

FINANCIAL RESULTS H1 2021



Cesena, August 2nd 2021

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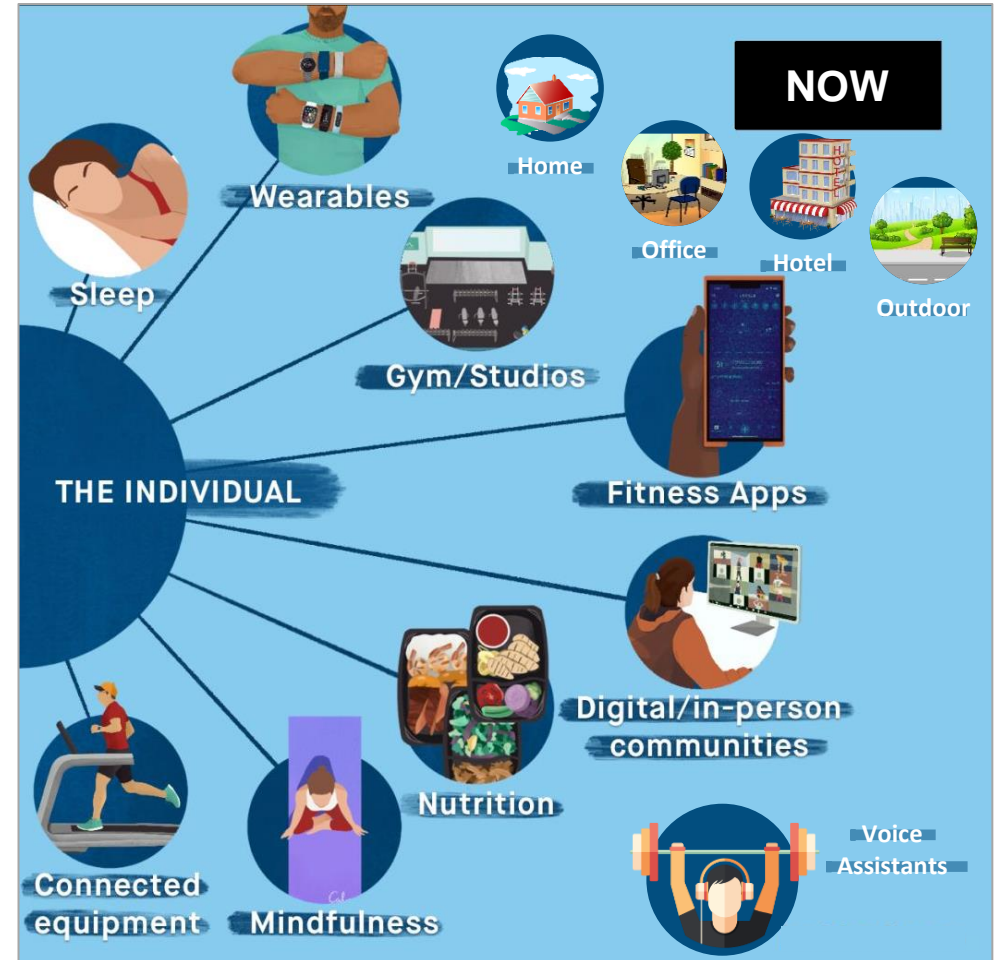
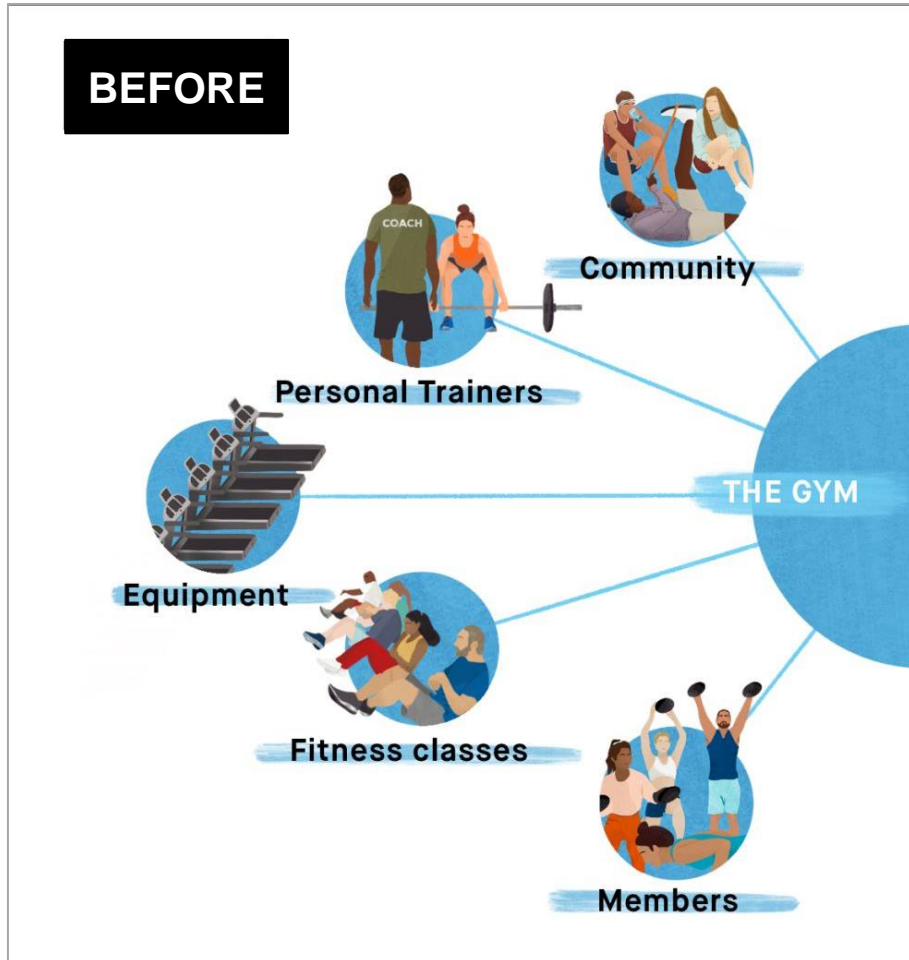
Massimiliano Moi, the Manager in charge of preparing the corporate accounting documents, declares that, pursuant to art. 154-bis, paragraph 2, of the Legislative Decree no. 58 of February 24, 1998, the accounting information contained herein correspond to document results, books and accounting records.

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

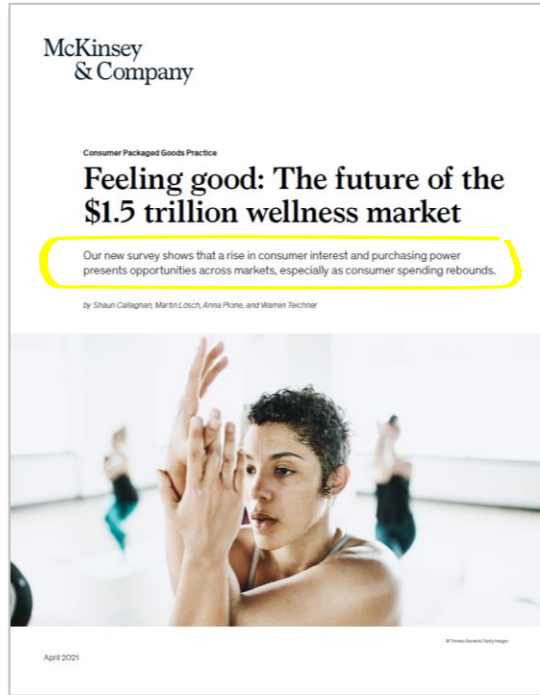


Market evolution and Technogym priorities

Wellness evolution: from Club-centric to Consumer-centric

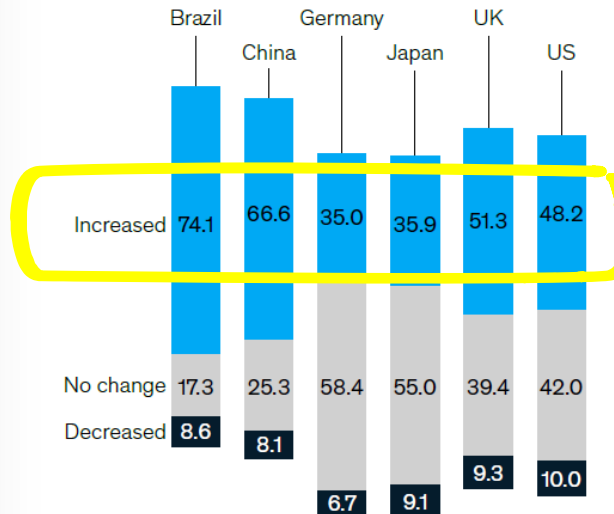


Huge market potential and favorable momentum

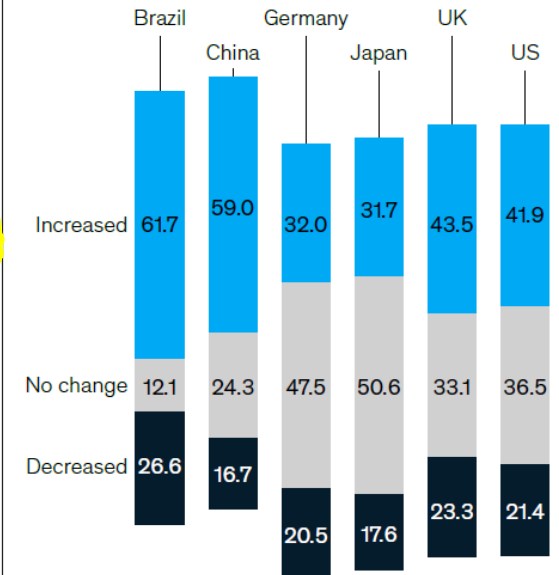


Wellness is rising as a priority, outpacing how consumers view their own wellness levels.

Change in wellness prioritization compared with 2–3 years ago,¹ % of respondents



Change in overall wellness level compared with 2–3 years ago,² % of respondents



¹Question: Thinking about how you prioritize wellness, how has your prioritization of wellness changed compared to 2–3 years ago?

²Question: How has your overall level of wellness changed compared to 2–3 years ago?

Source: McKinsey Future of Wellness Survey, August 2020; Brazil, n = 1,374; China, n = 1,311; Germany, n = 1,283; Japan, n = 1,109; UK, n = 1,277; US, n = 1,319

Consumers are more and more training with an hybrid approach, thus moving towards the historical Technogym's Wellness-on-the-go strategy everywhere, anytime (Gym + Home + Outdoor + Office + Hotel,)

Recovery underway in all B2B segments

B2B Segments



- Strong recovery signs from all the main B2B segments immediately after the end of lockdown measures
- Clubs are focused on gym floor renewal to support reopening campaigns in fall-winter after a quick recovery in members
- Hotels & Corporates looking to additional investments to support their guests / employees wellness needs
- During lockdowns many people started training at home thanks to digital content. Now they are going to the gym for a more complete and monitored work-out

Home remaining on the growth path

B2C Segment

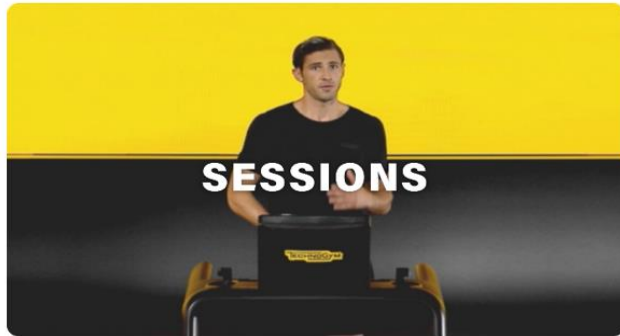
At-Home



- Demand for at-home training solutions is still high despite the reopening of Professional centers
- At-home market turnover expect to grow significantly even in 2021 to a size significantly higher than 2019

Technogym Ecosystem to catch new opportunities via ...

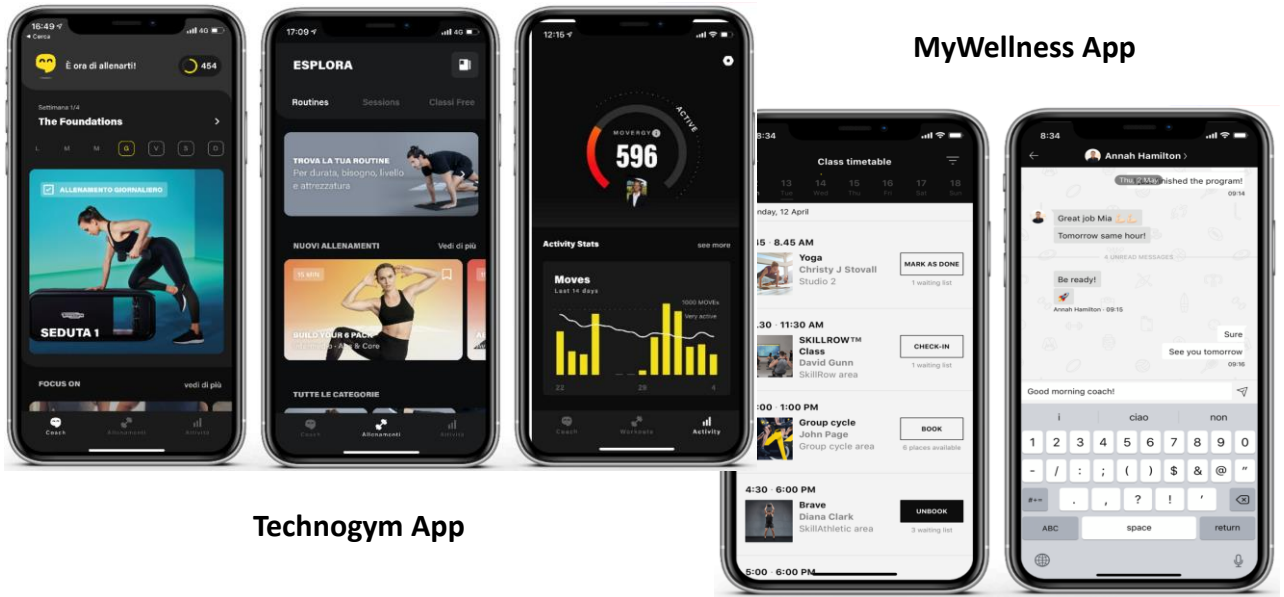
Content



- **Content.** After years supporting professional operators Technogym started populating the Technogym Live platform with own filmed Precision Training content: any training goal can now be achieved quicker and easier
- Proprietary content couples with third party ones already available on Technogym Live

Technogym Ecosystem to catch new opportunities via ...

Digital



Technogym App

MyWellness App

- **Technogym App B2C2B**
The A.I. based Technogym Smart Coach, guides end-users among Sessions, Routines and Signature programs customizing their wellness journey according to equipment availability
- **MyWellness 6.0 B2B2C**
The latest version of the Technogym CRM platform now allows professional operators to customize end-users training experience via on-demand videos in a full hybrid approach

Technogym Ecosystem to catch new opportunities via ...

Home entry products



- Home entry products**
 Technogym is enlarging its product and solution portfolio to serve different end-users needs



Financial Results H1 2021

Revenue growth 24.2% (26.8% at constant F/X); Ebitda adj 17.4%

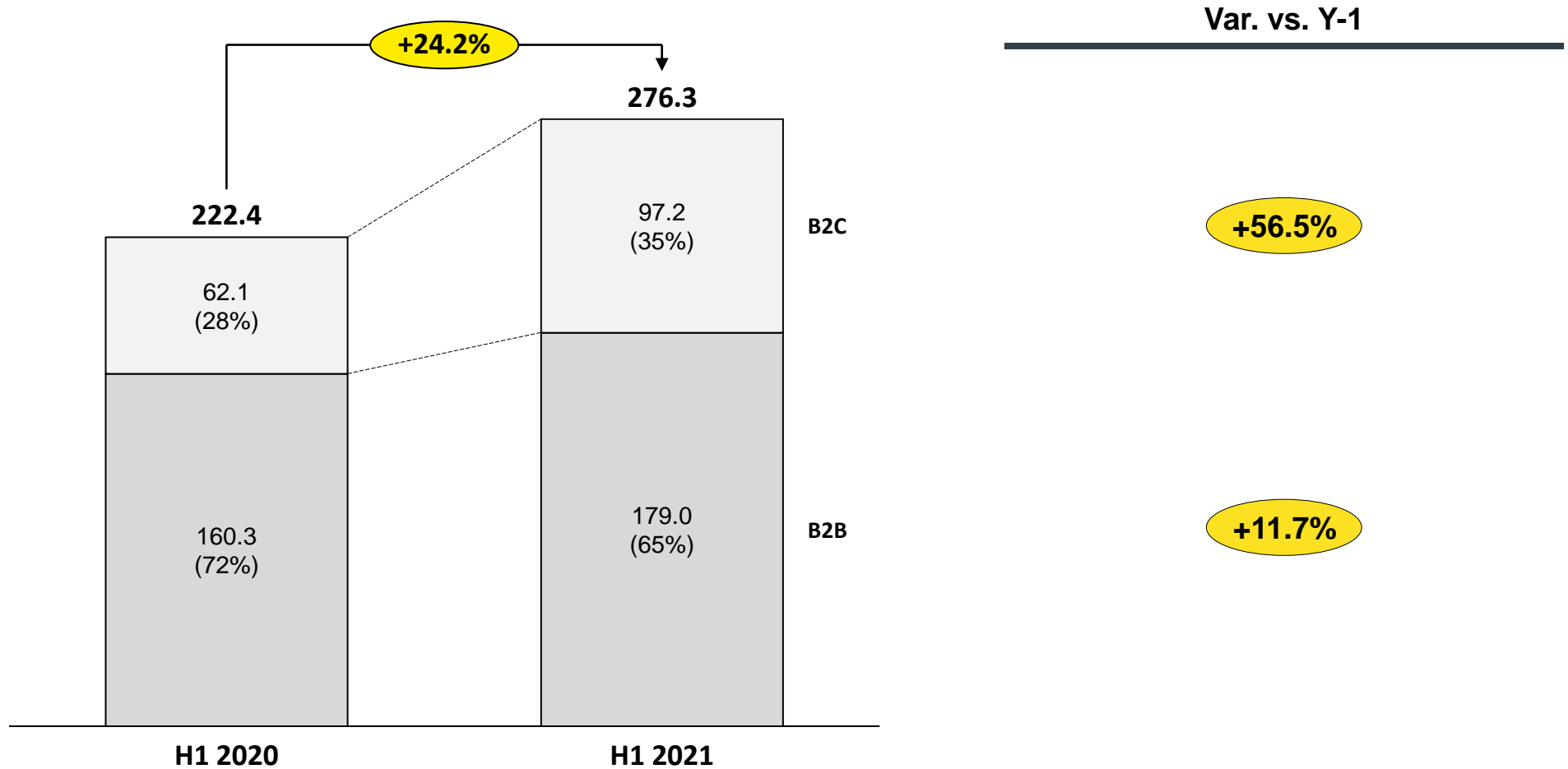
in € millions

	H1 2021	H1 2020	2021 vs 2020
Revenues (€m)	276.3	222.4	+24.2%
EBITDA ADJ (€m) <i>Margin (%)</i>	48.0 17.4%	37.3 16.8%	+28.7%
EBIT ADJ (€m) <i>Margin (%)</i>	27.7 10.0%	17.9 8.0%	+55.4%
Net Profit ADJ * (€m) <i>Margin (%)</i>	20.0 7.3%	11.4 5.1%	+75,8%
Net Profit (€m)	30.4	6.1	+400.3%
Net Financial Position (€m)	70.4	14.1	+56.3
Free Cash Flow (€m)	28.0	17.0	+11.0

2021 Act Net Profit adj. doesn't include not recurring items for 10.3m€: gains from participation +11.1 m€; redundancy and extraordinary costs for -0.8 m€

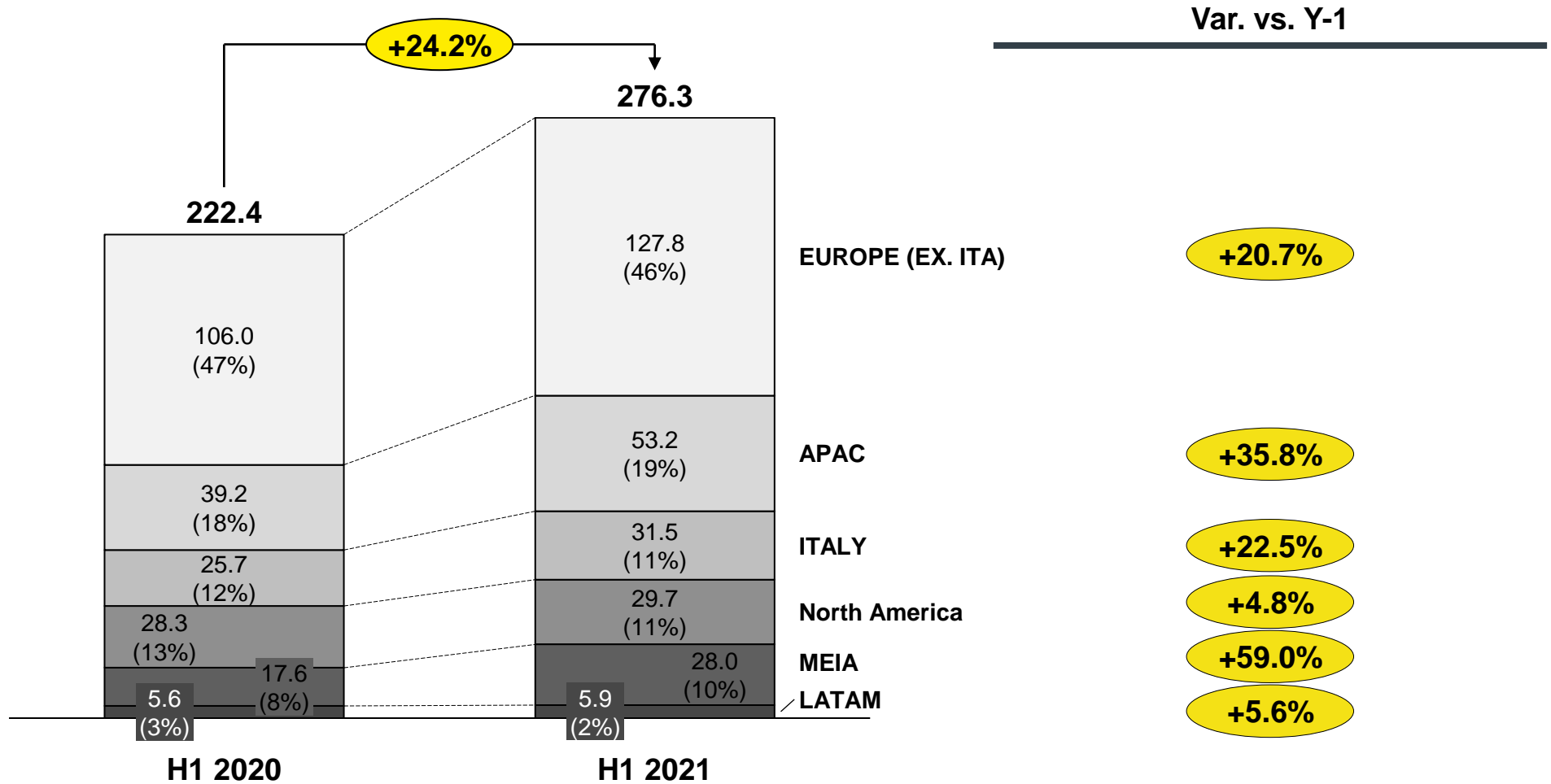
Segments: double digit growth in Home and B2B segments

Revenues in € millions



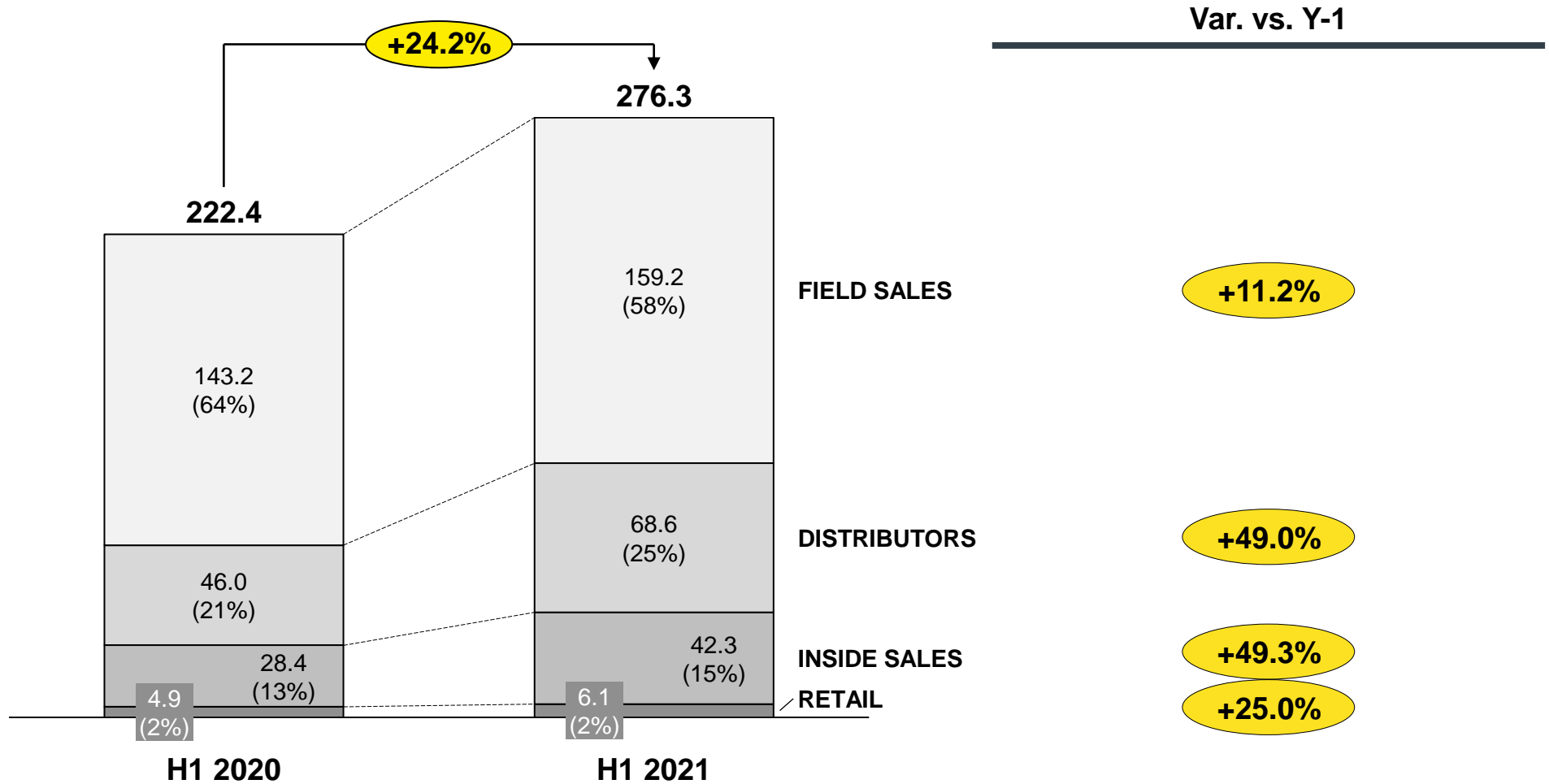
Geo: APAC, Italy, Europe and MEIA growing double-digit

Revenues in € millions



Channels: overall positive performance

Revenues in € millions



Statutory Profit & Loss

(€m)	Jun 2020		Jun 2021		Delta 2021 vs 2020	
Total revenue	222,4	% on sales	276,3	% on sales	53,8	24,2%
Cost of raw, ancillary and consumable materials and goods for resale	(69,0)	(31,0%)	(91,0)	(32,9%)	(22,0)	31,9%
of which (cost) not recurrent	(0,3)		(0,0)		0,3	
Service, Rentals and leases	(60,3)	(27,1%)	(69,9)	(25,3%)	(9,6)	16,0%
of which (cost) not recurrent	(0,7)		(0,2)		0,5	
Personnel cost	(54,8)	(24,7%)	(64,8)	(23,5%)	(10,0)	18,2%
of which (cost) not recurrent	(0,4)		(0,5)		(0,0)	
Depreciations, amortisations and write-downs	(17,2)	(7,7%)	(17,8)	(6,5%)	(0,6)	3,6%
Provision for risk and charges	(2,2)	(1,0%)	(2,4)	(0,9%)	(0,2)	9%
Other operations cost	(3,9)	(1,8%)	(4,1)	(1,5%)	(0,1)	3,7%
of which (cost) not recurrent	(1,1)		(0,1)		1,0	
Share of result joint venture and impairment	(2,1)	(1,0%)	11,9	4,3%	14,0	<i>h.v.</i>
of which (cost) not recurrent	(2,5)		11,1		13,6	
Net operating income	12,8	5,8%	38,1	13,8%	25,2	197,1%
Margin (%)	5,8%		13,8%		8,0%	
Financial income and (expenses) and from investments	(1,3)	(0,6%)	(0,1)	(0,0%)	1,2	(95,6%)
Profit (loss) before tax	11,5	5,2%	38,0	13,8%	26,5	229,9%
Taxes	(5,3)	(2,4%)	(7,5)	(2,7%)	(2,2)	42%
of which (cost) not recurrent	(0,3)		0,0		0,3	
Profit (loss)	6,2	2,8%	30,5	11,0%	24,3	389,2%
Margin (%)	2,8%		0,1		8,2%	
Profit (loss) for the year of minority interests	(0,2)	(0,1%)	(0,1)	(0,0%)	0,0	(20,7%)
Profit (loss) attributable to owners of the parent	6,1		30,4		24,3	400,3%
	2,7%		11,0%			
Adjusted EBITDA	37,3		48,0		10,7	28,7%
Margin (%)	16,8%		17,4%		0,6%	
Profit (loss) adjusted	11,4		20,0		8,6	75,8%
Percentage (%)	5,1%		7,3%		2,1%	

Comments

Revenues

- Increase in revenue +24,2% (constant F/X +26,8%) driven by volumes xx

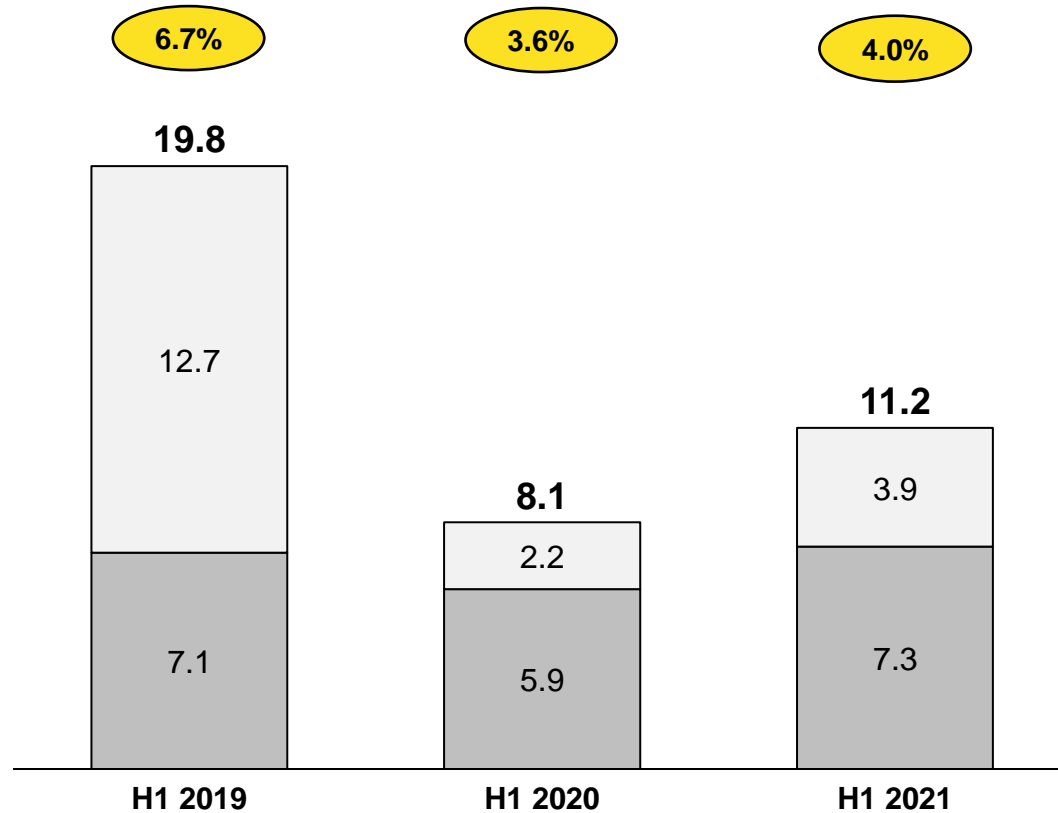
Costs

- Raw material price increase, partially offset by positive performance on product cost reduction
- Improvement in costs for outbound delivery and warehousing partially offset by increase in inbound logistic costs
- Personnel cost increase driven by new competences hiring

Capex: relevant investments in Digital

In € millions

% on Revenues



Comments

Tangibles Capex

- Tools and molds for new products
- Production lines and manufacturing equipment
- Corporate facilities, studio and network infrastructure

Intangibles Capex

- Digital and content development
- New products development
- IT activities

□ PPE □ Intangibles

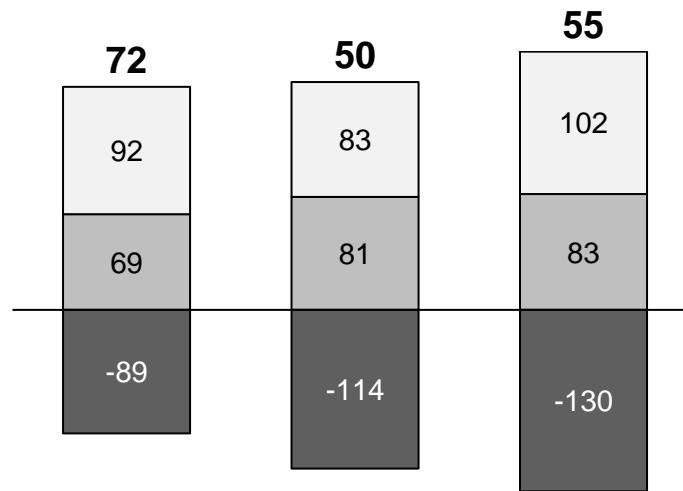
* CAPEX: excluding financial investments (investment in JV.) and IFRS16 impact (Rent associated to rights-of-use)

Working Capital: positive performance in DSO and DPO

In € millions

Trade Working Capital evolution

Inventories
 Trade Receivables
 Trade Payable



H1 2020

Dec 2020

H1 2021

% on Sales rolling LTM

12.0%

9.7%

9.8%

Inventory Turnover

4.6x

4.1x

3.9x

IFRS Balance DSO

35

46

43

IFRS Balance DPO

89

130

134

Comments

- **Inventories:** higher vs 2020, with a shift from BTB to BTC products
- **Trade receivables:** DSO shows a positive decreasing trend, due to credit reduction activity and growth in Home consumer segment
- **Trade payable:** DPO improved from 89 to 134 days

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

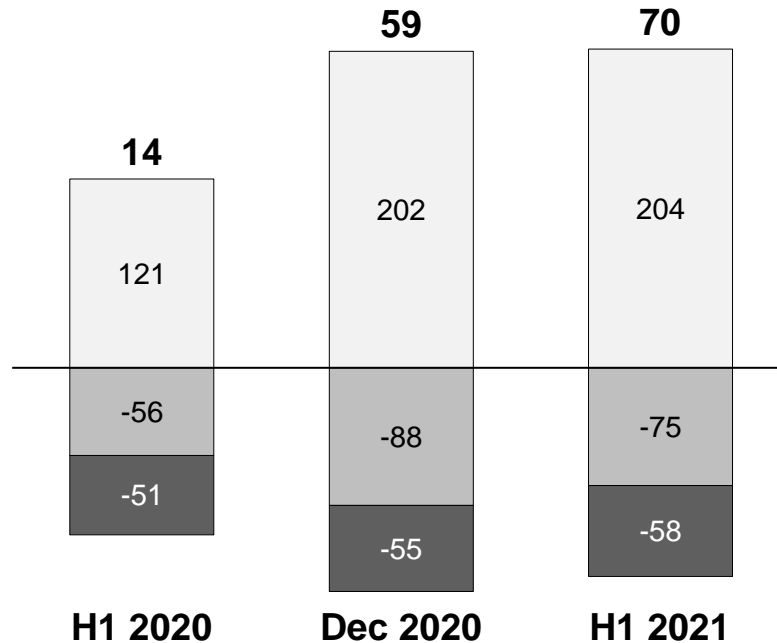
DSO: Calculated as Account receivables net of VAT (~ 11%) / Total turnover

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

Net Financial Position: cash at 204 m€

In € millions

Net Financial Position



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

Comments

Free Cash Flow pre tax at 31.6m € in H1 2021, with a 54% conversion rate

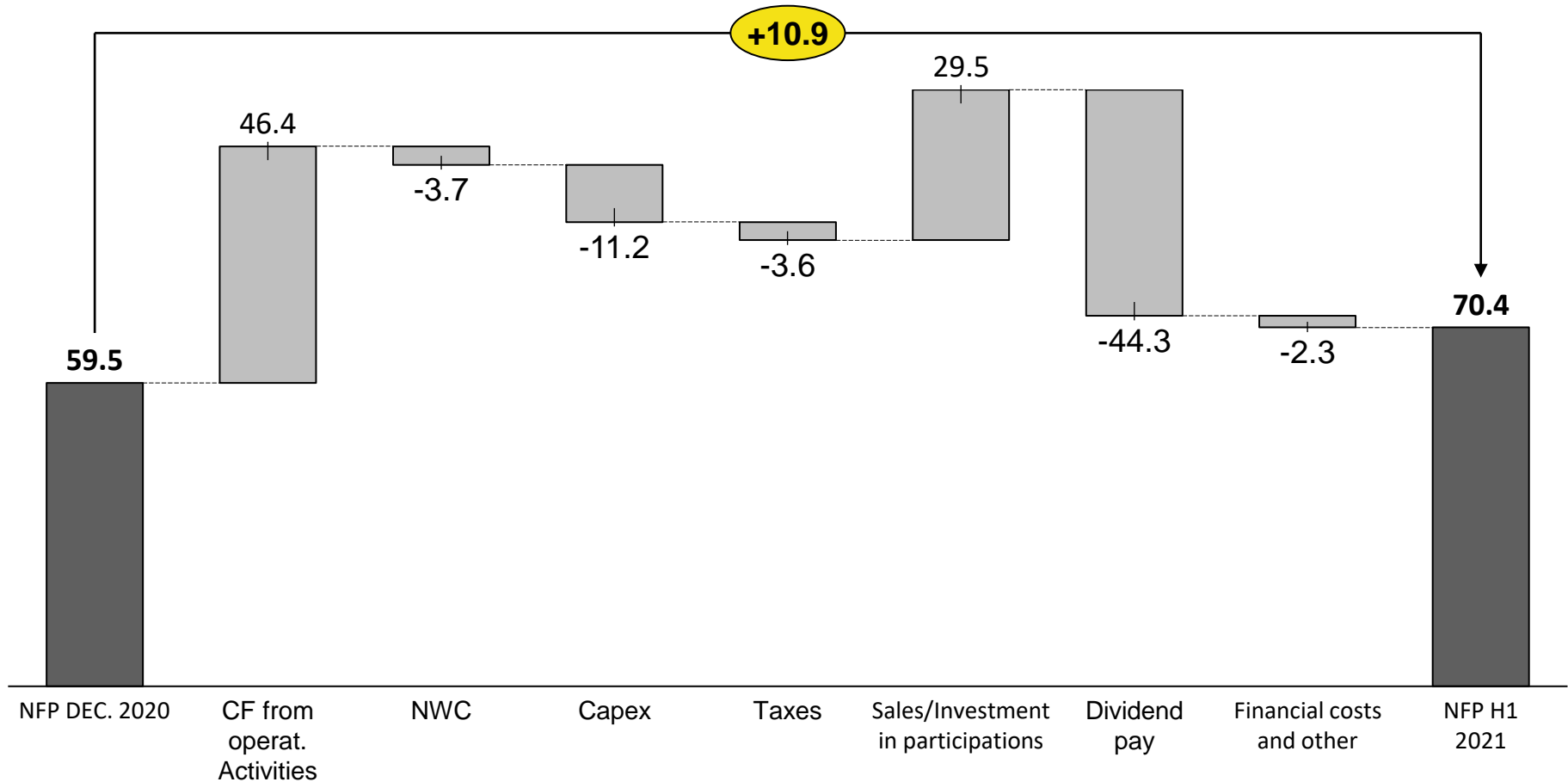
Other financial debt

- Leasing exposure stands at 32.7m € vs 26.9m € as of June 2020
- IFRS 16 impact on financial debt is 24.3m € as of June 2021

Without considering IFRS16 impact, NFP would be 94.7m € vs 37.4 € as of June 2020

Net Financial Position* at 70.4m€

In € millions



* IFRS16 impact included
 Excluding IFRS16 impact: from 83,2m€ (Dec20) to 94,7m€ (Jun21) +11,5m

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