

# FY 2022 Financial Results



Cesena, March 29<sup>th</sup> 2023

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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.*



SPORT



STATUS



HEALTH



FITNESS

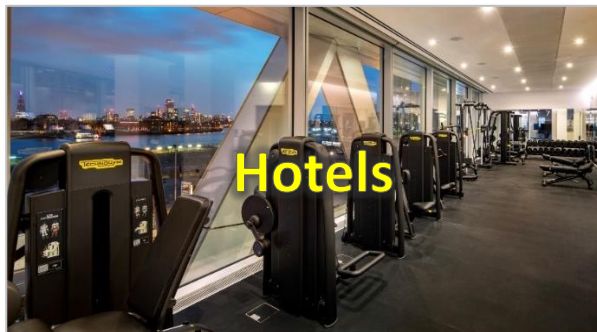
# Technogym market update



# Recovery ongoing across all the BtoB segments



**Clubs**



**Hotels**



**Health centers**



**Corporates**

## Global Wellness Economy

continuous growth support a strong recovery across sectors (+9.7% CAGR expected to 2025)

In **Hotels**, activity improved driven by re-openings with daily average rates already above pre-COVID level

## Wellness Real Estate / Residences

proved to be in a better shape than general construction with a continuous interest from developers

**Corporates** continued investing in Wellness programs to attract employees back to the office

**Health & anti-aging** are in a strong growth trajectory after COVID

**Clubs** recovered pre-COVID activity level with +32% Y/Y in visits in Jan-23

# Home demand in line with pre-pandemic trend

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Demand for at-home training solutions is still high in a normalized market scenario across all the geographies where the company operates;

Gradual international expansion is still the key to penetrate new customers leveraging the **Technogym unique Luxury & Prestige positioning.**





# Financial Results FY 2022

# Revenue +18% with improving profitability

€ million

	2022	2021	2022 vs 2021
Revenue (€m)	721.5	611.4	+18.0%
EBITDA ADJ (€m) <i>Margin (%)</i>	131.9 18.3%*	107.0 17.5%	+23.3%
EBIT ADJ (€m) <i>Margin (%)</i>	85.3 11.8%	67.1 11.0%	+27.2%
Net Profit ADJ (€m) <i>Margin (%)</i>	66.1 9.2%	51.2 8.4%	+29.1%
Net Financial Position (€m)	121.6	96.0	+25.6

\* Excluding buyback release impact: 18.5% (Like-For-Like with prev. years)

\*

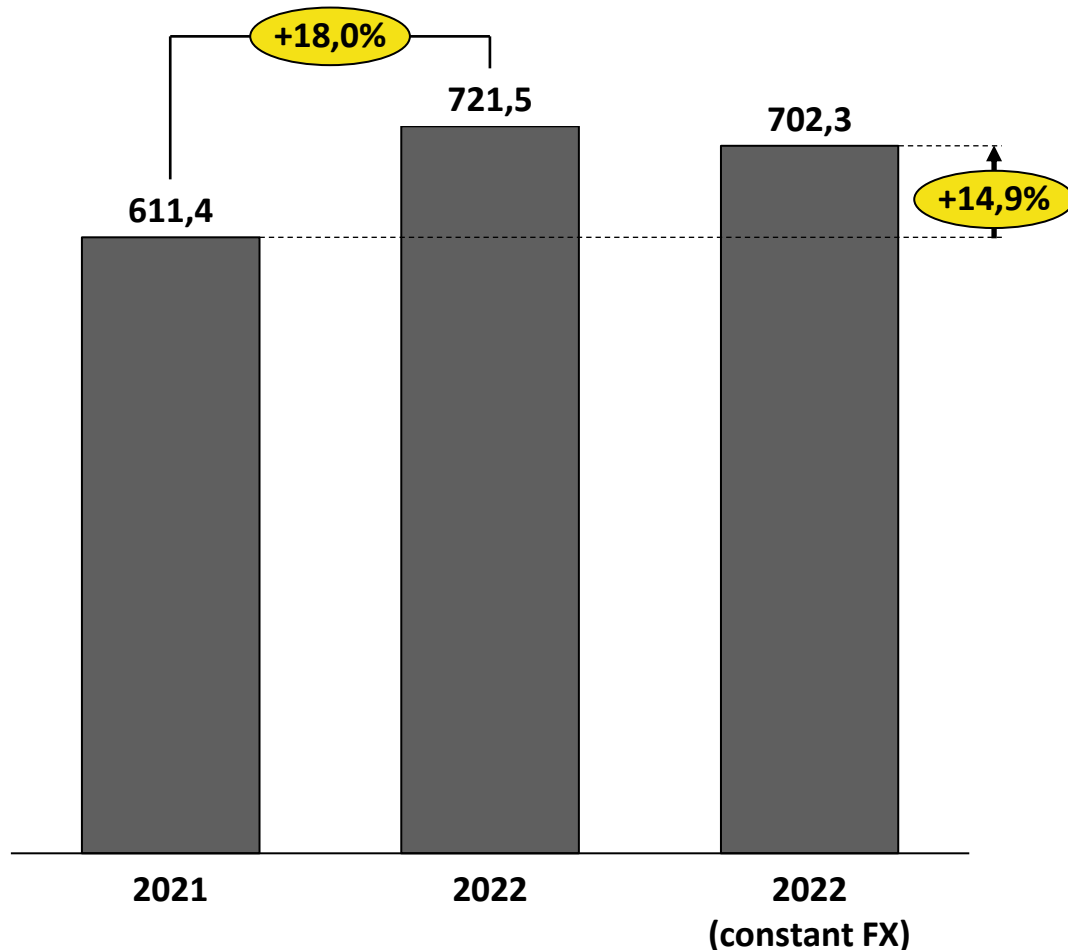
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# Revenue growth by 18% in 2022

€ million

## Revenue



## Key comments

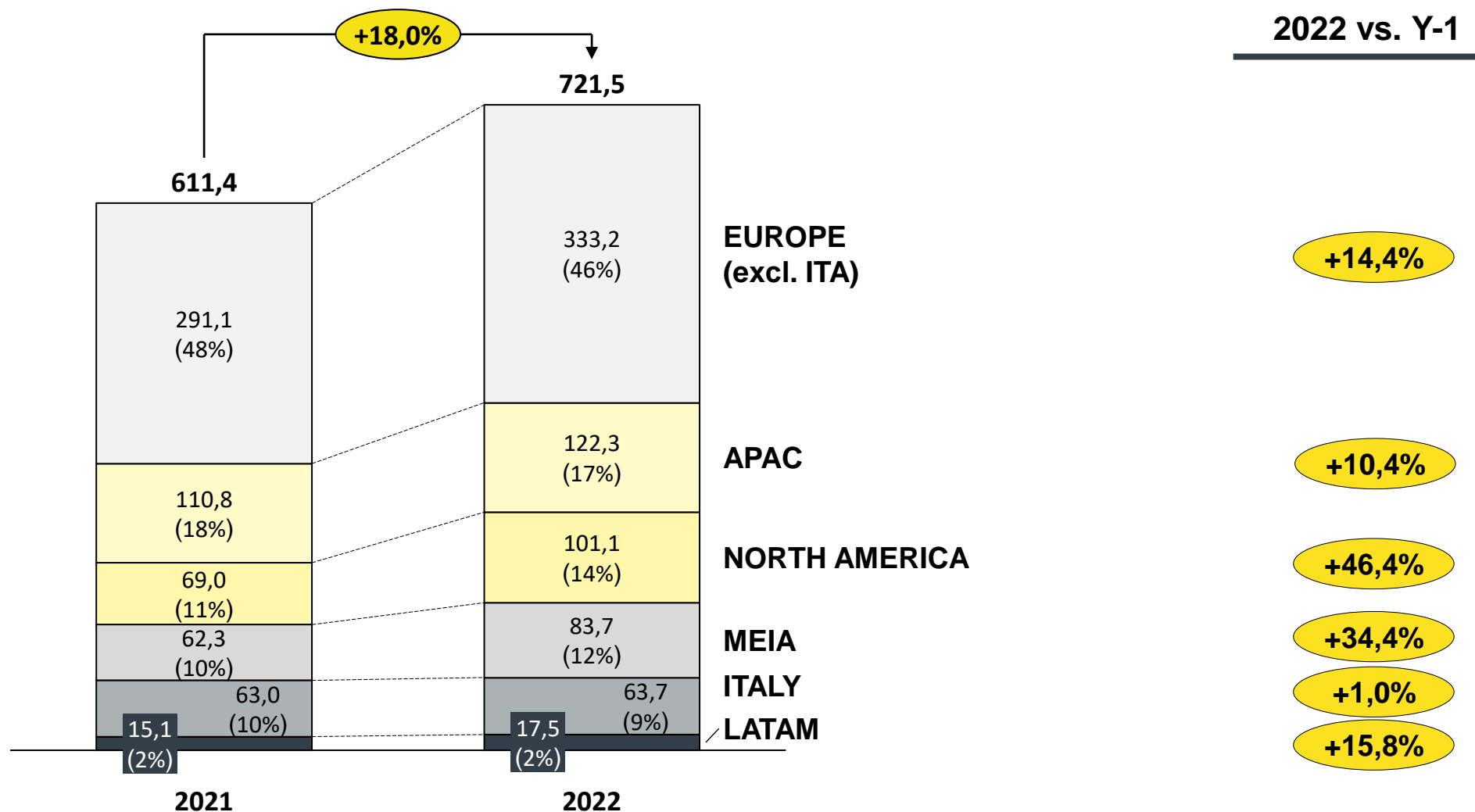
- Strong rebound in BtoB business with Health, Corporate & Performance and Hospitality & Residential segments well above 2019 level with a sound recovery path ahead for Club
- Most geographies recorded a double digit growth led by North America (+46,4% Y/Y)

Excluding FX impact, growth would have been slightly lower at +14,9%. USD provided the strongest contribution in the first half

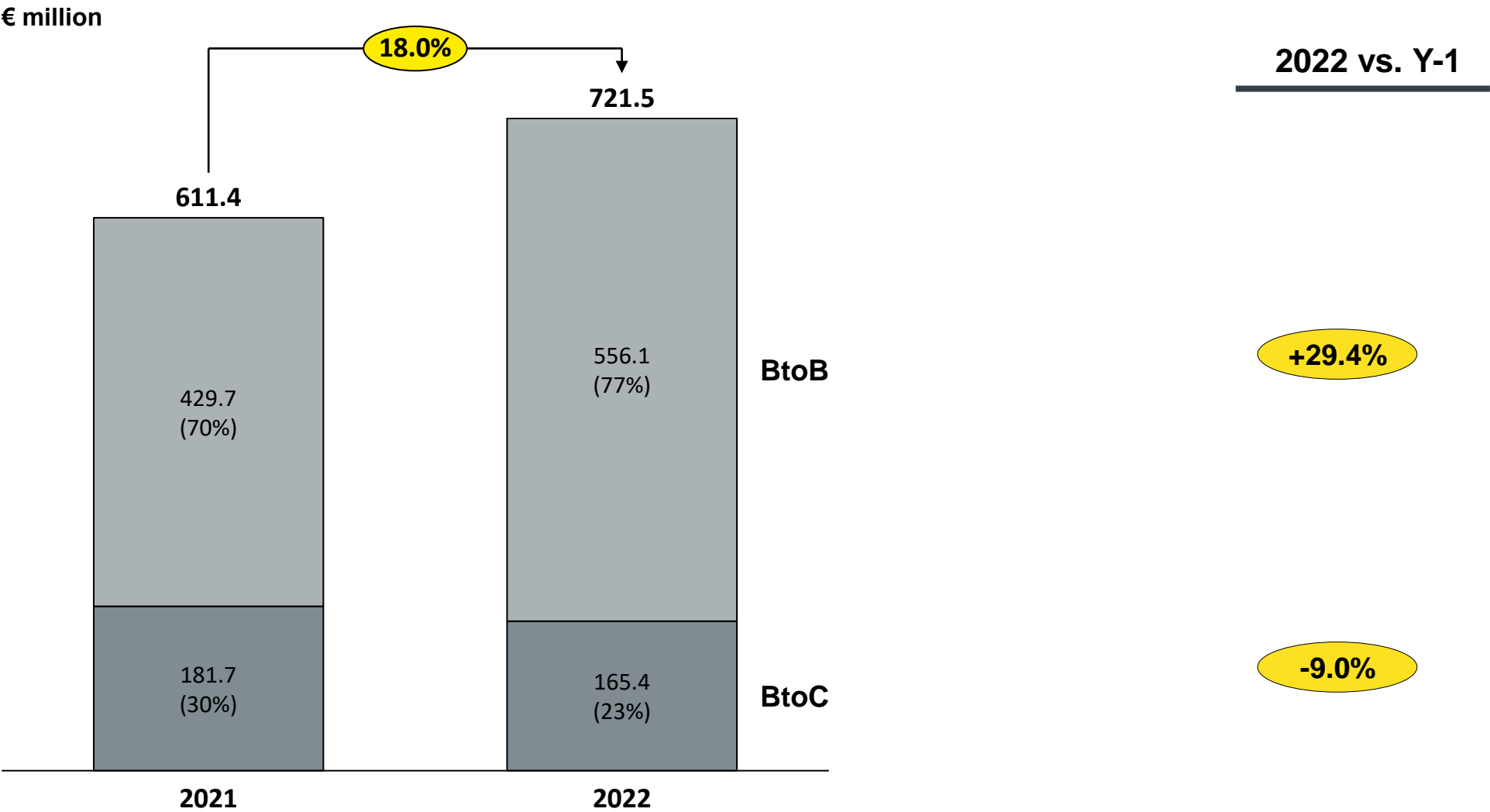


# Overall double-digit growth led by North America

€ million

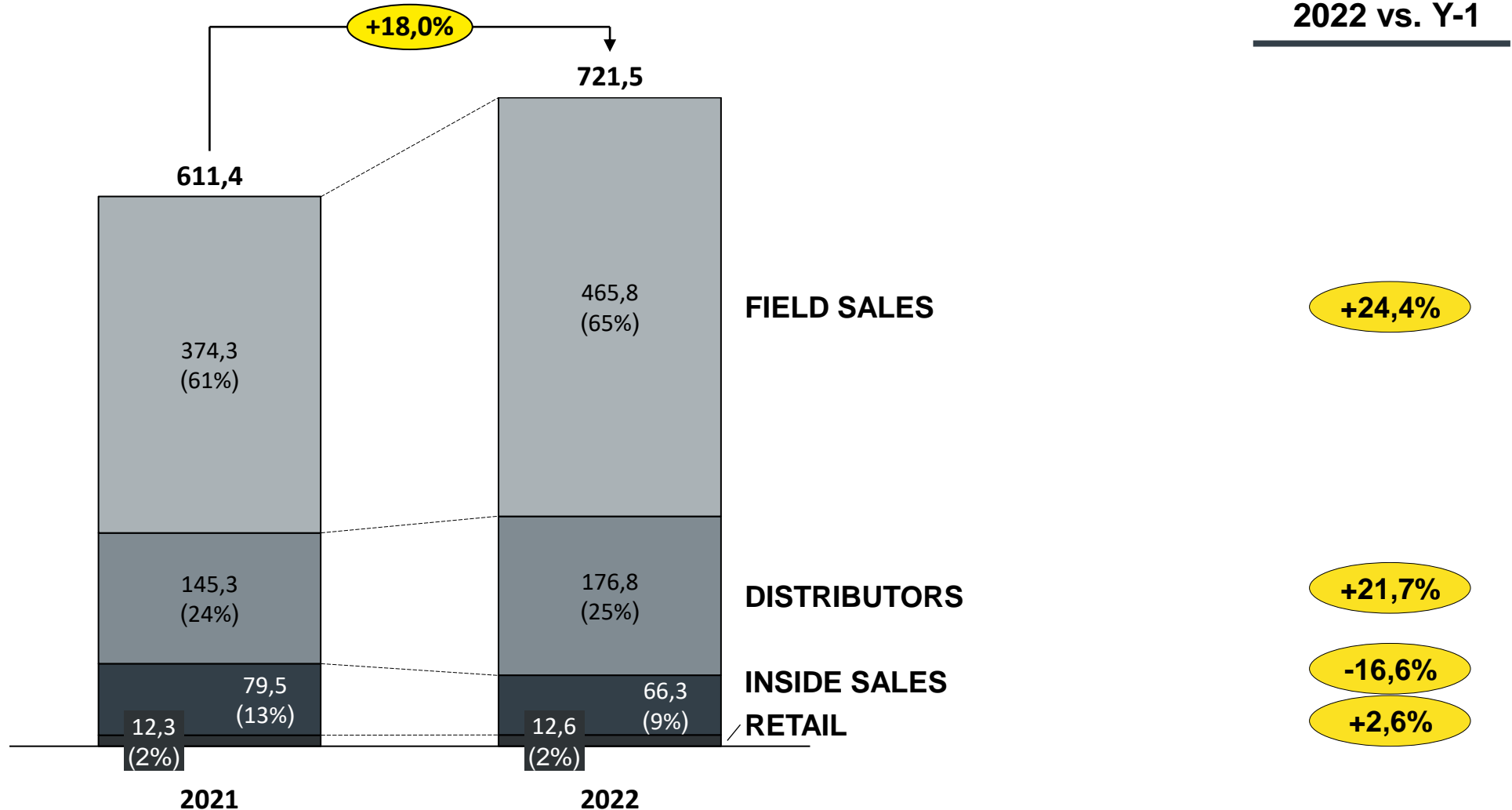


# BtoB continue in a sound growth path



# Strong growth in Field Sales and Distributors

€ million





# Statutory Profit & Loss FY 2022

€ million

(€m)	Dec 2021	Dec 2022	Delta	2022 vs 2021
<b>Total revenue</b>	<b>611,4</b>	<b>721,49</b>	<b>110,1</b>	<b>18,0%</b>
Cost of raw, ancillary and consumable materials and goods for resale	(209,4)	(248,1)	(38,7)	18,5%
<i>of which (cost) not recurrent</i>	(0,0)	(0,0)	0,0	
Service, Rentals and leases	(158,2)	(189,2)	(31,0)	19,6%
<i>of which (cost) not recurrent</i>	(0,5)	(0,7)	(0,2)	
Personnel cost	(133,3)	(151,3)	(18,0)	13,5%
<i>of which (cost) not recurrent</i>	(1,4)	(1,4)	(0,0)	
Depreciations, amortisations and write-downs	(36,4)	(40,4)	(4,0)	10,8%
Provision for risk and charges	(3,5)	(6,2)	(2,7)	77%
Other operations cost	(6,9)	(5,3)	1,7	(23,9%)
<i>of which (cost) not recurrent</i>	(0,2)	(0,4)	(0,2)	
Share of result joint venture and impairment	15,4	1,8	(13,6)	<i>h.v.</i>
<i>of which (cost) not recurrent</i>	14,0	0,0	(14,0)	
<b>Net operating income</b>	<b>78,9</b>	<b>82,8</b>	<b>3,9</b>	<b>4,9%</b>
<i>Margin (%)</i>	12,9%	11,5%	(1,4%)	
Financial income and (expenses) and from investments	0,8	0,6	(0,3)	(32,9%)
<b>Profit (loss) before tax</b>	<b>79,7</b>	<b>83,3</b>	<b>3,6</b>	<b>4,5%</b>
Taxes	(16,5)	(19,4)	(3,0)	18%
<b>Profit (loss)</b>	<b>63,3</b>	<b>63,9</b>	<b>0,6</b>	<b>1,0%</b>
<i>Margin (%)</i>	10,3%	8,9%	(1,5%)	
Profit (loss) for the year of minority interests	(0,2)	(0,3)	(0,1)	43,9%
<b>Profit (loss) attributable to owners of the parent</b>	<b>63,1</b>	<b>63,6</b>	<b>0,5</b>	<b>0,8%</b>
<b>Adjusted EBITDA</b>	<b>107,0</b>	<b>131,9</b>	<b>24,9</b>	<b>23,3%</b>
<i>Margin (%)</i>	17,5%	18,3%	0,8%	
<b>Profit (loss) adjusted</b>	<b>51,2</b>	<b>66,1</b>	<b>14,9</b>	<b>29,1%</b>
<i>Percentage (%)</i>	8,4%	9,2%	0,8%	

## Comments

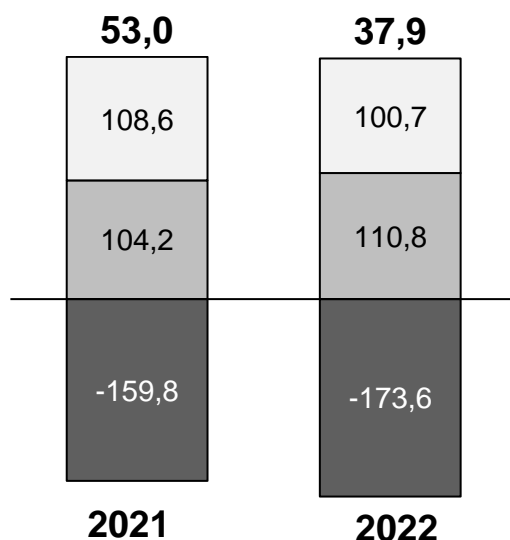
- Top line +18.0% (constant F/X +14.9%) mainly driven by the B2B growth
- Price increases and product mix offset input cost and logistic cost inflation
- After sales costs increase together with BtoB sales growth
- Rental costs growth driven by new offices and boutiques
- Increase in personnel costs related to continuous investments in new skills
- Amortization increase driven by continuing investments in Digital transformation
- JV result impacted last year by gains from participation (14.0 m€)
- EBITDA adjusted at 18.3%, improving from 17.5% in 2022

# Trade Working Capital

€ million

## Trade Working Capital evolution

- Inventories
- Trade Receivables
- Trade Payable



% on Sales rolling LTM

**8.7%**

**5.3%**

Inventory Turnover

3.9x

4.7x

DSO

50

45

DPO

146

133

## Comments

**Inventories:** growth driven by inflation components and raw material to avoid supply chain disruption and finished products to allow fast delivery time to our customers

Reduction vs June figure driven by higher sales in H2

**Trade receivables:** growth driven by higher sales in the semester and segment mix with more BtoB

**Trade Payable:** positive trend supported by a different seasonality in component and semi-finished products purchases

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

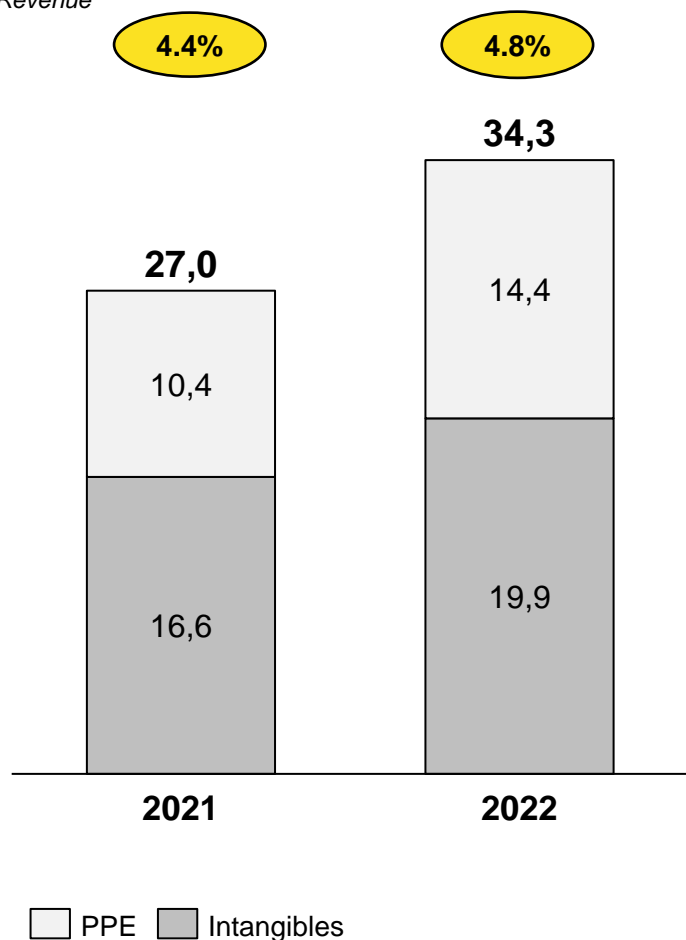
DSO: Calculated as Account receivables net of VAT (~ 11%) / Total turnover

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

# Capex at 4.8% on revenue: investing in Digital and IT

€ million

% on Revenue



## Comments

### Tangibles Capex

- Tools and molds for new products
- Upgrades in production lines and manufacturing equipment
- Facilities expansion (i.e. new offices and showrooms)

### Intangibles Capex

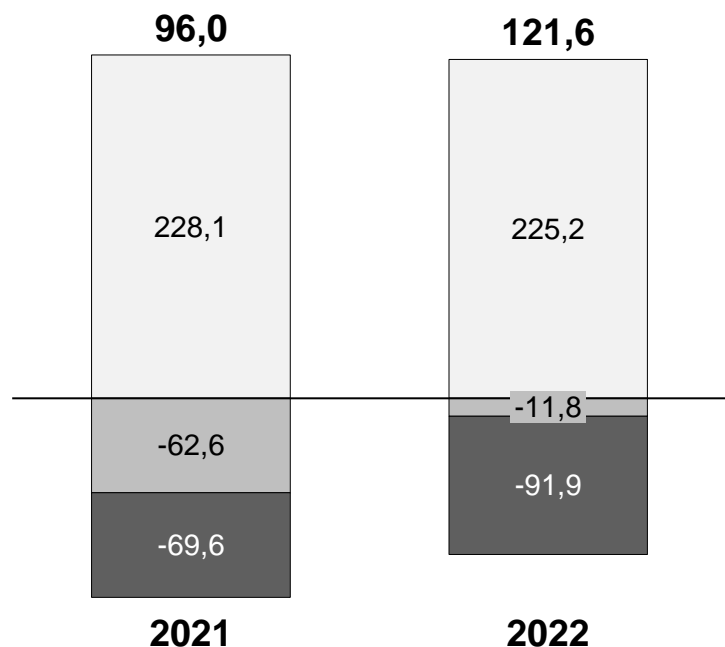
- Digital and contents development
- IT
- Development of digital platform for new products



# Net Financial Position

€ million

## Net Financial Position



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

## Comments

**Cash, cash equivalent and deposit** at 225m€

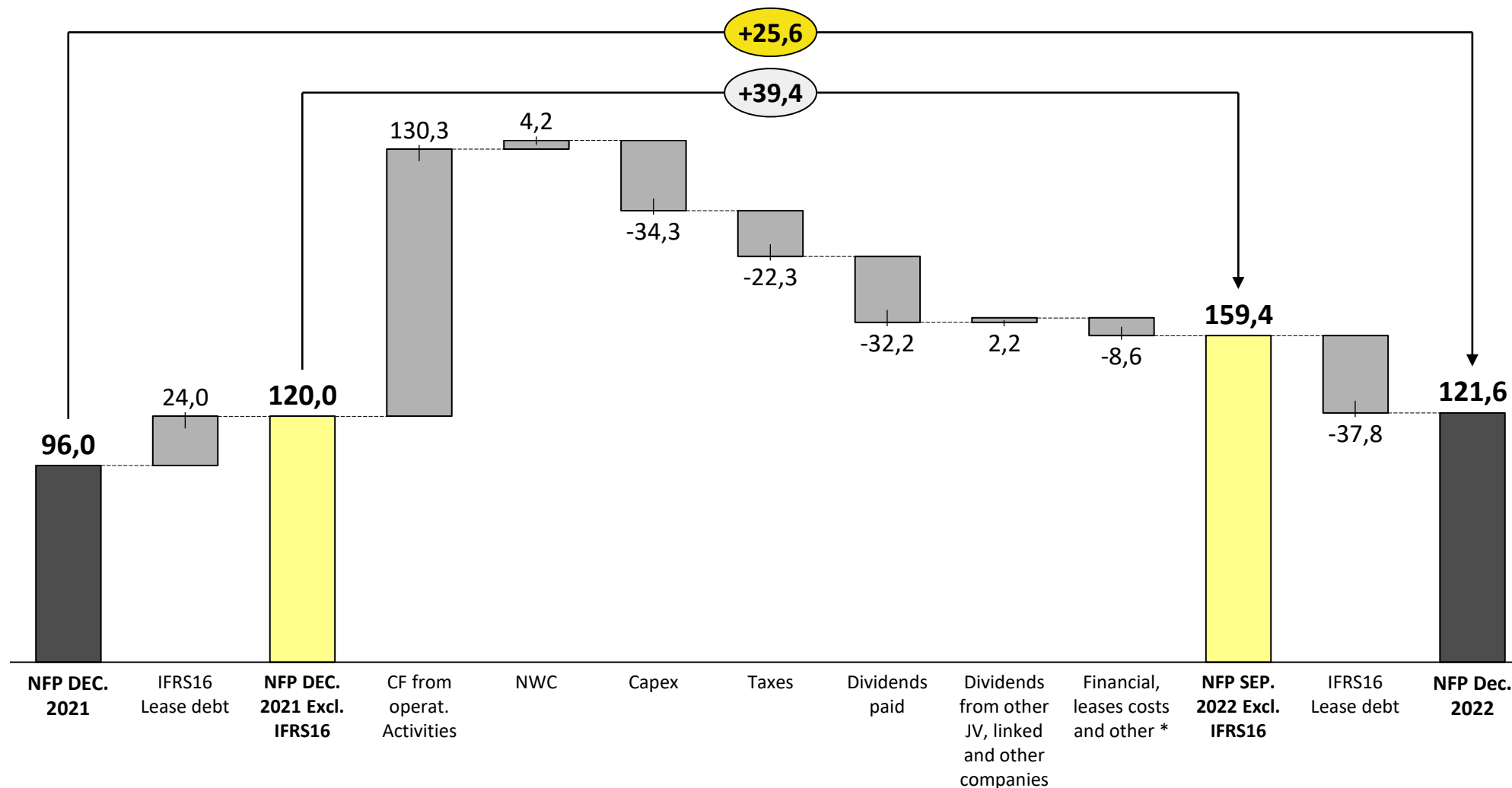
**Bank debt** at 12€ millions, decreasing by over 50€ millions compared to Dec.'21

### Other financial debts:

- Leasing exposure at 54€ millions vs 45€ millions as of Dec.'21
- IFRS 16 impact at 38€ millions vs 24€ millions of Dec.'21

# Net Financial Position at 121.6 € millions

€ million



\* Payment rental IFRS16 -7,9 m€ ; Lease DLL -9.4 m€;  
Impact of converting liquidity in currency and others +8.7 m€

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# Balance Sheet December 2022

€ million

€m	Dec 2021	% on LTM Revenues	Dec 2022	% on LTM Revenues
Inventories	108,5	17,8%	100,7	14,0%
Trade receivables	104,2	17,0%	110,8	15,4%
Trade payables	(159,8)	(26,1%)	(173,6)	(24,1%)
<b>Trade Working Capital</b>	<b>53,0</b>	<b>8,7%</b>	<b>37,9</b>	<b>5,3%</b>
Other current assets/(liabilities)	(65,3)	(10,7%)	(61,4)	(8,5%)
Current tax liabilities	(6,0)	(1,0%)	(9,2)	(1,3%)
Provisions	(11,7)	(1,9%)	(14,2)	(2,0%)
<b>Net Working Capital</b>	<b>(30,0)</b>	<b>(4,9%)</b>	<b>(46,8)</b>	<b>-6,5%</b>
Property, plant and equipment	153,6	25,1%	164,1	22,7%
Intangible assets	50,7	8,3%	55,7	7,7%
Investments in joint ventures	4,4	0,7%	4,1	0,6%
Employee benefit obligations	(3,1)	(0,5%)	(2,6)	(0,4%)
Other non current asset and (liabilities)	39,1	6,4%	49,6	6,9%
<b>Net Fixed Capital</b>	<b>244,8</b>	<b>40,0%</b>	<b>270,9</b>	<b>37,5%</b>
<b>Net Invested Capital</b>	<b>214,8</b>	<b>35,1%</b>	<b>224,1</b>	<b>31,1%</b>
Shareholders' Equity	311,6	51,0%	345,9	47,9%
Net financial position adj for Trade pay due > 12m *	(96,8)	(15,8%)	(121,9)	(16,9%)
<b>Total Source of Funding</b>	<b>214,8</b>	<b>35,1%</b>	<b>224,1</b>	<b>31,1%</b>

NFP (Cash)  
(120 m€)  
excluding IFRS16

NFP (Cash)  
(159.4 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 4<sup>th</sup> March 2021

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