



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

**EXPLANATORY REPORT BY THE BOARD OF DIRECTORS ON THE PROPOSAL SET OUT IN POINT 4  
OF THE ORDINARY SECTION OF THE AGENDA OF THE SHAREHOLDERS' MEETING OF  
TECHNOGYM S.P.A. CALLED FOR APRIL 21, 2017 IN SINGLE CALL**

#### 4. Proposal to approve a plan for the free award of rights to receive ordinary shares of the Company also known as the “2017-2019 Performance Shares Plan”.

Dear Shareholders,

We have called this Ordinary Shareholders’ Meeting to submit for your approval, pursuant to art. 114-bis, first paragraph of Legislative Decree no. 58 of February 24, 1998, as subsequently amended (the “**Consolidated Law on Finance**” or “**TUF**”), a plan for granting rights to receive ordinary shares of the Company also known as the 2017-2019 Performance Shares Plan, reserved for 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 of Directors and after hearing the opinion of the Appointments and Remuneration Committee, among the employees and/or collaborators of the Company or its subsidiaries that hold strategically relevant managerial positions or, in any case, capable of significantly contributing to pursuing the strategic objectives of the Company and/or the Group, including the Company’s Managers with Strategic Responsibilities. The structure of the incentive plan has been defined by the Board of Directors, upon proposal by the Appointments and Remuneration Committee, at the meeting held on March 6, 2017.

The characteristics of this plan are illustrated in the information document prepared by the Company pursuant to art. 84-bis of the Regulation adopted by Consob through Resolution no. 11971 of May 14, 1999 (“**Issuers’ Regulations**”), made available to the public at the registered office, on the Company’s website at the link [www.technogym.com](http://www.technogym.com) and in other ways and by the dates set by currently applicable legal regulations.

The information document on the Plan is reproduced in full in the attachment.

If you agree with the proposal we have illustrated, we kindly ask you to approve the following draft resolution.

“*The Shareholders’ Meeting of Technogym S.p.A.:*

- *having acknowledged the proposal made by the Board of Directors*
- *having examined the information document prepared by the Board of Directors pursuant to art. 84-bis of the Issuers’ Regulations,*

***resolves***

- *to approve, pursuant to and for the purposes of art. 114-bis of the TUF, agreeing with the reasons behind the initiative, the adoption of a plan for the free award of rights to receive ordinary shares of the Company also known as the 2017-2019 Performance Shares Plan, reserved for the managers of the Technogym Group, employees and/or collaborators of the Company or its subsidiaries, including Managers with Strategic Responsibilities by allocating max. no. 1,100,000 (one million and one hundred thousand) shares of the Company, at the terms and conditions and in the manners described in the information document attached to the Explanatory Report of the Board of Directors;*
- *to confer the widest and appropriate powers to the Board of Directors to provide instructions on the 2017-2019 Performance Shares Plan and fully implement it, including but not limited to the power to:*
  - (i) *identify the beneficiaries of the 2017-2019 Performance Shares Plan and the performance objectives and establish the basic number of Shares to be allotted to each of them in the event of full achievement of performance objectives and the RAL (gross annual remuneration) percentage, used by the Board of Directors to calculate, at the end of the vesting period of the plan, the number of actual Shares – lower or greater than the basic number of Shares – to be allotted to each of the Beneficiaries on the basis of the level of achievement, or any overrun, of the same performance objectives, at the terms and conditions set out in the Plan and, anyway, in compliance with the maximum number of shares to be allocated to the plan as determined by the Shareholders’ Meeting;*

- (ii) exercise all the powers and duties conferred upon the Board of Directors by the 2017-2019 Performance Shares Plan and take any related decisions, being the Board of Directors, at its discretion, authorized to manage the 2017-2019 Performance Shares Plan using newly issued shares resulting from a free share capital increase pursuant to art. 2349 of the Italian Civil Code, the approval of which will be submitted to today's Extraordinary Shareholders' Meeting, i.e. of treasury shares held by the Company;*
- (iii) to draft and approve the plan regulations and make changes and/or additions to it as deemed fit and/or appropriate in the case of extraordinary transactions concerning the Company and/or the Group to keep the main contents and economic terms of the 2017-2019 Performance Shares Plan unchanged within the limits allowed by the legal regulations that will become enforceable from time to time; and*
- (iv) to provide 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 legal regulations and other regulatory provisions, as well as, in general, execute these resolutions."*

on behalf of the Board of Directors  
The Chairman  
Nerio Alessandri