



**TECHNOGYM S.P.A.**

REGISTERED OFFICE IN CESENA, VIA CALCINARO, 2861

SHARE CAPITAL EURO 10,000,000.00 FULLY SUBSCRIBED AND PAID IN

REGISTRATION WITH THE FORLÌ-CESENA COMPANIES' REGISTER NO. 315187 - TAX CODE 06250230965

INFORMATION DOCUMENT RELATING TO THE PLAN FOR THE FREE AWARD OF  
RIGHTS TO RECEIVE TECHNOGYM ORDINARY SHARES SUBMITTED TO THE  
SHAREHOLDERS' MEETING FOR APPROVAL

*(prepared pursuant to art. 84-bis of the Regulations adopted by CONSOB by resolution no. 11971 of  
May 14, 1999 and subsequent amendments and integrations)*

## FOREWORD

This information document (the “**Information Document**”), prepared pursuant to art. 84-bis and Diagram no. 7 of Annex 3A of the Regulations adopted by CONSOB through resolution no. 11971 of May 14, 1999 and subsequent amendments and integrations (the “**Issuers’ Regulations**”), deals with the proposal to adopt the medium-term incentive scheme for the free award of rights to receive Technogym ordinary shares (the “**Shares**”) subject to achieving certain performance objectives (hereinafter referred to as the “**2017-2019 Performance Shares Plan**” or the “**Plan**”) approved by the Board of Directors of Technogym S.p.A. (the “**Company**” or “**Technogym**”) on March 6, 2017.

The aforesaid proposal to adopt the Plan, that consists in the free award of the right to receive Shares free of charge under the terms and conditions set out in the Plan and described in this Information Document, will be submitted for approval to the Shareholders’ Meeting called for April 21, 2017, pursuant to art. 114-bis of Legislative Decree no. 58 of February 24, 1998 and subsequent amendments and integrations (the “**Consolidated Law on Finance**” or “**TUF**”), as the Plan is also aimed at managers with strategic responsibilities.

At the date of this Information Document, the proposal to adopt the Plan has not yet been approved by the Company’s Shareholders Meeting.

Therefore:

- (i) this Information Document was solely prepared on the basis of the contents of the proposal to adopt the Plan approved by the Board of Directors of the Company on March 6, 2017;
- (ii) any reference made to the Plan in this Information Document must be interpreted as referred to the proposal for the adoption of the Plan.

The information provided in Diagram no. 7 of Annex 3A to the Issuers’ Regulations that is not contained in this Information Document will be provided, if available, at the implementation phase of the Plan, pursuant to art. 84-bis, paragraph 5, letter. a) of the Issuers’ Regulations.

## DEFINITIONS

For the purpose of this Information Document, the terms listed below have the meaning specified alongside each of them:

<b>Allotment</b>	The actual number of Shares allotted to each Beneficiary after the end of the Vesting Period, under the terms and conditions provided in the Regulations.
<b>Shareholders' Meeting</b>	The Company's Shareholders' Meeting.
<b>Award</b>	The award by the Board of Directors, to each Beneficiary, of the Right to receive a number of Shares under the terms and conditions provided in the Regulations after hearing the opinion of the Appointments and Remuneration Committee.
<b>Shares</b>	Technogym ordinary shares listed on the MTA ( <i>Mercato Telematico Azionario</i> , screen-based stock exchange) organized and managed by Borsa Italiana S.p.A. to be allotted to the Beneficiaries according to the Plan.
<b>Actual Shares</b>	The number of Shares that will be actually allotted to each Beneficiary under the terms and conditions of the Regulations.
<b>Beneficiaries</b>	The managers of the Technogym Group that will be identified by name by the Board of Directors, upon proposal by the Chairman of the Board and after hearing the opinion of the Appointments and Remuneration Committee, among the employees and/or collaborators of the Company and/or its subsidiaries holding one of the Positions, including Company's Managers with Strategic Responsibilities.
<b>Beneficiaries of the 2015 Plan</b>	Participants in the long-term incentive plan approved by the Board of Directors in June 2012 and amended on December 16, 2015.
<b>Change in Control</b>	This indicates (a) the acquisition by one or more Third-party Purchasers of a controlling stake in the Company pursuant to art. 93 of the TUF; (b) the acquisition by one or more Third Party Purchasers of a number of shares or a quota of a Subsidiary, or of companies controlling the latter, either directly or indirectly, other than the Company, exceeding in total 50% of the related share capital, unless the Company does not continue to have control pursuant to art. 2359 of the Italian Civil Code; (c) the permanent transfer, in any capacity, to one or more Third -party Purchasers of the company or the business unit having the employment relationship with Beneficiary.

<b>Corporate Governance Code</b>	The Corporate Governance Code of listed companies approved in July 2015 by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria.
<b>Appointments and Remuneration Committee</b>	The Appointments and Remuneration Committee established and appointed by the Board of Directors in accordance with the Corporate Governance Code.
<b>Board of Directors</b>	Technogym's Board of Directors.
<b>Approval Date</b>	Date of approval of the Regulations by the Board of Directors.
<b>Shares Allotment Date</b>	As regards each Beneficiary, the date of the resolution of the Board of Directors approving the allotment of the shares to that Beneficiary.
<b>Right Award Date</b>	As regards each Beneficiary, the date of the resolution of the Board of Directors dealing with the identification of each Beneficiary and the award of the Right to receive Shares to that Beneficiary.
<b>Managers with Strategic Responsibilities</b>	The managers with powers and responsibility, either directly or indirectly, for the planning, management and control of the Company's business activity.
<b>Right to receive Shares</b>	The conditional, free and non-transferable right <i>inter vivos</i> to receive a set number of Shares for free, under the terms and conditions set out in the Regulations, provided that certain Performance Objectives are achieved.
<b>Information Document</b>	This information document prepared pursuant to art. 84-bis of the Issuers' Regulations and according to the indications set out in Diagram no. 7 of Annex 3A of the same Issuers' Regulations.
<b>Earnings per Share or EPS</b>	The amount, in Euros, equal to the net profit shown in the Group's IFRS consolidated financial statements for the related financial year, divided by the average number of outstanding shares at December 31 of the reference financial year.
<b>Cumulative earnings per share or EPS</b>	The sum of the EPSs, stated in Euros, of the three financial years falling in the Vesting Period.
<b>Group</b>	Collectively, the Company and its Subsidiaries.
<b>MTA</b>	The <i>Mercato Telematico Azionario</i> (screen-based stock exchange) organized and managed by Borsa Italiana S.p.A.

<b>Basic Number of Shares</b>	The number of Shares that can be obtained by each Beneficiary upon achieving 100% of the Performance Objectives under the terms and conditions provided in the Regulations.
<b>Performance Objectives</b>	The objectives of the Plan that will be established by the Board of Directors when approving the Regulations, upon proposal of the Appointments and Remuneration Committee, and calculated by reference to the EPS and the Value of Technogym Shares and which level, if achieved, determines the number of Shares to be allotted to each Beneficiary at the end of the Vesting Period.
<b>Minimum Performance Objective</b>	Achievement of 95% of the Performance Objectives
<b>Vesting Period</b>	The period from January 1, 2017 to December 31, 2019 during which the Right to receive Shares matures and which will be used as the reference period to verify the achievement of the Performance Objectives.
<b>2017-2019 Plan or Performance Shares Plan</b>	The medium-term incentive plan the subject of which is the free allotment of Shares to the Beneficiaries, subject to the achievement of certain Performance Objectives, within the time set in the proposal approved by the Board of Directors of Technogym on March 6, 2017 that will be submitted for approval to the Shareholders' Meeting of the Company pursuant to art. 114-bis of the TUF, called for April 21, 2017 and described in this Information Document.
<b>Relationship</b>	Employment and/or collaboration relationship in place between the Beneficiary and the Company or one of its Subsidiaries.
<b>Regulations</b>	The Regulations concerning the definition of the criteria, methods and terms for implementing the Plan to be approved by the Board of Directors following its approval by the Shareholders' Meeting.
<b>Issuers' Regulations</b>	The Issuers' Regulations adopted by CONSOB by resolution no. 11971 of May 14, 1999, as subsequently amended and integrated.
<b>Position</b>	The managerial positions considered as being strategically relevant or, in any case, capable of providing a significant contribution towards achieving the strategic objectives of the Company and/or the Group, that will be identified by the Board of directors and specified in the Regulations.
<b>Company or Technogym</b>	Technogym, with registered office in Cesena (FC), Via Calcinaro no. 2861, tax code, VAT and Forlì-Cesena Companies' Register

no. 06250230965.

**Subsidiaries**

The companies that are controlled by the Company, from time to time, either directly or indirectly, pursuant to art. 2359 of the Italian Civil Code and with which one or more Beneficiaries has a Relationship in place.

**Relevant Subjects**

The subjects referred to as such in art. 84-bis, paragraph 2 of the Issuers' Regulations.

**Third-party Purchaser**

A third party other than (i) the subjects, physical or legal persons that at the Approval Date hold a controlling stake in the Company, either directly or indirectly, pursuant to art. 93 of the TUF, or (ii) the subjects, physical or legal persons that at the Approval Date are controlled, either directly or indirectly, pursuant to art. 93 of the TUF, by any of the subjects referred to in point (i).

**TUF**

Legislative Decree no. 58 of 1998, as subsequently amended and integrated.

**Value of Technogym Share**

The arithmetic mean of the stock market price of Technogym ordinary shares in the month preceding the closing date of the Vesting Period, i.e. December 31, 2019.

## **1. RECIPIENTS OF THE PLAN**

The Plan is reserved for the managers of the Technogym Group that will be identified by name by the Board of Directors, upon proposal of the Chairman of the Board and after hearing the opinion of the Appointments and Remuneration Committee, among the employees and/or collaborators of the Company and/or its Subsidiaries that hold managerial positions considered to be strategically significant or, in any case, capable of providing a significant contribution towards the achievement of the strategic objectives of the Company and/or the Group, including Company's Managers with Strategic Responsibilities.

Pursuant to art. 114-bis, paragraph 3 of the TUF and art. 84-bis, paragraph 2 of the Issuers' Regulations, the Plan is to be considered as an "extremely relevant plan", as the Beneficiaries that will be identified by the Board of Directors can also include Managers with Strategic Responsibilities.

### **1.1 Specification of the names of the recipients that are members of the Board of Directors or of the management board of the issuer of financial instruments, of the companies that control the issuer and the companies controlled by the latter either directly or indirectly.**

At the date this Information Document was prepared, the names of the Relevant Subjects who will be assigned the Right to receive Shares are not known as it is the Board of Directors that will identify the names of the Beneficiaries upon mandate by the Shareholders' Meeting.

Therefore, the names of the Relevant Subjects who will be assigned the Right to receive Shares and the other information required under paragraph 1 of Diagram no. 7 of Annex 3A of the Issuers' Regulations will be provided according to the methods and terms set out in art. 84-bis, paragraph 5, letter a) of the Issuers' Regulations.

### **1.2 Categories of employees or collaborators of the issuer of financial instruments and of the controlling companies or subsidiaries of that issuer.**

The Plan is reserved for the managers of the Technogym Group that will be identified by name by the Board of Directors, upon proposal of the Chairman of the Board and after hearing the opinion of the Appointments and Remuneration Committee, among the employees and/or collaborators of the Company and/or its Subsidiaries that hold managerial positions considered to be strategically significant or, in any case, capable of providing a significant contribution towards the achievement of the strategic objectives of the Company and/or the Group, including Company's Managers with Strategic Responsibilities.

As regards the method for identifying the Beneficiaries of the Plan please refer to paragraph 1.1 above.

### **1.3 Names of the subjects that benefit from the plan who fall in the groups specified in point 1.3, letters a), b) and c) of Annex 3A, Diagram no. 7 of the Issuers' Regulations.**

The names of the Beneficiaries and the other information required in paragraph 1.3 of Diagram no. 7 of Annex 3A of the Issuers' Regulations will be provided according to the methods and terms specified in art. 84-*bis*, paragraph 5, letter a) of the Issuers' Regulations.

As regards the method for identifying the Beneficiaries of the Plan please refer to paragraph 1.1 above.

#### **1.4 Description and indication of the number of beneficiaries, subdivided by reference to the categories indicated in point 1.4, letters a), b) and c) of Annex 3A, Diagram no. 7 of the Issuers' Regulations.**

The names of the Beneficiaries and the other information required in paragraph 1.4 of Diagram no. 7 of Annex 3A of the Issuers' Regulations will be provided according to the methods and terms specified in art. 84-bis, paragraph 5, letter a) of the Issuers' Regulations.

As regards the method for identifying the Beneficiaries of the Plan please refer to paragraph 1.1 above.

## **2. REASONS FOR ADOPTING THE PLAN**

### **2.1 Objectives to be achieved by allocating the plans.**

The adoption of the Plan aims at strengthening the ability of Technogym to withhold key resources and attract people with top skills as well as at aligning the interest of key human resources in the company's performance with that of the shareholders so as to create sustainable value over time.

The Plan covers a three-year horizon, a period that was considered to be the most appropriate to achieve the objectives pursued by the Plan.

### **2.2 Key variables, including performance indicators considered for the allocation of plans based on financial instruments.**

The Right to receive Shares, as set out in the Plan, is subject to the verification by the Board of Directors, at the end of the Vesting Period, of the occurrence of the following conditions:

- (i) that at the Allotment Date, the Relationship of the Beneficiary with the Company or with the relevant Subsidiary is in place and the Beneficiary continues to hold one of the Positions within the Company, the relevant Subsidiary or the Group; and
- (ii) that the Minimum Performance Objective has been achieved.

The number of Shares actually allotted to each Beneficiary at the end of the Vesting Period will be determined by the Board of Directors based on the degree of achievement of the Performance Objectives, provided that the actual number of Shares allotted to each Beneficiary does not exceed 150% of its Basic Number of Shares.

The Performance Objectives will be determined in relation to the levels of the Cumulative EPS and the Share Value. The relative weight of the two indicators will be 80% for the 2017-2019 Cumulative EPS and 20% for the Target Value of the Share.

The number of Shares that will be actually allotted to each Beneficiary under the terms and conditions of the Regulations will be calculated by the Board of Directors using the following formula:

$$\text{RAL} \times \text{RAL percentage: VRAT} \times \text{PROP}$$

where

“RAL” indicates the Beneficiary's gross annual remuneration, excluding the variable part, by reference to the relevant period running from January 1 to December 31 of the year in which the Award of the



Right to receive Shares is carried out.

“RAL percentage” means the percentage that will be determined, for each Beneficiary, at the Allotment Date by the Board of Directors, upon hearing the Appointments and Remuneration Committee, in pursuing the Company’s interests, taking account, inter alia, of the position held, the remuneration band, the importance of the human resource for the Company’s results, his/her growth potential within the Group and any other element deemed useful or relevant in relation to the objectives of value creation for the Company and the Group reflected in the definition of the Performance Objectives.

“VRAT” means the arithmetic mean of the prices of the listing of Technogym ordinary shares in the month preceding the Approval Date.

“PROP” means the pay-out percentage upon achieving the Performance Objectives verified by the Board of Directors after the end of the Vesting Period and the approval of the IFRS consolidated financial statements of the Group at December 31, 2019, in time to carry out the Award.

This formula reflects what is shown in the following table:

<b>% achievement of Performance Objectives (PO)</b>	<b>PROP</b>
PO < 95%	0
95% ≤ PO ≤ 100%	50% ≤ PROP ≤ 100%
100% < PO < 120%	100% < PROP ≤ 150%
PO > 120%	150%

If the Performance Objectives are achieved:

i) to a 95% degree (Minimum Performance Objective), each Beneficiary will be entitled to a PROP equal to 50%;

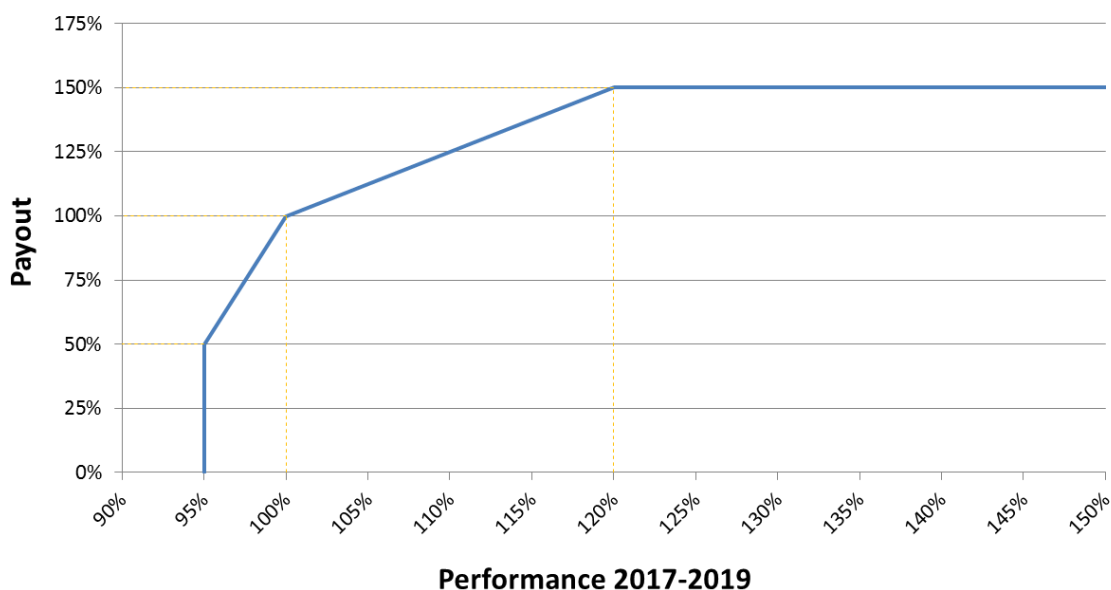
between 95% and 100%, each Beneficiary will be entitled to a PROP that increases according to the line indicated in the figure below, calculated using the linear interpolation method, up to a max percentage of 100%;

iii) between 100% and 120% (Overperformance), each Beneficiary will be entitled to a PROP that increases according to the line indicated in the figure below, calculated using the linear interpolation method, up to a max percentage of 150%;

iv) more than 120% each Beneficiary will be entitled to a PROP equal and never greater than 150%.

If the Minimum Performance Objective is not achieved, the Right to receive Shares must be considered as lapsed for all intents and purposes. If the Performance Objectives are exceeded by more than 120%, the Beneficiary is entitled to receive an allotment of Actual Shares calculated on the basis of a PROP that will be, in any case, equal to and never greater than 150%.

At the end of the Vesting Period the Board of Directors will verify the existence of the aforesaid conditions, thus establishing the number of Shares to be allotted to each Beneficiary. The delivery of the Shares will take place within the 60th calendar day following the approval of the financial statements related to the last year of the Vesting Period.



If a Beneficiary:

- (i) is also a Beneficiary of the 2015 Plan, and
- (ii) when the shares are allotted (Allotment Date) is still holder of at least 50% of the Shares allotted to him pursuant to the 2015 Plan less any shares disposed of to pay any amounts due under the law for the allotment in question,

the number of Actual Shares will be increased by 20%.

For the sake of clarity, if the condition in point (ii) above is not verified at the Shares' Allotment Date, the number of the Actual Shares of the Beneficiary that is also a Beneficiary of the 2015 Plan will not be increased.

Upon allotting the Shares, the Board of Directors have the right to grant the Beneficiary a sum of money equal to the counter value of the product of multiplying the number of Actual Shares by their normal value determined pursuant to art. 9 of Presidential Decree 917/1986. The Board of Directors can exercise that right only where, given the specific circumstances concerning the Beneficiary, Financial Instruments cannot be allotted to the Beneficiary for regulatory reasons.

If at the Allotment Date the Shares are no longer listed, that value must be determined by an independent expert appointed by the Company.

**2.3 Elements used to determine the amount of the remuneration based on financial instruments, i.e. the criteria for its determination.**

The Basic Number of Shares (NBA) will be determined, by reference to each Beneficiary, by the Board of Directors using the following formula:

$$\text{NBA} \times \text{RAL percentage} = \text{VRAT}$$

where

“RAL” indicates the Beneficiary’s gross annual remuneration, excluding the variable part, by reference to the relevant period running from January 1 to December 31 of the year in which the Award of the Right to receive Shares is carried out.

“RAL percentage” means the percentage that will be determined, for each Beneficiary, at the Allotment Date by the Board of Directors, upon hearing the Appointments and Remuneration Committee, in pursuing the Company’s interests, taking account, inter alia, of the position held, the remuneration band, the importance of the human resource for the Company’s results, his/her growth potential within the Group and any other element deemed useful or relevant in relation to the objectives of value creation for the Company and the Group reflected in the definition of the Performance Objectives.

“VRAT” means the arithmetic mean of the prices of the listing of Technogym ordinary shares in the month preceding the Approval Date.

The accruing of the Right to receive Shares at the end of the Vesting Period will be subject to the condition involving the achievement and verification of the accruing conditions mentioned in paragraph 2.2 above.

**2.4 Reasons behind the decision to award remuneration plans based on financial instruments not issued by the issuer, such as financial instruments issued by subsidiaries or parent companies or non-group companies; where the aforesaid instruments are not traded on regulated markets, information on the criteria used to determine the value attributable to them.**

The Plan does not envisage the granting of remuneration based on financial instruments other than those issued by the Company.

**2.5 Valuations made with regard to significant tax and accounting implications that have affected the definition of the plans.**

There are no particular tax and/or accounting issues that have affected the definition of the Plan.

**2.6 Any support provided to the plan by the Special Fund for encouraging employees’ participation in corporate ownership, as per art. 4, paragraph 112, of Law no. 350 of December 24, 2003.**

The Plan will not receive any support from the Special Fund for encouraging employees’ participation in corporate ownership, as per art. 4, paragraph 112, of Law no. 350 of December 24, 2003.

### **3. PROCEDURE FOR APPROVING THE ALLOTMENT OF THE SHARES AND RELATED TIMING**

#### **3.1 Scope of powers and duties conferred upon the Board of Directors by the Shareholders' Meeting to implement the plan.**

The Plan was approved by the Board of Directors on March 6, 2017, upon proposal of the Appointments and Remuneration Committee and will be submitted for approval to the Shareholders' Meeting of the Company pursuant to art. 114-bis of the TUF.

The Ordinary Shareholders' Meeting of Technogym will be advised to grant the Board of Directors - with the express right to sub-delegate - the broadest powers deemed necessary or appropriate to instruct and give complete and integral implementation of the 2017-2019 Performance Shares Plan including, by way of example, the power to (i) identify the Beneficiaries and the Performance Objectives as well as determine the Basic Number of Shares to be allotted to each of them, (ii) exercise all the powers and duties assigned by the plan to the Board of Directors and take the appropriate decisions, being the Board of Directors authorized, at its discretion, to service the 2017-2019 Performance Shares Plan using newly issued shares resulting from an increase in share capital pursuant to art. 2349 of the Italian Civil Code, which will be submitted for approval at the forthcoming Shareholders' Meeting, or own shares held by the Company, (iii) draw up and approve the rules of the Plan and make the changes and/or additions deemed necessary and/or appropriate in the event of extraordinary transactions carried out by the Company and/or the Group in order to maintain the substantive and financial aspects of the 2017-2019 Performance Shares Plan unchanged, within the limits set from time to time by applicable legal regulations, and (iv) disclose information to the market, draft and/or finalize any document deemed necessary or appropriate in relation to the 2017-2019 Performance Shares Plan, pursuant to applicable laws and regulations, and, in general, execute the shareholders' resolutions.

The Explanatory Report that contains the resolution proposal is made available according to the terms and modalities prescribed by the law.

#### **3.2 Indication of the subjects in charge of managing the plan, their duties and scope of responsibility.**

The body in charge of the decisions concerning the Plan - except for those falling under the responsibility of the Shareholders' Meeting - is the Board of Directors that, in exercising the powers that will be conferred upon it by the Ordinary Shareholders' Meeting in relation to the Plan, can delegate its powers, duties and responsibilities related to the execution, management and administration of the Plan to one or more of its members.

The Appointments and Remuneration Committee will act as advisor and will make proposals in relation to the implementation of the Plan, according to the recommendations of the Corporate Governance Code.

#### **3.3 Existing procedures, if any, for the revision of plans also in relation to possible changes in the basic objectives.**

If, during the Vesting Period, a takeover bid or a Change in Control should occur, the Board of Directors, can bring forward the delivery of the Shares under the terms and conditions that will be set out in the Regulations.

Following the occurrence of further events that could affect the Company, the Group, the Performance Objectives or the Plan (including, merely by way of an example, extraordinary operations concerning the Company, regulatory changes, material changes in general economic conditions or international monetary policy) the Board of Directors may make changes to the Plan and the Plan implementation documents (including the Regulations), independently and without the need for further approval by the Shareholders' Meeting of the Company, after hearing the Appointments and Remuneration Committee, all amendments and integrations to the Regulations and/or the Right to receive Shares and/or the Basic Number of Shares deemed necessary and/or appropriate to adjust the Plan, to the extent permitted from time to time by applicable legal regulations, as regards the effects resulting from extraordinary transactions occurred or changed laws or regulations.

**3.4 Description of the methods used to determine the availability and assignment of the financial instruments on which the plans are based (e.g. free allocation of shares, share capital increases with exclusion of pre-emptive rights, purchase and sale of treasury shares).**

On March 6, 2017 the Board of Directors resolved to submit for approval to the Ordinary Shareholders' Meeting the proposal to (i) authorize the Board of Directors to purchase Technogym ordinary shares with no nominal value to be used also in the share incentive scheme and (ii) to delegate to the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, for a period of five years from the date of the resolution, the power to increase the share capital, for free and in several tranches, pursuant to art. 2349 of the Italian Civil Code, issuing max. 1,100,000 ordinary shares, for a maximum amount of Euro 55,000, at an issue price equal to the accounting par value of the shares at the date of execution to be credited in full to share capital, to be assigned to employees of Technogym S.p.A. and its subsidiaries that are beneficiaries of the plan for the free assignment of rights to receive ordinary shares also known as the "2017-2019 Performance Shares Plan".

**3.5 Role played by each director in determining the characteristics of the aforementioned plans; occurrence of conflict-of-interest situations involving the directors concerned.**

The characteristics of the Plan to be submitted for approval to the Shareholders' Meeting of the Company pursuant to art. 114-bis of the TUF, were determined at a meeting of the Board of Directors, with the proactive support and advice of the Appointments and Remuneration Committee and complying with the conclusions reached by the same Committee, as recommended by the Corporate Governance Code and in line with the best corporate practices on the matter.

**3.6 For the purposes of the requirements of art. 84-bis, paragraph 1, the date of the decision taken by the body in charge of proposing the approval of the plans to the Shareholders' Meeting and the proposal of the Remuneration Committee, if any.**

The Appointments and Remuneration Committee, at the meeting of March 3, 2017, examined the Plan and resolved to submit the same to the approval of the Board of Directors.

On March 6, 2017, the Board of Directors, upon proposal of the Remuneration Committee, resolved to approve the Plan proposal and to submit the same to the approval of the Shareholders' Meeting.

**3.7 For the purposes of the requirements of art. 84-bis, paragraph 5, letter. a) the date of the decision taken by the body in charge of the allocation of instruments and any proposal to the aforementioned body made by the remuneration committee, if any.**

For the purposes of art. 84-bis, paragraph 5, letter a), of the Issuers' Regulations, the decision on the award of the Right to Receive Shares is expected to be made by the Board of Directors, also in more than one sitting, then by the Ordinary Shareholders' Meeting called to approve the Plan, upon proposal of the Appointments and Remuneration Committee, it being understood that this award must take place by and no later than 12 months from the Approval Date.

At the end of the Vesting Period, the Board of Directors will calculate the number of Shares that will be actually allotted to each Beneficiary under the terms and conditions of the Regulations using the formula referred to in paragraph 2.2.

The decisions that will be made by the Board of Directors to implement the Plan will be disclosed to the public pursuant to art. 84-bis, paragraph 5, letter a) of the Issuers' Regulations.

### **3.8 The market price, recorded at the aforesaid dates, of the financial instruments on which the plans are based, if traded on regulated markets.**

At March 6, 2017, when the Board of Directors met to approve the Plan to submit to the Shareholders' Meeting called for April 21, 2017, the Stock Exchange Price of Technogym ordinary shares was Euro 5.09.

In the event that the Shareholders' Meeting approves the Plan, the price of Technogym ordinary shares at the Award Date of the Right to receive Shares will be communicated in the manners and terms indicated in art. 84-*bis*, paragraph 5, letter a), of the Issuers' Regulations.

### **3.9 In the case of plans based on financial instruments traded on regulated markets, under what terms and in what ways the issuer takes account, in determining the timing of the allocation of instruments to implement the plans, of the possible coincidence of: (i) said assignment or any decisions made by the remuneration committee on the matter and (ii) the dissemination of information considered relevant pursuant to art. 114, paragraph 1; e.g. in the event that such information: a. has not already been publicly disclosed and is not fit for positively affecting market prices, or, b) has already been published and is fit for adversely affecting market prices.**

The Shares will be allotted only at the end of the Vesting Period and subject to the use and verification of the vesting conditions referred to in paragraph 2.2 by and no later than the 60th calendar day after the approval of the Group's IFRS consolidated financial statements for the last year of the Vesting Period, i.e. December 31, 2019. Consequently, any disclosure of inside information at the time of the award of the Right to receive Shares would not explain appreciable effects on the Plan by the behavior of the Beneficiaries that, at that moment, cannot perform any operation on the Shares, being the delivery of the same deferred to a later time than the assignment of the same Right.

The procedure for identifying the Beneficiaries and the Basic Number of Shares as well as the delivery of the Shares will take place, in any case, in full compliance with the disclosure requirements imposed on the Company, in order to ensure transparency and equality of information to the market and in compliance with the procedures adopted by the Company.

Beneficiaries are required to observe the legal regulations governing insider trading, as well as Group internal procedures, in particular those regulating the disposal of the Shares which might be assigned after verifying the Performance Objectives and other conditions for the Allotment.

## **4. CHARACTERISTICS OF THE INSTRUMENTS ALLOTTED**

### **4.1 Description of the structure of the remuneration plans based on financial instruments.**

The Plan provides for the free award of the Right to receive Shares to the Beneficiaries, it being understood that the maximum number of Shares that may be allotted under the Plan is 1,100,000, to be delivered in dematerialized form, subject to the satisfaction of the vesting conditions specified in paragraph 2.2., by the 60th calendar day after the approval of the IFRS consolidated financial statements for the last year of the Vesting Period, i.e. December 31, 2019.

### **4.2 Indication of the period of the actual implementation of the plan also by reference to any different cycles envisaged.**

The identification of the Beneficiaries and the Award of the Right to receive Shares will be made by the Board of Directors, upon proposal of the Appointments and Remuneration Committee, also in more than one tranche, provided that such an Award takes place within 18 months from the Approval Date of the Regulations.

In line with the provisions of the Corporate Governance Code, the Plan provides for a three-year Vesting Period starting from the Award Date. At the end of the Vesting Period, the Board of Directors will verify the existence of the conditions set out in paragraph 2.2, thus establishing the number of Shares to be allotted to each Beneficiary. The Allotment of the Shares will take place within the 60th calendar day following the approval of the IFRS consolidated financial statements relating to the last year of the Vesting Period, i.e. December 31, 2019.

### **4.3 End of the Plan.**

The first identification of the Beneficiaries and the Award to the same of the Right to receive Shares with the indication of the Basic Number of Shares is expected to occur in 2016. The Performance Objectives will be verified by reference to the 2017-2019 three-year period and Shares will be allotted within the 60th calendar day following the approval of the IFRS consolidated financial statements for the last year of the Vesting Period, i.e. December 31, 2019.

### **4.4 Maximum number of financial instruments, including options, allotted in each tax year to subjects identified by name or specified categories.**

The maximum number of Shares that can be allotted to the Beneficiaries under the Plan is 1,100,000 (one million and one hundred thousand). The Plan does not provide for a maximum number of Shares to be allotted in each tax year.

### **4.5 Implementation terms and clauses of the plan, specifying whether the allotment of the instruments is subject to a number of conditions occurring or the achievement of specific results, including performance objectives; descriptions of such conditions and results.**

As regards the implementation terms and clauses of the Plan, please refer to the provisions contained in each paragraph of this Information Document. In particular, on the Award Date of the Right, the Board of Directors, upon proposal of the Chairman of the Board and after hearing the Appointments and Remuneration Committee, will identify the Beneficiaries giving each the Right to receive Shares and identifying for each Beneficiary the Basic Number of Shares, i.e. the number of Shares to which the Beneficiary shall be entitled in the event of reaching 100% of the Performance Objectives under the

terms and conditions provided in the Regulations using the criteria described in paragraph 2.3 above.

The Award of the Right to receive Shares to the Beneficiaries is free, and is not subject to achieving performance objectives nor is it correlated to other key variables. Each Beneficiary can be allotted Shares provided that the Performance Objectives specified in paragraph 2.2 above are achieved.

**4.6 Indication of possible restrictions on the availability of the instruments allotted or the instruments resulting from the exercise of the options, especially by reference to the dates by which the subsequent transfer to the same company or third parties is allowed or forbidden.**

The Shares delivered to each Beneficiary at the end of the Vesting Period will be subject to a lock-up period of 12 (twelve) months from the date of delivery of the Shares allotted to the Beneficiary.

There is however no prejudice to the disposals carried out in compliance with legal or regulatory requirements or linked to a public purchase offer or exchange offer pursuant to the TUF as well as transactions involving the transfer of 45% of any Shares allotted to each Beneficiary in order to obtain the funds needed to fulfil tax and/or social contribution obligations according to the modalities and terms that will be provided by the Regulations.

**4.7 Description of any termination clause related to the allocation of the plans if the beneficiaries enter into hedging transactions that allow them to circumvent any prohibition to sell the financial instruments received, including options, or the financial instruments obtained by exercising these options.**

This is not applicable as no termination clauses are envisaged in the event that the Beneficiary enters into hedging transactions.

**4.8 Description of the effects caused by the termination of the employment relationship.**

As the right to receive Shares is genetically and functionally linked to the continuation of the Relationship between the Beneficiaries and the Company or its Subsidiaries until the Award Date, in the event of termination of the employment relationship, the following provisions will apply, unless differently decided by the Board of Directors, after hearing the Appointments and Remuneration Committee, in favor of the Beneficiaries.

Should the employment relationship terminate, in the case of a good leaver, the Beneficiary (or the heirs who submitted an inheritance declaration and fulfilled their tax obligations) will retain the right to obtain the delivery of the Shares from the Company, subject to compliance with the obligations, terms and conditions set out in the Regulations. A good leaver case is one where the employment relationship terminated due to death, absolute prevention from performing one's duties for a continuous period of six months, or nine months even if not continuous in a calendar year, as well as the permanent disability of the Beneficiary preventing the relationship from continuing, where the termination of the Relationship has occurred between the end of the Vesting Period and the Allotment Date of the Shares (including the latter date).

In the event of termination of the Relationship in the case of a bad leaver, the Beneficiary will definitely lose the Right to Receive Shares. A bad leaver case occurs where the Employment Relationship terminates for reasons other than those of a good leaver case as well as cases where, following a change in the Relationship, the Beneficiary, for whatever reason, no longer holds one of the Positions.



#### **4.9 Indication of any other plan cancellation causes.**

Except as noted in other paragraphs of this Information Document, there are no other plan cancellation causes.

#### **4.10 Reasons for foreseeing a "redemption", from the company, of the financial instruments covered by the plans, pursuant to art. 2357 and ff. of the Italian Civil Code; beneficiaries of redemption, indicating whether the same is intended only for specific categories of employees; effects of termination of the employment relationship on said redemption.**

No redemption mechanisms are envisaged for the Shares that are freely allotted under the Plan.

#### **4.11 Possible loans and other subsidies that may be granted to allow for the purchase of the shares pursuant to art. 2358 of the Italian Civil Code.**

Neither loans nor subsidies are envisaged to allow for the purchase of the Shares as they are allotted for free.

#### **4.12 Indication of estimates of the expected liability for the Company at the Allotment Date, as determined on the basis of terms and conditions already defined, for the overall amount and each instrument in the plan.**

On the date of this Information Document there are not sufficient elements to provide reliable estimates of the expected liability for the Company, it being subject to a number of unforeseeable factors.

The information on the total cost of the Plan will be provided in accordance with the methods prescribed in art. 84-bis, paragraph 5, of letter a) of the Issuers' Regulations.

#### **4.13 Indication of possible diluting effects of the remuneration schemes on the share capital.**

Since the Board of Directors, upon allotting the Shares following the vesting of the Right to receive Shares under the terms and conditions of the Plan, can choose whether to use treasury shares or shares resulting from the Share Capital Increase, it is not possible to predict any capital dilution effects caused by the Plan.

If, subject to achieving and exceeding the Performance Objectives, a max. number of 1,100,000 ordinary shares is allotted under the Plan and, assuming that all of the Shares to be allotted under the Rights to receive Shares assigned derive from the Share Capital Increase, these Shares will represent 0.55% of the entire share capital.

#### **4.14 Possible restrictions on the exercise of voting rights and on the assignment of property rights.**

No limit is envisaged for the exercise of voting rights or the assignment of the property rights attached to the Shares actually delivered to the Beneficiaries.

Until the Shares are actually delivered, no Beneficiary can be considered as a Shareholder of the Company, under whatever title.

#### **4.15 If the shares are not traded on regulated markets, any information deemed useful to properly assess the value attributable to them.**

This is not applicable as the Shares are listed on the MTA.

#### **4.16 - 4.23**

These are not applicable.

#### **TABLE**

Table no. 1 provided in paragraph 4.24 of Diagram no. 7 of Annex 3A to the Issuers' Regulations, will be provided according to the modalities set out in art. 84-bis, paragraph 5, letter a) of the Issuers' Regulations.