



The Wellness Company

Technogym records an “Olympic” performance in the first half of 2024

- **Consolidated Revenue: Euro 402.1 million, +8.7% compared to Euro 370 million in the first half of 2023 (+9.2% currency neutral)**
- **EBITDA Adj: Euro 66.7 million, +12.4% compared to Euro 59.4 million in the first half of 2023**
- **Net Profit Adj: Euro 32.5 million, +15.4% compared to Euro 28.1 million in the first half of 2023**
- **Net Financial Position: positive for Euro 93.9 million as of June 30 2024, an improvement as compared to Euro 72.2 million as of June 30 2023. Pre-taxes recurring cash flow at Euro 59.1 million with a 90% cash conversion rate**

Nerio Alessandri, Chairman and CEO, commented: *“During the ongoing Paris 2024 Olympics, approximately 15,000 athletes from around the world are training with Technogym, the Official and Exclusive Equipment Supplier for the Olympic and Paralympic Games. Our commitment to supporting athletes at the Olympics is seamlessly integrated with our ESG initiative, “Let’s Move for Paris”. Together with the athletes, we aim to engage the entire population in regular physical activity through the Technogym App and will leave a lasting legacy in the city of Paris by donating a Technogym Outdoor fitness circuit to a city park.*

Much like the dedication shown by top athletes, Technogym has trained hard over the years, investing time and resources to enhance our performance. The first half of 2024 reflects our sustainable and profitable growth trajectory, aligning with the promises made to our stakeholders.

Our “wellness-on-the-go” strategy, which centers around a unique digital ecosystem and artificial intelligence, is proving successful in offering products and services that resonate with global trends in health, healthy longevity, and personalization. In the recently concluded half-year, we launched Technogym Checkup — the new cutting-edge AI-based assessment station capable of evaluating the



The Wellness Company

physical and cognitive conditions of individuals and providing personalized training programs—and the new REV line targeted at the health market.

Worldwide, 70 million people exercise daily with Technogym in 100,000 wellness centers and 500,000 private homes. This represents a new milestone in our long-term journey, aimed at ensuring growth and value for our shareholders while also delivering wellness to all stakeholders”.

Cesena (Italy), August 2 2024 – The Board of Directors of Technogym S.p.A. (EXM: TGYM), the wellness company, reviewed and approved today the consolidated financial report as of June 30 2024, prepared in accordance with the International Accounting Standards (IAS/IFRS).

The first half of the year showcased significant growth across both the B2B and B2C segments, surpassing previous records in revenue, while also demonstrating substantial financial stability. A significant portion of this growth was reinvested into innovation to ensure its sustainability over the long term. Notably, growth was observed across all global regions during the second quarter, with the Middle East experiencing considerable expansion, alongside notable growth rates in Latin America, the United States, and Europe. Additionally, the Asia-Pacific region returned to positive territory compared to the first six months of 2023.

In terms of Adjusted EBITDA, there was a double-digit improvement over the previous fiscal year, largely driven by increased sales volumes and an optimized product mix. Profitability also saw substantial gains, with Technogym achieving double-digit growth.

Adjusted Net Income rose to EUR 32.5 million (+15.4% increase compared to the same period in 2023).

The Net Financial Position was positive at EUR 93.9 million, an improvement from EUR 72.2 million as of June 30, 2023 (EUR 126.8 million as of December 31, 2023).

In the first half, Technogym expanded its wellness solutions offering by enhancing its digital ecosystem. This included the launch of Technogym Check Up, an AI-based assessment station capable of evaluating the physical and cognitive conditions of individuals and providing personalized training programs. Additionally, the new REV line targeted at the health market was introduced. During the same period, Technogym enriched its precision training offerings on the Technogym App and opened new boutiques in London, New York, and Paris. Technogym also prepared to host approximately 15,000 athletes at its training centers for the Paris Olympics, an event projected to be the most viewed in history.

Results of the first half of 2024

The consolidated results have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and



The Wellness Company

adopted by the European Union. Below is a brief overview of the consolidated revenue and other key indicators among P&L and Balance Sheet.

1) Revenue

The first half of the year ended with a revenue growth of +8.7% (+9.2% at constant exchange rates). This growth was driven by the continuous expansion of both all BtoB segments and the BtoC, the latter confirming the positive trend already registered in the first quarter of the current year.

Here below we provide a brief revenue analysis for:

- customer segments;
- geographies;
- distribution channels

Revenue by customer segments

<i>(In thousands of Euro and percentage change)</i>	H1 as of June 2024			
	2024	2023	24 vs 23	%
BtoC	86,368	79,948	6,420	8.0%
BtoB	315,728	290,054	25,674	8.9%
Total revenues	402,096	370,002	32,094	8.7%

Revenue as of June 30th showed strong growth in both the Commercial business (+8.9%), which further accelerates the positive trend observed in the first quarter of 2024, and the BtoC segment (+8.0%), confirming the performance of the first three months of the year. Notably, the Club segment, the company's core business, saw solid double-digit growth compared to the previous year.

Revenue by geographies

<i>(In thousands of Euro and percentage change)</i>	H1 as of June 2024			
	2024	2023	24 vs 23	%
Europe (ex Italy)	184,903	173,273	11,630	6.7%
APAC	58,355	58,338	17	0.0%
MEIA	54,403	46,576	7,827	16.8%
North America	51,081	47,125	3,956	8.4%
Italy	40,376	34,562	5,814	16.8%
LATAM	12,978	10,128	2,850	28.1%
Total revenues	402,096	370,002	32,094	8.7%



The Wellness Company

From a geographical perspective, notable positive performances were seen in Europe and MEIA. In Europe, the results are closely linked to growth in the main markets. The APAC region has recovered from the delays experienced in the first quarter of the year (-1.5%), ending the first half with slight growth compared to the previous year, driven by strong performances in key geographies.

Revenue by distribution channels

	H1 as of June 2024			
	2024	2023	24 vs 23	%
Field sales	258,927	241,618	17,309	7.2%
Wholesale	100,438	89,893	10,545	11.7%
Inside sales	32,187	30,390	1,797	5.9%
Retail	10,544	8,101	2,443	30.2%
Total Revenues	402,096	370,002	32,094	8.7%

The performance of market segments is, as usual, reflected in the evolution of sales channels. Consequently, the two channels most exposed to the Commercial segment, Field Sales and Wholesale, recorded excellent growth during the first half. The primarily consumer-focused channels, Retail and Inside Sales, also showed good growth. Notably, the Retail channel (+30.2%) benefited from increased penetration and geographical coverage.

2) EBITDA, Operating Income and Net Profit Adjusted

The **Adjusted EBITDA** for the period amounted to € 66.7 million, an increase of €7.3 million (+12.4%) compared to € 59.4 million in the first half of 2023. This growth is primarily driven by increased sales volumes, particularly in the B2B segment, along with an improved product mix, and increased revenue from services and digital content. Additionally, the Group enhanced its profitability through greater efficiencies in the production process, resulting in lower production costs and benefiting from a reduction in overall international transportation costs compared to June 2023. In this context, the Adjusted EBITDA margin stands at 16.6%, up from 16.1% in the previous fiscal year.

The **Adjusted Operating Result (EBIT)** was € 40.2 million, up by € 5.1 million (+14.6%) compared to € 35.1 million in the first half of 2023. This increase was influenced by the aforementioned dynamics. The operating result also reflects amortization expenses of € 25 million, up by € 2.5 million compared to the previous fiscal year, primarily due to continuous investments made by the Group in digital transformation and the renewal of its flagship stores in major cities worldwide.

The Adjusted ROS for the six months ending June 30, 2024, was 10%, up from 9.5% in the same period of the previous year. It is noteworthy that historically, revenue trends in different quarters of the year are primarily influenced by customer purchasing behavior, which tends to peak in the second half, leading to generally higher operating profitability in the latter part of the year.

The **Adjusted Group Net Income** reached € 32.5 million, an increase of € 4.3 million (+15.4%) compared to € 28.1 million in 2023. This performance aligns with the previously mentioned



The Wellness Company

trends and is further influenced by positive financial management, resulting in a net effect of € 2 million, and the valuation of minority interests at fair value under IFRS 9, totaling € 0.4 million. The Adjusted Group Net Income represents 8.1% of revenues, up from 7.6% in the first half of 2023.

For the six months ended June 30, 2024, the Group recognized non-recurring charges impacting EBITDA of €1.1 million, primarily related to service costs, personnel costs and associated expenses not attributable to regular operational management. As of June 30, 2023, the Group had recorded net non-recurring income of € 3.2 million, primarily arising from positive effects from the valuation of the investment in Technogym Emirates LLC and the exit of Technogym Manno from the group, partially offset by non-recurring charges related to personnel costs. Additionally, during the first half of 2023, a provision was made for risks and charges related to a portion of the cash held at the Russian subsidiary Technogym AO, deemed at risk due to restrictions imposed by the Russian Federation following the conflict in Ukraine, should distribution to the parent company be pursued under the current evaluation methods.

3) Net Financial Position and Pre-Tax Free Cash Flow

The **Net Financial Position** as of June 30, 2024, was positive at € 93.9 million, down from € 126.8 million as of December 31, 2023, but an improvement from € 72.2 million as of June 30, 2023. This trend is linked to the typical seasonality of the business in the first half of the fiscal year, the payment of dividends to shareholders, and the repurchase of own shares following the program announced on November 6, 2023, and completed during 2024. The Group did not enter into new financial agreements with credit institutions during the period.

The **Recurring Pre-Tax Free Cash Flow** was € 59.1 million, an improvement from € 17.7 million in the first half of 2023, driven by higher cash flow generated from operational activities and more efficient management of Net Working Capital, despite an investment in fixed assets totaling € 14.2 million. After accounting for taxes paid during the period amounting to € 15.9 million, the Group generated a Recurring Free Cash Flow of € 43.2 million, compared to € 6.5 million as of June 30, 2023. The Cash Conversion Rate (calculated as the ratio of Free Cash Flow before taxes to EBITDA) was 90%, compared to 28% in the corresponding period of the previous year.

Outlook

In the first half of the fiscal year, we observed growth across all sales channels, both commercial and consumer, reflecting the increasing preference for Technogym among industry operators and consumers. The ongoing Olympic Games, where Technogym serves as the Official and Exclusive Supplier for athletic training, have provided the company with unprecedented media exposure, further enhancing brand equity. This is expected to yield medium-term benefits across all business segments.



The Wellness Company

Technogym's holistic approach to wellness is expanding the market into largely untapped areas. The diverse needs of the public require tailored solutions. Only the Technogym ecosystem can meet these diverse needs through a comprehensive offering powered by artificial intelligence, which interprets millions of user feedback inputs to deliver hyper-personalized solutions. As a result, Technogym is expected to continue outpacing market growth.

For the current fiscal year, Technogym confirms its targets for healthy growth, including increased revenue, improved profitability, and strong cash generation. The company remains committed to investing in innovation to strengthen its unique market position globally and generate long-term value.



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Consolidated Income Statement

<i>(In thousands of Euro)</i>	Half year ended 30 June			
	2024	<i>of which from related party</i>	2023	<i>of which from related party</i>
REVENUES				
Revenues	401,139	17	368,830	28
Other operating income	957	-	1,172	2
Total revenues	402,096		370,002	
OPERATING COSTS				
Purchases and use of raw materials, work in progress and finished goods <i>of which non-recurring income/(expenses)</i>	(129,699)	-	(121,343)	(1)
Cost of services <i>of which non-recurring income/(expenses)</i>	(111,277)	(1,030)	(105,031)	(1,148)
Personnel expenses <i>of which non-recurring income/(expenses)</i>	(92,356)	-	(81,859)	-
Other operating costs <i>of which non-recurring income/(expenses)</i>	(3,169)	(16)	(3,565)	(13)
Share of net result from joint ventures and impairment <i>of which non-recurring income/(expenses)</i>	70	-	4,421	-
Depreciation, amortization and impairment losses / (write-backs)	(24,966)	(855)	(22,514)	(875)
Net provisions <i>of which non-recurring income/(expenses)</i>	(1,833)	-	(3,737)	-
	(253)	-	(1,925)	-
NET OPERATING INCOME	38,867		36,374	
Financial income	8,828	-	13,585	(39)
Financial expenses	(6,858)	(87)	(12,637)	(67)
Net financial expenses	1,970		948	
Income/(expenses) from investments	410	-	515	-
PROFIT BEFORE TAX	41,247		37,837	
Income tax expenses <i>of which non-recurrent income/(expenses)</i>	(10,880)	-	(8,210)	-
	-	-	(976)	-
PROFIT FOR THE YEAR	30,366		29,627	
Profit (loss) attributable to non-controlling interests	782		(1,153)	
Profit (loss) attributable to owners of the parent	31,148		28,474	
EARNINGS PER SHARE	0.16		0.14	



The Wellness Company

Consolidated Statement of Financial Position

<i>(In thousands of Euro)</i>	As the date of June 30		As the date of December 31	
	2024	<i>of which from related party</i>	2023	<i>of which from related party</i>
ASSETS				
Non-current assets				
Property, plant and equipment	174,346	8,589	171,560	9,407
Intangible assets	53,029		56,686	
Deferred tax assets	29,298		25,902	
Investments in joint ventures and associates	1,225		1,155	
Other financial non-current assets	3,009		0	
Other non-current assets	76,390		82,350	13
TOTAL NON-CURRENT ASSETS	337,298		337,652	
Current assets				
Inventories	122,592		103,560	
Trade receivables	113,019	7	119,793	41
Current financial assets	6,676	227	4,250	227
Assets for derivative financial instruments	126		172	
Other current assets	42,807	64	28,152	25
Cash and cash equivalents	194,520		224,730	
TOTAL CURRENT ASSETS	479,741		480,657	
TOTAL ASSETS	817,039		818,309	
EQUITY AND LIABILITIES				
Equity				
Share capital	10,066		10,066	
Share premium reserve	7,132		7,132	
Own shares reserve	(19,126)		(6,922)	
Other reserves	34,834		34,230	
Retained earnings	259,714		236,397	
Profit (loss) attributable to owners of the parent	31,148		73,640	
Equity attributable to owners of the parent	323,769		354,544	
Capital and reserves attributable to non-controlling interests	7,572		5,640	
Profit (loss) attributable to non-controlling interests	(782)		3,528	
Equity attributable to non-controlling interests	6,790		9,168	
TOTAL EQUITY	330,559		363,712	
Non-current liabilities				
Non-current financial liabilities	68,694	7,602	69,959	8,788
Deferred tax liabilities	1,189		1,193	
Employee benefit obligations	2,675		2,621	
Non-current provisions for risks and charges	12,898		13,566	
Other non-current liabilities	43,080		44,771	
TOTAL NON-CURRENT LIABILITIES	128,536		132,110	
Current liabilities				
Trade payables	159,972	584	155,384	575
Current tax liabilities	14,952		9,192	
Current financial liabilities	38,609	5,036	32,259	4,315
Liabilities for derivative financial instruments	90		2	
Current provisions for risks and charges	19,852		19,472	
Other current liabilities	124,469		106,178	
TOTAL CURRENT LIABILITIES	357,944		322,486	
TOTAL EQUITY AND LIABILITIES	817,039		818,309	



The Wellness Company

Consolidated Cash Flow Statement

<i>(in thousands of Euro)</i>	As the date of June 30	
	2024	2023
Cash flows from operating activities		
Consolidated Profit (loss) for the period	30,366	29,627
<i>Adjustments for:</i>		
Income taxes	10,880	8,210
Income/(expenses) from investments	(410)	(515)
Financial (income)/expenses	(1,970)	(948)
Depreciation, amortization and impairment	24,966	22,514
Net provisions	26	111
Share of net result from joint ventures	(70)	(4,421)
Other non-monetary changes	1,141	378
Cash flows from operating activities before changes in working capital	64,929	54,956
Change in inventories	(17,778)	(2,602)
Change in trade receivables	12,780	11,245
Change in trade payables	4,540	(22,970)
Change in other assets and liabilities	8,814	(7,226)
Income taxes paid	(15,898)	(11,268)
Net cash inflow from operating activities (A)	57,387	22,134
<i>of which from related parties</i>	(1,023)	(1,010)
Cash flows from investing activities		
Investments in property, plant and equipment	(7,403)	(9,809)
Disposals of property, plant and equipment	839	2,497
Investments in intangible assets	(7,625)	(8,367)
Disposals of intangible assets	5	-
Dividends received from joint ventures	140	131
Sale/(Purchase) of subsidiaries, associates and other entities	-	4,172
Net cash inflow (outflow) from investing activities (B)	(14,044)	(11,376)
<i>of which from related parties</i>	140	131
Cash flows from financing activities		
Reimbursement of leasing costs (IFRS 16)	(6,727)	(6,162)
Proceeds from new borrowings (including the current portion)	-	-
Repayment of borrowings (including the current portion)	-	(4,532)
Net increase (decrease) of financial assets and liabilities	(4,816)	20,626
Dividends paid to shareholders	(52,412)	(48,816)
Purchase of own shares	(13,128)	-
Payments of net financial expenses	2,200	1,513
Net cash inflow (outflow) from financing activities (C)	(74,433)	(37,370)
<i>of which from related parties</i>	(942)	(942)
Net increase (decrease) in cash and cash equivalents (D)=(A)+(B)+(C)	(31,090)	(26,612)
Cash and cash equivalents at the beginning of the year	224,730	205,358
Net increase (decrease) in cash and cash equivalents from January 1 to December 31	(31,540)	(26,612)
Effects of exchange rate differences on cash and cash equivalents	1,330	(4,854)
Cash and cash equivalents at the beginning of the year	194,520	173,893



The Wellness Company

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

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Notes to the press release

Technogym

Technogym is a world leading brand in products and digital technologies for fitness, sport and health for wellness. Technogym offers a complete ecosystem of connected smart equipment, digital services, on-demand training experiences and apps that allow every single end-user to access a completely personalized training experience anytime and anywhere: at home, at the gym, on-the-go. Around 70 million people train with Technogym in 100,000 wellness centers and 500,000 private homes world-wide. Technogym has been Official Supplier to the last eight Olympic Games and it's the brand of reference for sport champions and celebrities all over the world.

Forward looking statements

Certain statements in this press release could constitute forward-looking statements, including references that do not exclusively relate to historical data or current events, and as such, uncertain. These statements are based on a number of assumptions, expectations and other factors that could lead to actual results which differ, even substantially, from those forecast. There are numerous factors that could generate results and trends that are notably different from the forward looking information in this press release. These elements include but are not limited to 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. These forward-looking statements were issued as of today and we shall not be under any obligation to provide any updates and they are not a reliable indication of future performance.

Alternative performance indicators

This press release provides a number of alternative performance indicators used by management to allow an improved assessment of the business performance and the financial performance and position of the Group. These indicators are not recognized as accounting measures in the context of IFRS and should therefore not be considered as an alternative way to assess the financial performance of the Group and its financial position. Since the calculation of these measures is not governed by the applicable accounting standards, the calculation methods applied by the Company may not be the same as those used by others and therefore these indicators may not be comparable. Therefore, investors should not place undue reliance on this data or information. This press release also contains certain financial, operating and other indicators that have been adjusted to reflect non-recurring extraordinary events and transactions, known as special items. This 'adjusted' information was included to allow better comparison of the financial information for all periods; however this information is not recognized as economic or financial data within the scope of the IFRS and/or does not constitute an indication of the historical performance of the Company or Group. Therefore, investors should not place undue reliance on this data or information.