213.6) (1.6)	(26.4%)	(24.4) (0.9)	12.9%
Personnel cost <i>of which (cost) not recurrent</i>	(151.3) (1.4)	(21.0%)	(167.7) (1.8)	(20.7%)	(16.3) (0.3)	10.8%
Depreciations, amortisations and write-downs <i>of which (cost) not recurrent</i>	(40.4) (0.0)	(5.6%)	(45.7) (0.0)	(5.7%)	(5.3) (0.0)	13.2%
Provision for risk and charges <i>of which (cost) not recurrent</i>	(6.2) (0.0)	(0.9%)	(8.5) (3.4)	(1.1%)	(2.3) (3.4)	36.5%
Other operations cost <i>of which (cost) not recurrent</i>	(5.3) (0.4)	(0.7%)	(9.8) (1.5)	(1.2%)	(4.5) (1.2)	85.6%
Share of result joint venture and impairment <i>of which (cost) not recurrent</i>	1.8 0.0	0.2%	4.4 4.5	0.5%	2.6 4.5	h.v.
Net operating income	82.8	11.5%	97.4	12.1%	14.6	17.7%
Financial income and (expenses) and from investments	0.6	0.1%	3.0	0.4%	2.5	h.v.
Profit (loss) before tax	83.3	11.5%	100.4	12.4%	17.1	20.5%
Taxes <i>of which (cost) not recurrent</i>	(19.4) 0.0	(2.7%)	(23.2) (1.0)	(2.9%)	(3.8) (1.0)	19.5%
Profit (loss)	63.9	8.9%	77.2	9.5%	13.3	20.8%
Profit (loss) for the year of minority interests	(0.3)	(0.0%)	(3.5)	(0.4%)	(3.2)	h.v.
Profit (loss) attributable to owners of the parent	63.6	8.8%	73.6	9.1%	10.1	15.8%
Adjusted EBIT	85.3	11.8%	101.2	12.5%	15.9	18.6%
Adjusted EBITDA	131.9	18.3%	152.0	18.8%	20.1	15.2%
Profit (loss) adjusted	66.1	9.2%	78.4	9.7%	12.3	18.6%

Comments

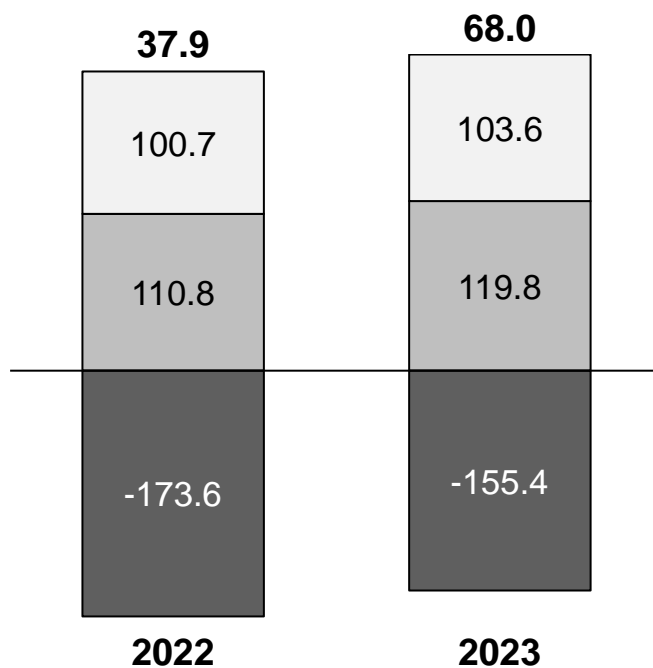
- Revenue grew +12.0% to € 808.1 m (+14.2% at constant F/X), mainly driven by BtoB volumes growth and a better product mix
- Product mix and Cost reduction on raw materials and components more than offsetting both DWI costs (due to inflation carryover) and F/X impact
- Rental costs growth driven by new offices and boutiques
- Personnel costs growth aimed at investing in new skills connected to our digital ecosystem
- Amortization increase driven by continuing investments in digital transformation
- JV result impacted by TG Emirates investment evaluation (€ 4.5 m)
- EBITDA adjusted at 18.8%, growing from 18.3% of 2022 and 17.5% of 2021

Trade working capital

€ millions

Trade Working Capital evolution

Inventories
 Trade Receivables
 Trade Payables



% on Sales rolling LTM

5.3%

8.4%

Inventory Turnover

4.7x

5.1x

IFRS Balance DSO

45

43

IFRS Balance DPO

133

108

Comments

Inventories

- Increase is mainly driven by volumes' growth
- Higher Inventory Turnover by 0.4x vs Dec '22.

Trade receivables

- DSO improved by 2 days vs Dec '22 despite a customer remix towards BtoB.

Trade payables

- Decrease vs Dec. '22 due to the normalization of seasonal payment of purchases

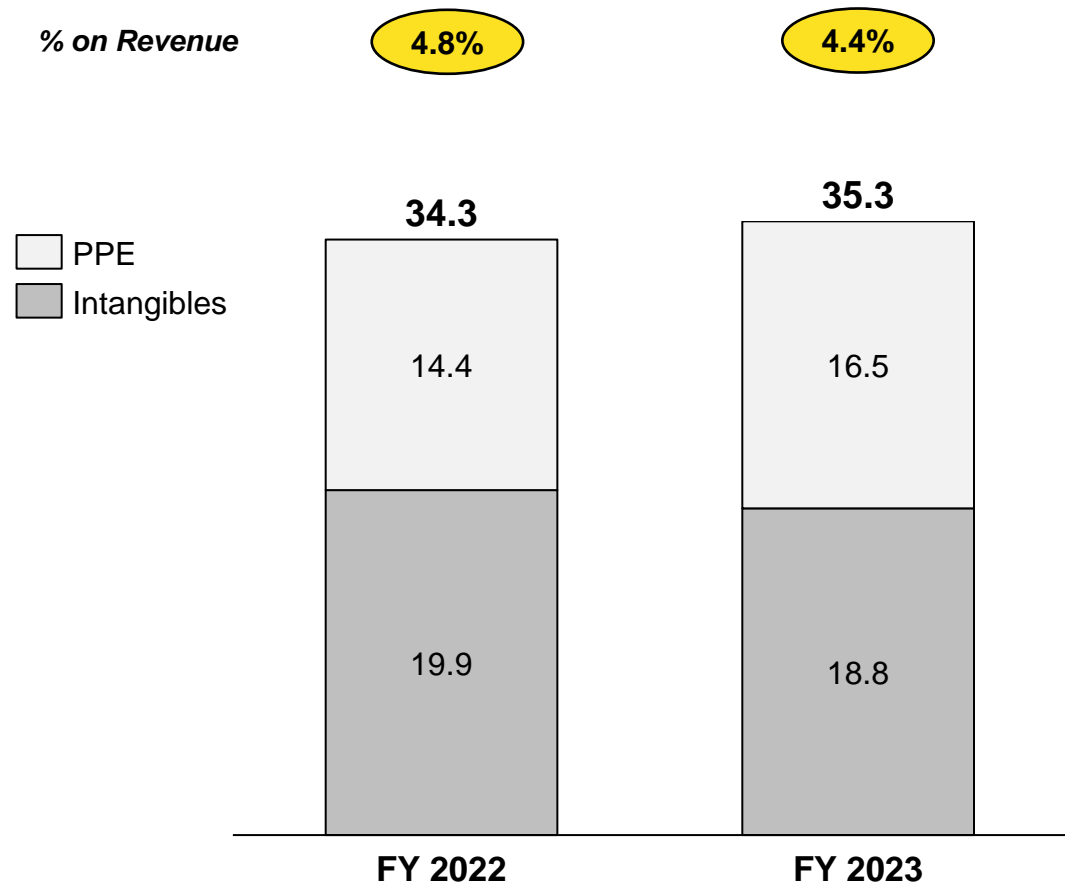
IT: Calculated as the ratio of Turnover for products, spare parts, hardware and software / Inventory w/o deval.

DSO: Calculated as Account receivables net of VAT (~ 11%) / Total turnover

DPO: Calculated as Trade payables net of VAT (~ 7%) / (Total costs for raw materials, semi-finished products and services)

Capex at 4.4% on revenue: investing in Digital and IT

€ millions



Comments

Tangibles Capex

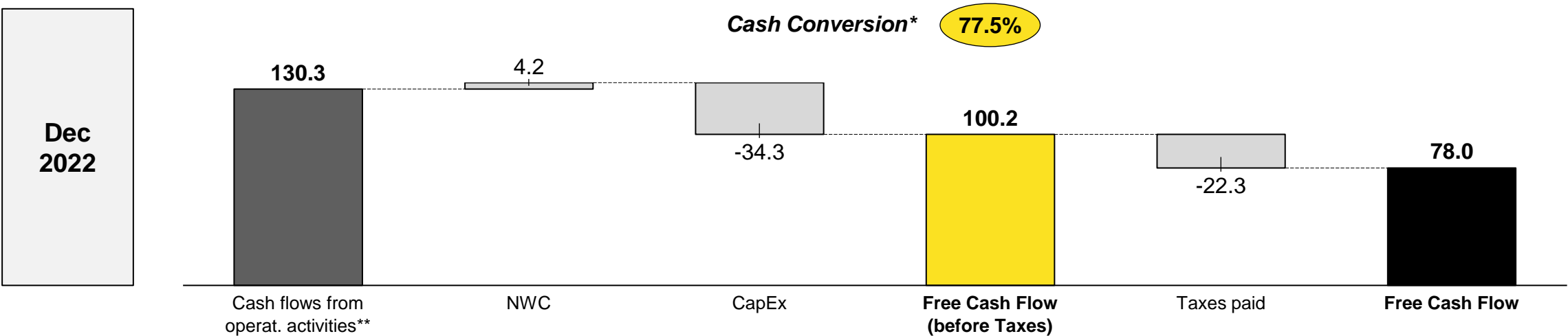
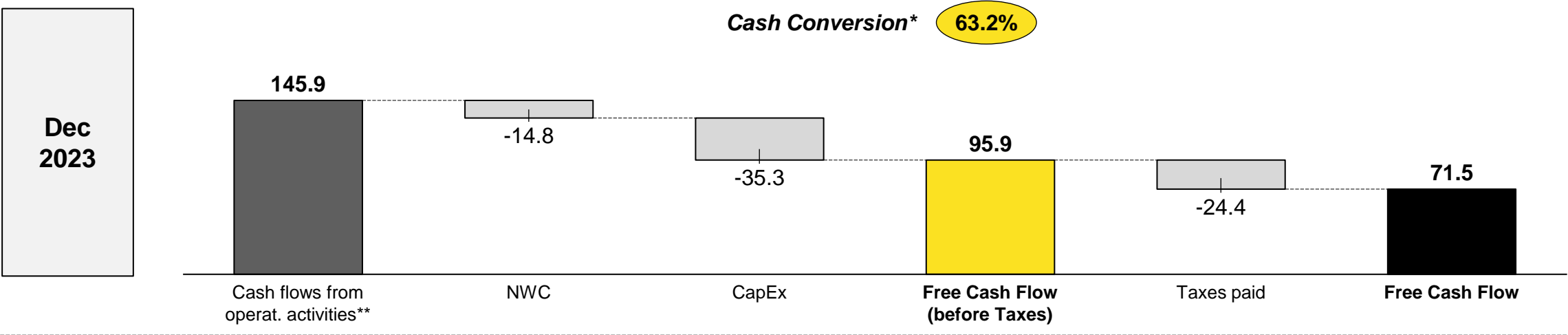
- Tools and molds for new products
- Production lines and manufacturing equipment
- Facilities expansion (i.e. new offices and boutiques)

Intangibles Capex

- Digital and contents development
- IT
- Development of digital ecosystem for new products

Free cash flow

€ millions

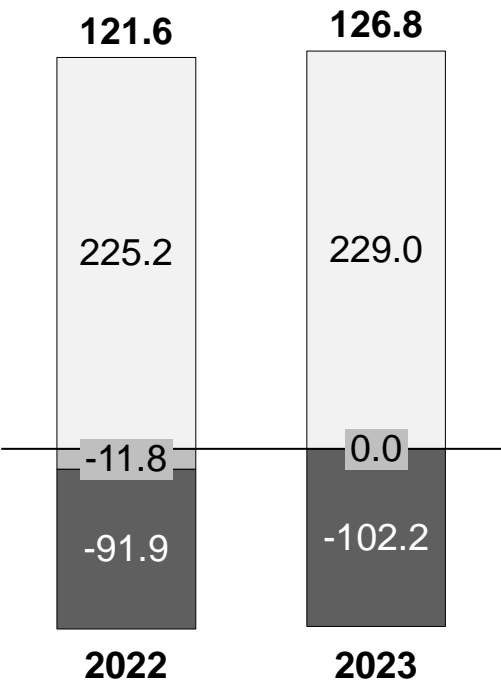


* Cash Conversion Rate calculated as FCF before Tax / EBITDA
**Cash Flow from operating activities calculated as EBITDA-JV result-other non moneray changes
Strictly private & confidential

Net financial position: a very positive result, showing how healthy is our growth

€ millions

Net financial position



Comments

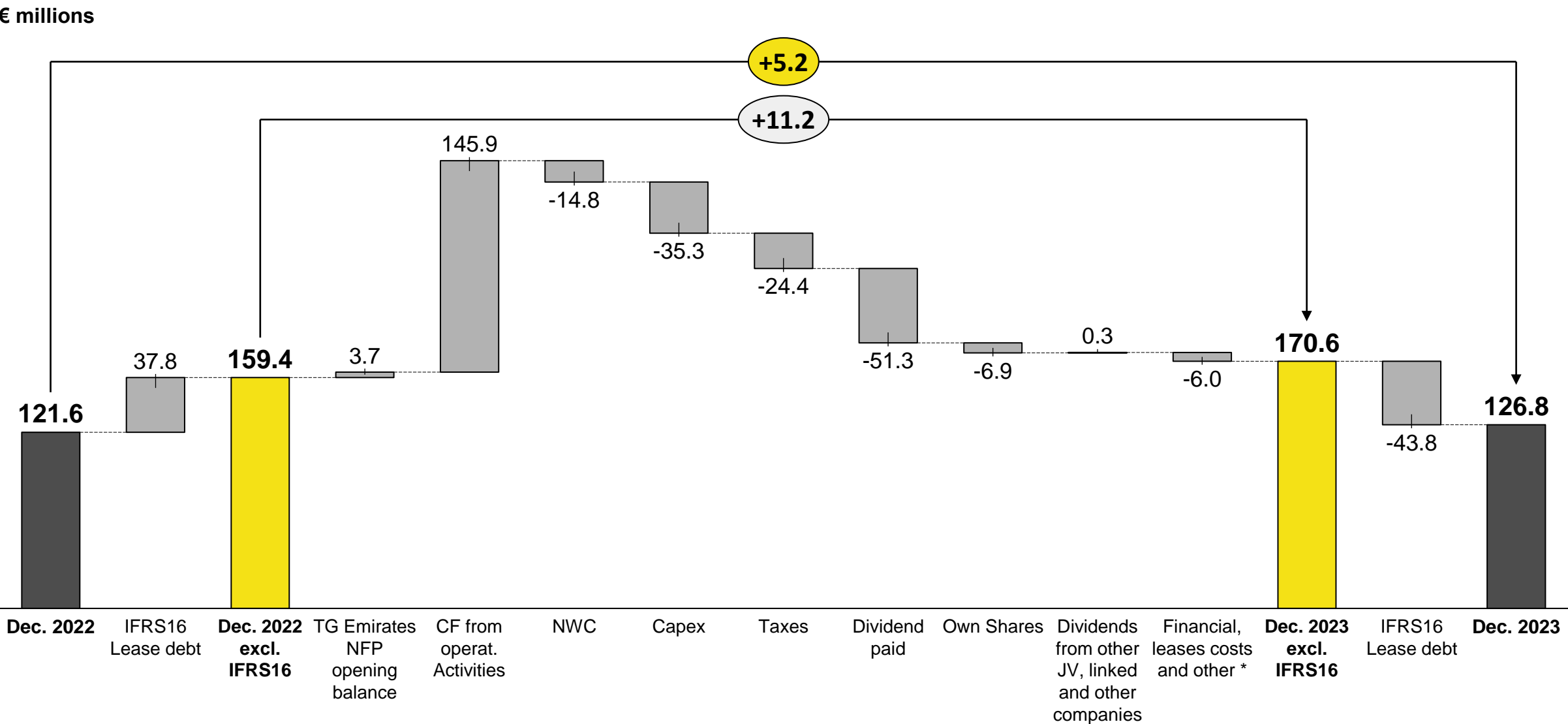
Cash, cash equivalent and deposit at 229,0 m€

Zero bank debt as of December 31st 2023.

Other financial debts € 102,0 m

- Cash and cash equivalent and deposits
- Bank debt
- Other financial debt

Positive Net Financial Position to € 127 m from € 122 m in 2022



* Lease DLL -3,3 m€; impact of converting liquidity in currency -5,7 m€; payment rental IFRS16 and others +3,0 m€

Balance Sheet December 2023

€ millions

	Dec 2022	% on Sales	Dec 2023	% on Sales	Var. %
Inventories	100.7	14.0%	103.6	12.8%	2.9%
Trade receivables	110.8	15.4%	119.8	14.8%	8.1%
Trade payables	(173.6)	(24.1%)	(155.4)	(19.2%)	(10.5%)
Trade Working Capital	37.9	5.3%	68.0	8.4%	79.2%
Other current assets/(liabilities)	(61.4)	(8.5%)	(78.0)	(9.7%)	27.1%
Current tax liabilities	(9.2)	(1.3%)	(9.2)	(1.1%)	0.2%
Provisions	(14.2)	(2.0%)	(19.5)	(2.4%)	36.9%
Net Working Capital	(46.8)	(6.5%)	(38.7)	(4.8%)	(17.3%)
Property, plant and equipment	164.1	22.7%	171.6	21.2%	4.5%
Intangible assets	55.7	7.7%	55.7	6.9%	0.0%
Goodwill	0.0	0.0%	1.0	0.1%	<i>h.v.</i>
Investments in joint ventures	4.1	0.6%	1.2	0.1%	(71.5%)
Employee benefit obligations	(2.6)	(0.4%)	(2.6)	(0.3%)	0.8%
Other non current asset and (liabilities)	49.6	6.9%	48.7	6.0%	(1.8%)
Net Fixed Capital	270.9	37.5%	275.5	34.1%	1.7%
Net Invested Capital	224.1	31.1%	236.8	29.3%	5.7%
Shareholders' Equity	345.9	47.9%	363.7	45.0%	5.1%
Net financial position adj for Trade pay due > 12m *	(121.9)	(16.9%)	(126.9)	(15.7%)	4.2%
Total Source of Funding	224.1	31.1%	236.8	29.3%	5.7%

NFP (Cash)
(€159.3 m)
excluding IFRS16

NFP (Cash)
(€ 170.6 m)
excluding IFRS16

* Balance sheet net financial position adj for Trade pay due > 12m excludes all the trade payables that will be due after 12 months from the date of reporting, according to ESMA guidelines on 4th March 2021



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TECHNOGYM®



THANK YOU!

PARIS 2024

