



The Wellness Company

TECHNOGYM S.P.A.: BOARD OF DIRECTORS APPROVED THE DRAFT CONSOLIDATED RESULTS FOR THE 2018 FINANCIAL YEAR

TECHNOGYM: NET PROFIT +53%

- **CONSOLIDATED REVENUE: Euro 634 million, +8% on 2017. At constant exchange rates, consolidated revenue growth stands at +10%**
- **EBITDA: Euro 134 million, +12% on 2017**
- **NET PROFIT: Euro 93 million, +53% on 2017**
- **NET FINANCIAL DEBT: Euro 35 million, improving compared to Euro 41 million in 2017**
- **PROPOSED DIVIDEND of Euro 0.18 per share, totaling Euro 36 million, doubled compared to 2017**



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Nerio Alessandri, Chairman and CEO said:

“3 years after our IPO, as promised to our shareholders, Technogym continues to grow in a sustainable and profitable way. In 2018 our net profit was up by over 50% and we are proud to propose to the Shareholders Meeting a dividend doubled compared to last year.

Technogym’s 2018 consolidated revenue grew in the most important geographic areas. To be highlighted the solid growth in Europe, our most consolidated market and the double digit growth performances in Asia (China +26%, Japan +16%) and North America (+19%).

Innovation remains the engine of the Technogym growth. Thanks to our exclusive “Wellness on the go” strategy, we are the only player able to offer consumers their personal training program anytime and anywhere, through our unique digital ecosystem, that includes smart equipment, digital apps, services and contents, today installed in 15 thousand fitness centres in the world and used by 12 million people.

In 2018 we have continued to innovate with the development of engaging training programs, designed to satisfy the end-users different needs and passions: from Cycling, to Running, Bootcamp, Circuit Training and Skillathletic Training Experience, born from our competence in the world of sport performance.

This has led us to create and deliver to industry operators – fitness clubs, corporate, hotels – different Technogym Formats dedicated to specific experiences and made of an ecosystem of products and services, training programs, visual merchandising, to evolve the traditional fitness club model into the new CLUB 4.0 concept: “Different experiences for different passions” in a shop-in-shop perspective.

Thanks to our innovative Technogym Live platform, already previewed in London, we will be able to offer consumer, on Technogym’s equipment consoles, via streaming, their favorite trainers classes and programs at home, at the gym, in hotel, at work.

Year after year we are realizing our vision of being the world leader wellness solution provider, in line with our social mission of helping people living better for the benefit of all stakeholders: Governments, Companies and Citizens. Wellness represents also for Technogym a great development opportunity for a long term sustainable and profitable growth”.



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Cesena (Italy), March 27, 2019 - The Board of Directors of TECHNOGYM (TGYM.MI), a leader in the international fitness, sport and health equipment market and operating in the broader Wellness industry, today examined and approved the consolidated financial statements and the draft financial statements for 2018, prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

TECHNOGYM closed 2018 with revenue up compared to the previous year. The growth was particularly material in some strategic geographic areas for the company's medium term development, like Asia and North America, as well as in Europe, the most important geography for the company.

EBITDA grew more than proportionally compared to revenue growth, both at reported and adjusted level. EBITDA margin is higher than 20%.

The net financial debt registers an improvement compared to 2017, in spite of a non-recurring dynamic impacting the Net Working Capital, due to the company's ERP system substitution, started in 2018. Normalization is taking place already in the first semester of 2019.

Net Profit strongly grew, thanks to product premium positioning, to continuous quality improvement, to cost management and to the Italian "Patent Box" tax benefit.

As regards innovation, in 2018 Technogym launched new products such as SKILLRUN, the innovative treadmill designed to offer both cardio and power workouts, and SKILLBIKE, the revolutionary stationary bike conceived to offer cyclists, triathletes and amateurs a perfect road cycling feeling. Thanks to SKILL LINE, Technogym has defined a new product category intercepting the booming trend of athletic training, in strong growth both in clubs and in the consumer market.

In the area of digital innovation, Technogym consolidates the leadership of the Mywellness Cloud digital platform, the only open ecosystem in the industry able to offer end-users a fully personalized experience both on Technogym equipment and outdoor, thank to dedicated apps. Today, Technogym counts on over 80.000 installed fitness and wellness clubs, out of which 15.000 are connected to its Mywellness Cloud digital platform and over 12 million people connected to this service; by leveraging this infrastructure Technogym will soon introduce new media content.

With reference to marketing and communication activities, the companies continues its commitment in positioning Technogym as a Premium brand in the BtoB sector and a Prestige brand within BtoC. Finally, Technogym consolidated its position as the leading sports training brand at global level and in February, the company was Official Supplier to the Pyeongchang 2018 Winter Olympics in Korea.



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Performance in 2018

Consolidated results have been prepared in compliance with the International Reporting Standards issued by the International Accounting Standards Board. 2017 figures have been adjusted, due to the IFRS 15 implementation starting from January 1st 2018.

1) Revenues

In 2018, after the growth recorded in 2017, TECHNOGYM recorded another revenue growth (+8%) (+9.7% at constant exchange rates)

The company recorded the best sales performances in strategic areas for the medium term growth such as North America (+14.4% at constant exchange rates) and APAC (China +26% and Japan +16%). Moreover the company grew significantly, outpacing the market growth, in Europe, its most important geography, reporting +15.5% Italy and +9.2% in the other European countries. The performance was below expectations in MEIA (Middle East, India and Africa) and LATAM regions, which are less relevant in terms of total volumes. MEIA suffered of a negative economic conjuncture in some countries, while the LATAM performance refers to Brazil's, the most important county in the region, economic downturn.

In terms of distribution channels, revenue growth was even across all four channels envisaged in TECHNOGYM's omni-channel distribution business model

A breakdown of revenue is provided below, by:

- distribution channels;
- geographic area

Revenues by geographic area

| <i>(In thousand of Euro)</i> | Full Year Results | | Delta | |
|------------------------------|-------------------|----------------|---------------|-------------|
| | 2018 | 2017 | 2018 vs 2017 | % |
| Europa (ex Italy) | 324.893 | 297.415 | 27.478 | 9,2% |
| APAC | 101.893 | 87.562 | 14.331 | 16,4% |
| North America | 77.334 | 65.938 | 11.396 | 17,3% |
| Italy | 63.827 | 55.276 | 8.551 | 15,5% |
| MEIA | 45.395 | 52.900 | (7.505) | -14,2% |
| LATAM | 20.796 | 27.944 | (7.147) | -25,6% |
| Total Revenues | 634.138 | 587.034 | 47.104 | 8,0% |



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With respect to revenue performance by sales channel: Field Sales continue to be the main channel, registering a growth of + 14.4%. The Wholesales channel performance was impacted on one hand by the slippages due to the new ERP IT system change and on the other hand by the implementation of a new organization which has just been completed. We expect a recovery from the first half 2019. The inside sales channel (Ecommerce & teleselling) result was impacted by the performance of some geographical areas in Europe. The Retail channel, that has a marginal impact on the company business model, with its main purpose to act as show room support for the other main direct sales channels, reported a strong growth.

Revenues by distribution channel

| (In thousand of Euro) | Full Year Results | | Delta | |
|-----------------------|-------------------|----------------|---------------|-------------|
| | 2018 | 2017 | 2018 vs 2017 | % |
| Field sales | 468.300 | 409.456 | 58.844 | 14,4% |
| Wholesale | 121.400 | 131.145 | (9.745) | -7,4% |
| Inside sales | 37.800 | 40.814 | (3.014) | -7,4% |
| Retail | 6.638 | 5.619 | 1.019 | 18,1% |
| Total Revenues | 634.138 | 587.034 | 47.104 | 8,0% |

2) EBITDA, Net Operating Income and Net Profit

As of December 31, 2018, **EBITDA Adjusted** stood at Euro 134.4 million, increasing by 14.5 million Euro (+12.2%) on 2017 (Euro 119.9 million). This increase is mainly due to: (i) the increase in profitability driven by to the rise in sales volumes; (ii) the streamlining of industrial activities which had a positive impact on direct production costs. The EBITDA has been adjusted for 3 million Euro of non-recurring costs related to the substitution of the company's ERP system which has impacted both production planning and logistics activities; non-recurring expenses in 2017 stood at Euro 162 thousands.

On the whole, the percentage of EBITDA Adjusted to Revenue (**EBITDA Adjusted Margin**) equals 21.2%, up compared to the 20.4% EBITDA Margin registered in 2018.

Net operating income amounted to Euro 106.8 million, up by Euro 15.8 million (+17.3%) compared to Euro 91.1 million in 2017.;

Net Profit

The net profit reached Euro 93 million in 2018, up by Euro 32.4 million (+52.6%) compared to Euro 60.9 million reported in 2017. The strong net profit increase benefits from the combination of the improvement in the business profitability along with positive effects of the "Patent Box" agreement for approx. Euro 15 Million.



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3) Net Financial Debt

Net Financial Debt in December 31, 2018 was Euro 35 million, declining by Euro 6 million compared to Euro 41.3 million registered on December 2017. The Net Debt evolution in the period has been affected by a non-recurring event related to the substitution of the ERP started in 2018. In fact, the change in Net Working Capital was affected by a EUR 39.8 million increase in trade receivables driven by the delay in the cash collection process at year-end, slipped to first months of 2019, and by a EUR 22.5 million increase in inventories. The delay recovery is going on in the first semester of 2019. The company highlights that neither payment terms in contracts or client risk profile have been modified during the year.

Significant events after December 31, 2018

In line with its continuous innovation DNA and with the increasing interest on the consumer segment, the company, in March, has previewed the Technogym Live platform, that will offer consumer their favorite trainers classes and programs, on Technogym's equipment consoles, via streaming, at home, at the gym, in hotel, at work.

Outlook

For 2019, the TECHNOGYM Group confirms the development guidelines already implemented in the year just ended. International growth will mainly involve consolidation of market shares in Europe, further growth in North America, following the positive growth trend already recorded in the last 3 years and further growth also in the Asia Pacific region, in which China represents a big potential market.

The commitment to product innovation will continue through specific focus on improving the equipment user experience by means of digital services provided on the MyWellness open platform. In 2019 the company will enrich its connected digital ecosystem made of products and solutions, for both the operators' market and the end consumers' market, with the Technogym Live new training contents and programs. In support of the extensive product portfolio, TECHNOGYM will continue to invest in the skills of its own personnel so they can guarantee clients an excellent service in line with the brand's aspirational features.

In spite of the uncertain macro-economic scenario and an increasingly competitive wellness market, company management believes that in 2019 Technogym can continue to grow; a constant and sustainable growth, both in terms of revenue and profit, supporting lasting creation of value for its shareholders.

Financial Statements of the Parent Company

The Board of Directors also approved the financial statements of the parent company, Technogym S.p.A. The Company recorded revenue of Euro 450.5 million, up +8.6% on the Euro 414.9 million of 2017 and mainly due to volume growth as well as to the sale of products with greater added value. Net Profit stood at Euro 92.6 million, compared to Euro 51.6 million in 2017. The Statement of Financial Position of Technogym S.p.A. shows Equity of Euro 247.8 million, compared to Euro 172.2 million in 2017, and a Net Financial Debt of Euro 55.2 million compared to Euro 94.5 Million in 2017.



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Proposed allocation of profit for the year

The Board of Directors resolved upon a proposal to the Shareholders' Meeting to pay dividends for 2018 of Euro 36.2 million, amounting to Euro 0.18 per ordinary share, with a payout ratio of 39% of Net Profit. This remuneration level must be considered as the combination of: (i) 30% ordinary part; (ii) 9% extraordinary part. The remaining share of the Net Profit will be accounted to shareholders capital.

The dividend will be paid on May 22, 2019 (coupon date May 20, 2019 and record date May 21, 2019, with coupon #3 pay out).

Other resolutions

1) Appointment of Board of Statutory Auditors

Considering that the mandate of the Board of Statutory Auditors expires with the approval of the financial statement 2018, the Board of Directors resolved upon a proposal to the Shareholders' Meeting for the appointment of Standing Statutory Auditors, including the President of the Board of Statutory Auditors, and of the Alternate Statutory Auditors, for the 3-years period 2019/2021. The Shareholders' Meeting will resolve also upon the fees of the Board of Statutory Auditors for the mandate.

2) Plan for the free allocation of the right to receive ordinary shares of the Company, named the 2018-2020 Performance Share Plan.

The Board of Directors resolved upon a proposal to the Shareholders' Meeting for the approval of a plan for the free allocation of the right to receive ordinary shares of the Company, named the 2019-2021 Performance Share Plan, based on the achievement of some results. The Plan will be reserved for managers of the Technogym Group, who shall be identified by the Board of Directors from among employees and/or freelance staff of the Company or subsidiaries who hold strategically important positions or, in any event, are capable of making a significant contribution, including key managers of the Company and/or of the Group. The adoption of the Plan is aimed at strengthening Technogym's ability to retain key resources and attract people with the best skills, and aligning the interest in company performance of the company's key resources with that of the shareholders for the sustainable creation of value over time.

The maximum number of shares that may be assigned pursuant to the plan is 600,000. The vesting conditions include the achievement of the Company's performance targets calculated based on the Cumulative Net Profit for the three-year period 2019-2021 and the value of the Technogym share calculate for the purposed Plan as the average of the shares in the months of December 2021, January 2022 and February 2022 before the approval of the financial statement 2021.

3) Proposal to request that the Shareholders' Meeting grant the Board of Directors authorization to purchase and use treasury shares.

The Board of Directors resolved upon a proposal to the Shareholders' Meeting for authorization to purchase and use treasury shares aims to enable the Company to purchase and use treasury shares, subject to the revocation of the previous authorization granted by the Shareholders' Meeting hed on May 8, 2018. The proposal of authorization is required for some purposes, including: (i) purchasing treasury shares with a view to medium and long-term investments; (ii) acting, in compliance with current regulations, directly or through intermediaries, to reduce anomalous fluctuations in the share prices and to normalize the trend in trading and prices, as a result of momentary distortive phenomena linked



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to excess volatility or lack of liquidity of trades; and (iii) set up a portfolio of treasury shares to be used held at any time, in whole or in part, in one or more times, and without time limitations, pursuant to the strategic lines of the Company, for capital transactions or for other extraordinary transactions, as well as for the purpose of fulfilling obligations arising from stock option plans, stock grants or in any case share-based incentive scheme, on a gratuitous basis or upon payment, to company representatives, Technogym employees or Group companies collaborators, and (iv) launching purchase treasury shares programs for the purpose of art. 5 of Regulation (EU) no. 596/2014 (Market Abuse Regulation or MAR) and / or for the purposes contemplated by the market regulations allowed under the law as per art. 13 MAR, on the terms and conditions eventually resolved by the Board of Directors.

The Board of Directors decided to propose that the authorization to purchase treasury shares be granted for the maximum period permitted by Art. 2357, paragraph 2 of the Italian Civil Code, and thus, for a period of 18 months from the date on which the Shareholders' Meeting shall adopt the pertinent resolution. The maximum amount of treasury shares subject to authorization is equal to 10.000.000 with regard to both directly held treasury shares and any held by subsidiaries, and in any case, less than the maximum amount of shares permitted by law from time to time. As of today's date, neither the Company nor its subsidiaries hold shares of the Company.

Purchases will be made at price conditions compliant with the provisions of art. 3, paragraph 2, of the Delegated Regulation 2016/1052 / EU. In any case, purchases must be made at a price per share which cannot deviate, nor decrease, nor increase, by more than 10% with respect to the price recorded by the Company shares in the stock market session preceding each individual transaction. The transfers, if made in cash, must be made at a price per share to be determined based on the criteria set out in the applicable legislation and / or the permitted market practices in force from time to time, or which in any case cannot deviate, nor decrease, nor increase, by more than 10% with respect to the price recorded by the Company shares in the stock market session preceding each individual transaction.

4) Proposal to delegate to the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years from the date of the resolution, the right to increase share capital, free of charge, divisible and executable in several tranches, pursuant to Art. 2349 of the Italian Civil Code

The Board of Directors resolved upon a proposal to the Shareholders' Meeting Proposal to delegate to the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years from the date of the resolution, the right to increase share capital, free of charge, divisible and executable in several tranches, pursuant to Art. 2349 of the Italian Civil Code, by issuing a maximum of 600,000 ordinary shares, for a total maximum amount of Euro 30,000, without nominal value, with the same features as per the shares in circulation, at an issue value equal to the accounting par value of the shares at the execution date, to be fully posted to capital, to be assigned to employees of Technogym S.p.A. and its subsidiaries that are beneficiaries of the 2019-2021 Incentive Plan regarding ordinary shares of Technogym S.p.A. named the "Performance Share Plan 2019-2021", with the resulting amendment to Art. 6 of the Bylaws in force.



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5) Updates on top management

After three years from listing, it became mandatory to strength Technogym's top management organization by reducing the number of managers directly reporting to the CEO, in order to improve the effectiveness and efficiency of the decision making process. Therefore, Technogym established three top responsibility areas focused on Operations, Corporate and Sales & Marketing since the beginning of 2019. The responsibilities of the first two areas have been awarded respectively to Massimiliano Casoni, Chief Operating Officer, and to Andrea Alghisi, Chief Corporate Officer. Nerio Alessandri keeps its role as Chief Sales & Marketing Officer. Andrea Alghisi is in charge for the Corporate area which includes Finance, Services, Human Resources, IT and he has been appointed as chairman of the board of directors of Technogym's subsidiaries. Finally, the Board of Directors has acknowledged the resignation of Mr. Stefano Zanelli, Chief Financial Officer and Financial Reporting Manager pursuant the applicable law, thanking him for the long lasting corporation and the valuable contribution. The functions pertaining to the Administration, Finance and Control areas will continue to be managed by Mr. Andrea Alghisi, Chief Corporate Officer. Mr. Alghisi as been appointed as new Financial Reporting Manager pursuant the applicable law by the Board of Directors.. Following the aforementioned update in top management organization, the Board of Directors redefined the perimeter of the top management with strategic responsibilities including. Those managers are listed in the corporate governance section of the Technogym Company Profile available on www.borsaitaliana.it.

The Board of Directors also approved the Report on Remuneration, pursuant to Art. 123-ter of Italian Legislative Decree no. 58 of February 24, 1998 ("Consolidated Law on Finance") and Art. 84-quater of CONSOB Regulation no. 11971/1999 ("Issuers' Regulation"), and it also approved the Report on Corporate Governance pursuant to Art. 123-bis of Consolidated Law on Finance.

The Board of Directors granted the mandate to the Chairman of the Board of Directors to call the Ordinary and Extraordinary Shareholders' Meetings in single call on May 8, 2019, to approve the 2018 separate financial statements and to assess the indicated proposals.

All documents, which will be submitted to the shareholders' meeting being called, will be made available to the public, by the deadlines set out by law, at the registered office of Technogym S.p.A. at Via Calcinaro 2861, Cesena, Italy, on the storage mechanisms authorized by CONSOB "eMarket SDIR" and "eMarket STORAGE" and in the specific sections of the company website <http://corporate.technogym.com/>.

Pursuant to art. 154-bis, paragraph 2 of the Consolidated Finance Act, the executive responsible for the preparation of financial reports, Stefano Zanelli, declares that the accounting data contained in this press release is consistent with entries in the accounting books and records.



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Consolidated Statement of profit or loss

| <i>(In thousand of Euro)</i> | Notes | Year ended at December 31 | | | |
|--|-------|---------------------------|------------------------------------|-------------------|------------------------------------|
| | | 2018 | <i>of which from related party</i> | 2017 Restated (*) | <i>of which from related party</i> |
| REVENUE | | | | | |
| Revenue | | 632.919 | 9.961 | 586.468 | 9.569 |
| Other operating income | | 1.218 | 147 | 566 | 66 |
| Total revenue | | 634.138 | | 587.035 | |
| OPERATING COSTS | | | | | |
| Raw materials, work in progress and finished goods | | (200.470) | (79) | (194.557) | (38) |
| Cost of services | | (162.531) | (2.666) | (140.403) | (2.002) |
| <i>of which non recurring</i> | | <i>(1.988)</i> | | <i>(1)</i> | |
| Personnel expenses | | (133.837) | (13) | (125.330) | (22) |
| <i>of which non recurring</i> | | <i>(1.015)</i> | | <i>(330)</i> | |
| Other operating costs | | (6.140) | 11 | (7.100) | (123) |
| <i>of which non recurring</i> | | <i>-</i> | | <i>169</i> | |
| Share of net result from joint ventures | | 257 | | 44 | |
| Depreciation, amortization and impairment losses | | (22.002) | | (24.514) | |
| Provisions | | (2.562) | | (4.094) | |
| NET OPERATING INCOME | | 106.852 | | 91.081 | |
| Financial income | | 10.262 | 15 | 8.261 | 15 |
| Financial expenses | | (9.733) | - | (12.497) | - |
| Net financial expenses | | 529 | | (4.237) | |
| Income/(expenses) from investments | | 74 | | (940) | |
| PROFIT BEFORE TAX | | 107.456 | | 85.905 | |
| Income tax expenses | | (13.988) | | (24.663) | |
| PROFIT FOR THE YEAR | | 93.468 | | 61.242 | |
| Profit (loss) attributable to non-controlling interests | | (437) | | (293) | |
| Profit (loss) attributable to owners of the parent | | 93.030 | | 60.949 | |
| EARNINGS PER SHARE | | 0,46 | | 0,30 | |



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Consolidated Statement of Cash Flow

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| <i>(in thousands of Euro)</i> | Notes | Year ended December 31 | |
|--|--------------------------|------------------------|----------------------|
| | | 2018 | 2017 Restated (*) |
| Cash flows from operating activities | | | |
| Profit for the year | 5.12 | 93.468 | 61.242 |
| <i>Adjustments for:</i> | | - | - |
| Income taxes | 6.13 | 13.988 | 24.663 |
| Profit (Loss) from equity inv. | 6.12 | (74) | 940 |
| Financial income and expenses | 6.10 - 6.11 | (529) | 4.237 |
| Depreciation & Amortisation | 6.8 | 22.002 | 24.514 |
| Net accruals | 6.9 | 2.562 | 4.094 |
| Risk provision usage | | - | - |
| Personnel provision usage | | - | - |
| Revenues from Joint Venture | 6.7 | (257) | (44) |
| <i>Cash flows from operating activities before changes in working capital</i> | | 131.160 | 119.645 |
| Increase (decrease) in inventory | 5.6 | (22.497) | 5.152 |
| Increase (decrease) in trade receivables | 5.7 | (37.577) | (17.528) |
| Increase (decrease) in trade payables | 5.18 | 20.847 | (1.085) |
| Increase (decrease) in other operating assets and liabilities | 5.10-5.15-5.16-5.17-5.21 | (11.085) | (653) |
| Non recurring tax payments | | - | - |
| Income taxes paid | 5.3-5.14-5.18-6.13 | (18.618) | (18.541) |
| Net cash inflow from operating activities (A) | | 62.230 | 86.990 |
| <i>of which from related parties</i> | | 6.152 | - |
| Cash flows from investing activities | | | |
| Investments in property, plant and equipment | 5.1 | (18.159) | (9.756) |
| Disposals of property, plant and equipment | 5.1 | 438 | 210 |
| Investments in intangible assets | 5.2 | (15.065) | (15.326) |
| Disposals of intangible assets | 5.2 | 276 | 0 |
| Dividends to third parties | 5.12 | - | - |
| Dividends received from other entities | 6.12 | (0) | 218 |
| Dividends received from joint ventures and associates | 5.4 | - | - |
| Minority Interest | | - | - |
| Investments in subsidiaries, associates and other entities | 5.4-5.5 | (929) | (326) |
| Disposal of subsidiaries, associates and other entities | | - | - |
| Net cash inflow (outflow) from investing activities (B) | | (33.438) | (24.981) |
| <i>of which from related parties</i> | | - | 2 |
| Cash flows from financing activities | | | |
| Proceeds from new borrowings | 5.13 | - | 20.000 |
| Repayment of borrowings | 5.13 | (37.781) | (20.512) |
| Net increase (decrease) of current financial assets and liabilities | 5.8-5.13 | 26.750 | (17.076) |
| Dividends paid to shareholders | | (18.090) | (13.000) |
| Payments of net financial expenses | 5.9-5.20-6.10-6.11 | 153 | (3.940) |
| Net cash inflow (outflow) from financing activities (C) | | (28.968) | (34.529) |
| | | - | - |
| Net increase (decrease) in cash and cash equivalents (D)=(A)+(B)+(C) | | (176) | 27.480 |
| | | - | - |
| Cash and cash equivalents at the beginning of the year | | 77.847 | 53.146 |
| Net increase (decrease) in cash and cash equivalents from January 1 to December 31 | | (176) | 26.716 |
| Effects of exchange rate differences on cash and cash equivalents | | 833 | (2.015) |
| Cash and cash equivalents at the end of the year | | 78.503 | 77.847 |



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Consolidated Statement of Financial Position

| <i>(In thousand of Euro)</i> | Notes | At December 31 | | | |
|--|-------|----------------|------------------------------------|---|-------|
| | | 2018 | <i>of which from related party</i> | 2017 Restated (*) <i>of which from related party</i> | |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 5.1 | 142.593 | | 139.037 | |
| Intangible assets | 5.2 | 35.884 | | 28.933 | |
| Deferred tax assets | 5.3 | 16.808 | | 15.366 | |
| Investments in joint ventures and associates | 5.4 | 18.047 | | 17.720 | |
| Other financial non-current assets | 5.5 | 2.881 | | 2.638 | |
| Other non-current assets | 5.5 | 48.729 | | 35.385 | |
| TOTAL NON-CURRENT ASSETS | | 264.940 | | 239.079 | |
| Current assets | | | | | |
| Inventories | 5.6 | 89.540 | | 67.002 | |
| Trade receivables | 5.7 | 151.469 | 618 | 111.652 | 542 |
| Financial assets | 5.8 | 67 | - | 13 | - |
| Derivative financial instruments | 5.9 | 148 | | 75 | |
| Other current assets | 5.10 | 20.103 | 2.063 | 13.543 | 3.339 |
| Cash and cash equivalents | 5.11 | 78.503 | | 77.847 | |
| TOTAL CURRENT ASSETS | | 339.831 | | 270.131 | |
| TOTAL ASSETS | | 604.771 | | 509.210 | |
| EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| Share capital | | 10.050 | | 10.050 | |
| Share premium reserve | | 4.990 | | 4.990 | |
| Other reserves | | 19.196 | | 23.752 | |
| Retained earnings | | 80.519 | | 32.345 | |
| Profit (loss) attributable to owners of the parent | | 93.030 | | 60.949 | |
| Equity attributable to owners of the parent | 5.12 | 207.786 | | 132.086 | |
| Capital and reserves attributable to non-controlling interests | | 1.054 | | 688 | |
| Profit (loss) attributable to non-controlling interests | | 438 | | 293 | |
| Equity attributable to non-controlling interests | | 1.491 | | 981 | |
| TOTAL EQUITY | | 209.277 | | 133.067 | |
| Non-current liabilities | | | | | |
| Financial liabilities | 5.13 | 53.389 | | 84.464 | |
| Deferred tax liabilities | 5.14 | 420 | | 543 | |
| Employee benefit obligations | 5.15 | 3.001 | | 3.115 | |
| Provisions | 5.16 | 22.119 | | 19.637 | |
| Other non-current liabilities | 5.17 | 29.826 | | 21.890 | |
| TOTAL NON-CURRENT LIABILITIES | | 108.756 | | 129.649 | |
| Current liabilities | | | | | |
| Trade payables | 5.18 | 143.910 | 760 | 123.238 | 769 |
| Current tax liabilities | 5.19 | 8.097 | | 8.568 | |
| Financial liabilities | 5.13 | 60.121 | | 34.664 | |
| Derivative financial instruments | 5.20 | 80 | | 126 | |
| Provisions | 5.16 | 14.058 | | 14.642 | |
| Other current liabilities | 5.21 | 60.471 | - | 65.256 | 0 |
| TOTAL CURRENT LIABILITIES | | 286.738 | | 246.494 | |
| TOTAL EQUITY AND LIABILITIES | | 604.771 | | 509.210 | |

Media Relations contacts



The Wellness Company

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Notes to the press release

Technogym

Founded in 1983, Technogym S.p.A. is a world-leading international supplier of products, services and solutions in the fields of fitness and wellness. With over 2,000 employees and 14 branches in Europe, the United States, Asia, Middle East, Australia and South America, the company exports 90% of its production to over 100 countries. Technogym S.p.A. was the official supplier for the last six Olympic Games: Sydney 2000, Athens 2004, Turin 2006, Beijing 2008, London 2012 and Rio 2016.

Safe Harbor Statement

Certain statements in this press release could constitute forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. The statements in question refer to risks, uncertainties and other factors that could lead to actual results which differ, even substantially, from those forecast. Such risks and uncertainties include, for example, the ability to manage the effects of the current uncertain international economic scenario, ability to acquire new assets and integrate them effectively, ability to forecast future economic conditions and changes in consumer preferences, ability to successfully introduce and market new products, ability to maintain an efficient distribution system, ability to achieve and manage growth, ability to negotiate and maintain favorable license agreements, currency fluctuations, changes in local conditions, ability to protect intellectual property, problems with information systems, risks associated with inventory, credit and insurance risks, changes in tax regulations, and likewise other political, economic, legal and technological factors and other risks and uncertainties already mentioned in our Consob filings. These forward-looking statements were released as at today's date and we accept no liability for updating.