



HALF-YEARLY FINANCIAL REPORT 2024



TECHNOGYM GROUP

HALF-YEARLY FINANCIAL REPORT AS OF 30 JUNE 2024



The Wellness Company

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1. CORPORATE DATA

Registered office

Technogym S.p.A.
Via Calcinaro, 2861
47521 Cesena (FC) – Italy

Legal details

Authorised and subscribed share capital Euro 10,066,375
VAT number, Tax Code and CCIAA (Chamber of Commerce, Industry, Craft Trade and Agriculture) no.: 06250230965
Forli Cesena Economic and Administrative Register no. 315187

Technogym stores

Cesena, Via Calcinaro 2861
Milan, Via Durini 1
New York, 380 West Broadway
London, c/o Harrods, Brompton Road 87-135
London, Selfridges Oxford Street, 400
London Berkley, Piccadilly 71
Madrid, Calle de Claudio Coello, 77
Los Angeles, 131 N Robertson Blvd, CA 90048
Munich, Neuturmstraße 5, 80331
Hamburg, Neuer Wall 77, 20354
Dubai, 795 Jumeirah St, Umm Suqeim, Umm Suqeim 2
Abu Dhabi, c/o Marina Mall, King Salman Bin Abdulaziz Al Saud Street 18/3
Paris, Avenue de Friedland 15

Website

www.technogym.com

Investor relations

investor.relations@technogym.com

Press Office

pressoffice@technogym.com

2. CORPORATE BODIES

Board of Directors

President and Chief Executive Officer	Nerio Alessandri
Deputy Chairperson	Pierluigi Alessandri
Directors	Erica Alessandri
	Carlo Capelli ⁽²⁾
	Maurizio Cereda ⁽³⁾
	Francesco Umile Chiappetta ^{(1) (4) (5) (6)}
	Chiara Dorigotti ^{(1) (3) (5)}
	Melissa Ferretti Peretti ^{(1) (4)}
	Vincenzo Giannelli ^{(1) (4)}
	Maria Cecilia La Manna ^{(1) (3) (5)}

Board of Statutory Auditors

Chairperson	Francesca Di Donato
Standing Auditors	Pier Paolo Caruso
	Fabio Oneglia
Alternate Auditors	Laura Acquadro
	Stefano Sarubbi

Supervisory Body

Chairperson	Andrea Ciani
Members	Giuliano Boccanegra
	Riccardo Pinza

Financial Reporting Officer

William Marabini

Independent Auditors

PricewaterhouseCoopers S.p.A.

⁽¹⁾ Independent Director

⁽²⁾ Director Responsible for the Internal Audit and Risk Management System

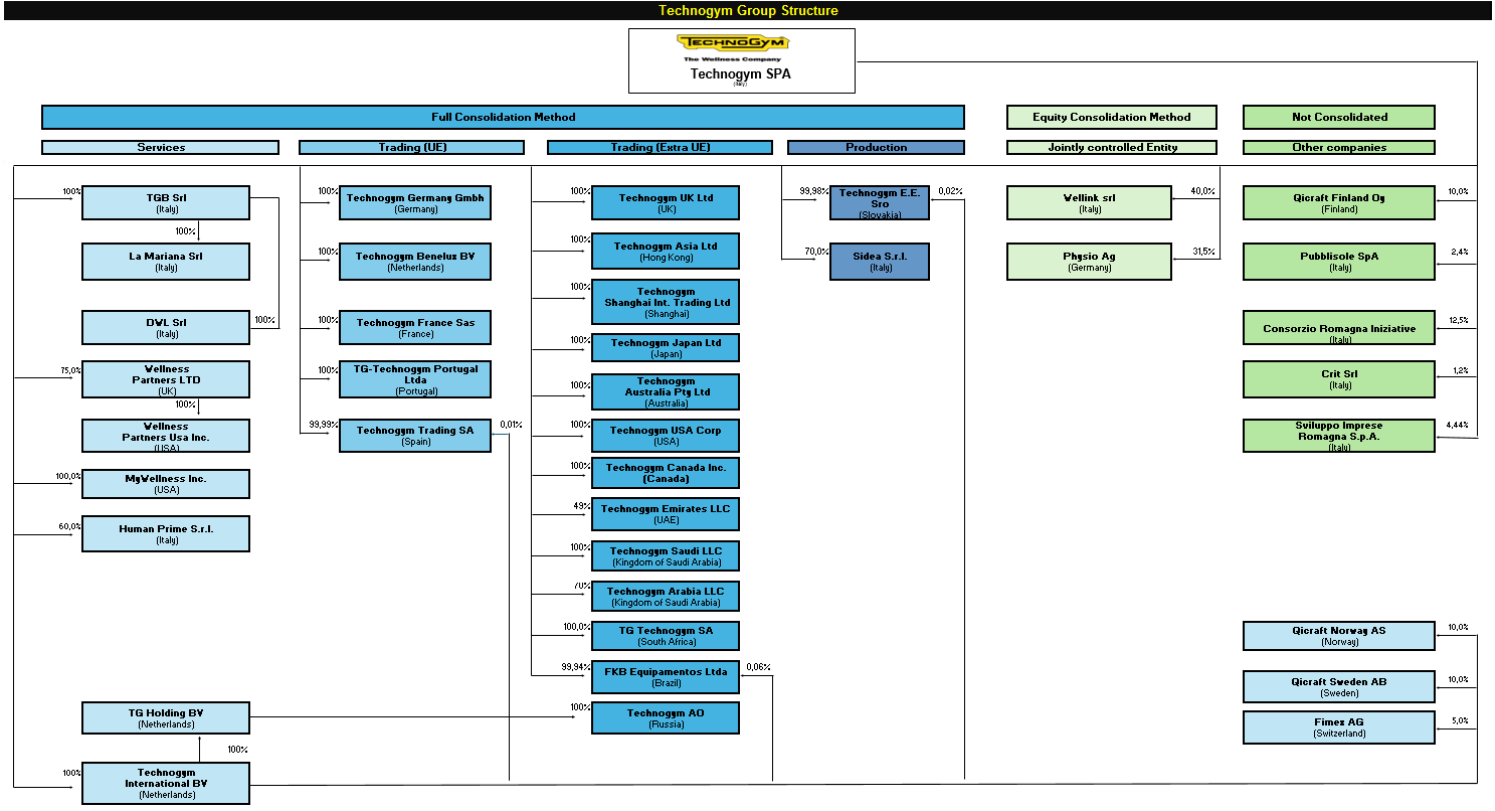
⁽³⁾ Member of the Control, Risks and Sustainability Committee.

⁽⁴⁾ Member of the Appointments and Remuneration Committee.

⁽⁵⁾ Member of the Related Party Transactions Committee

⁽⁶⁾ Lead Independent Director

3. GROUP ORGANISATIONAL CHART AS OF 30 JUNE 2024



4. INTERIM BOARD OF DIRECTORS' REPORT

Operating performance and comments on the economic and financial results

Macroeconomic scenario

In the first half of 2024, the global economy showed moderate growth with respect to the same period of 2023. The post-pandemic recovery continued to positively influence many economies, although geopolitical tensions and restrictive monetary policies posed significant challenges. Global growth was supported by resilient domestic consumption and an improvement in supply chains, but was moderate with respect to the pace in 2023 due to weaker external demand and persistent inflationary pressures (source: International Monetary Fund, July 2024).

In Italy, the economy showed signs of a slowdown in the first half of 2024 compared to 2023. GDP growth reached 0.5% in the first quarter and 0.3% in the second quarter compared to growth of 0.5% and 0.4% in the same quarters of 2023 (Bank of Italy, Economic Bulletin, July 2024). Inflation remained stable at around 1.4% year on year, lower than 1.7% in the same period of 2023 thanks to a reduction in energy and food prices (ISTAT, July 2024). Unemployment declined slightly to 7.9% compared to 8.1% in the first half of 2023 thanks to increased workforce participation and employment incentives (Ministry of Labour and Social Policies, July 2024). The manufacturing sector declined primarily as a result of supply chain difficulties and a decline in foreign demand. The luxury sector continued to grow thanks to strong domestic demand and exports to emerging markets. Tourism showed signs of a recovery, with an increase in bookings and occupancy, although it still has not returned to pre-pandemic levels. In general, services saw sustained growth, especially in the financial and tech sectors.

In Germany, GDP growth was modest, with an increase of 0.3% in the first quarter and 0.2% in the second quarter of 2024 compared to growth of 0.6% and 0.4% in the same quarters of 2023 (Bundesbank, July 2024). Inflation dipped to 1.6% in the first half of 2024 compared to 2.0% in the same period of 2023, primarily as a result of the slowdown in energy prices (Destatis, July 2024). The manufacturing sector experienced a setback, influenced by difficulties in the automotive industry and raw material procurement issues (Ifo Institute, July 2024). The luxury sector recorded sustained growth, driven by domestic demand and exports. There was a recovery in tourism, with an increase in tourists compared to 2023. Services continued to grow, with particular strength in the tech and financial sectors.

In the United States, the economy continued to expand at a sustained pace, with GDP growth of 0.7% in the first quarter and 0.6% in the second quarter of 2024 compared to growth of 0.5% and 0.7% in the respective quarters of 2023 (U.S. Bureau of Economic Analysis, July 2024). Inflation dropped to 3.0% in the first half of 2024 compared to 4.2% in 2023, thanks to a reduction in energy prices and the moderation of food costs (U.S. Bureau of Labor Statistics, July 2024). Consumer expense remained robust, supported by a strong labour market and higher wages (Federal Reserve, July 2024). The manufacturing sector saw moderate growth, with solid domestic demand offsetting weak exports. The luxury sector continued to prosper, driven by strong domestic demand. Tourism showed signs of a recovery, with an increase in bookings and tourists. Services recorded robust growth, especially in the tech and healthcare sectors.

Geopolitical tensions, particularly the conflicts in the Middle East and the war in Ukraine, had a significant impact on the global economy. These conflicts contributed towards increasing economic uncertainty, negatively influencing the energy markets as well as global supply chains (World Bank, July 2024). The conflict in Ukraine continued to influence raw material prices, particularly the prices of wheat and natural gas, with impacts on inflation and production costs in Europe. Conflicts in the Middle East contributed towards keeping oil prices high, increasing energy costs at global level (International Energy Agency, July 2024). These factors generated additional inflationary pressures and slowed economic growth in a number of regions around the world.

Currency market

In the first half of 2024, the global currency markets saw significant fluctuations. The euro had varying performance with respect to the main global currencies. It weakened against the US dollar. This trend reflects the divergence between the monetary policies of the European Central Bank (ECB) and the Federal Reserve. While the ECB kept a more accommodating monetary policy to support economic growth and combat moderate inflationary pressure, the Federal Reserve adopted a more restrictive line, boosting interest rates to combat persistent inflation in the United States. This strengthened the dollar against the euro, making the latter less attractive for investors (sources: ECB, July 2024; Federal Reserve, July 2024). Indeed, the US dollar saw a general strengthening against the major global currencies, supported by an economy that continued to expand at a sustained pace. A robust job market and rising wages further supported the dollar, making it a safe haven currency within a context of global economic uncertainty. The Federal Reserve's restrictive monetary policy played a crucial role in this strengthening, as higher interest rates attract foreign capital seeking higher returns (Federal Reserve, July 2024).

The euro showed a certain degree of stability against the British pound. The Bank of England adopted a prudent monetary policy, with slight interest rate hikes to combat inflation. However, domestic political uncertainty and post-Brexit negotiations continued to negatively influence the pound. As a result, the pound experienced volatility, while the euro benefitted from greater economic stability in the Eurozone, despite internal challenges (Bank of England, July 2024).

The performance of the euro was relatively better against the Japanese yen. The yen continued to weaken against the US dollar and the other main currencies as a result of the Bank of Japan's ultra-accommodating monetary policy, with interest rates remaining negative and a large-scale asset acquisition programme to stimulate the economy. This policy conflicted with the more restrictive approach of the central banks in Europe and the United States, contributing towards weakening the yen (Bank of Japan, July 2024).

Geopolitical tensions, particularly the war in Ukraine and conflicts in the Middle East, had a significant impact on currency markets, adding volatility and uncertainty. These conflicts influenced raw material prices and global supply chains, impacting the economies involved as well as their trading partners. The war in Ukraine continued to influence raw material prices, such as the prices of wheat and natural gas, with repercussions on inflation and production costs in Europe, while the conflicts in the Middle East kept oil prices high, boosting global energy costs (World Bank, July 2024; International Energy Agency, July 2024).

Industry scenario

In the first half of 2024, the fitness market continued to grow compared to the same period of 2023, with a significant increase in demand for services and products linked to physical well-being. The post-pandemic recovery accelerated sector growth, with an increase in new gym memberships, higher sales for home fitness equipment and greater adoption of fitness technologies and apps. Home fitness continues to be a significant part of the market. Sales of home fitness equipment grew slightly in the first half of 2024 with respect to the same period of 2023.

One of the main sector trends is the integration of technology into fitness, offering personalised training, real time health and physical shape monitoring and supportive virtual communities. Another significant trend is the return to gyms and fitness centres, with many people seeking social experiences and the specialised equipment that they offer. Gyms have answered this demand by improving their facilities, offering new group classes and implementing safety measures to guarantee a safe and clean environment. Holistic fitness is another rising trend, with an increasing number of people adopting integrated approaches to health and wellness. This includes practices like yoga, meditation, Pilates and other forms of exercise that promote mental as well as physical well-being.

Lastly, sustainability is an increasingly relevant topic. Consumers are very attentive to the environmental impact of the products and services they use and are looking with increased attention towards companies with a clear sustainability policy.

Comments on the economic and financial results

The economic data recorded by the Group in the first half of 2024 are summarised below, and compared with the first half of the previous year:

<i>(In thousands of Euro, with ratios)</i>	Half year ended 30 June		Changes	
	2024	2023	2024 vs 2023	%
Revenues	402,096	370,002	32,094	8.7%
Adjusted EBITDA ⁽¹⁾	66,725	59,386	7,339	12.4%
Adjusted EBITDA margin ⁽¹⁾	16.6%	16.1%	0.5%	3.4%
Adjusted net operating income ⁽²⁾	40,181	35,061	5,120	14.6%
Adjusted group profit for the period ⁽³⁾	32,462	28,137	4,325	15.4%
Adjusted group profit margin for the period ⁽³⁾	8.1%	7.6%	0.5%	6.2%

(1) The Group defines:

- adjusted EBITDA as the net operating income, adjusted by the following income statement items: (i) net provisions; (ii) depreciation, amortisation and impairment losses (write-backs) and (iii) non-recurring income/(expenses);

- the adjusted EBITDA Margin as the ratio between adjusted EBITDA and total revenues;

(2) The Group defines adjusted net operating income as the net operating income adjusted for non-recurring income/(expenses);

(3) The Group defines:

- adjusted group profit as group profit adjusted for non-recurring income/(expenses) and non-recurring taxes;

- the adjusted profit margin for the period as the ratio between adjusted profit for the period and total revenues.

The following table summarises the main economic indicators used by the Group:

<i>(In ratios)</i>	Half year ended 30 June	
	2024	2023
ROS ⁽⁴⁾	9.7%	9.8%
Adjusted ROS ⁽⁵⁾	10.0%	9.5%
ROE ⁽⁶⁾	9.6%	9.0%
ROI ⁽⁷⁾	16.4%	14.5%
Adjusted ROI ⁽⁸⁾	17.0%	14.0%
Adjusted EBITDA/financial expenses ratio ⁽⁹⁾	153.88	157.14
Net indebtedness/adjusted EBITDA ratio	n.a.	n.a.

The Group defines:

(4) ROS as the ratio between Net operating income and total revenues;

(5) Adjusted ROS as the ratio between Adjusted net operating income and total revenues;

(6) ROE as the ratio between the Profit (loss) attributable to owners of the parent and Group equity;

(7) ROI as the ratio between Net operating income and Net Invested Capital;

(8) Adjusted ROI as the ratio between Adjusted net operating income and Net Invested Capital;

(9) Financial expenses refer exclusively to: (i) Bank interest on loans and (ii) Bank interest and fees.

Total revenues came to Euro 402,096 thousand, up by Euro 32,094 thousand compared to Euro 370,002 thousand in the first half of 2023. The improvement in performance over the prior year (+8.7%) can be attributed to all Commercial segments, particularly the Club segment, as well as a positive result in the BtoC segment, confirming the trend already seen in the first quarter of the year. With constant exchange rates, total revenues as of 30 June 2024 would have been equal to Euro 404,218 thousand (+9.2% compared to the first half of 2023).

Adjusted EBITDA came to Euro 66,725 thousand, up by Euro 7,339 thousand (+12.4%) compared to Euro 59,386 thousand in the first half of 2023.

This performance is attributable for the most part to the increase in sales volumes, first and foremost in the BtoB segment, and the improvement in the product mix, in addition to the increase in turnover from digital content and services. Furthermore, the Group has improved its profitability thanks to increased efficiencies in the production process, which resulted in lower production costs and benefitted from an overall reduction in international transport costs compared to June 2023. In this context, the adjusted EBITDA margin was 16.6%, up compared with 16.1% in the previous year.

Adjusted net operating income came to Euro 40,181 thousand, up by Euro 5,120 thousand (+14.6%) compared to Euro 35,061 thousand in the first half of 2023, also influenced by the trends mentioned above. Net operating income was also affected by the amortization and depreciation in the period, standing at Euro 24,966 thousand and up Euro 2,451 thousand compared with the previous financial year, relating especially to ongoing investments made by the Group in digital transformation and in the upgrading of its boutique stores in the most important cities in the world. The **Adjusted ROS**, amounting to 10% for the half year ended on 30 June 2024, was therefore up compared to 9.5% in the first half of the previous year. In this regard, it should be recalled that the trend of revenues in the different quarters of the year is linked primarily to customers' tendency to make their purchases in the second half of the year, and this makes it possible to record generally higher operational profitability in the second part of the year.

The **Group's Adjusted profit for the period** came to Euro 32,462 thousand, up by Euro 4,325 thousand (+15.4%) compared to Euro 28,137 thousand in 2023. This trend is in line with the above-mentioned trends as well as positive financial management, whose net impact is equal to Euro 1,970 thousand, and the measurement of minority investments at fair value in accordance with IFRS 9 for Euro 410 thousand. The Group's adjusted profit represents 8.1% of revenues, while in the first half of 2023 it was 7.6%.

Net non-recurring expense came to Euro 1,313 thousand as at 30 June 2024, essentially relating to the cost of services, personnel expenses and the relative costs not associated with normal operations.

As at 30 June 2023, the Group recorded net non-recurring income of Euro 337 thousand due to the combination of: positive effects from the measurement of the equity investment in Technogym Emirates LLC and the departure from the Group of Technogym Manno for a total of Euro 4,534, gross of a tax effect of Euro 976 thousand; negative impacts were caused by costs for services, personnel expenses and other operating costs non linked to normal operations for a total of Euro 1,296 thousand, in addition to the provision for risks and charges of Euro 1,925 thousand correlated with part of the liquidity held by the Russian affiliate Technogym AO, which, following the limitations imposed by the Russian Federation due to the conflict in Ukraine, was deemed at risk should it be distributed to the parent company, taking into account the arrangements under assessment.

The ratio of Net Indebtedness to Adjusted EBITDA is considered insignificant given that the Group, both as of 30 June 2024 and during the previous financial year, had a positive Net Financial Position.

The table below shows the consolidated statement of financial position in condensed and reclassified form, which reports the structure of invested capital and sources of financing as of 30 June 2024 and as of 31 December 2023:

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Loans		
Net Fixed Capital ⁽¹⁰⁾	277,504	275,501
Net Operating Capital ⁽¹¹⁾	(40,826)	(38,576)
Net Invested Capital	236,678	236,924
Sources		
Equity	330,559	363,712
Net financial position ⁽¹²⁾	(93,881)	(126,788)
Total sources of financing	236,678	236,924

(10) Net fixed capital is composed of: (i) Property, plant and equipment; (ii) Intangible assets; (iii) Investments in joint ventures and associates; (iv) Deferred tax assets; (v) Non-current financial assets; (vi) Other non-current assets; (vii) Deferred tax liabilities; (viii) Employee benefit obligations; (ix) Non-current provisions for risks and charges; and (x) Other non-current liabilities (excluding trade payables maturing in more than 12 months);

(11) Net operating capital is composed of: (i) Inventories; (ii) Trade Receivables; (iii) Other current assets; (iv) Trade payables; (v) Income tax liabilities; (vi) Current provisions for risks and charges; and (vii) Other current liabilities;

(12) The net financial position consists of: (i) Current financial assets; (ii) Financial derivative assets; (iii) Cash and cash equivalents; (iv) Non-current financial liabilities (including trade payables maturing in more than 12 months); (v) Current financial liabilities; and (vi) Financial derivative liabilities.

Net fixed capital came to Euro 277,504 thousand, up Euro 2,003 thousand compared to Euro 275,501 thousand for the year ended 31 December 2023. This increase can be primarily attributed to the net effect of (i) higher property, plant and equipment, following investments in new dies and equipment for production facilities, as well as expenses incurred for the upgrading and expansion of boutique stores and offices at commercial branches; (ii) the purchase of a bond, with repayment on 25 October 2025 (see paragraph “5.4 Non-current and current financial assets” for more details); (iii) a decline in transferred trade receivables due after 12 months.

Net operating capital came to a negative Euro 40,826 thousand, down by Euro 2,250 thousand compared to the negative value of Euro 38,576 thousand as of 31 December 2023. The change is mainly the result of the trend in net operating working capital, and is influenced in particular by the net effect of these factors: (i) decrease in the balance of the item “Trade receivables” of Euro 6,774 thousand, due to the increase in turnover in the final months of the previous year, with the resulting collection of invoices issued in the early months of the following year; (ii) increase in the item “Trade payables” of Euro 4,731 thousand; (iii) increase in the balance of the item “Inventories” of Euro 19,032 thousand, due primarily to the Group’s stock reserves in view of sales referring to the second part of the year. It should also be noted that: (i) the average number of days in inventory went from 71 for the year ended 31 December 2023 to 78 for the half year ended 30 June 2024 (the inventory turnover ratio went from 5.1 to 4.6); (ii) the average days of collection of trade receivables went from 43 for the year ended 31 December 2023 to 36 for the half year ended 30 June 2024 (the trade receivables turnover ratio went from 8.4 to 10); and (iii) the DPO went from 106 for the year ended 31 December 2023 to 105 for the half year ended 30 June 2024 (the trade payables turnover ratio was 3.4 at 31 December 2023 and in the current year).

Equity totalled Euro 330,559 thousand, down by Euro 33,153 thousand compared to Euro 363,712 thousand in the year ended 31 December 2023. This decline is due to the combined effect of: (i) the distribution of dividends, of which Euro 51,756 thousand approved by the Parent Company, Euro 1,400 thousand by the associated company Technogym Emirates LLC and Euro 450 thousand by the associated company Sidea; (ii) the conclusion of the share purchase plan announced on 6 November 2023 and concluded in the course of 2024, which triggered an increase in the respective reserve recognised as a reduction of shareholders' equity; (iii) the recognition of the profit of Euro 31,148 thousand for the first half of 2024.

The **Net financial position** as of 30 June 2024, which includes the effects of adopting IFRS 16, was positive by Euro 93,881 thousand, down compared to Euro 126,788 thousand at the end of the previous year. This decrease is mainly attributable to the payment of dividends of Euro 52.9 million, the treasury share purchase plan announced on 6 November 2023 and concluded in 2024 and the purchase of a medium-long term bond of Euro 3 million, despite the cash flow generated by operations of Euro 64.9 million (up by Euro 10 million compared to June 2023) and a positive change of Euro 8.4 million in net working capital. The net financial position not including the effects of IFRS 16 amounts to Euro 141.8 million. The Group did not take out any loans from credit institutions during the year and has available stand-by lines of credit, hot money and current account overdrafts from credit institutions.

The following table shows the amount the Group's Recurring Free Cash Flow as of 30 June 2024 and 30 June 2023:

<i>(In thousands of Euro, with ratios)</i>	Half year ended 30 June		Changes
	2024	2023	2024 vs 2023
Net cash inflow from operations	64,929	54,956	9,973
Change in net working capital ⁽¹³⁾	8,356	(21,554)	29,910
Investments in fixed assets	(14,184)	(15,678)	1,494
Recurring Free Cash Flow Pre-tax ⁽¹⁴⁾	59,101	17,724	41,377
Income taxes paid	(15,898)	(11,268)	(4,629)
Recurring Free Cash Flow ⁽¹⁵⁾	43,203	6,456	36,748
EBITDA	65,665	62,625	3,041
Cash conversion rate ⁽¹⁶⁾	90.0%	28.3%	61.7%

The Group defines:

(13) The Change in Net Working Capital as the change in: (i) inventory, (ii) trade receivables, (iii) trade payables, (v) other assets and liabilities;

(14) The Recurring Free Cash Flow Pre-tax as the difference between: (i) cash flow generated by operations, (ii) change in Net Working Capital, (iii) Investments in fixed assets;

(15) The Recurring Free Cash Flow as the difference between the Recurring Free Cash Flow Pre-Tax and Taxes paid;

(16) The Cash conversion rate as the ratio between the Recurring Free Cash Flow Pre-Tax and EBITDA.

The **Recurring Free Cash Flow pre-tax** generated by the Group as of 30 June 2024 came to Euro 59,101 thousand. The profit derives from cash flow generated by operations of Euro 64,929 thousand as well as a positive change in net working capital of Euro 8,356 thousand, despite investments in fixed assets of Euro 14,184 (compared to Euro 15,678 thousand in June 2023). Considering the taxes paid over the year of Euro 15,898 thousand, the Group generated a **Recurring Free Cash Flow** of Euro 43,203 thousand, compared to Euro 6,456 thousand as of 30 June 2023. The **Cash Conversion Rate** generated amounted to 90.0% compared to 28.3% in the same period of the previous year.

Please note that during the period in question and in the same period of the previous year, there were no non-recurring elements in the items mentioned above.

Segment reporting

The operating segment information was prepared in accordance with IFRS 8 “Operating Segments”, which requires the information to be reported consistently with the method adopted by the management when making operational decisions. The Group’s approach to the market follows a unique business model that offers an integrated range of ‘Wellness solutions’ and also pursues higher levels of operational efficiency through cross-production.

However, for the purposes of sales analysis, company management considers the customer base, geographical area and distribution channels to be important aspects.

The type of organisation described above reflects the way that Management monitors and strategically directs the activities of the Group.

A breakdown of the Group’s revenues by customer segment, geographical area and distribution channel is provided below:

<i>(In thousands of Euro and percentage of total revenues)</i>	Half year ended 30 June			
	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%

Revenues as of 30 June recorded solid growth in the Commercial business (+8.9%), which further accelerated the trend already underway in the first quarter of 2024, as well as in the BtoC segment (+8.0%), which confirmed the performance of the first 3 months of the year. It is necessary to note the trend of the Clubs segment, the company’s core business, which recorded solid double-digit growth over the previous year.

A breakdown of revenues by geographical area is provided below:

<i>(In thousands of Euro and percentage of annual change)</i>	Half year ended 30 June			
	2024	2023	24 vs 23	%
Europe (without 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%

From the geographical perspective, it is necessary to note in particular the positive performance of Europe and MEIA. In Europe, the result is strictly correlated with growth in the main markets.

APAC recovered the delay accumulated in the first quarter of the year (-1.5%), closing the half-year period nearly in line with the previous year thanks to good performance in the relative key geographical areas.

A breakdown of revenues by sales channel is provided below:

<i>(In thousands of Euro and percentage of annual change)</i>	Half year ended 30 June			
	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%

Market segment trends also reflect, as usual, the evolution of the sales channels. Thus, the two channels most exposed to the Commercial segment, Field Sales and Wholesale, recorded excellent growth during the half year. There was also good growth in the primarily consumer channels, Retail and Inside Sales. In particular, the Retail channel (+30.2%) benefitted from its more widespread nature and geographical coverage.

Season-related aspects

As described in previous years, the Group's results are impacted by the typical seasonal nature of the *fitness* equipment market, while there were no specific season-related aspects concerning Group operations.

Like for revenues, some operating costs also incorporate seasonal trends, such as costs for marketing and trade shows, which are primarily concentrated in the first half of the year. Therefore, the incidence of costs on revenues varies considerably over the quarters and, consequently, the operating profitability changes, generally higher in the second half of the year. Consequently, the interim results do not make a uniform contribution to the results for the year and only partially represent the trend in Group activities.

Risk factors

Financial risks

Financial markets continued to be volatile in 2024.

In this scenario, the Group implemented policies to monitor potential risks, adopting adequate mitigation measures for every type of financial risk.

Credit risk

The Group has an international customer base and a network of known and trusted distributors. The Group makes use of an internally developed Risk Score Rating system integrated with data from known external data banks and these help the Group to manage requests for non-standard payment terms and take out credit insurance policies as necessary. Tight credit control allowed the Group to record contained levels of past due amounts.

In continuity with previous years, in the first half of 2024 the Group constantly monitored the recoverability of the value of receivables on which there is a buyback obligation. On the basis of analyses of the transferred portfolio and the information available at the date on which these financial statements were drafted, the Group decided to leave the bad debt provision unchanged for the first half of the year, given that the default of several customers with probable risky positions has not yet taken place.

Interest rate risks

Interest rate risk is related to the use of short and medium/long-term credit lines. Variable rate loans expose the Group to the risk of fluctuations of cash flows due to interest. The Company does not use derivative instruments to hedge interest rate risks.

Exchange rate risk

The Group operates internationally and is therefore exposed to exchange rate risk with regard to business and financial transactions entered into in USD, GBP, AUD, BRL, RUB and JPY. The Group puts in place exchange rate risk hedges based on the ongoing assessment of market conditions and the level of net exposure to the risk, combining the use of:

- › “Natural hedging”, i.e. a risk management strategy that pursues the objective of combining both economic-financial flows (revenues-costs, collections-payments) and balance sheet assets and liabilities that are denominated in the same foreign currency and that have a consistent time frame so to realise net exposures to exchange rate risk which, as such, may be hedged more effectively and efficiently;
- › Derivative financial instruments, to hedge net exposures in assets and liabilities denominated in foreign currency;
- › Derivative financial instruments used as cash flow hedges relating to highly probable future transactions (Cash Flow Hedge Highly Probable Transaction).

Liquidity risk and change in cash flows

The Group's liquidity risk is closely monitored by the parent company. In order to minimise the risk, the Group has implemented centralised treasury management with specific procedures that aim to optimise the management of financial resources and the needs of the Group companies.

Price risk

The Group purchases materials from international markets and is therefore exposed to the risk of price fluctuations. This risk is partially hedged by foreign currency forward purchase agreements with settlement dates consistent with the purchase obligations.

Risks related to supplier relations

The Group has always been committed to developing innovative, high-performance quality solutions. To continue this commitment, a close collaboration needs to be maintained with suppliers, particularly those who produce materials and technologies suitable for use in the fitness industry, even if they primarily operate in other sectors.

Technogym's supply chain includes suppliers who provide “bill of materials” supplies, some of which are key to Technogym's success, including those that contribute directly to product creation, and also “indirect” suppliers who provide other services or materials, as well as the equipment used in production.

The Group works closely with those suppliers considered key to the success of its products, establishing long-term relationships in order to minimise the risks related to the potential unavailability of raw materials within the required timescales.

Periodic performance checks are made, and controls carried out regarding compliance with current environmental and social regulations aimed at guaranteeing a stable supply chain. Technogym has also adopted a structured supply chain assessment process involving on-site audits and checks, which ensures continuous monitoring, and requires its suppliers to comply with the REACH and RoHS directives.

Non-financial risks

Internal risks - effectiveness of processes

The processes that characterise the different areas of the Group business are carefully positioned in a well-structured system of responsibilities and procedures. The application of these procedures ensures the correct and homogeneous development of processes over time, irrespective of personal interpretations, also making provision for mechanisms of gradual improvement.

The set of procedures for the regulation of company processes is incorporated in the Quality Assurance System and subject to certification by third parties (ISO 9001).

Within the system of processes, the procedures for the management of insider information and for human resources selection and management are regulated.

External risks - markets, country risk

Market risk is mitigated by the Group's geographically diverse operations and product diversification across market segments.

As the Group operates on an international level, it is exposed to local economic and political conditions, potential restrictions on imports and/or exports and controls over cash flows and exchange rates.

Management is continuing to constantly monitor developments in the conflict in Ukraine and the resulting embargoes on the Russian market. It should be noted that the Group's Ukrainian operations are all through a local distributor, and the volumes are low. Technogym continues to follow the restrictions that prohibit exports to the Russian market and during the year maintained the provision for risks and charges recorded in 2023 thousand correlated with part of the liquidity present and which following the conflict is deemed at risk should it be distributed to the parent company, taking into account the methods in the course of assessment.

Risks related to cyber attacks

The technological acceleration of digital transformation internally and in relation to the market, driven by the health emergency, exposes the Group to the potential risk of cyber attacks (cyber risks). In this regard, the Group has adopted a governance structure and cyber risk management model based on international standards in order to put in place the best technological solutions and choose the best partners to defend corporate assets as well as take out appropriate insurance cover. Specifically, the following are active:

- › an internal team of 3 units dedicated to defence (Blue Team), seeking out possible vulnerabilities (Red Team) and Governance, Risk and Compliance (GRC) of the company's entire electronic and digital infrastructure, in full synergy with the IT and Digital Departments;
- › a 24-hour Security Operation Center (SOC) service provided through an external supplier, which has the task of preventing cyber attacks using advanced technology solutions, both its own and those of high level partners. The SOC analyses the activity on networks, databases, applications, websites and other systems to discover any anomalous behaviour that could indicate or intercept a security threat or system compromise.

In the first half of 2024, a training and awareness course on cybersecurity issues was launched for all Technogym S.p.A. staff (who have e-mail accounts and/or company devices) with the support of a consultant of proven competence and professionalism. This support has also been extended to managing any cases of cyber fraud in which the company were to become a victim.

Research, innovation and development

Product innovation has always been the Technogym Group's driver of growth. The capacity to innovate is based primarily on the expertise acquired over time by the division dedicated to product research and development, activities traditionally considered an essential tool for reaching and consolidating a leading position in the international fitness equipment market owing to the quality, innovation and design of its products.

The first half of 2024 saw the successful continuation of the circulation of Technogym Ecosystem on the market, the first and only cloud based platform in the wellness sector; it allows individual users to access their personal data and training programs and provides a complete range of (consumer and professional) apps to access their individual wellness programs, including via mobile devices. The platform makes it possible to connect final users, professional operators and Technogym products ("Wellness on the Go") in real time and in any environment, by aiming to offer, on the one hand, greater personalisation and general improvement in the wellness experience for users and, on the other, new opportunities for professional operators to widen their customer base and retain customers.

On the product front, during the most important industry trade fairs like IHRSA, FIBO and Rimini Wellness, Technogym Checkup was presented, the innovative body assessment station which uses artificial intelligence to indicate the user's wellness age and automatically prescribe the ideal training protocol which is adapted over time, based on an analysis of physical and functional conditions.

Medical and scientific research

A scientific approach is an integral part of Technogym's product development, and the company works with many experts in the field as well as with numerous Italian and international universities. These partnerships focus on the biomechanical and physiological analysis of products being developed, in order to certify their security and effectiveness and study the benefits for sport and health. Technogym also collaborates with professional athletes and teams to support them in biomechanical and physiological analyses. These analysis activities are carried out in the Technogym Lab, a laboratory with spaces and technologies dedicated to physiological tests and movement analyses. During the year, a number of athletes in various sports were tested to evaluate their performance. The Technogym Lab, equipped with the latest technologies, is also currently used to analyse Technogym products in the development process.

In the course of 2024, scientific collaborations were consolidated at national level with the University of Urbino for data analysis on the benefits of the Technogym Corporate Wellness project and the University of Padua for the validation of data collected by the new Technogym Checkup. At international level, the collaboration continues with the American College of Sports Medicine, where the company has created an academic course entitled: "Resistance Training for Special Population"; while, in collaboration with "SCS - Strength & Conditioning Society", the company has entered into an agreement for the development of courses on training for team sports.

Scientific research in the area continues, with publications of scientific studies in indexed journals and the participation of Scientific Department managers at national and international conferences as speakers.

Investments and acquisitions

During the first half of 2024, the Group made investments in property, plant and equipment and intangible assets totalling Euro 15,028 thousand, down compared to the first half of 2023. These strategic investments are aimed at developing the business, postponing any non-urgent investments.

The data in this section does not include the recognition of the right of use arising from the adoption of IFRS 16. The tables to note 5.1 provide details on the impacts of that standard on the financial statements.

The amounts of investments made by the Group in the half year ended 30 June 2024 and in the half year ended 30 June 2023 are shown below, broken down by type:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Property, plant and equipment	7,403	9,808
Intangible assets	7,625	8,367
Total investments	15,028	18,175

The table below shows the amounts of investments made by the Group in the half year ended 30 June 2024 and in the half year ended 30 June 2023, relating to the item “Property, plant and equipment”, broken down by category:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Land	854	486
Buildings and leasehold improvements	1,388	1,499
Plant and machinery	353	270
Production and commercial equipment	2,454	3,433
Other assets	734	1,623
Assets under construction and advances	1,620	2,497
Total investments in property, plant and equipment	7,403	9,808

The table below shows the amounts of investments made by the Group in the half year ended 30 June 2024 and in the half year ended 30 June 2023, relating to the item “Intangible assets”, broken down by category:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Development costs	1,327	1,295
Patents and intellectual property rights	2,710	2,045
Concessions, licences, trademarks and similar rights	68	71
Intangibles under development and advances	3,246	3,663
Other intangible assets	274	304
Goodwill	-	989
Total investments in intangible assets	7,625	8,367

Investments in property, plant and equipment mainly include the purchase of land neighbouring the current production plant of the branch Technogym EE in Slovakia, as well as the purchase of new dies and equipment for production sites. Investments relating to the item buildings and leasehold improvements are linked to the opening, expansion and upgrading of boutique stores and offices at the commercial branches, including the new “One Barkeley Street” store in London, inaugurated in the early months of 2024, and the new boutique in New York opened during the end of 2023. Investments

in the item intangibles under development and advances include investments for the opening of new Technogym Experience Centers at the commercial branches Technogym Arabia in Riyadh and Technogym France in Paris.

Investments in intangible fixed assets include costs for the development of new projects and restyling of existing projects, as well as purchases of software.

Related party transactions

There were no related party transactions that had a significant impact on the financial position or results of the Group as of and for the half year ended 30 June 2024, as such to require prior approval by the Board of Directors.

Related party transactions were settled on an arm's length basis, and were valued and performed in respect of the appropriate internal procedure (which can be consulted on the website <http://corporate.technogym.com/it>, Governance section), which defines their terms and methods of verification and monitoring.

Information on relations with related parties, as required by Consob Communication no. DEM/6064293 of 28 July 2006, is presented in the financial statements and in the note "related party transactions" of the condensed half-yearly consolidated financial statements as of 30 June 2024.

Option not to disclose information in the case of non-material transactions

Pursuant to Article 70, paragraph 8, and Article 71, paragraph 1-bis of the Issuers Regulation, the Issuer opted to defer the obligation to disclose information in cases indicated in Articles 70, paragraph 6, and 71, paragraph 1 of the Issuers Regulation.

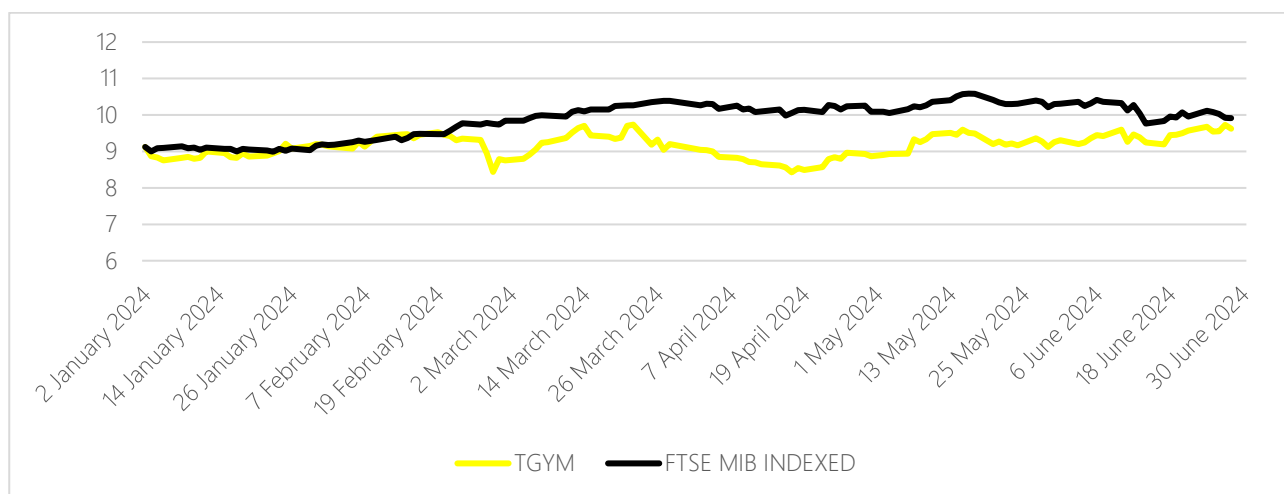
Information on shares

In this market context, some statistics concerning the performance of Technogym stock in the first half of 2024 are reported below. Please also note that the company owns a total of 2,165,785 treasury shares.

Share performance

The diagram below summarises the performance of the Technogym share price:

Main stock market indicators (Euro)	
<i>Shares listing</i>	
Official price as of 2 January 2024	9.14
Official price as of 30 June 2024	9.65
Minimum closing price (January-June)	8.43
Minimum price in absolute terms	8.41
Maximum closing price (January-June)	9.74
Maximum price in absolute terms	9.88
<i>Stock market capitalisation</i>	
Stock market capitalisation as of 02 January 2024	1,837,113,432
Stock market capitalisation as of 30 June 2024	1,936,770,521
<i>Ordinary shares</i>	
No. outstanding shares	199,161,715
No. of treasury shares	2,165,785



Shareholding structure

Shown below are the shareholders who, pursuant to Art. 120 of the Italian Consolidated Law on Finance (T.U.F.), hold a significant shareholding as of 30 June 2024:

Main shareholders	Number of shares	Share	Voting rights
TGH S.r.l.*	68,000,000	33.78%	50.48%
NIF Holding (Italy) S.r.l.	12,079,650	6%	4.48%

*company set up following the partial, proportional demerger of Wellness Holding S.r.l., which became effective on 14 May 2020.

Share capital as of 30 June 2024 amounted to Euro 10,066,375, divided into 201,327,500 ordinary shares with no par value.

As of the date of publication of these Condensed Half-Yearly Consolidated Financial Statements, TGH S.r.l. holds 33.78% of the Issuer's share capital (representing 50.48% of the total voting rights), NIF Holding (Italy) S.r.l. holds 6% of the Issuer's share capital (representing 4.48% of the total voting rights), while the remaining 60.22% of the Issuer's share capital is free float on the EXM market managed by Borsa Italiana S.p.A.

Significant events after the reporting period

Technogym will be the Official and Exclusive Supplier of the upcoming Paris 2024 Olympic and Paralympic Games, which starting from 26 July will bring together more than 15 thousand athletes from all over the world in Paris. For Technogym, this will be the company's ninth Olympics experience, following on from Sydney 2000, Athens 2004, Turin 2006, Beijing 2008, London 2012, Rio 2016, Pyeongchang 2018 and Tokyo 2020. Technogym will set up 29 athletic conditioning centres with more than 1200 pieces of equipment in Paris.

Outlook

There was growth across every sales channel in the first half of the year, both commercial and consumer, a sign of the rising preference for Technogym on the part of all consumers. The current Olympics, for which Technogym is an Official and Exclusive Supplier for athletic conditioning, offer the company unprecedented media exposure, generating a further increase in brand equity, with medium-term benefits across all business segments.

The holistic approach to wellness is driving the market towards horizons that have in large part not yet been explored. The public has highly differentiated requirements that demand tailor-made solutions. Only the Technogym ecosystem makes it possible to respond to all of these needs, thanks to its offering of complete solutions strengthened by artificial intelligence, which interprets the millions of instances of feedback received from Technogym users, responding with hyper-personalised solutions. This is why Technogym is expected to continue to grow more than its reference market.

For the current year, Technogym expects to reach the healthy growth targets it has set, with an increase in turnover, an improvement in profitability and cash generation, continuing to invest in innovation to strengthen the brand's unique positioning in the world and generate long-term value.

Other information

Events and references

Key events during the half year

In the first half of 2024, Technogym was a key player in numerous international events in the various market segments in which it operates. Some of the most significant include:

- In January at the World Economic Forum in Davos, Technogym's exclusive wellness was presented as the point of reference for participants, supporting resilience and the design of a healthier and more sustainable future. At Davos, Nerio Alessandri, CEO and Founder of Technogym, and Erica Alessandri, member of the Board of Directors, have for years now been some of the main promoters of the health and quality of life working group.
- In February, the new Technogym space was inaugurated in Zurich, Switzerland, a long-standing market for the brand. Indeed, after founding Technogym in their home garage 40 years ago, Nerio and Pierluigi Alessandri understood that to make it big, it was necessary to work in international markets, and Switzerland was Technogym's first export market.
- IHRSA - the most important global fitness and wellness event that was held in San Diego in 2024 and in which more than 300 exhibitors and 8,500 sector operators participated (including visitors and those registered for the convention) from more than 80 countries all over the world.
- FIBO – the most important European fitness and wellness event, which is held in Cologne, Germany in April, during which Technogym presented Technogym Checkup, the innovative body assessment station which uses artificial intelligence to indicate the user's wellness age and automatically prescribe the ideal training protocol which is adapted over time, based on an analysis of physical and functional conditions.
- To celebrate 40 years of the brand and to mark the Salone del Mobile, Technogym presented Design to Move, the exclusive exhibit which saw 40 Technogym Benches reinterpreted by 40 globally recognised artists and designers, including Antonio Citterio, Patricia Urquiola, Piero Lissoni, Nendo and many others. In September, a selection of 15 unique works will be sold in a special auction organised by Sotheby's, with all proceeds donated to UNICEF. The other 25 benches were put up for sale on the technogym.com website starting in May.
- In June, Technogym participated in Rimini Wellness, the reference industry trade fair for the Italian market.
- In view of the 2024 Paris Olympic and Paralympic Games, the Group is completing work for the inauguration of Technogym Paris, the brand's new home in the city centre which houses a boutique and offices. Technogym Paris will be a nerve centre and point of reference in the French capital, particularly in view of the 2024 Paris Olympics and Paralympics. To mark the occasion, Technogym presented Let's Move for Paris, the social media campaign organised for the games, which will focus on both the athletes and on people all over the world.
- In line with the "prestige" positioning that has always distinguished Technogym, in late June the company inaugurated a pop-up store at the Costa Smeralda Waterfront, the luxury village that is home to a number of premium lifestyle brands. It is an experiential space designed to discover and live a 360° Wellness lifestyle. Every day, Technogym Master Trainers will be available for training sessions, in the morning and the late afternoon, against the stunning backdrop of the Porto Cervo Marina.
- During the entire half year period, the company organised local events in its showrooms and boutiques worldwide. These included Technogym Clinics, events dedicated to specific sports held at Technogym Milan. The main theme was athletic performance and how to improve it in the different sports disciplines, and both trainers and athletes participated in the discussion at each event.

Operating segments

The disclosure provided below is monitored by the management exclusively from the commercial perspective. The Group's approach to the market, as noted above, follows a unique business model that offers an integrated range of 'Wellness solutions' and also pursues higher levels of operational efficiency through cross-production.

Fitness and Wellness Clubs

Fitness and Wellness Clubs continue to be one of the most significant market segments in terms of sales volumes, with considerable growth with respect to the previous year. Technogym continues to be the trusted supplier for the most important chains of clubs in the world, including Virgin Active in Europe, Asia and South Africa, Fitness Park in France and Spain, FitX in Germany, Leejam in the Middle East, Total Fusion in Australia and Life Time Fitness in the United States.

Confidence in the sector is growing substantially. Some of our large clients have confirmed plans for expansion and the opening of new locations. In addition, negotiations continue for the supply of smart equipment and digital solutions with other leading chains in Europe, the USA, China, Australia and the Middle East.

HCP (Health, Corporate & Performance)

As regards the HCP segment, more and more companies all over the world are launching their own internal Corporate Wellness programmes. Worldwide, over 11 thousand companies have already chosen Technogym as their partner for the creation of projects aimed at improving the health of their employees.

In the corporate wellness sector, during the first half of 2024 the company set up a number of corporate wellness centres, including at the London headquarters of JP Morgan and Deutsche Bank, the Deloitte University training centre in France, the new Tesla Giga Factory in Berlin and the Goldman Sachs offices in Tokyo and Hong Kong.

In the Education sector, the best universities and business schools relied on Technogym for the promotion of the right lifestyles to young talent. In the early months of 2024, new centres were installed in a number of universities worldwide, including Melbourne University in Australia, the Universities of Glasgow, Portsmouth and Southampton in the UK and Concordia University in Canada.

As regards the world of Sport Performance, in the early months of the year Technogym set up a number of centres globally, such as the new Luna Rossa base being set up in Barcelona in view of the America's Cup, the athletic conditioning centre of Al-Nassr Football Club, where Cristiano Ronaldo plays in Saudi Arabia, the new training centre of the Aston Martin Aramco Formula 1 team and the new gym of the Cleveland Cavaliers.

In the medical sector, Technogym has for years now been a partner of the most important hospitals in the world like the Cleveland Clinic, Memorial Sloan Kettering in New York and San Raffaele in Milan. During the half-year, some important new projects were carried out in places such as Houston Methodist Hospital in Texas, Hospice Pediatrico Seragnoli in Bologna and Kai Clinic in Tokyo.

Hospitality & Residential

Technogym products are already present in the most prestigious hotels throughout the world, and in 2024 the brand remained a key reference for luxury hotels. In the Hospitality & Residential channel, Technogym is a partner of the most prestigious global groups, including Mandarin Oriental, Four Seasons, Marriott Starwood, Hilton, Accor Hyatt and many more.

Technogym supplied numerous hotels worldwide in the first half of the year.

Some of the most significant projects include the Peninsula in Paris, upgraded for the Olympics, the Ritz Carlton in Tokyo, the legendary La Mamounia hotel in Marrakesh, the new Rosewood in Amsterdam and the luxury Aman Resort Rosa Alpina in the Dolomites.

There were also many new installations in the United States, including the Chicago and Portland Soho Houses, the Park Hyatt Beaver Creek and three new Ritz Carlton hotels.

Also in the cruise sector, Technogym is the reference brand of the most important operators in the world: from MSC to Costa Crociere, Carnival, Virgin Cruises, Celebrity Cruises and many more. In the half-year period that just ended, a significant supply was provided to the new ship EXPLORA II, which is part of the high-end offer of MSC Crociere.

Home & Consumer

Technogym is present in more than 500,000 private homes worldwide.

In the first half of 2024, the Home-Consumers segment recorded considerable growth compared to the same period of 2023, in continuity with the second half of last year.

Starting from the Technogym Ecosystem strategy, the group is capable of creating solutions for the home based on the space available, the customer's athletic interests and desired content: the professional Artis and Skill ranges for customers with more space who can set up their own home gym, the Personal design range for users who want to add one or two products that blend in perfectly with their home furnishings, as well as compact products such as MyRun or Technogym Bench for customers with less space. In all of the scenarios described, the Technogym App, using artificial intelligence, is able to offer a fully personalised training experience based on customer level and taste, which evolves based on results.

In the first half of 2024, Technogym opened a number of new retail spaces in strategic cities for brand development, including the new Technogym London in Piccadilly which opened in March, the flagship Technogym Paris close to the Arc de Triomphe in preparation for the 2024 Paris Olympics and the new Technogym Zurich boutique in the centre of the Swiss city.

Partnerships

For many years now, the world's most prestigious sports clubs have worked with Technogym on the physical training of their athletes. In Italy, some of the country's main football clubs partner with Technogym, including Cesena Calcio as part of a local sponsorship project, which in the first half of 2024 moved up to Serie B.

In addition, thanks to its wide range of products, which are perfect for athletic training in all sports disciplines, Technogym collaborates with some of the top teams in other sports, such as basketball, cycling, tennis, Formula One, golf, sailing and many more. In the golf arena, in the first half of 2024 Technogym was present at the Cervia Open with a booth dedicated to the training of the golfers involved in the event. In sailing, Technogym supports the Luna Rossa Team which is navigating towards the America's Cup set to begin at the end of August. For years now, the brand supports the sailing team with a fully equipped gym in Cagliari and during the event with dedicated spaces in Barcelona.

During the half-year, preparation for the Paris 2024 Olympic and Paralympic Games continued, which will see Technogym involved as the Exclusive Official Supplier of fitness equipment and digital technologies for athlete training. For Technogym, Paris 2024 is the company's ninth Olympics experience, following on from Sydney 2000, Athens 2004, Turin 2006, Beijing 2008, London 2012, Rio 2016, PyeongChang 2018 and Tokyo 2020. In Paris, Technogym set up 29

centres for athlete training before and during the Olympic Games. The main training centre, equipped for every discipline, will be at the Olympic and Paralympic Village in Saint-Denis. Other centres for specific sports will be located at the competition venues and satellite villages in Lille, Marseilles, and Tahiti.

Human Resources and Organisation

Technogym recognises the fundamental importance of human resources, their health, training, motivation and incentives. Development of their qualities and skills is considered essential for the implementation of the corporate strategy. In the first half of 2024, Technogym employed on average 2,301 staff, of whom 69 managers, 1,606 office staff and 626 blue-collar workers.

<i>(in number)</i>	Half year ended 30 June 2024		Year ended 31 December 2023	
	Average	Year-end	Average	Year-end
Number of employees				
Managers	69	68	70	67
White-collar	1,606	1,648	1,572	1,607
Blue-collar	626	635	613	611
Total number of employees	2,301	2,351	2,255	2,285

In the first half of 2024, at the Technogym University (the company training academy), work was done to develop the company's distinctive competences with testimonials and workshops transversal to all areas.

Some significant projects included the spread of the Technogym Leadership Model with training workshops dedicated to the Management Team, in order to develop, evolve and consolidate leadership capabilities. Furthermore, workshops were promoted on the Technogym Leadership Model for young talent to be developed internally as well.

With a view to developing strategic company expertise, an international training plan has been devised involving e-learning as well as in-person training. Specifically, training activities were focused on professional development plans to support talent growth and training activities relating to corporate compliance.

The "Working 4 Wellness"(W4W) project is also continuing, the company's welfare programme complete with activities and services aimed at all facets of employees' mental and physical well-being.

Specifically, corporate wellness is one of the core services in the project, offering all Technogym staff, both at headquarters and the subsidiaries around the world, the chance to access the company Wellness Centre or to take advantage of a specific welfare credit to be used towards an annual subscription to an affiliated wellness club.

Furthermore, the "W4W" programme also offers a restaurant service at T-Restaurant, with menus designed in collaboration with a nutrition expert, and the "T-Take Home" takeaway service, which provides the possibility of booking dinner directly via an app.

Aside from Corporate Wellness, Technogym is committed to supporting a number of aspects of employees' personal lives as well, by offering a broad range of discounts and special benefits with external facilities for healthcare services, cultural activities and leisure time activities devoted to Technogym employees and their households (for example, the summer centre service, tax advice services and the ad hoc healthcare policy reserved for employees based on seniority with the company).

Social responsibility, environment and safety

Technogym is known throughout the world as ‘The Wellness Company’ and in parallel with its business model (based on technology, software and services in support of physical activity, sports, health and prevention of illness) the Company has a strong sense of corporate social responsibility, centred on the idea of exercise as medicine and promotion of the Wellness lifestyle as an important concept and opportunity for all social actors (governments, businesses and individual citizens).

Sustainability objectives and commitments

Technogym’s approach to sustainability has strong synergies with its corporate mission. Our aim is to disseminate the Wellness Lifestyle globally with a view to promoting regular physical exercise and healthy lifestyles and improving people’s quality of life. Wellness, the corporate philosophy of Technogym, is key to defining our strategic objectives. It reflects our commitment to building shared value with all stakeholders.

The close correlation between business strategy and sustainability is what guides the Group in its decisions and actions, which are designed to meet the health needs and demands of ordinary people. The wellbeing of end users, and therefore of the community as a whole, is central to our corporate objectives, and it starts at the product design phase. We maintain this focus throughout the production process, through to the after sales and marketing stages.

This combination of factors makes the Group’s business model unique, and fosters strategic alignment with the United Nations Sustainable Development Goals (SDGs). Technogym unquestionably contributes to achieving Goal 3 “Good Health and Well-being”, with specific reference to Target 3.4: “By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being”.

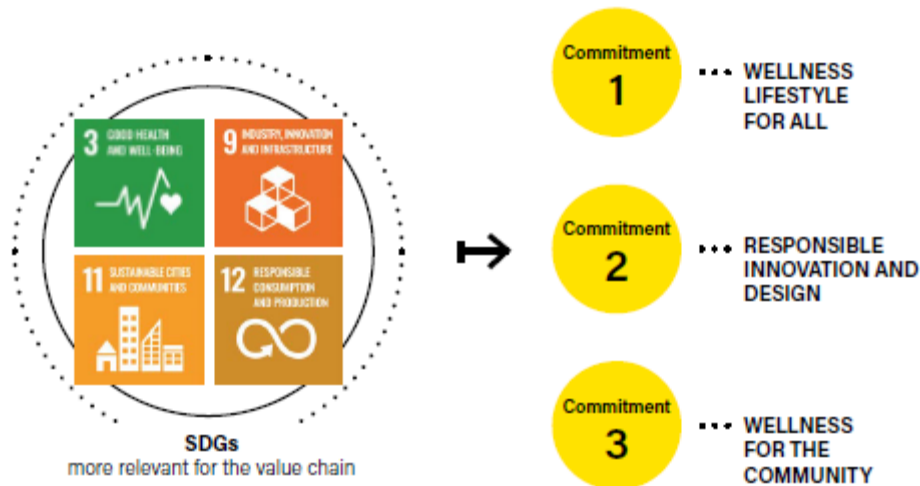
On the strength of the Group’s commitment to ESG (Environmental, Social, and Governance) issues and with a view to strengthening the alignment between the SDGs and its corporate strategy, Technogym undertakes to outline clear sustainability objectives and commitments. Specifically, Technogym defined its Sustainability Policy, setting out its main sustainability priorities and laying the foundations for a path of continuous improvement in ESG performance.

The Sustainability Policy is based on three key Commitments, by 2025, which include:

- › **Wellness Lifestyle for All** (Commitment no. 1), which underlines the opportunity to create value starting from the Group’s core business
- › **Responsible Innovation and Design** (Commitment no. 2), with a strong focus on sustainable innovation to increasingly guide choices towards the responsible management of climate change risks¹;
- › **Wellness for the Community** (Commitment no. 3), focused on the wellbeing of the community in which it operates and of the stakeholders that Technogym works and communicates with.

¹ A point of reference is the European guidelines linked to the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD).

Technogym ESG commitments by 2025



WELLNESS LIFESTYLE FOR ALL



For over 20 years, Technogym has been promoting wellness as a social opportunity for all stakeholders: individuals, businesses and governments. Using this history of culture and innovation, and in compliance with the United Nations’ “Good Health and Well-being” goal, the company is determined to keep helping its stakeholders to achieve wellness by promoting sustainable lifestyles and behaviours for the wellbeing of the community through a range of products and services that use the latest technology, meet the needs of private and professional users, and reach an ever larger number of people.

RESPONSIBLE INNOVATION AND DESIGN



Our mission to help build a better world based on the health of its people must be accompanied by considerable care and attention for the environment in which we live. That is why, in pursuing the UN’s “Responsible consumption and production” and “Industry, innovation and infrastructure” goals, we work to create products and environments in which functionality and aesthetics can co-exist and where seeking out new green solutions, from the planning stage onwards, enables us to act responsibly while not neglecting excellence in design.

WELLNESS FOR THE COMMUNITY



Starting from numerous practical projects, such as Wellness Valley and the Let's Move for a Better World campaign, we strive to promote the full expression and implementation of the Wellness concept, leveraging our technologies and our communication initiatives to help improve the quality of life and well-being of the community and the planet. We believe these factors are crucial to achieving the UN's Goal 3 "Health and wellbeing" and Goal 11 "Sustainable cities and communities".

Starting from 2017, Technogym has prepared a Non-Financial Statement (NFS) in accordance with the legal requirements set out in Italian Legislative Decree 254/2016. For details on its non-financial performance, refer to the Non-Financial Statement prepared in line with the Global Reporting Initiative Standards (GRI Standards 2021). This was subjected to a limited examination by PricewaterhouseCoopers S.p.A., and is available on the Group's corporate website. Starting from the end of 2024, the company will draft the sustainability report in compliance with the Corporate Sustainability Reporting Directive (CSRD) pursuant to Directive (EU) 2022/2464, which requires large companies and listed companies to disclose detailed information on the risks and opportunities deriving from social and environmental issues, as well as the impact of their activities on people and the environment. This report will be included in the board of directors' report and will be subjected to limited assurance by the auditing firm, in compliance with the European Sustainability Reporting Standards (ESRS) and the other compulsory requirements established by regulations.

Exercise is Medicine

For the fourteenth year running, Technogym was a global partner of "Exercise is Medicine", an international initiative whose objectives include the promotion of physical activity as a form of medicine to be prescribed by doctors, the training of trainers to use exercise in a professional manner to treat those with chronic illnesses and informing the public opinion as to the importance of physical exercise, both for individuals and for the community at large.

Wellness Valley

The "Wellness Valley" project is promoted by the Wellness Foundation and supported by Technogym; the aim of the project is to transform the Romagna region into a centre for wellness and healthy living and improve the quality of life of its citizens, building on the economic, intellectual and cultural capital already present in Romagna, an area well known for its love of living well. In support of the initiative, Technogym has granted access to its competencies and structures and organised concrete activities as well as meetings and thematic discussions to facilitate networking among all the stakeholders in the area.

Twenty years since it was founded, the Wellness Valley project continues to represent a best practice and a point of reference for the development of communities oriented towards quality of life. During the first half of 2024, the Wellness Foundation, along with the Wellness Valley Observatory Working Group, conducted research and calculations of new data to continue to measure the project's development and its impact on health and economic development, which will be presented in September in the Wellness Valley Report 05.

In parallel, actions, initiatives and events were developed to generate increasing awareness within the population about the importance of the proper lifestyle, prevention education activities and the promotion of prescribing physical exercise aimed at doctors.

In January 2024, the "Chi si muove, si ama!" campaign promoted by the Wellness Foundation and carried out in close collaboration with the Medical and Pharmacist Associations and the Emilia-Romagna Region and the Romagna Local

Health Authority was extended to the entire Emilia-Romagna Region, in order to reduce the incidence of sedentary behaviour in the population between 40 and 60 years of age and prevent the emergence of chronic illness.

The campaign, launched in Wellness Valley at the end of 2023, represents a unique alliance of its kind and involves GPs, local pharmacies, health clubs and walking groups registered on the “Health Map” of the Emilia-Romagna Region, as well as an extensive network of sports centres, gyms and swimming pools. Meetings, webinars and informational events have been held to support the campaign with a view to spreading the message and reaching the target population.

The commitment to prevention expanded further in spring 2024 with the development of the Wellness Index, a flexible, innovative tool created by the Wellness Foundation to measure lifestyle based on the three wellness dimensions - movement, nutrition and mental well-being.

In collaboration with the Wellness Foundation, a number of initiatives open to the entire population have been carried out with a focus on prevention, including: the event “Health, question of style” carried out in Bologna by the Emilia-Romagna Regional Office of Health Policy, the Italian Federation of Associations of Hospital Internal Medicine (FADOI) National Prevention Day, in 30 Italian city squares, and the 12th edition of the Diabetes Marathon in Forlì.

On the training front, the Wellness Foundation offered its scientific contribution to the 29th National FADOI Conference, the 48th Italian Association of Epidemiology (AIE) Conference and Rimini Wellness 2024, bringing the topic of physical exercise for prevention and the treatment of the most widespread chronic diseases, such as diabetes, hypertension, cardiovascular disease, cancer, osteoporosis and depression to the attention of medical professionals.

Thanks to the collaboration initiated with scientific companies, Medical Associations and Health Clubs, the Wellness Foundation distributed free of charge the new edition of “Exercise is Medicine – a guide to exercise prescription” produced by the Wellness Foundation’s Scientific Committee with the support of Technogym, to thousands of physicians during scientific conferences and events.

Wellness as an opportunity for innovation and improvement in health and well-being was also promoted and communicated through classroom lessons for students of the Pharmacy Degree Course and the Business Economics Degree Course at the University of Bologna.

In Cesena, in collaboration with the Wellness Foundation, pilot projects were launched at lower secondary schools aimed at promoting wellness in the school environment, with project work on the Wellness School and movement activities in class for young people as well as educational webinars for teachers and families.

Aside from continuing to strengthen the Wellness ecosystem in Romagna, the Wellness Foundation is committed to bringing the Wellness Valley experience to the attention of national and international decision makers, to encourage them to accelerate the transition towards innovative and sustainable models.

In the first half of 2024, the case was described at a number of high-profile events, including the Annual Meeting of the WHO Italian Healthy Cities Network, the conference organised by Czechia Active at the Senate of the Parliament of the Czech Republic and the annual meeting of the Davos Baukultur Alliance, organised by the World Economic Forum in Geneva.

Indeed, the Wellness Valley experience strives to inspire farsighted and collaborative projects in other geographical areas, to spread the benefits of Wellness on a large scale.

With this in mind, the Wellness Foundation, with the support of Technogym, launched two new initiatives aiming to promote the culture of healthy lifestyles, also as a legacy of the Milan Cortina 2026 Olympic and Paralympic Games: Milano Wellness City 2030 and Cortina Wellness Destination.

Specifically, in the first half of 2024 the Milano Wellness City 2030 assessment report was published and the planning phase began: indeed, there were a number of occasions for dialogue and reflection with the stakeholders involved in order to embark upon concrete actions and projects.

Cities play a fundamental role in promoting health, given that they will host 70% of the world population by 2050, and Milan - Italy's economic and financial capital, which has always been ahead of the curve - is the ideal city for promoting a social and cultural model that cares for health by focusing on prevention.

In the Dolomites, the Wellness Foundation created the Cortina Wellness Destination project for two reasons: on one hand, to promote healthy lifestyles amongst the population of Cortina d'Ampezzo, whose over 65 population is sharply and constantly on the rise in percentage terms; on the other hand, to contribute towards making Wellness a distinctive element of the tourism offering, merging local heritage and its attractive aspects with a new culture and top-notch services oriented towards physical and mental well-being. During the half-year, activities were aimed in particular at planning the first Cortina in Wellness initiative (September 2024) and engaging the main local stakeholders.

Environment, Occupational health and safety

In line with its wellness philosophy linked to the promotion of wellbeing, Technogym is continually committed to reducing its impact on the environment, which is an inextricable condition for ensuring people's health and quality of life. The Group primarily impacts the environment through its production operations. The plant in Cesena assembles components produced by suppliers, while the site at Malý Krtíš (Slovakia) produces most of the machine components in-house and also has its own welding and coating departments. The Group's other sites carry out service and commercial activities.

The 231 Model identifies "sensitive" activities for the purposes of environmental regulatory compliance. These activities include waste production and disposal procedures, the management of systems that generate atmospheric emissions and industrial wastewater, the management of chemicals and fuels that could lead to land, subsoil or water contamination.

To consolidate its monitoring and control system of significant environmental impacts with a view to preventing risks and continuously improving performance, in 2003 Technogym S.p.A. adopted an Environmental Management System certified according to ISO 14001, which covers all the company's activities. Since 2015, Technogym EE has held ISO 14001 certification for its operations in Slovakia. The UK subsidiary Technogym UK is also certified in accordance with ISO 14001.

Attention to health and safety in Technogym is part of its value chain. Focusing on and continually improving the workplace environment is not just a way for the company to comply with laws and regulations and reduce operational, financial and reputation risks, but also one of the levers via which it achieves its corporate mission. The Group strengthened its commitment by approving the Health and Safety Policy in 2023. For Technogym, the adoption of the Health and Safety Management System is one of the tools it uses to ensure the sustainability of its business. For Technogym, engaging, motivating and empowering all stakeholders, employees, customers, suppliers, institutions and communities means an assumption of responsibility for the whole community.

The governance of these aspects combines with the wellbeing promoted by the organisation and is part of a wider-ranging project in the interests of staff and the external social context in which a company grows today and for which it becomes a reference point.

The careful design of workplaces, the analysis of processes, and the design and choice of large, well-lit spaces and equipment are conducive to the utmost compliance with applicable workplace health and safety regulations. Technogym's commitment to promoting the wellness of the Group's employees over and above the requirements of law is a key driver for the company in generating an extended value chain for its stakeholders and strengthening its sustainable business model. For Technogym, rules are not a limit, but an opportunity that gives it an advantage.

In addition, Technogym periodically defines objectives and areas for improvement to increase the effectiveness of its actions and efficiency of its organisation, in order to prevent incidents, accidents and occupational illnesses and create a safe, healthy environment, in line with staff expectations. Our organisation is committed to improving its ability to pick up on any signs of weakness at all times, by monitoring a set of indicators used to control health and safety and identifying factors that emphasise the proactivity of the people who work in the Group. One of the core elements of the system is the promotion of a common culture of safety in the workplace and related skills by means of training initiatives, and each staff member is invited to become a health and safety champion and play an active part in improvement. Training is

carried out across all areas, with a particular focus on production department workers as they have more exposure to accident risk. Health and safety training is an ongoing activity, supported by a company training programme. It starts as soon as someone joins the company, with the mandatory part linked to the State/Regions Agreement, and continues with on-the-job and other training relating to the operating roles.

Since 2006, oversight of health and safety has also been ensured following the voluntary implementation of a BSOHSAS 18001-certified management system, which subsequently achieved ISO 45001 certification in 2018, covering all Technogym S.p.A. sites, the Malý Krtíš (Slovakia) plant and the Technogym UK branch, already certified previously with the OHSAS 18001 standards like the Italian locations.

The ISO 45001 management system affects all employees, including workers with temporary contracts and on-site contractors engaged in the most important processes. In 2023, the scope of the ISO 45001 certification for the Italian sites included Corporate service management activities at the gyms of several customers. The implementation of the management system ensures that organisational and technical measures can be monitored and special codified procedures applied, generating input for continuous improvement activities and introducing innovative systems to support employees and internal and external processes.

The company also holds the certification for the UNI EN ISO 9001 management system for Wellness equipment design, production, installation and assistance, and UNI EN ISO 13485 certification for functional rehabilitation equipment design, production, installation and assistance.

In 2018 Technogym set up an Integrated Management System, which includes certification according to ISO 9001, ISO 14001, ISO 45001, ISO 50001 and ISO 13485, and in 2020 ISO 27001 and ISO 21001, strengthening its processes. By defining a formal Integrated Policy, the System provides a framework for setting and reaching targets on quality, health and safety, and energy and environmental efficiency. It also represents our concrete commitment to pursuing sustainability by measuring and preventing risk.

As regards the use of chemical substances, Technogym Spa has made public its consolidated procedures on the matter, drafting a specific policy on chemical substances published in 2021 on the company's institutional websites.

5. CONDENSED HALF-YEARLY CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

<i>(In thousands of Euro)</i>	Notes	As of 30 June		As of 31 December	
		2024	<i>of which from related parties</i>	2023	<i>of which from related parties</i>
ASSETS					
Non-current assets					
Property, plant and equipment	5.1	174,346	8,589	171,560	9,407
Intangible assets	5.2	53,029		56,686	
Deferred tax assets		29,298		25,902	
Investments in joint ventures and associates	5.3	1,225		1,155	
Non-current financial assets		3,009		-	
Other non-current assets	5.4	76,390		82,350	
TOTAL NON-CURRENT ASSETS		337,298		337,652	
Current assets					
Inventories		122,592		103,560	
Trade receivables	5.5	113,019	7	119,793	41
Current financial assets		6,676	227	4,250	227
Assets for derivative financial instruments	5.6	126		172	
Other current assets	5.4	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		(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	5.7	330,559		363,712	
Non-current liabilities					
Non-current financial liabilities	5.8	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	5.9	12,898		13,566	
Other non-current liabilities		43,080		44,771	
TOTAL NON-CURRENT LIABILITIES		128,536		132,110	
Current liabilities					
Trade payables	5.10	159,972	584	155,384	575
Current tax liabilities		14,952		9,192	
Current financial liabilities	5.8	38,609	5,036	32,259	4,315
Liabilities for derivative financial instruments	5.8	90		2	
Current provisions for risks and charges	5.9	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	

Consolidated income statement

<i>(In thousands of Euro)</i>	Notes	Half year ended 30 June			
		2024	<i>of which from related parties</i>	2023	<i>of which from related parties</i>
REVENUES					
Revenues	5.11	401,139	17	368,830	28
Other revenues and 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	5.12	(129,699)	-	(121,343)	(1)
<i>of which non-recurring income/(expenses)</i>		-		-	
Cost of services	5.13	(111,277)	(1,030)	(105,031)	(1,148)
<i>of which non-recurring income/(expenses)</i>		(636)		(700)	
Personnel expenses	5.14	(92,356)	-	(81,859)	-
<i>of which non-recurring income/(expenses)</i>		(365)		(530)	
Other operating costs		(3,169)	(16)	(3,565)	(13)
<i>of which non-recurring income/(expenses)</i>		(58)		(66)	
Share of net result from joint ventures		70		4,421	
<i>of which non-recurring income/(expenses)</i>		-		4,534	
Depreciation, amortisation and impairment losses / (revaluations)		(24,966)	(855)	(22,514)	(875)
Net provisions		(1,833)	-	(3,737)	-
<i>of which non-recurring income/(expenses)</i>		(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 taxes	5.15	(10,880)		(8,210)	
<i>of which non-recurring income taxes</i>		-		(976)	
PROFIT/(LOSS) FOR THE PERIOD		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	5.16	0.16		0.14	

Consolidated statement of comprehensive income

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Profit (loss) for the period (A)	30,366	29,627
Actuarial gains/(losses) on post-employment benefit obligations and Non-Compete Agreements	-	-
Tax effect on actuarial gains/(losses) on post-employment benefit obligations and Non-Compete Agreements	-	-
Total items that will not be reclassified to profit or loss (B1)	-	-
Exchange rate differences on the translation of foreign operations	1,969	(3,260)
Exchange rate differences for valuation of entities accounted for using the equity method	-	-
Gains (losses) on cash flow hedges (hedge accounting)	-	-
Total items that will be reclassified to profit or loss (B2)	1,969	(3,260)
Total Other comprehensive income, net of tax (B)=(B1)+(B2)	1,969	(3,260)
Total comprehensive income for the period (A)+(B)	32,335	26,367
of which attributable to owners of the parent	32,867	25,297
of which attributable to non-controlling interests	(532)	1,070

Consolidated Statement of Cash Flows

<i>(In thousands of Euro)</i>	Notes	Half year ended 30 June	
		2024	2023
Cash flows from operating activities			
Consolidated Profit (loss) for the period		30,366	29,627
<i>Adjustments for:</i>			
Income taxes	5.15	10,880	8,210
(Income)/expenses from investments		(410)	(515)
Financial (income)/expenses		(1,970)	(948)
Depreciation, amortisation and impairment		24,966	22,514
Net provisions		26	111
Share of net result from joint ventures	5.3	(70)	(4,421)
Other non-monetary changes		1,141	378
Cash flows from operations before changes in working capital		64,929	54,956
Change in inventories		(17,778)	(2,602)
Change in trade receivables	5.5	12,780	11,245
Change in trade payables	5.10	4,540	(22,970)
Change in other assets and liabilities		8,814	(7,226)
Income taxes paid		(15,898)	(11,268)
Net cash inflow / (outflow) from operating activities (A)		57,387	22,134
<i>of which from related parties</i>		<i>(1,023)</i>	<i>(1,010)</i>
Cash flows from investing activities			
Investments in property, plant and equipment	5.1	(7,403)	(9,809)
Disposals of property, plant and equipment		839	2,497
Investments in intangible assets	5.2	(7,625)	(8,367)
Disposals of intangible assets		5	-
Dividends received from other entities		140	131
Sale/(Purchase) of equity investments (net of cash acquired)	5.3	-	4,172
Net cash inflow (outflow) from investing activities (B)		(14,044)	(11,376)
<i>of which from related parties</i>		<i>140</i>	<i>131</i>
Cash flows from financing activities			
Reimbursement of leasing costs (IFRS 16)		(6,727)	(6,162)
Repayment of borrowings (including the current portion)	5.8	-	(4,532)
Net increase (decrease) in current financial liabilities		(4,816)	20,626
Dividends paid to shareholders	5.7	(52,412)	(48,816)
(Purchase) and sale 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>		<i>(942)</i>	<i>(942)</i>
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
Increase/(decrease) in cash and cash equivalents from 1 January to 30 June		(31,540)	(26,612)
Effects of exchange rate differences on cash and cash equivalents		1,330	(4,854)
Cash and cash equivalents at the end of the period		194,520	173,893

Consolidated statement of change in equity

<i>(In thousands of Euro)</i>	Share capital	Share premium reserve	Own shares	Other reserves	Retained earnings	Profit (loss) attributable to owners of the parent	Equity attributable to owners of the parent	Capital and reserves attributable to non-controlling interests	Profit (loss) attributable to non-controlling interests	Total equity
As of 01 January 2023	10,066	7,132	-	37,699	225,437	63,587	343,922	1,716	288	345,927
Profit for the previous year	-	-	-	2,290	61,297	(63,587)	-	288	(288)	-
Total comprehensive income for the year	-	-	-	(3,177)	-	28,474	25,297	(83)	1,153	26,367
Dividends paid	-	-	-	-	(50,332)	-	(50,332)	(286)	-	(50,618)
Increase in capital	-	-	-	-	-	-	-	-	-	-
Incentive plan (LTIP)	-	-	-	378	-	-	378	-	-	378
Other movements	-	-	-	(2,209)	(7)	-	(2,216)	2,736	-	520
As of 30 June 2023	10,066	7,132	-	34,980	236,397	28,474	317,049	4,372	1,153	322,574
As of 01 January 2024	10,066	7,132	(6,922)	34,231	236,397	73,640	354,544	5,640	3,528	363,712
Profit for the previous year	-	-	-	(1,433)	75,073	(73,640)	-	3,528	(3,528)	-
Total comprehensive income for the year	-	-	-	1,695	-	31,148	32,843	250	(782)	32,311
Dividends paid	-	-	-	-	(51,756)	-	(51,756)	(1,850)	-	(53,606)
Purchase and sale of own shares	-	-	(13,128)	-	-	-	(13,128)	-	-	(13,128)
Increase in capital	-	-	-	-	-	-	-	4	-	4
Incentive plan (LTIP)	-	-	924	342	-	-	1,266	-	-	1,266
Other movements	-	-	-	-	-	-	-	-	-	-
As of 30 June 2024	10,066	7,132	(19,126)	34,833	259,714	31,148	323,769	7,572	(782)	330,559

Notes to the Condensed Half-Yearly Consolidated Financial Statements

General information

Technogym S.p.A. (hereinafter, “**Technogym**” or the “**Company**” or the “**Parent company**” and, jointly with its subsidiaries, the “**Group**” or the “**Technogym Group**”) is a legal entity established in Italy, and it is organised and governed under the Italian Law.

The Technogym Group is one of the leaders in the international fitness equipment market in terms of sales volumes and market shares. In addition, the Company management believes that the Technogym Group may be considered the key total wellness solution provider in the industry, owing to the quality and completeness of the offer of integrated solutions for personal wellness (composed mainly of equipment, services, digital content and solutions).

The Technogym Group offers a wide range of wellness, physical exercise and rehabilitation solutions to the major segments of fitness equipment market and to the overall wellness industry, and is characterised by technological innovations and attention to design and finishes. These solutions can be personalised and adapted to the specific needs of end users and professional operators. The Technogym Group’s offer includes equipment that has been highly regarded by end users and professional operators and has contributed, over time, to the positioning of the Technogym brand in the high-end bracket of the international market.

Basis of presentation

The condensed half-yearly consolidated financial statements as of 30 June 2024 of the Technogym Group (the “**Condensed Half-Yearly Consolidated Financial Statements**”) were drafted on the basis of the going concern assumption and in compliance with the “*International Financial Reporting Standards*” (IFRS) issued by the “*International Accounting Standards Board*” (IASB) and approved by the European Union, as well as the legislative and regulatory provisions in force in Italy.

The Condensed Half-Yearly Consolidated Financial Statements were prepared in compliance with the provisions of IAS 34 “Interim Financial Reporting”. As permitted by this standard, the Condensed Half-Yearly Consolidated Financial Statements do not include all the information requested by IFRS for the drafting of the annual consolidated financial statements and, therefore, must be read together with the consolidated financial statements of the Technogym Group as of and for the year ended 31 December 2023 (the “**Consolidated financial statements**”).

The Condensed Half-Yearly Consolidated Financial Statements are composed of the statement of financial position, the income statement and statement of comprehensive income, the statement of cash flow, the statement of change in equity and related notes. In presenting these statements, the comparative data required by IAS 34 were reported (31 December 2023 for the statement of financial position, 30 June 2023 for the change in equity, income statement, statement of comprehensive income and statement of cash flow). The notes reported hereunder are shown in summary form and, therefore, do not include all the information requested for annual financial statements.

The Condensed Half-Yearly Consolidated Financial Statements are presented in Euro, which is the currency of the primary economic environment in which the Group operates. The amounts reported in the current document are presented in thousands, unless otherwise stated.

Accounting standards

The accounting standards and criteria adopted to prepare the half-yearly financial report as at 30 June 2024 conform to those used to draft the financial report as at 31 December 2023, to which reference should be made for more information.

The amendments to and interpretations of accounting standards in force from 1 January 2024 are described below:

- Amendments to IAS 7 - Statements of cashflow and IFRS 7 – Financial instruments: Disclosure of supplier finance arrangements, which add further disclosure requirements and “signposts” within the existing set of disclosure requirements, asking the entities to provide qualitative and quantitative information about their supplier finance arrangements. These amendments describe the characteristics of an arrangement whereby the entity must provide information with two reporting objectives: include in the notes to the financial statements information that allows stakeholders to assess how the supplier finance arrangements impact the liabilities and cashflow of an entity and to understand the effect of the supplier finance arrangements on the entity's exposure to liquidity risk and how the entity may be affected if the arrangements are no longer available.
- Changes to IAS 1 – Presentation of financial statements: changes to the criteria for classifying liabilities with covenants as current or non-current, which requires companies to classify a liability as “non-current” when there is no unconditional right to defer the payment for at least twelve months from the reference date. The International Accounting Standards Board (IASB) has removed the requirement for the right to be “unconditional”.
- Amendments to IAS 1 - Presentation of financial statements: Non-current liabilities with covenants, in which the IASB has confirmed that only the covenants that a company is required to meet as of the reporting date, or earlier, will affect the classification of a liability as current or non-current. Covenants referring to a later period do not affect this classification, but companies are required to disclose information which may help stakeholders to understand the possible risks of the liabilities becoming due within twelve months of the financial reporting date.
- Amendments to IFRS 16 – Leasing: Liabilities for sales with leasebacks, in order to improve the requirements for a sale and leaseback operation and specify the measurement of the resulting liabilities, to ensure that the seller-lessee does not recognise any part of the profit or loss related to the maintained right of use. These amendments will take effect from 1 January 2024.

The Group does not expect significant impacts on the financial position and performance arising from the adoption of these standards.

Accounting standards issued but not yet in force

The main standards and interpretations already issued at the reporting date, but not yet in force, are indicated below:

- Amendments to IAS 21 – Effects of changes in foreign exchange rates: Lack of exchangeability, in order to provide a guide to specify when a currency is exchangeable and how to determine the exchange rate when it is not; the amendments specify when a currency can be converted into another currency and when it cannot be, and how an entity can estimate the spot rate when a currency is not exchangeable. In addition, when a currency is not convertible, the entity must provide information that allows the users of the financial reports to assess how the lack of exchangeability of a currency influences or is expected to influence its financial performance, financial position and cashflow.
- Amendments to IFRS 9 and IFRS 7 - Classification and measurement of financial instruments: The document clarifies several problematic aspects emerging from the IFRS 9 post-implementation review, including the accounting treatment of financial assets with returns that vary depending on whether ESG targets are met (i.e. green bonds). Specifically, the amendments are intended to:
 - Clarify the classification of financial assets with variable returns linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI test assessment;

- Determine that the date of the settlement of liabilities by means of electronic payment systems is that on which the liability is discharged. However, entities are permitted to adopt an accounting policy to make it possible to eliminate a financial liability for accounting purposes before delivering liquidity at the settlement date when specific conditions are met.

With these amendments, the IASB also introduced additional disclosure requirements concerning in particular investments in capital instruments at FVOCI.

The amendments will apply starting from financial statements relating to years beginning on 1 January 2026.

The Group does not expect significant impacts on the financial position and performance arising from the adoption of these standards. There has been no early application of the accounting standards and/or interpretations whose application would be mandatory in subsequent financial years or which have not yet been approved by the EU.

Scope and basis of consolidation

A list of the companies included in the scope of consolidation is provided below, including information about the method of consolidation, as of 30 June 2024:

Entity name	Registered office	Year ended 30 June 2024		Currency	Share capital
		% of control Jun 2024	% of control Dec 2023		
Subsidiaries - consolidated using the line-by-line method					
Technogym SpA	Italy	Parent company	Parent company	EUR	10,066,375
Technogym International BV	Netherlands	100%	100%	EUR	113,445
TG Holding BV	Netherlands	100%	100%	EUR	300,000
TGB Srl	Italy	100%	100%	EUR	96,900
La Mariana Srl	Italy	100%	100%	EUR	76,500
Sidea S.r.l	Italy	70%	70%	EUR	150,000
TG Technogym SA (PTY) LTD	South Africa	100%	100%	ZAR	4,345,000
Technogym Saudi LLC	Saudi Arabia	100%	100%	SAR	1,145,000
Technogym Arabia LLC	Kingdom of Saudi Arabia	70%	70%	SAR	28,600,000
Technogym E.E. SRO	Slovakia	100%	100%	EUR	15,033,195
Technogym UK Ltd	United Kingdom	100%	100%	GBP	100,000
Technogym Germany Gmbh	Germany	100%	100%	EUR	1,559,440
Technogym Benelux BV	Netherlands	100%	100%	EUR	2,455,512
Technogym Usa Corp.	United States	100%	100%	USD	3,500,000
Technogym Trading SA	Spain	100%	100%	EUR	2,499,130
Technogym France Sas	France	100%	100%	EUR	700,000
Technogym Shanghai Int. Trading Co. Ltd	China	100%	100%	CNY	132,107,600
Technogym Japan Ltd	Japan	100%	100%	JPY	320,000,000
Technogym Asia Ltd	Hong Kong	100%	100%	HKD	11,481,935
Technogym Australia Pty Ltd	Australia	100%	100%	AUD	11,350,000
Technogym Portugal Unipessoal Lda	Portugal	100%	100%	EUR	5,000
Technogym AO	Russia	100%	100%	RUB	10,800,000
Technogym Emirates LLC	United Arab Emirates	49%	49%	AED	300,000
FBK Equipamentos LTDA	Brazil	100%	100%	BRL	156,064,684
Technogym Canada	Canada	100%	100%	CAD	100,000
DWL	Italy	100%	100%	EUR	200,000
Wellness Partners USA Inc	United States	75%	75%	USD	1,000
MyWellness Inc	United States	100%	100%	USD	100
Wellness Partners Ltd	United Kingdom	75%	75%	GBP	463,382
Human Prime Srl	Italy	60%	0%	EUR	10,000
Associates - jointly controlled entities, consolidated using the equity method					
Wellink Srl	Italy	40%	40%	EUR	60,000
Physio Ag	Germany	32%	32%	EUR	73,000

The basis of consolidation adopted for drafting the Condensed Half-Yearly Consolidated Financial Statements as of 30 June 2024 is consistent with the criteria used to prepare the Consolidated Financial Statements as of 31 December 2023.

Transactions taking place during the reporting period

Establishment of the company Human Prime Srl

During the year 2024, the company Human Prime Srl was established, of which the Technogym Group holds 60% of the shares. The Italian company aims to organise medicine and sports medicine services with reference to functional assessment, introduction to sports and prevention, in addition to consulting services for personal wellness. Therefore, starting from 1 January 2024 the Group has consolidated the company on a line-by-line basis.

Exchange rates

The exchange rates used in the translation of the financial statements of subsidiaries are as follows:

Currency	As of 30 June		As of 31 December
	2024	2023	2023
USD	1.071	1.087	1.105
GBP	0.846	0.858	0.869
JPY	171.940	157.160	156.330
CHF	0.963	0.979	0.926
AUD	1.608	1.640	1.626
AED	3.931	3.991	4.058
CNY	7.775	7.898	7.851
RUB*	92.067	93.241	99.680
HKD	8.359	8.516	8.631
BRL	5.892	5.279	5.362
ZAR	19.497	20.579	20.348
SGD	1.451	1.473	1.459
CAD	1.467	1.442	1.464
SAR	4.014	4.075	4.144
DKK	7.458	7.447	7.453

Currency	Average for the period ended 30 June		Average for the year ended 31 December
	2024	2023	2023
USD	1.081	1.081	1.081
GBP	0.855	0.877	0.870
JPY	164.463	145.704	151.990
CHF	0.962	0.986	0.972
AUD	1.642	1.599	1.629
AED	3.971	3.971	3.971
CNY	7.801	7.489	7.660
RUB*	98.133	83.672	92.416
HKD	8.454	8.475	8.465
BRL	5.494	5.484	5.401
ZAR	20.250	19.674	19.955
SGD	1.456	1.444	1.452
CAD	1.468	1.457	1.460
SAR	4.055	4.054	4.055
DKK	7.458	7.446	7.451

*Please note that all exchange rates were obtained from the Bank of Italy's "exchange rate portal" website in continuity with previous years. As regards the ruble, since the exchange rate has been unavailable since the start of the Russia - Ukraine conflict, the figure provided by Bloomberg was used, which is the same as that published by the Central Bank of the Russian Federation (CBR). The impact of the conversion of the reporting of Technogym AO, the Russian subsidiary, using the CBR exchange rate in any event would not be significant.

Assessment criteria

The accounting policies adopted for drafting the Condensed Half-Yearly Consolidated Financial Statements as of 30 June 2024 are consistent with those used to prepare the Consolidated Financial Statements as of 31 December 2023, which should be referred to for the details.

The economic result for the period is presented net of taxes recognised based on the best estimate of the average weighted rate expected for the entire year.

Income tax receivables and payables for current income taxes are recognised at the value that is expected to be paid to/recovered from the tax authorities, in application of the tax regulations in force or essentially approved on the date of the close of the period and the rates estimated on an annual basis.

Use of estimates

With reference to the description of the use of accounting estimates, please refer to the Consolidated Financial Statements as of 31 December 2023. It should be noted that certain valuation processes, especially the more complex ones such as the calculation of any impairment of non-current assets, are generally only carried out at the time of drafting of the annual financial statements, when all the necessary information is available, except for cases where there are indicators of impairment that call for an immediate valuation of any losses in value.

In the first half of 2024, there were no indicators or trigger events such so as to make impairment testing necessary.

Also in the first half of 2024, the Group conducted sensitivity analyses on the recoverability of the value of receivables on which there is a buyback obligation. On the basis of analyses of the transferred portfolio and the information available at the date on which these financial statements were drafted, the Group decided to leave the bad debt provision unchanged for the first half of the year, as it was deemed adequate to cover the losses of customers whose default was deemed likely.

Notes to the statement of financial position

The main line items of the financial statements are presented below and, with particular reference to assets, no additional accounting entries were considered necessary, following assessments made, in addition to those already representing the current situation and context. The company may review these assessments when preparing the 2024 Financial Statements, if there are significant changes in the external context, besides those known at present or that are reasonably foreseeable.

5.1 PROPERTY, PLANT AND EQUIPMENT

The item “Property, plant and equipment” amounted to Euro 174,346 thousand at 30 June 2024 (Euro 171,560 thousand at 31 December 2023).

The following table reports the details of property, plant and equipment as of 30 June 2024 and 31 December 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	Year ended 31 December 2023
Property, plant and equipment		
Land	14,823	13,969
Buildings and leasehold improvements	122,317	120,731
Plant and machinery	6,895	7,225
Production and commercial equipment	14,965	14,872
Other assets	12,183	11,678
Assets under construction and advances	3,163	3,084
Total property, plant and equipment	174,346	171,560

The table below shows the amounts of investments relating to the item “Property, plant and equipment” broken down by category, net of IFRS 16, made by the Group in the half year ended 30 June 2024 and in the half year ended 30 June 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Investments in property, plant and equipment		
Land	854	486
Buildings and leasehold improvements	1,388	1,499
Plant and machinery	353	270
Production and commercial equipment	2,454	3,433
Other assets	734	1,623
Assets under construction and advances	1,620	2,497
Total investments in property, plant and equipment	7,403	9,808

Investments in property, plant and equipment mainly include the purchase of land neighbouring the current production plant of the branch Technogym E.E. in Slovakia, as well as the purchase of new dies and equipment for production sites. Investments relating to the item buildings and leasehold improvements are linked to the opening, expansion and upgrading of boutique stores and offices at the commercial branches, including the new “One Barkeley Street” store in London, inaugurated in the early months of 2024, and the new boutique in New York opened during the end of 2023. Investments in the item assets under construction and advances include investments for the opening of new Technogym Experience Centers at the commercial branches Technogym Arabia in Riyadh and Technogym France in Paris.

Some detailed information relative to IFRS 16 is provided below for a greater clarity and understanding of the financial statements.

The table below shows the impact of IFRS 16 on the consolidated financial position and performance for the half year ended 30 June 2024 and the year ended 31 December 2023:

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Rights of use		
Buildings	39,104	36,410
Equipment	1,417	1,032
Cars	4,911	4,199
Total rights of use	45,432	41,641

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Lease liabilities		
IFRS 16 Financial liabilities - Current	10,413	9,601
IFRS 16 Non-current financial liabilities	37,548	34,214
Total lease liabilities	47,961	43,815

The increase in the item “Buildings” refers primarily to the change in the logistics operator at the Technogym USA commercial branch, with the resulting recognition of rights of use for the limited area of the warehouse reserved to the associated company. With respect to the rest of the Group, there was an increase in the category equipment, primarily forklifts, and an increase in the category cars, after new contracts were entered into for vehicles assigned to employees.

The table below shows the impact of IFRS 16 on the consolidated financial position for the half year ended 30 June 2024 and 30 June 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Depreciation of rights of use		
Buildings	(4,326)	(3,948)
Equipment	(249)	(192)
Cars	(1,303)	(1,107)
Total depreciation	(5,877)	(5,247)

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Payment reversals		
Buildings	4,927	4,289
Equipment	216	219
Cars	1,186	926
Total payment reversals	6,329	5,434

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Interest		
Interest expense	(833)	(673)
Total interest	(833)	(673)

5.2 INTANGIBLE ASSETS

The item “Intangible assets” amounted to Euro 53,029 thousand at 30 June 2024 (Euro 56,686 thousand at 31 December 2023).

The following table reports the details of intangible assets as of 30 June 2024 and 31 December 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	Year ended 31 December
	2024	2023
Intangible assets		
Development costs	24,211	22,616
Patents and intellectual property rights	15,827	18,832
Concessions, licences, trademarks and similar rights	733	813
Intangibles under development and advances	7,687	9,658
Other intangible assets	3,582	3,777
Goodwill	989	989
Total Intangible assets	53,029	56,686

The table below shows the amounts of investments made by the Group in the half year ended 30 June 2024 and in the half year ended 30 June 2023, relating to the item “Intangible assets”, broken down by category:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Investments in intangible assets		
Development costs	1,327	1,295
Patents and intellectual property rights	2,710	2,045
Concessions, licences, trademarks and similar rights	68	71
Intangibles under development and advances	3,246	3,663
Other intangible assets	274	304
Goodwill	-	989
Total investments in intangible assets	7,625	8,367

Investments in intangible fixed assets include costs for the development of new projects and restyling of existing projects, as well as purchases of software.

5.3 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

The item “Investments in joint ventures and associates” amounts to Euro 1,225 thousand as of 30 June 2024 (Euro 1,155 thousand as of 31 December 2023). The following table details the composition and changes in investments in joint ventures and associates for the half year ended 30 June 2024:

<i>(In thousands of Euro)</i>	% of Ownership	Value	Investments	Disinvestments	Revaluations/ (Impairment losses)	Net result	Other movements	Value
		31/12/2023						30/06/2024
Wellink srl	40.00%	219	-	-	-	50	-	269
Physio AG	31.50%	936	-	-	-	20	-	956
Total		1,155	-	-	-	70	-	1,225

The increase in this item in the first half of 2024 compared to 31 December of the previous year was due entirely to the profit for the period.

5.4 NON-CURRENT AND CURRENT FINANCIAL ASSETS

With reference to the item “Non-current and current financial assets”, as at 30 June 2024 the Company invested part of its liquidity in short and medium-term bonds, respectively in the Tamburi Bond (reimbursement on 5 December 2024) and the Credem Bond (reimbursement on 25 October 2025). Please note that the Tamburi Bond was called by the issuer early on 22 July 2024, while the Credem Bond is expected to be held until maturity, unless it is called early by the issuer. The amount invested came to Euro 3,000 thousand for each individual instrument acquired.

5.5 TRADE RECEIVABLES

The item “Trade receivables” amounted to Euro 113,019 thousand as of 30 June 2024, down by Euro 6,774 thousand compared to Euro 119,793 thousand as of 31 December 2023. The following table gives a breakdown compared with the values at 31 December of the prior year:

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Trade receivables		
Trade receivables (gross value)	93,645	106,704
Provision for write-downs of receivables	(7,286)	(7,312)
Transferred trade receivables	27,942	21,682
Provision for write-downs on transferred receivables	(1,281)	(1,281)
Total trade receivables	113,019	119,793

The item balance consists of trade receivables (nominal value) and trade receivables “transferred” for a value net of the provision for write-downs of receivables amounting to Euro 86,359 thousand and Euro 26,661 thousand, respectively, as of 30 June 2024.

The amount of trade receivables (nominal value) decreased compared to the value as of 31 December 2023, when they totalled Euro 106,704 thousand, despite the increase in sales volumes recorded in the first half of 2024. This reduction is for the most part due to the cyclical effect of the increase in turnover in the final months of the previous year, with the resulting collection of invoices issued in the early months of the subsequent year.

The item “transferred” trade receivables net of the relative provision amounted to Euro 26,661 thousand as of 30 June 2024, up by Euro 6,260 thousand compared to Euro 20,401 thousand as of 31 December 2023. This last sub-item refers to the current portion of receivables arising from the sale of goods which, although they are transferred to third-party financial institutions, are retained in the financial statements as they do not meet all the conditions required by IAS 9 for derecognition from assets.

The financial liabilities include the amounts received from financial institutions in the form of advances for these transfers. Please note that the item “Other non-current assets” also includes receivables transferred for an amount of Euro 28,942 thousand, net of a bad debt provision of Euro 2,203 thousand.

5.6 FINANCIAL DERIVATIVE ASSETS

The item “Assets for derivative financial instruments” amounted to Euro 126 thousand at 30 June 2024 (Euro 172 thousand at 31 December 2023).

The following table shows assets for derivative financial instruments broken down by currency at 30 June 2024 and 31 December 2023:

<i>(In thousands of Euro)</i>	As of 30 June		As of 31 December	
	2024		2023	
USD	5		143	
GBP	-		11	
AUD	-		4	
CNY	13		14	
JPY	108		-	
CAD	-		-*	
Total	126		172	

*The approximated value is less than a thousand and amounts to Euro 139

Assets for derivative financial instruments are related to positive differences resulting from the fair value of “forward” contracts in place as of 30 June 2024 and 31 December 2023. They are listed in the table below:

<i>(In thousands of Euro)</i>	As of 30 June 2024			
	Currency	Currency inflow	Currency	Currency outflow
Forward 01	EUR	23,779	USD	25,800
Forward 02	EUR	2,488	JPY	426,238
Forward 03	EUR	1,286	CHF	10,000
Forward 04	EUR	179	HKD	1,500
Forward 05	EUR	3,987	AUD	6,414
Forward 06	EUR	497	SAR	2,000
Situation at 30.06.2024				
<i>(In thousands of Euro)</i>	As of 31 December 2023			
	Currency	Currency inflow	Currency	Currency outflow
Forward 01	EUR	21,143	USD	23,550
Forward 02	EUR	1,935	JPY	300,000
Forward 03	EUR	1,025	CAD	1,500
Forward 04	EUR	2,564	CNY	20,000
Forward 05	EUR	4,632	GBP	4,000
Forward 06	EUR	1,846	AUD	3,000
Situation at 31.12.2023				

For the 2024 financial year, the hedge accounting method was adopted only for the exchange rate collar. The net fair value of the collar at 30 June 2024 was positive at Euro 5 thousand; the fluctuations during the period generated a negative cash flow hedge reserve of Euro 4 thousand, as shown in the table below (negative Euro 4 thousand net of the tax effect).

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December	As of 30 June	As of 31 December
	2024 assets	2023 assets	2024 liabilities	2023 liabilities
Exchange rate hedging:				
Exchange rate hedges (current) – cash flow hedge	(5)	-	-	524
Tax effect – Exchange rate hedges (current) – cash flow hedge	1	-	-	(126)
Interest rate hedges:				
Interest rate hedges (current) – cash flow hedge	-	-	-	-
Tax effect - Interest rate hedges (current) – cash flow hedge	-	-	-	-
Total	(4)	-	-	398

5.7 EQUITY

The item “Equity” amounted to Euro 330,559 thousand at 30 June 2024 (Euro 363,712 thousand at 31 December 2023).

The following table reports the details of equity as of 30 June 2024 and 31 December 2023:

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Equity		
Share capital	10,066	10,066
Share premium reserve	7,132	7,132
Own shares	(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

Based on the resolution of the shareholders’ meeting of 7 May 2024, the profit for 2023 reported in the financial statements of the Parent Company Technogym S.p.A., equal to Euro 74,463 thousand, was allocated as follows:

- a total of Euro 51,756 thousand to shareholders as a dividend of Euro 0.26 per ordinary qualifying share;
- the remainder of Euro 22,707 thousand to the retained earnings reserve.

On 19 June 2024, the assignment to “2021-2023 Performance Shares Plan” beneficiary employees of the shares due using the Company’s treasury shares portfolio was approved.

5.8 FINANCIAL LIABILITIES AND FINANCIAL DERIVATIVE INSTRUMENTS

The items “Non-current financial liabilities” and “Current financial liabilities” totalled Euro 68,694 thousand and Euro 38,609 thousand respectively as of 30 June 2024 and Euro 69,959 thousand and Euro 32,259 thousand as of 31 December 2023.

The following table reports the financial liabilities, current and non-current, as of 30 June 2024 and 31 December 2023.

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Non-current financial liabilities		
Bank loans due after 12 months – non-current portion	-	-
Non-current liabilities due to other lenders	31,146	35,745
IFRS 16 Non-current financial liabilities	37,548	34,214
Total non-current financial liabilities	68,694	69,959
Current financial liabilities		
Bank loans due after 12 months – current portion	-	-
Other short-term borrowings	251	402
Current liabilities due to other lenders	27,942	21,682
Other current liabilities	3	575
IFRS 16 Financial liabilities - Current	10,413	9,601
Total current financial liabilities	38,609	32,259

The effect of IFRS 16 on non-current and current financial liabilities was equal to Euro 37,548 thousand and Euro 10,413 thousand respectively.

Medium/long-term bank loans

As at 30 June 2024, the company had recorded no change in its bank loans.

As of the date of this document, it is not believed that there are any factors that could have negative repercussions resulting in a breach of covenants in the next 12-18 months, with reference to the parameters in question.

Other short-term borrowings

The following table reports the details of other short-term borrowings as of 30 June 2024 and 31 December 2023:

<i>(In thousands of Euro)</i>	Currency	As of 30 June	As of 31 December
		2024	2023
Other short-term borrowings			
BPER Luxembourg	EUR	-	183
Other short-term borrowings	EUR	251	218
Total other short-term borrowings		251	402

Other short-term borrowings mainly include stand-by credit lines, short-term loans (generally called “hot money”) and bank overdrafts.

In particular, the Group uses short-term committed and uncommitted credit lines granted by leading banks, which accrue interest at a variable rate indexed to the Euribor plus a spread.

Current and non-current liabilities due to other lenders

Current and non-current liabilities to other lenders refers to financing transactions guaranteed by the transfer of receivables arising from the sale of goods that, although transferred to third-party financial institutions, have been retained in the financial statements as they do not meet all the conditions required by IFRS 9 for derecognition from assets.

Liabilities for derivative financial instruments

As of 30 June 2024, the Group has derivative contracts giving rise to financial derivative liabilities for Euro 90 thousand, compared to Euro 2 thousand in the previous year.

The following detailed table shows Liabilities for derivative financial instruments at 30 June 2024 and 31 December 2023:

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Forward		
AUD	79	-
SAR	8	-
HKD	3	-
JPY	-	2
Total	90	2

Liabilities for derivative financial instruments refer to the differences arising from the fair value of “forward” contracts used to hedge exposure to currency risk.

For more details of the types of “forward” contracts, see the table in paragraph 5.6 Assets for derivative financial instruments.

5.9 PROVISIONS FOR RISKS AND CHARGES

The item “Provisions for non-current risks and charges” and “Provisions for current risks and charges” amount to Euro 12,898 thousand and Euro 19,852 thousand, respectively, at 30 June 2024 (respectively, Euro 13,566 thousand and Euro 19,472 thousand at 31 December 2023).

The following table reports the details of provisions, current and non-current, as of 30 June 2024 and 31 December 2023:

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Non-current provisions for risks and charges		
Warranties provision	7,123	6,676
Agents provision	1,082	1,022
Non-Competition Agreement provision	1,959	2,651
Rebates provision	2,082	2,158
Ongoing lawsuits provision	-	69
Other provisions for risks and charges	653	992
Total non-current provisions for risks and charges	12,898	13,566
Current provisions for risks and charges		
Warranties provision	7,204	6,813
Free Product Fund provision	1,461	1,275
Other provisions for risks and charges	11,187	11,384
Total current provisions for risks and charges	19,852	19,472

The increase in the current and non-current items of the Warranties provision was primarily due to the increase in revenues from finished products registered during the year 2024 compared to the previous year.

The change in the items Rebates provision and Free Product Fund provision is due to the joint effect of uses for rebates recognised to customers set aside in previous years and new provisions relating to expected turnover for the current year.

The item Other provisions for current and non-current risks and charges, as in the previous year, consists primarily of the provision for employee bonuses, the provision recognised in 2023 correlated with part of the liquidity present in the subsidiary Technogym AO and the provision for liabilities deemed likely referring to the early suspension of the employment relationship with employees during the current year.

5.10 TRADE PAYABLES

The item “Trade payables” amounted to Euro 159,972 thousand at 30 June 2024 (Euro 155,384 thousand at 31 December 2023). Trade payables are mainly related to transactions for the purchase of raw materials, components and shipping services, manufacturing and technical assistance. These transactions are part of ordinary procurement management.

Notes to the income statement

5.11 REVENUES

In the half year ended 30 June 2024, the item “Revenues” totalled Euro 401,139 thousand (Euro 368,830 thousand in the half year ended 30 June 2023).

The following table reports the amounts of revenues for the half year ended 30 June 2024 and the half year ended 30 June 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Revenues		
Revenues from the sale of products, spare parts, hardware and software	317,590	292,899
Revenues from transport and installation, after-sale and rental assistance	83,550	75,931
Total revenues	401,139	368,830

For further information on the identification of the operating segments and the allocation of revenues by distribution channel and geographical area, see the “Segment reporting” section of this document.

5.12 PURCHASES AND USE OF RAW MATERIALS, WORK IN PROGRESS AND FINISHED GOODS

In the half year ended 30 June 2024, the item “Raw materials, work in progress and finished goods” totalled Euro 129,699 thousand (Euro 121,343 thousand in the half year ended 30 June 2023).

The following table provides details of purchases and changes in raw materials, work in progress and finished goods for the half year ended 30 June 2024 and the half year ended 30 June 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Purchases and changes in raw materials, work in progress and finished goods		
Purchases and changes in raw materials	86,436	78,533
Purchases and changes in finished goods	40,870	43,570
Purchases and changes in packaging and cost of custom duties	2,854	687
Change in inventory of work in progress	(461)	(1,447)
Total purchases and changes in raw materials, work in progress and finished goods	129,699	121,343

The increase in this item is primarily ascribable to higher volumes generated by the Group during the year, and was mitigated by higher efficiencies generated in the production process, essentially relating to process optimisation.

5.13 COST OF SERVICES

In the half year ended 30 June 2024, the item “Cost of services” totalled Euro 111,277 thousand (Euro 105,031 thousand for the half year ended 30 June 2023).

The following table reports the amounts of costs of services for the half year ended 30 June 2024 and the half year ended 30 June 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Cost of services		
Transport, customs duties and installation	39,938	38,523
Technical assistance	12,981	11,844
Marketing expenses	12,442	11,538
Rentals	3,951	4,249
Agents	4,945	4,200
Consulting services	5,316	5,896
Travel and business expenses	6,557	6,445
Outsourcing costs	3,799	3,498
Utilities	2,046	2,359
Maintenance costs	3,459	3,206
Other services	15,843	13,273
Total cost of services	111,277	105,031

The main increases over 30 June 2023 are linked to types of variable costs, which follow the higher volumes generated by the Group, with the main ones being transport, installation, technical assistance and agent costs. Furthermore, the Group continues to make investments in marketing for participation in trade fairs and events, which are concentrated especially in the first half of the year, as well as to consolidate growth in the BtoC segment.

“Other services” mainly relate to costs for managing external deposits, insurance and remuneration of external directors, the board of statutory auditors and independent auditors.

5.14 PERSONNEL EXPENSES

In the half year ended 30 June 2024, the item “Personnel expenses” totalled Euro 92,356 thousand (Euro 81,859 thousand in the half year ended 30 June 2023).

The following table reports the amounts of personnel expenses for the half year ended 30 June 2024 and the half year ended 30 June 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Personnel expenses		
Wages and salaries	69,563	61,820
Social security contributions	15,828	14,846
Provisions for employee benefit obligations	1,867	1,607
Other costs	5,097	3,586
Total personnel expenses	92,356	81,859

The increase in this item compared to the previous year is mainly correlated with the increase in the workforce compared to the previous year, from an average of 2,255 employees at 31 December 2023 to 2,301 at 30 June 2024. Please also note that this item includes non-recurring expenses referring to personnel expenses not linked to normal operations for Euro 365 thousand (Euro 530 thousand as of 30 June 2023).

The following table reports the average and exact number of employees, broken down for the periods ending at 30 June 2024 and at 31 December 2023:

<i>(in number)</i>	Half year ended 30 June 2024		Year ended 31 December 2023	
	Average	Year-end	Average	Year-end
Number of employees				
Managers	69	68	70	67
White-collar	1,606	1,648	1,572	1,607
Blue-collar	626	635	613	611
Total number of employees	2,301	2,351	2,255	2,285

5.15 INCOME TAXES

In the half year ended 30 June 2024, the item “Income tax expenses” totalled Euro 10,880 thousand (Euro 8,210 thousand in the half year ended 30 June 2023).

The following table reports the amounts of Income taxes for the half year ended 30 June 2024 and the half year ended 30 June 2023:

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Income taxes		
Current taxes	14,058	8,699
Deferred taxes	(3,385)	(478)
Total income taxes for the year	10,673	8,221
Taxes relating to prior years	207	(11)
Total income taxes	10,880	8,210
<i>of which non-recurring income taxes</i>	-	(976)

Current income taxes in the half are calculated on the basis of the existing taxable income on the date of the close of the period, in application of the tax regulations in force or essentially approved on the date of the close of the period itself.

5.16 EARNINGS PER SHARE

The following table shows the calculation of basic earnings per share.

<i>(In thousands of Euro)</i>	Half year ended 30 June	
	2024	2023
Earnings per share		
Profit for the period	31,148	28,474
Number of shares (in thousands)*	199,162	201,328
Total earnings per share	0.16	0.14

* The calculation does not include the own shares in portfolio

As concerns changes in the number of shares, reference is made to the paragraph “Information on shares” in the interim board of directors' report.

5.17 NET FINANCIAL POSITION

The following table reports the details of net indebtedness of the Group as of 30 June 2024 and 31 December 2023, determined in accordance with the new ESMA Guidelines of 4 March 2021 (Consob warning notice no. 5/21 to Consob Communication DEM/6064293 of 28 July 2006).

<i>(In thousands of Euro)</i>	As of 30 June	As of 31 December
	2024	2023
Net financial position		
A. Cash	155,515	201,066
B. Cash equivalents	39,005	23,664
C. Other current financial assets	6,802	4,421
D. Liquidity (A) + (B) + (C)	201,322	229,151
E. Current financial payables (including debt instruments, but excluding the current part of non-current financial payables)	(38,699)	(32,261)
F. Current part of non-current financial payables	-	-
G. Current financial indebtedness (E) + (F)	(38,699)	(32,261)
H. Net current financial indebtedness (G) + (D)	162,623	196,891
I. Non-current financial payables (excluding the current part and debt instruments)	(68,694)	(69,959)
J. Debt instruments	-	-
K. Trade payables and other non-current payables	(48)	(143)
L. Non-current financial indebtedness (I) + (J) + (K)	(68,742)	(70,102)
M. Total financial indebtedness (H) + (L)	93,881	126,788

As described in the section “Operating performance and comments on the economic and financial results” in the Interim Board of Directors' Report, the net financial position was also affected by seasonal trends impacting the Group.

The Net financial position as of 30 June 2024, which includes the effects of adopting IFRS 16, was positive by Euro 93,881 thousand, down compared to Euro 126,788 thousand at the end of the previous year. This decrease is mainly attributable to the payment of dividends of Euro 52.9 million, the treasury share purchase plan announced on 6 November 2023 and concluded in 2024 and the purchase of a medium-long term bond of Euro 3 million, despite the cash flow generated by operations of Euro 64.9 million (up by Euro 10 million compared to June 2023) and a positive change of

Euro 8.4 million in net working capital. The net financial position not including the effects of IFRS 16 amounts to Euro 141.8 million. The Group did not take out any loans from credit institutions during the year and has available stand-by lines of credit, hot money and current account overdrafts from credit institutions.

At 30 June 2024 there are no restrictions or limitations to the use of the cash of the Group, except for minor amounts relating to specific circumstances closely linked to commercial operations of certain Group entities. Please also note that as of 30 June 2024, the cash and cash equivalents at the Russian subsidiary amount to roughly Euro 12.1 million, primarily resulting from earnings from previous years. During the year the Group maintained a provision for risks and charges of Euro 1,925 thousand, recognised in 2023, as, following the limitations imposed by the Russian Federation due to the conflict in Ukraine, it is deemed at risk should it be distributed to the parent company, taking into account the methods in the course of assessment.

The following table shows the amounts of credit lines available and used as of 30 June 2024 and 31 December 2023.

<i>(in thousands of Euro)</i>	Cash credit lines	Self-liquidating credit lines	Financial credit lines	Total
As of 30 June 2024				
Credit lines	47,500	11,500	200,000	259,000
Utilisations	-	-	-	-
Credit lines available at 30 June 2024	47,500	11,500	200,000	259,000
As of 31 December 2023				
Credit lines	47,500	11,500	230,000	289,000
Utilisations	-	-	-	-
Credit lines available at 31 December 2023	47,500	11,500	230,000	289,000

5.18 FAIR VALUE DISCLOSURE

As of 30 June 2024 and 31 December 2023, the book value of financial assets and liabilities is the same as their fair value.

IFRS 7 outlines three levels of fair value for the measurement of financial instruments recognised in the statement of financial position: (i) Level 1: quoted prices in an active market; (ii) Level 2: inputs other than quoted prices included within Level 1, that are observable directly (prices) or indirectly (derived from prices) in the market; (iii) Level 3: inputs not based on observable market data.

During the period, there were no transfers between the three levels of fair value indicated in IFRS 7.

5.19 RISK DISCLOSURE

The main financial risks to which the Group is subject to are:

- credit risk, arising from commercial transactions or financing activities;
- risks related to supplier relations;
- liquidity risk, related to the availability of financial resources and access to the credit market;
- market risk, in particular:
 - a) currency risk, related to operations in areas using currencies other than the functional currency;
 - b) interest rate risk, related to the Group's exposure to financial instruments that accrue interests;
 - c) price risk, associated with changes in the prices of commodities.

For more information on the policies and processes for risk management, please refer to the section "Risk factors" in the Interim Board of Directors' Report.

Financial instruments by category

The following tables show the financial assets and liabilities by category of financial instrument, in accordance with IFRS 9 and the fair value hierarchy level at 30 June 2024 and 31 December 2023:

30 June 2024 (In thousands of Euro)	Financial assets	Financial assets at fair value	Financial assets at fair value	Total	Level 1	Level 2	Level 3	Total
	Amortised cost	FV vs OCI	FV vs P&L					
Other non-current assets	75,515	-	876	76,390	-	-	876	876
Non-current financial assets	2	-	3,007	3,009	3,007	-	-	3,007
Non-current financial assets	75,517	-	3,883	79,400	3,007	-	876	3,883
Trade receivables	113,019	-	-	113,019	-	-	-	-
Cash and cash equivalents	194,520	-	-	194,520	-	-	-	-
Assets for derivative financial instruments	-	-	126	126	-	126	-	126
Current financial assets	3,637	-	3,039	6,676	3,039	-	-	3,039
Other current assets	42,807	-	-	42,807	-	-	-	-
Current financial assets	353,984	-	3,165	357,148	3,039	126	-	3,165

31 December 2023 (In thousands of Euro)	Financial assets	Financial assets at fair value	Financial assets at fair value	Total	Level 1	Level 2	Level 3	Total
	Amortised cost	FV vs OCI	FV vs P&L					
Other non-current assets	81,638	-	712	82,350	-	-	712	712
Non-current financial assets	-	-	-	-	-	-	-	-
Non-current financial assets	81,638	-	712	82,350	-	-	712	712
Trade receivables	119,793	-	-	119,793	-	-	-	-
Cash and cash equivalents	224,730	-	-	224,730	-	-	-	-
Assets for derivative financial instruments	-	83	89	172	-	172	-	172
Current financial assets	4,250	-	-	4,250	-	-	-	-
Other current assets	28,152	-	-	28,152	-	-	-	-
Current financial assets	376,925	-	172	377,096	-	172	-	172

30 June 2024 (In thousands of Euro)	Financial liabilities	Financial liabilities carried at fair value	Financial liabilities carried at fair value	Total	Level 1	Level 2	Level 3	Total
	Amortised cost	FV vs OCI	FV vs P&L					
Non-current financial liabilities	68,694	-	-	68,694	-	-	-	-
Other non-current liabilities	43,080	-	-	43,080	-	-	-	-
Non-current financial liabilities	111,774	-	-	111,774	-	-	-	-
Current financial liabilities	38,609	-	-	38,609	-	-	-	-
Trade payables	159,972	-	-	159,972	-	-	-	-
Liabilities for derivative financial instruments	-	-	90	90	-	90	-	90
Other current liabilities	124,469	-	-	124,469	-	-	-	-
Current financial liabilities	323,050	-	90	323,140	-	90	-	90

31 December 2023 (In thousands of Euro)	Financial liabilities	Financial liabilities carried at fair value	Financial liabilities carried at fair value	Total	Level 1	Level 2	Level 3	Total
	Amortised cost	FV vs OCI	FV vs P&L					
Non-current financial liabilities	69,959	-	-	69,959	-	-	-	-
Other non-current liabilities	44,771	-	-	44,771	-	-	-	-
Non-current financial liabilities	114,730	-	-	114,730	-	-	-	-
Current financial liabilities	32,259	-	-	32,259	-	-	-	-
Trade payables	155,384	-	-	155,384	-	-	-	-
Liabilities for derivative financial instruments	-	-	2	2	-	2	-	2
Other current liabilities	106,178	-	-	106,178	-	-	-	-
Current financial liabilities	293,821	-	2	293,822	-	2	-	2

5.20 RELATED PARTY TRANSACTIONS

The Group's transactions with related parties, (hereinafter also “**Related party transactions**”) identified based on criteria defined by IAS 24 – Related party disclosures, are primarily of a commercial nature and connected with transactions carried out on an arm's length basis. The table below details the equity balances of related party transactions as of 30 June 2024 and 31 December 2023:

<i>(In thousands of Euro)</i>	Property, plant and equipment		Trade receivables		Current financial assets		Other current assets		Non-current financial liabilities		Trade payables		Current financial liabilities	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun
PUBBLISOLE SPA	-	-	24	-	-	-	-	-	-	-	-	-	-	-
CONSORZIO ROMAGNA INIZIATIVE	-	-	-	-	-	-	25	39	-	-	-	-	-	-
WELLINK SRL	-	-	-	1	-	-	-	-	-	-	25	27	-	-
ALFIN SRL	-	-	3	3	-	-	-	25	-	-	122	76	-	-
VIA DURINI 1 S.R.L.	5,912	5,442	-	-	-	-	-	-	5,109	4,628	85	71	1,006	1,023
STARPOOL S.R.L.	-	-	1	-	-	-	-	-	-	-	4	4	-	-
ONE ON ONE SRL	-	-	11	3	-	-	-	-	-	-	191	253	-	-
ALNE SOC. AGR. S.R.L.	-	-	-	-	-	-	-	-	-	-	-	10	-	-
Sobeat s.r.o.	3,496	3,148	-	-	-	-	-	-	3,679	2,974	-	-	3,309	4,014
WELLNESS FOUNDATION	-	-	-	-	-	-	-	-	-	-	31	12	-	-
WF S.R.L.	-	-	-	-	-	-	-	-	-	-	61	50	-	-
Physio AG	-	-	3	-	-	-	-	-	-	-	37	80	-	-
Uberti Società Semplice	-	-	-	-	-	-	-	-	-	-	20	-	-	-
SE Active Pte Ltd	-	-	-	-	227	227	-	-	-	-	-	-	-	-
Total	9,407	8,589	41	7	227	227	25	64	8,788	7,602	575	584	4,315	5,036
Total Financial Statements	171,560	174,346	119,793	113,019	4,250	6,676	28,152	42,807	69,959	68,694	155,384	159,972	32,259	38,609
% on financial statements item	5.5%	4.9%	0.0%	0.0%	5.3%	3.4%	0.1%	0.1%	12.6%	11.1%	0.4%	0.4%	13.4%	13.0%

The table below details the income statement balances of related party transactions as of 30 June 2024 and 30 June 2023:

<i>(In thousands of Euro)</i>	Revenues		Other revenues and income		Purchases and use of raw materials, work in progress and finished goods		Cost of services		Other operating costs		Depreciation and amortisation		Financial expenses	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun
PUBBLISOLE SPA	-	-	-	-	-	-	11	-	-	-	-	-	-	-
Asso.Milano Durini Design	-	-	-	-	-	-	-	-	(3)	(3)	-	-	-	-
FITKEY SOUTH AFRICA PTY LTD	-	-	-	-	-	-	-	-	-	-	-	-	6	-
WELLINK SRL	-	3	-	-	-	-	(59)	(68)	-	-	-	-	-	-
ALFIN SRL	-	-	-	-	-	-	(185)	(143)	-	-	-	-	-	-
VIA DURINI 1 S.R.L.	-	-	-	-	-	-	(169)	(86)	(10)	(11)	(531)	(507)	(72)	(61)
ONE ON ONE SRL	20	7	-	-	-	-	(543)	(637)	-	(2)	-	-	-	-
ENERVIT SPA	1	-	-	-	-	-	-	(1)	-	-	-	-	-	-
ALNE SOC. AGR. S.R.L.	-	-	-	-	-	-	-	(10)	-	-	-	-	-	-
Sobeat s.r.o.	-	-	-	-	-	-	74	223	-	-	(345)	(348)	-	(26)
WELLNESS FOUNDATION	-	-	-	-	-	-	(12)	(12)	-	-	-	-	-	-
WF S.R.L.	-	-	-	-	-	-	(150)	(100)	-	-	-	-	-	-
Wellness Explorers Srl	-	-	2	-	(1)	-	-	-	-	-	-	-	-	-
Physio AG	7	7	-	-	-	-	(93)	(175)	-	-	-	-	-	-
Uberti Società Semplice	-	-	-	-	-	-	(21)	(21)	-	-	-	-	-	-
Total	28	17	2	-	(1)	-	(1,148)	(1,030)	(13)	(16)	(875)	(855)	(66)	(87)
Total Financial Statements	368,830	401,139	1,172	957	(121,343)	(129,699)	(105,031)	(111,277)	(3,565)	(3,169)	(22,514)	(24,966)	(12,637)	(6,858)
% on financial statements item	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	1.1%	0.9%	0.4%	0.5%	3.9%	3.4%	0.5%	1.3%

The relationship between the Group and related parties as of and for the periods ended 30 June 2024, 31 December 2023 and 30 June 2023 are mainly commercial.

The figures for the companies Via Durini 1 S.r.l and Sobeat S.r.o mainly refer to the adoption of IFRS 16 concerning property leased in favour of the Group.

The relationship with One on One S.r.l. is related to collaborations aimed to implement and manage corporate wellness areas. For instance, the Group occasionally receives the support of One on One S.r.l. in order to offer a complete service to the end customers.

Transactions between the Group and One on One S.r.l. are regulated by agreements arranged from time to time based on the requests and needs of the end customer.

Relations with Wellink S.r.l. refer mainly to collaborations aimed at implementing personalised projects for wellness centres.

5.21 REMUNERATION OF DIRECTORS AND KEY MANAGEMENT

The total amount of compensation of the Board of Directors of the Company amounted to Euro 1,339 thousand for the half year ended 30 June 2024 (Euro 1,256 thousand for the half year ended 30 June 2023). In addition, the total amount of compensation for key management amounted to Euro 707 thousand for the half year ended 30 June 2024 (Euro 924 thousand for the half year ended 30 June 2023).

5.22 CONTINGENT LIABILITIES

As of 30 June 2024 there were no ongoing legal or tax proceedings against any Group companies and therefore, no particular provisions for risks and charges have been recognised, with the exception of the following described.

It should be noted that an assessment notice for an amount of around Euro 10 million was received in the first half of 2017 relating to the company FBK Equipamentos Ltda, for alleged formal irregularities in the import customs declarations relating to years prior to 2015, also in the name of Technogym Fabricação de Equipamento de Ginástica Ltda, now incorporated in BK Equipamentos Ltda.

The company, assisted by its local tax advisors and lawyers, opposed the presumptions of the local administration and the first rulings against it, as it believes that it has always operated in full compliance with local tax and customs provisions. Consequently, the decision was taken not to allocate any provision, as the risk of losing the appeal procedure is not deemed likely.

5.23 COMMITMENTS AND GUARANTEES

As of 30 June 2024 the Company issued guarantees to credit institutions on behalf of subsidiaries for Euro 20,656 thousand (Euro 21,524 thousand as of 30 June 2023), in favour of all subsidiaries participating in cash pooling and on behalf of related parties for Euro 3,707 thousand (Euro 3,840 thousand as of 30 June 2023). The guarantees issued by the Group in favour of public institutions and other third parties amounted to Euro 2,094 thousand (Euro 2,056 thousand at 30 June 2023).

5.24 SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

Net non-recurring expense came to Euro 1,313 thousand as at 30 June 2024, essentially relating to the cost of services, personnel expenses and the relative costs not associated with normal operations.

As at 30 June 2023, the Group recorded net non-recurring income of Euro 337 thousand due to the combination of: positive effects from the measurement of the equity investment in Technogym Emirates LLC and the departure from the Group of Technogym Manno for a total of Euro 4,534, gross of a tax effect of Euro 976 thousand; negative impacts were caused by costs for services, personnel expenses and other operating costs non linked to normal operations for a total of Euro 1,296 thousand, in addition to the provision for risks and charges of Euro 1,925 thousand correlated with part of the liquidity held by the Russian affiliate Technogym AO, which, following the limitations imposed by the Russian Federation due to the conflict in Ukraine, was deemed at risk should it be distributed to the parent company, taking into account the arrangements under assessment.

5.25 POSITIONS OF TRANSACTIONS ARISING FROM ATYPICAL AND/OR UNUSUAL OPERATIONS

The Group did not complete any atypical or unusual operations pursuant to Consob Communication no. DEM/6064293 of 28 July 2006.

Certification of the condensed half-yearly consolidated financial statements pursuant to Article 81-ter of the CONSOB regulation 11971 of 14 May 1999 as amended

1. The undersigned Nerio Alessandri, as Chairman of the Board of Directors and Chief Executive Officer, and William Marabini as Financial Reporting Officer of Technogym S.p.A., pursuant to Article 154-bis, paragraphs 3 and 4 of Italian Legislative Decree 58 of 24 February 1998 (Consolidated Law on Finance), hereby certify:

- the adequacy of administrative and accounting procedures in relation to the characteristics of the company and
- the effective implementation of the administrative and accounting procedures for the preparation of the Condensed Half-Yearly Consolidated Financial Statements, during the first half of 2024.

No significant findings emerged from our assessment of the system of internal financial reporting controls.

2. We also confirm that the Condensed Half-Yearly Consolidated Financial Statements:

- a) have been drawn up in accordance with the international accounting standards recognised in the European Union under Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- b) correspond to the amounts shown in the Company's accounts, books and records;
- c) provide a true and fair view of the assets and liabilities, profits and losses and financial position of the issuer and the group of companies included in the consolidation.

3.2 The half-year directors' report includes a reliable analysis of the significant events that took place in the first six months of the financial year and their impact on the half-yearly condensed financial statements, along with a description of the main risks and uncertainties for the Group.

The half-year directors' report also includes a reliable analysis of the significant transactions with related parties.

Cesena, 02 August 2024



REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the shareholders of
Technogym SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Technogym SpA and its subsidiaries ("Technogym Group") as of 30 June 2024, comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated shareholders' equity, the consolidated statement of cash flow and the related notes. The directors of Technogym SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements of Technogym Group as of 30

PricewaterhouseCoopers SpA

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June 2024 are not prepared, in all material respects, in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Bologna, 2 August 2024

PricewaterhouseCoopers SpA

Signed by
Roberto Sollevanti
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

