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| Informazione Regolamentata n. 1845-9-2020 | Data/Ora Ricezione 18 Marzo 2020 19:29:58 | MTA |
|---|---|-----|

Societa' : TECHNOGYM

Identificativo : 129009

Informazione
Regolamentata

Nome utilizzatore : TECHNOGYMN02 - Alghisi

Tipologia : 3.1; 1.1

Data/Ora Ricezione : 18 Marzo 2020 19:29:58

Data/Ora Inizio : 18 Marzo 2020 19:29:59

Diffusione presunta

Oggetto : Errata corrige - press release financial
results 2019

Testo del comunicato

Vedi allegato.



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ERRATA CORRIGE

Cesena (Italy), March 18th 2020 – With reference to the press release published on March 17th 2020 about the financial results 2019, Technogym S.p.A. announces that the table containing the comparison of the income statement data for the 2018 and 2019 financial years has been included in the new version of the press release as per the below attachment.

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**TECHNOGYM S.P.A.: BOARD OF DIRECTORS APPROVED THE DRAFT
CONSOLIDATED RESULTS FOR THE 2019 FINANCIAL YEAR**

STRONG CASH GENERATION IN 2019

Revenue and Profit growth

- **CONSOLIDATED REVENUE: Euro 669 million, +5.5% on 2018
At constant exchange rates +3.8%**
- **ADJ EBITDA: Euro 141.5 million, +5.3% on 2018**
- **ADJ NET PROFIT: Euro 85.4 million, +2.2% on 2018**
- **FCF: Euro 99.3 million with a pre-tax conversion rate of 88%**
- **NET FINANCIAL DEBT: Euro 25.3 million net cash at year end**



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Nerio Alessandri, Chairman and CEO, said:

“In 2019 Technogym continues to grow in a sustainable and profitable way, achieving a record cash generation.

The new year began with the Covid-19 epidemic in China, which then spread all over the world, opening a phase of great uncertainty. In this scenario we are strongly focused on preserving the health of our team, on limiting costs while maintaining our investment programs and staying close to our customers. In the medium-long term, we are confident that, after the Covid-19 emergency, the fitness & wellness trend will resume its growth trajectory; solid and well-structured companies must be ready to take advantage of the recovery as protagonists.

Now it is more than ever important to support our health system and the incredible work that our doctors, and nurses are doing, so we decided to donate 1 Million Euro to the intensive care units of Romagna’s Hospitals, our region.

In the year just ended, revenues grew in all market segments and in all sales channels. With reference to the geographical areas, we are growing in all the most important territories for future development: Technogym continues to grow in North America (+ 13%) and APAC (+ 16%) and reports an important growth also in emerging geographies like MEIA (+ 10%) and LATAM (+ 15%).

Innovation remains the engine of Technogym's growth. In addition to innovation on the product and digital ecosystem, in 2019 we have focused on contents production: training experience videos to engage consumers.

At the end of 2019 we launched Technogym Bike, the first product offering users the possibility to select on-demand training videos from the equipment console at home, at the gym, at hotels or at the office, thanks to the Technogym Live platform. More Technogym Live cardio products will be launched in 2020.

When it comes to new products, in the year just ended we launched BIOCIRCUIT, the new circuit, for the health segment, able to offer, in 30 minutes, a complete and personalized workout, ideal for senior and female users. Thanks to artificial intelligence the equipment automatically adapts to the user in terms of intensity, effort progression, ergonomic posture and rehab program.

Looking to the future, we confirm our strategy of sustainable and profitable growth thanks to the raising interest of consumers in Wellness, the uniqueness of our solutions for the various market segments – not only fitness and sport but above all health - and thanks to the increased penetration in non-European markets.

We are currently living a moment of great uncertainty, therefore we are focused on keeping costs down and staying close to our customers; in the medium-long term, we are confident that, after the Covid-19 emergency is over, the fitness and wellness trend will resume its growth trajectory.

2020 will also be the year of the Olympics and Technogym will be Official and Exclusive Supplier of the Tokyo 2020 Olympics, our eighth Olympic experience.”



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Cesena (Italy), March 17th, 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 2019, prepared in accordance with the International Financial Reporting Standards IAS/IFRS. On this respect, we highlight the fact that 2019 is the first year of implementation of the accounting standard IFRS 16, therefore the economic and financial results in this section are commented upon excluding the effect of this principle, in order to maintain a homogeneous comparison basis with the corresponding period of 2018.

Technogym closed 2019 with revenue up in the key geographic areas for the future development, such as North America and the emerging geographies, and by consolidating its leadership in Europe, the most important geography for the company.

EBITDA Adjusted grew proportionally compared to revenue growth thanks to the increased focus on deals including the entire Total Wellness Solution – smart equipment, services, digital technologies and contents – that have compensated the increase in operating costs related to the development of new competences in digital and content development.

The net financial debt has improved compared to 2018 thanks to the relevant cash generation in the year, that has allowed Technogym to register a positive cash position in spite of the increasing investments.

Net Profit – adjusted on Patent Box and on other non-recurring components – also shows an improvement compared to last year.

With reference to innovation, in 2019 Technogym presented the innovative CLUB 4.0 concept. CLUB 4.0 is the new Technogym strategy to offer a wide variety of different training experiences within fitness clubs, in different areas, dedicated to different people with different needs and different passions. In line with its “Wellness on the go” strategy Technogym launched in November 2019 the new Technogym Live platform – soon available on all Technogym products – to allow users to select on demand training videos from the equipment console.

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 the Mywellness Cloud digital platform and around 15 million people registered to this service.

Finally, Technogym confirms its commitment in marketing and communication activities to position Technogym as a Premium brand in the BtoB sector and a Prestige brand within BtoC and recently has been appointed as Official Supplier to the Tokyo 2020 Olympic Games, the 8th experience for Technogym as partner of the Olympics.



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Performance in 2019

Consolidated results have been prepared in compliance with the International Reporting Standards issued by the International Accounting Standards Board. On this respect, we highlight the fact that 2019 is the first year of implementation of the accounting standard IFRS 16, therefore the economic and financial results in this section are commented upon excluding the effect of this principle, in order to maintain a homogeneous comparison basis with the corresponding period of 2018.

Below you can find a brief comment on Revenues, based on the Geographical Area and the Distribution Channels, and on the other main economic and financial figures.

1) Revenue

In line with the previous years, also in 2019 Technogym has registered a revenue growth: +5.5%, (+3.8% at constant exchange rates). The company recorded the best sales performances in strategic areas for the mid-term growth such as North America (+13.4%) and APAC (+16.1%), in spite of the slippage of some orders in the last quarter. Within the Asia Pacific region, we highlight the relevant performance of Australia (+30% in local currency). In Europe, the most important geography, the company grows by +1.7%: the slowdown in the UK, due to Brexit finalization and the weakness in Russia have balanced the good performances in Germany and France. Latin America (+15.3%) and Middle East, India and Africa (+9.9%) achieved an important result supported by the excellent performances of Brazil and the UAE respectively. Finally, Italy is down (-8.0%) on 2018, but 2018 results had benefited from an anticipation of purchase decisions by some important Key Accounts.

Revenue by geographic area

| | Full Year Results | | Delta | |
|------------------------------|-------------------|----------------|---------------|-------------|
| | 2019 | 2018 | 2019 vs 2018 | % |
| <i>(In thousand of Euro)</i> | | | | |
| Europe (ex Italia) | 330.333 | 324.893 | 5.440 | 1,7% |
| APAC | 118.319 | 101.893 | 16.426 | 16,1% |
| North America | 87.716 | 77.334 | 10.382 | 13,4% |
| Italy | 58.692 | 63.827 | -5.135 | -8,0% |
| MEIA | 49.885 | 45.395 | 4.490 | 9,9% |
| LATAM | 23.986 | 20.796 | 3.190 | 15,3% |
| Total Revenue | 668.931 | 634.138 | 34.793 | 5,5% |

With respect to revenue performance by sales channel: Field Sales continue to be the main channel, registering a growth of + 5.0%. The Wholesales channel performance (+6.5%) mainly benefits by the



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growth in APAC and MEIA. The inside sales channel (Ecommerce & teleselling) improves compared to the previous year thanks to the Consumer channel growth also in the extra-European geographies. 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, benefits from the excellent performance of the European stores that have more than compensated the difficulties in Russia.

Revenue by distribution Channel

| (In thousand of Euro) | Full Year Results | | Delta | |
|-----------------------|-------------------|----------------|---------------|-------------|
| | 2019 | 2018 | 2019 vs 2018 | % |
| Field sales | 491.843 | 468.300 | 23.543 | 5,0% |
| Wholesale | 129.312 | 121.400 | 7.912 | 6,5% |
| Inside sales | 39.525 | 37.800 | 1.725 | 4,6% |
| Retail | 8.252 | 6.638 | 1.614 | 24,3% |
| Total Revenue | 668.931 | 634.138 | 34.793 | 5,5% |

2) EBITDA, Net Operating Income and Net Profit

EBITDA Adjusted stood at Euro 141.5 million, increasing by 7.1 million Euro (+5.3%) on 2018 (Euro 134.4 million). This increase is mainly due to: (i) the rise in sales volumes; (ii) the improvement of the product mix and partially mitigated by (iii) higher logistics costs, (iv) costs related to sales channels development and market coverage and (v) cost related to the introduction of new skills to support digital business development. The EBITDA has been adjusted for 4.2 million Euro in non-recurring costs attributable to higher operating costs due to inefficiencies deriving from the reorganization processes of some commercial branches; non-recurring expenses in 2018 amounted to € 3 million. Adjusted EBITDA with the application of accounting standard IFRS 16 is equal to Euro 147.8 million.

On the whole, the percentage of EBITDA Adjusted on Revenue (**EBITDA Adjusted Margin**) equals 21.2%, in line with the 2018 result. By applying the accounting standard IFRS 16, the incidence reaches 22.1%.

Net operating income Adjusted amounted to Euro 112.2 million, up by Euro 2.3 million (+2.1%) compared to Euro 109.9 million in 2018. This performance is supported by the increase in profitability thanks to higher sales volumes and better product mix, offset by the growth recorded by depreciation and amortization which went from Euro 22 million in 2018 to Euro 25.2 million in 2019, due to growing investments in the digital development of the company. The net operating income Adjusted operating result with the application of the accounting standard IFRS 16 stands at Euro 112.6 million.



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Net Profit Adjusted reached Euro 85.4 million in 2019, up by Euro 1.9 million (+2.2%) compared to Euro 83.5 million reported in 2018. This performance is mainly related to the increase in the aforementioned Operating Result and to the effects of the agreement on the patent box regarding the brand and know-how, which generated a positive contribution equal to approx. Euro 7.4 million during the year. With the application of the accounting principle IFRS 16, the Adjusted Group Profit is equal to Euro 85.2 million.

3) Net Financial Debt

Thanks to the cash generation recorded (Euro 126 million before taxes, with a conversion rate of 87.8%), the company has reached a net cash position equal to approx Euro 25.3 million to be compared with a net debt of Euro 34.9 million in December 2018. The net cash with the application of the accounting standard IFRS 16 stands at Euro 3.7 million.

4) Proposed allocation of profit for the year

The Board of Directors resolved upon a proposal to the Shareholders' Meeting to add current year profit to retained earnings, extraordinary reserve, exchange rate reserve and IAS adoptions reserve and that no dividend will be distributed.

Significant events after December 31, 2019

As further confirmation of the uniqueness of the training solutions offered, Technogym was chosen by the Tokyo 2020 Olympic Games as the Official and Exclusive Supplier of equipment and digital technologies for the preparation of athletes. The Tokyo edition will represent the eighth participation of the company at the Olympic Games and will allow Technogym to make available to approximately 15,000 athletes, including Olympic and Paralympic, 1,200 connected equipment, integrated with the Mywellness Cloud digital platform.

Outlook

Considering the current situation linked to the socio-economic effects of Covid-19 (so-called Coronavirus) and the uncertainty regarding the duration and expansion of this epidemic, it is premature today to make predictions on the evolution of the coming months. The short-term evolution will not however compromise the long-term fundamentals of the business and the continuous and growing interest for wellness of people of all generations.

In this scenario, Technogym confirms the medium-term development guidelines, which set the objective of pursuing constant and sustainable economic growth, in order to create value for shareholders over time.

At present, we believe that international growth will continue to represent Technogym's main guideline thanks to the consolidation of market shares in Europe, the steady growth in North America and further expansion in APAC, albeit at a slower pace than in the past, in consideration of the negative effect of the spread of COVID 19 in the region.

In any case, the Board of Directors, the control bodies and the management of the Company will continue to constantly monitor the evolution of the health emergency resulting from the spread of COVID-19, adopting all the decisions and measures necessary to face the emergency.



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The commitment to product innovation will continue with a specific focus on equipment training experience improvement thanks to digital services supported by the open MyWellness platform and thanks to the launch of Technogym Live on the installed equipment base. This will allow end users to access new training content wherever they are, thus creating another step forward in the company's Wellness on the Go strategy. Alongside the wide product portfolio, Technogym will continue to invest in its team skills in order to guarantee customers a service of excellence in line with the brand's aspirational standards.

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 450.1 million, compared to Euro 450.5 million of 2018. Net Profit, pre application of IFRS 16, stood at Euro 78.8 million, due to lower intercompany sales as subsidiaries has optimized local stock decreasing purchase to mother company, compared to Euro 82.7 million in 2018. The Statement of Financial Position of Technogym S.p.A. shows Equity of Euro 284.4 million, compared to Euro 247.8 million in 2018, and a Net Financial Debt, pre IFRS 16, of Euro 28.1 million, with a relevant reduction, compared to Euro 55.2 Million in 2018.

Other resolutions

1) Plan for the free allocation of the right to receive ordinary shares of the Company, named "2020-2022 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 "2020- 2022 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 900,000.

2) 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 held on May 8, 2019. The proposal of authorization is required for some purposes, including: (i) purchasing



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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 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 20,000,000 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.

3) 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 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 900,000 ordinary shares, for a total maximum amount of Euro 45,000, 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, by assigning the maximum amount of earnings and reserves as from the latest available financial statement to employees of Technogym S.p.A. and its subsidiaries that are beneficiaries of the incentive plan regarding ordinary shares of Technogym S.p.A. named "Performance Share Plan 2020-2022", with the resulting amendment to Art. 6 of the Bylaws in force.



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4) Proposal to amend Art. 7 of the Bylaws in force regarding voting rights increase.

The Board of Directors resolved upon a proposal to the Shareholders' Meeting for the amendment of the Art. 7 of the Bylaws in force regarding voting rights increase according to the recommendations contained in the Consob communication n. 0214548 dated April 18 2019. The mentioned communication deemed incompatible with the regulatory framework about increased voting rights the chance for the shareholder to define the date from which the increased voting rights could be assigned, based only on its own communication.

5) Proposal to amend Art. 17 and Art. 28 of the Bylaws in force regarding gender balance in the composition of the administrative and control bodies

The Board of Directors resolved upon a proposal to the Shareholders' Meeting for the amendment of the Art. 17 and Art. 28 of the Bylaws in force regarding voting rights increase regarding gender balance in the composition of the administrative and control bodies. The amendment is required as a consequence of the entry into force of the Law n. 160 dated 27 December 2019.

* * * *

The Board of Directors also approved the Remuneration Report, 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.

Finally, the Board of Directors granted the Chairman with the power to convene the Ordinary and Extraordinary Shareholders' meeting for the approval of 2019 draft financial statements and the other proposals illustrated above: (i) on April 23rd, 2020 in single call or (ii) in case on such date it will not be possible to hold the meeting with modalities which ensure compliance with the applicable legislation, including the measures connected to the emergency in the national territory related to the health risk for the Covid-19 pandemic outbreak, on a subsequent date to be identified within the term provided for by the applicable legislation for the approval of the financial statements. The shareholders' meeting effective date, as well as the provision of the documentation required for the meeting itself, will be communicated to the regulatory authorities and the market by the means and within the time provided for by the applicable laws and regulations.

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>.



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Consolidated Statement of Profit or Loss

| <i>(In thousand of Euro)</i> | Year ended at December 31 | | | |
|--|---------------------------|------------------------------------|----------------|------------------------------------|
| | 2019 | <i>of which from related party</i> | 2018 | <i>of which from related party</i> |
| REVENUE | | | | |
| Revenue | 666.418 | 11.813 | 632.919 | 9.961 |
| Other operating income | 2.513 | 178 | 1.218 | 147 |
| Total revenue | 668.931 | | 634.137 | |
| OPERATING COSTS | | | | |
| Raw materials, work in progress and finished goods | (219.270) | (82) | (200.470) | (79) |
| <i>of which non recurring</i> | (143) | | - | |
| Cost of services | (163.585) | (2.077) | (162.531) | (2.666) |
| <i>of which non recurring</i> | (1.283) | | (1.988) | |
| Personnel expenses | (136.157) | (19) | (133.837) | (13) |
| <i>of which non recurring</i> | (2.403) | | (1.015) | |
| Other operating costs | (7.332) | (43) | (6.140) | 11 |
| <i>of which non recurring</i> | (411) | | - | |
| Share of net result from joint ventures | 999 | | 257 | |
| Depreciation, amortization and impairment losses | (31.114) | | (22.002) | |
| Provisions | (4.120) | | (2.562) | |
| NET OPERATING INCOME | 108.352 | | 106.852 | |
| Financial income | 8.739 | - | 10.262 | 15 |
| Financial expenses | (11.091) | (134) | (9.733) | - |
| Net financial expenses | (2.351) | | 529 | |
| Income/(expenses) from investments | 402 | | 74 | |
| PROFIT BEFORE TAX | 106.404 | | 107.455 | |
| Income tax expenses | (22.659) | | (13.988) | |
| <i>of which non recurring</i> | 2.238 | | 12.497 | |
| PROFIT FOR THE YEAR | 83.745 | | 93.468 | |
| Profit (loss) attributable to non-controlling interests | (541) | | (437) | |
| Profit (loss) attributable to owners of the parent | 83.204 | | 93.030 | |
| EARNINGS PER SHARE | 0,41 | | 0,46 | |



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IFRS 16 impact on Consolidated Statement of Financial Position

| <i>(In thousands of Euro)</i> | Year ended December 31 | | Year ended December 31 |
|--|------------------------|--------------|------------------------|
| | excluding IFRS 16 | IFRS 16 | including IFRS 16 |
| REVENUE | | | |
| Revenue | 666.418 | - | 666.418 |
| Other operating income | 2.513 | - | 2.513 |
| Total revenue | 668.931 | - | 668.931 |
| OPERATING COSTS | | | |
| Raw materials, work in progress and finished goods | (219.270) | - | (219.270) |
| <i>of which non-recurring</i> | <i>(143)</i> | - | <i>(143)</i> |
| Cost of services | (168.339) | 4.753 | (163.585) |
| <i>of which non-recurring</i> | <i>(1.283)</i> | - | <i>(1.283)</i> |
| Personnel expenses | (137.694) | 1.537 | (136.157) |
| <i>of which non-recurring</i> | <i>(2.403)</i> | - | <i>(2.403)</i> |
| Other operating costs | (7.332) | - | (7.332) |
| <i>of which non-recurring</i> | <i>(411)</i> | - | <i>(411)</i> |
| Share of net result from joint ventures | 999 | - | 999 |
| Depreciation, amortization and impairment losses | (25.222) | (5.892) | (31.114) |
| Provisions | (4.120) | - | (4.120) |
| NET OPERATING INCOME | 107.954 | 399 | 108.352 |
| Financial income | 8.739 | - | 8.739 |
| Financial expenses | (10.481) | (609) | (11.091) |
| Net financial expenses | (1.742) | (609) | (2.351) |
| Income/(expenses) from investments | 402 | - | 402 |
| PROFIT BEFORE TAX | 106.614 | (211) | 106.404 |
| Income tax expenses | (22.669) | 10 | (22.659) |
| <i>of which non-recurring</i> | <i>2.238</i> | - | <i>2.238</i> |
| PROFIT FOR THE YEAR | 83.946 | (201) | 83.745 |
| Profit (loss) attributable to non-controlling interests | (541) | - | (541) |
| Profit (loss) attributable to owners of the parent | 83.405 | (201) | 83.204 |
| EARNINGS PER SHARE | 0,41 | - | 0,41 |



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Consolidated Statement of Cash Flow

| (in thousands of Euro) | Year ended December 31 | |
|--|------------------------|-----------------|
| | 2019 | 2018 |
| Cash flows from operating activities | | |
| Profit for the year | 83.745 | 93.468 |
| <i>Adjustments for:</i> | - | - |
| Income taxes | 22.659 | 13.988 |
| Profit (Loss) from equity inv. | (402) | (74) |
| Financial income and expenses | 2.351 | (529) |
| Depreciation & Amortisation | 31.114 | 22.002 |
| Net accruals | 4.120 | 2.562 |
| Revenues from Joint Venture | (999) | (257) |
| <i>Cash flows from operating activities before changes in working capital</i> | 142.587 | 131.160 |
| Increase (decrease) in inventory | 11.949 | (22.497) |
| Increase (decrease) in trade receivables | 18.119 | (37.577) |
| Increase (decrease) in trade payables | (16.901) | 20.847 |
| Increase (decrease) in other operating assets and liabilities | 6.684 | (11.085) |
| Non recurring tax payments | - | - |
| Income taxes paid | (26.685) | (18.618) |
| Net cash inflow from operating activities (A) | 135.753 | 62.230 |
| <i>of which from related parties</i> | 10.293 | 6.152 |
| Cash flows from investing activities | | |
| Investments in property, plant and equipment | (21.333) | 438 |
| Disposals of property, plant and equipment | 1.585 | (15.065) |
| Investments in intangible assets | (16.761) | 276 |
| Disposals of intangible assets | 75 | - |
| Dividends received from joint ventures and associates | 1.004 | - |
| Minority Interest | - | (929) |
| Investments in subsidiaries, associates and other entities | (583) | - |
| Disposal of subsidiaries, associates and other entities | - | (33.438) |
| Net cash inflow (outflow) from investing activities (B) | (36.013) | (33.438) |
| <i>of which from related parties</i> | - | - |
| Cash flows from financing activities | | |
| Repayment of IFRS 16 | (6.290) | - |
| Proceeds from new borrowings | 25.000 | (37.781) |
| Repayment of borrowings | (43.871) | 26.750 |
| Net increase (decrease) of current financial assets and liabilities | (3.610) | (18.090) |
| Dividends paid to shareholders | (36.181) | 153 |
| Payments of net financial expenses | (471) | (28.968) |
| Net cash inflow (outflow) from financing activities (C) | (65.423) | (28.968) |
| | - | - |
| Net increase (decrease) in cash and cash equivalents (D)=(A)+(B)+(C) | 34.318 | (176) |
| | - | - |
| Cash and cash equivalents at the beginning of the year | 78.503 | 77.847 |
| Net increase (decrease) in cash and cash equivalents from January 1 to December 31 | 34.318 | (176) |
| Effects of exchange rate differences on cash and cash equivalents | 1.592 | 833 |
| Cash and cash equivalents at the end of the year | 114.413 | 78.504 |



The Wellness Company

Consolidated Statement of Financial Position

| <i>(In thousand of Euro)</i> | At 1 January 2019 | | At 1 January 2019 | | At 31 December 2019 | | At 31 December 2019 | |
|--|-------------------|---------------|-------------------|-------------------|---------------------|-------------------|---------------------|--|
| | excluding IFRS 16 | IFRS 16 | including IFRS 16 | excluding IFRS 16 | IFRS 16 | including IFRS 16 | | |
| ASSETS | | | | | | | | |
| Non-current assets | | | | | | | | |
| Property, plant and equipment | 142.593 | 20.971 | 163.563 | 146.451 | 21.468 | 167.919 | | |
| Intangible assets | 35.884 | - | 35.884 | 43.445 | - | 43.445 | | |
| Deferred tax assets | 16.808 | - | 16.808 | 15.543 | - | 15.543 | | |
| Investments in joint ventures and associates | 18.047 | - | 18.047 | 18.063 | - | 18.063 | | |
| Other financial non-current assets | 2.881 | - | 2.881 | 2.930 | - | 2.930 | | |
| Other non-current assets | 40.202 | - | 40.202 | 49.590 | - | 49.590 | | |
| TOTAL NON-CURRENT ASSETS | 256.413 | 20.971 | 277.384 | 276.022 | 21.468 | 297.490 | | |
| Current assets | | | | | | | | |
| Inventories | 89.540 | - | 89.540 | 76.831 | - | 76.831 | | |
| Trade receivables | 151.469 | - | 151.469 | 127.472 | - | 127.472 | | |
| Financial assets | 67 | - | 67 | 84 | - | 84 | | |
| Derivative financial instruments | 148 | - | 148 | - | - | - | | |
| Other current assets | 20.103 | - | 20.103 | 22.295 | - | 22.295 | | |
| Cash and cash equivalents | 78.503 | - | 78.503 | 114.413 | - | 114.413 | | |
| TOTAL CURRENT ASSETS | 339.831 | - | 339.831 | 341.096 | - | 341.096 | | |
| TOTAL ASSETS | 596.244 | 20.971 | 617.215 | 617.119 | 21.468 | 638.587 | | |
| EQUITY AND LIABILITIES | | | | | | | | |
| Equity | | | | | | | | |
| Share capital | 10.050 | - | 10.050 | 10.050 | - | 10.050 | | |
| Share premium reserve | 4.990 | - | 4.990 | 4.990 | - | 4.990 | | |
| Other reserves | 19.196 | - | 19.196 | 26.930 | (6) | 26.923 | | |
| Retained earnings | 80.519 | - | 80.519 | 132.827 | - | 132.827 | | |
| Profit (loss) attributable to owners of the parent | 93.030 | - | 93.030 | 83.405 | (201) | 83.204 | | |
| Equity attributable to owners of the parent | 207.786 | - | 207.786 | 258.202 | (207) | 257.995 | | |
| Capital and reserves attributable to non-controlling interests | 1.054 | - | 1.054 | 1.553 | - | 1.553 | | |
| Profit (loss) attributable to non-controlling interests | 438 | - | 438 | 541 | - | 541 | | |
| Equity attributable to non-controlling interests | 1.491 | - | 1.491 | 2.094 | - | 2.094 | | |
| TOTAL EQUITY | 209.277 | - | 209.277 | 260.296 | (207) | 260.089 | | |
| Non-current liabilities | | | | | | | | |
| Financial liabilities | 53.389 | 15.652 | 69.042 | 40.832 | 15.163 | 55.996 | | |
| Deferred tax liabilities | 420 | - | 420 | 294 | 10 | 304 | | |
| Employee benefit obligations | 3.001 | - | 3.001 | 3.066 | - | 3.066 | | |
| Provisions | 13.592 | - | 13.592 | 15.218 | - | 15.218 | | |
| Other non-current liabilities | 29.826 | - | 29.826 | 35.058 | - | 35.058 | | |
| TOTAL NON-CURRENT LIABILITIES | 100.229 | 15.652 | 115.882 | 94.467 | 15.174 | 109.641 | | |
| Current liabilities | | | | | | | | |
| Trade payables | 143.910 | - | 143.910 | 127.537 | - | 127.537 | | |
| Current tax liabilities | 8.097 | - | 8.097 | 5.078 | - | 5.078 | | |
| Financial liabilities | 60.121 | 5.318 | 65.439 | 48.322 | 6.501 | 54.823 | | |
| Derivative financial instruments | 80 | - | 80 | 13 | - | 13 | | |
| Provisions | 14.058 | - | 14.058 | 12.718 | - | 12.718 | | |
| Other current liabilities | 60.471 | - | 60.471 | 68.687 | - | 68.687 | | |
| TOTAL CURRENT LIABILITIES | 286.738 | 5.318 | 292.056 | 262.356 | 6.501 | 268.857 | | |
| TOTAL EQUITY AND LIABILITIES | 596.244 | 20.971 | 617.215 | 617.119 | 21.468 | 638.587 | | |



The Wellness Company

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Notes to the press release

Technogym

Founded in 1983, Technogym 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 was the official supplier for the last seven Olympic Games: Sydney 2000, Athens 2004, Turin 2006, Beijing 2008, London 2012, Rio 2016 and PyeongChang 2018, and have just been appointed as Official Supplier of the forthcoming Tokyo 2020 Olympics.

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.

Fine Comunicato n.1845-9

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