

**Technogym S.p.A.**

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

*(prepared pursuant to art. 84-bis of the Regulations adopted by CONSOB through resolution no. 11971 of 14 May  
1999, as amended and integrated)*

27 March 2019

## FOREWORD

This information document (the “**Information Document**”), prepared pursuant to art. 84-*bis* and Model no. 7 of Annex 3A of the Regulations adopted by CONSOB through resolution no. 11971 of 14 May 1999, as amended and integrated (the “**Issuers’ Regulations**”), pertains to the proposal to adopt a new medium-term incentive scheme, reserved for managers of the Technogym Group, involving the free award of rights to receive Technogym ordinary shares (the “**Shares**”) subject to the achievement of certain performance objectives, called the 2019-2021 Performance Shares Plan (hereinafter, the “**2019-2021 Performance Shares Plan**” or the “**Plan**”), under the terms whereby this proposal was approved by the Board of Directors of Technogym S.p.A. (the “**Company**” or “**Technogym**”) on 27 March 2019.

The aforesaid proposal to adopt the Plan shall be submitted for approval to the Company Shareholders’ Meeting called for 08 May 2019, pursuant to art. 114-*bis* of Italian Legislative Decree no. 58 of 24 February 1998, as amended and integrated (the “**Consolidated Finance Law**” or “**TUF**”), since the Plan is also intended for key managers.

As at the date of this Information Document, the proposal to adopt the Plan has not yet been approved by the Company Shareholders’ Meeting, and therefore:

- (i) this Information Document was prepared solely on the basis of the contents of the proposal to adopt the Plan, approved by the Company Board of Directors on 27 March 2019;
- (ii) any reference made to the Plan in this Information Document must be interpreted as referring to the proposal for the adoption of the Plan.

The information provided in Model 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 following terms have the meanings specified below:

<b>Actual Shares</b>	The number of Shares that will actually be allotted to each Beneficiary under the terms and conditions of the Regulations.
<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>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>Approval Date</b>	Date of approval of the Regulations by the Board of Directors following the approval of the Plan by the 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>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>Beneficiaries</b>	The managers of the Technogym Group who will be identified by name by the Board of Directors, upon the proposal by the Chairman of the Board and after hearing the opinion of the Appointments and Remuneration Committee, and who will include employees and/or contractors of the Company and/or its subsidiaries holding one of the Positions, including the Company's Key Managers.
<b>Board of Directors</b>	Technogym's Board of Directors.
<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 part of a Subsidiary, or of companies controlling the latter, either directly or indirectly, other than the Company, overall exceeding 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 Relationship with the Beneficiary.
<b>Company or Technogym</b>			Technogym, with registered office in Cesena, via Calcinaro no. 2861, Taxpayer ID, VAT and Forli-Cesena Companies' Register no. 06250230965.
<b>Consolidated Finance Law (TUF)</b>			Italian Legislative Decree no. 58 of 1998, as amended and integrated.
<b>Corporate Governance Code</b>			The Corporate Governance Code of listed companies approved in March 2006 by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria, as amended in July 2018.
<b>Cumulative Net Profit</b>			Sum of the Group Net Profit for the three years comprising the Vesting Period.
<b>Group</b>			Collectively, the Company and its Subsidiaries.
<b>Group Net Profit</b>			The Group's net profit as shown in the Group's IFRS consolidated financial statements for the related financial year, expressed in Euro. The non-recurring items that impact on the Group Net Profit as shown in the Group's IFRS consolidated financial statements for the related financial year will not be considered in the calculation of the Group Net Profit for the purposes of the present Plan.
<b>Information Document</b>			This information document prepared pursuant to art. 84- <i>bis</i> of the Issuers' Regulations and according to the indications set out in Model no. 7 of Annex 3A of the same Issuers' Regulations.
<b>Issuers' Regulations</b>			The Issuers' Regulations adopted by CONSOB with resolution no. 11971 of 14 May 1999, as amended and integrated.
<b>Key Managers</b>			Managers with powers and responsibility, either directly or indirectly, for the planning, management and control of the Company's business activities.
<b>Minimum Performance Objective</b>			Achievement of 95% of the Performance Objectives.
<b>MTA</b>			The <i>Mercato Telematico Azionario</i> (screen-based stock exchange)

organized and managed by Borsa Italiana S.p.A.

**Performance Objectives**

The objectives of the Plan that will be established by the Board of Directors when approving the Regulations, upon the proposal of the Appointments and Remuneration Committee, and calculated with reference to the Cumulative Net Profit and the Value of Technogym Shares, and whose level of achievement determines the number of Shares to be allotted to each Beneficiary at the end of the Vesting Period.

**Position**

Significant management positions or, in any case, those capable of providing a significant contribution towards achieving the strategic objectives of the Company and/or the Group, which will be identified by the Board of Directors and specified in the Regulations.

**Regulations**

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.

**Relationship**

Employment and/or collaboration relationship in place between the Beneficiary and the Company or one of its Subsidiaries.

**Right Award Date**

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.

**Right to Receive Shares**

The conditional, free and non-transferable right *inter vivos* 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.

**Share Allotment Date**

With reference to each Beneficiary and following the Vesting Period, the date of the resolution of the Board of Directors approving the allotment of Shares to that Beneficiary.

**Shares**

Technogym ordinary shares listed on the MTA (*Mercato Telematico Azionario*, screen-based stock exchange) organized and managed by Borsa Italiana S.p.A. to be allotted to the Beneficiaries according to the Plan.

**Shareholders' Meeting**

The Company Shareholders' Meeting.

**Significant Parties**

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

<b>Subsidiaries</b>	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.
<b>Technogym Share Value</b>	The arithmetic mean of the stock market prices of Technogym ordinary shares in December 2021, January 2022 and on the days of February 2022 prior to the date of approval of the draft consolidated financial statements for the year ended 31 December 2021.
<b>Third-Party Purchaser</b>	A third party other than (i) the parties (natural or legal persons) who on the Approval Date hold a controlling stake in the Company, either directly or indirectly, pursuant to art. 93 of the TUF, or (ii) the parties (natural or legal persons) who on the Approval Date are controlled, either directly or indirectly, pursuant to art. 93 of the TUF, by any of the parties referred to in point (i).
<b>Vesting Period</b>	The accrual period from 01 January 2019 to 31 December 2021 of the Right to Receive Shares, which will be used as the reference period to verify the achievement of the Performance Objectives.
<b>2015 Plan Beneficiaries</b>	Participants in the long-term incentive plan approved by the Board of Directors in June 2012 and more recently amended on 16 December 2015.
<b>2017 Plan Beneficiaries</b>	Beneficiaries in the 2017-2019 Performance Shares Plan, approved by the Company Shareholders' Meeting on 21 April 2017.
<b>2018 Plan Beneficiaries</b>	Beneficiaries in the 2018-2020 Performance Shares Plan, approved by the Company Shareholders' Meeting on 08 May 2018.
<b>2019-2021 Plan or Performance Shares Plan</b>	The medium-term incentive plan the subject of which is the free allotment of Rights to Receive Shares for free to the Beneficiaries, subject to the achievement of certain Performance Objectives, within the time set in the proposal approved by the Technogym Board of Directors on 27 March 2019, which will be submitted for approval to the Company Shareholders' Meeting pursuant to art. 114- <i>bis</i> of the TUF, called for 08 May 2019 and described in this Information Document.

## **1. PLAN RECIPIENTS**

The Plan is reserved for managers of the Technogym Group, who will be identified by name by the Board of Directors, upon the proposal of the Chairman of the Board and after hearing the opinion of the Appointments and Remuneration Committee, and who will include employees and/or contractors of the Company and/or its Subsidiaries holding 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 the Company's Key Managers.

Pursuant to art. 114-*bis*, paragraph 3 of the TUF and art. 84-*bis*, paragraph 2 of the Issuers' Regulations, the Plan shall be considered as a "*plan of particular importance*", since the Beneficiaries to be identified by the Board of Directors may also include Key Managers of the Group.

### **1.1 Specification of the names of recipients who 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.**

On the date of drafting of this Information Document, the names of the Significant Parties who will be assigned the Right to Receive Shares are not known, since the Board of Directors will identify the names of the Beneficiaries according to the mandate of the Company Shareholders' Meeting.

Therefore, the names of the Significant Parties, from among the Beneficiaries, who will be assigned the Right to Receive Shares, and the other information required under paragraph 1 of Model 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 contractors of the issuer of financial instruments and of the controlling companies or subsidiaries of that issuer.**

The Plan is reserved for managers of the Technogym Group, who will be identified by name by the Board of Directors, upon the proposal of the Chairman of the Board and after hearing the opinion of the Appointments and Remuneration Committee, and who will include employees and/or contractors of the Company and/or its Subsidiaries holding managerial positions considered to be 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 the Company's Key Managers.

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

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

The names of the Beneficiaries and the other information required under paragraph 1.3 of Model no. 7 of Annex 3A of the Issuers' Regulations, where applicable, 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 section 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, Model no. 7 of the Issuers' Regulations.**

The names of the Beneficiaries and the other information required in paragraph 1.4 of Model no. 7 of Annex 3A of the Issuers' Regulations, where applicable, 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 section 1.1 above.

**2. REASONS FOR ADOPTING THE PLAN**

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

The adoption of the Plan is aimed at strengthening the ability of Technogym to retain 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 time 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 verification by the Board of Directors, at the end of the Vesting Period, of the fulfilment of the following conditions:

- (i) that on 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 his or her Basic Number of Shares.

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

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

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

where

“GAI” indicates the Beneficiary's gross annual fixed income, excluding the variable part, and referring to the month prior to the Award of the Right to Receive Shares.



“GAI percentage” means the percentage that will be determined by the Board of Directors for each Beneficiary on the Award Date, on the advice of Appointments and Remuneration Committee, having regard to 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 listed price 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 as at 31 December 2021, within a time frame 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%

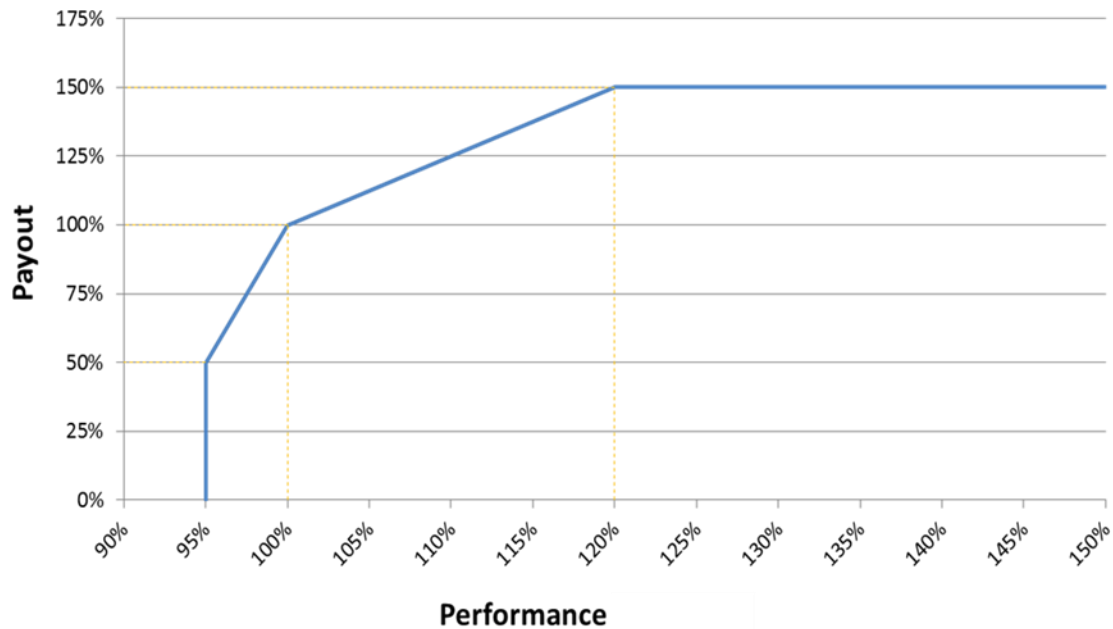
If the Performance Objectives are achieved:

- i) to an extent equal to 95% (Minimum Performance Objective), each Beneficiary shall be entitled to a PROP of 50%;
- ii) between 95% and 100%, each Beneficiary shall be entitled to a PROP that increases according to the line indicated in the following chart, calculated using the linear interpolation method, up to a maximum percentage of 100%;
- iii) between 100% and 120% (Overperformance), each Beneficiary shall be entitled to a PROP that increases according to the line indicated in the following chart, calculated using the linear interpolation method, up to a maximum percentage of 150%;
- iv) more than 120%, each Beneficiary shall be entitled to a PROP equal to and never greater than 150%.

If the Minimum Performance Objective is not achieved, the Right to Receive Shares shall be considered 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/or the 2017 Plan and/or the 2018 Plan, and
- (ii) on the Date of Allotment of the Shares is still a holder, continuously over time, of at least 50% of the Shares allotted to him/her pursuant to the 2015 Plan, the 2017 Plan and the 2018 Plan less any shares disposed of to pay any amounts due under the law for the allotment in question,

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

For the sake of clarity, if the condition in point (ii) above is not met on the Share Allotment Date, the number of Actual Shares of the Beneficiary, who is also a Beneficiary of the 2015 Plan, the 2017 Plan and the 2018 Plan, shall remain the one resulting from the formula for calculating the BNS referred to in this article 8, without any increase.

Upon allotting the Shares, the Board of Directors has the right to grant the Beneficiary a sum of money equal to the counter value of the product of multiplying the number of shares to which (s)he is entitled in accordance with this Regulation by their value determined in accordance with art. 9 of Presidential Decree 917/1986. If on the Allotment Date the Shares are no longer listed, that value shall be determined by an independent expert appointed by the Company.

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

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

$$\text{BNS} = \text{GAI} \times \text{GAI percentage} \times \text{VRAT}$$

where

“GAI” indicates the Beneficiary’s gross annual fixed income, excluding the variable part, and referring to the month prior to the Award of the Right to Receive Shares.

“GAI percentage” means the percentage that will be determined by the Board of Directors for each Beneficiary on the Award Date, on the advice of Appointments and Remuneration Committee, having regard to 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 listed price of Technogym ordinary shares in the month preceding the Approval Date.

The accrual of the Right to Receive Shares at the end of the Vesting Period will be subject to the condition precedent of the achievement and verification of the accrual conditions mentioned in section 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.**

No particular tax and/or accounting issues have affected the definition of the Plan.

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

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

**3. PROCEDURE FOR APPROVING THE ALLOTMENT OF 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 27 March 2019, upon the proposal of the Appointments and Remuneration Committee held on 20 March 2019, and will be submitted for approval to the Company Shareholders' Meeting pursuant to art. 114-*bis* of the TUF.

The Technogym Ordinary Shareholders' Meeting will also be requested to grant the Board of Directors - with the express power to sub-delegate - the broadest powers deemed necessary or appropriate to instruct and fully and completely implement the 2019-2021 Performance Shares Plan including, by way of example, the power to identify the Beneficiaries and the Performance Objectives and to determine the Basic Number of Shares and the GAI percentage, based on which the Board of Directors will calculate, at the end of the Vesting Period, the number of Actual Shares - lower or higher than the Basic Number of Shares - to be allotted to each of the Beneficiaries in view of the level of achievement, or exceedance, of the Performance Objectives, according to the terms and conditions prescribed in the Plan and, in any case, in compliance with the maximum number of shares to be allocated to the Plan as determined by the Shareholders' Meeting, to exercise all powers and functions attributed to the Board of Directors by the 2019-2021 Performance Shares Plan and to make the related decisions, prepare and approve the regulations of the Plan and make any necessary or appropriate amendments and/or additions in the case of extraordinary transactions involving the Company and/or the Group in order to keep unchanged, within the limits allowed by the laws and regulations in force at that time, the substantive and financial content of the 2019-2021 Performance Shares Plan.

The Explanatory Report of the Board of Directors that contains the resolution proposal is made available according to the terms and in the way prescribed by the law.

### **3.2 Indication of the parties 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 which, in exercising the powers that will be granted to 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, including 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 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, by way of an example, extraordinary transactions concerning the Company, regulatory changes, material changes in the general economic conditions or international monetary policy) the Board of Directors may alter the Plan and the Plan implementation documents

(including the Regulations), independently and without the need for further approval by the Company Shareholders' Meeting, after hearing the opinion of the Appointments and Remuneration Committee, to include all the 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 by the applicable legislation in force, as regards the effects resulting from extraordinary transactions undertaken 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).**

The following may be used to the benefit of the Plan: (i) treasury shares to be purchased according to the authorisation under Articles 2357 and 2357-*ter* of the Italian Civil Code, as well as Article 132 of the TUF and related implementing provisions, granted from time to time by the shareholders' meeting; and (ii) shares originating from a capital increase for a maximum amount of 30,000 (thirty thousand/00 Euro) with the issue of no more than 600,000 (six hundred thousand/00) new ordinary shares without indication of nominal value, having the same characteristics as the outstanding shares, entitled to regular dividends, and an issue value equal to the accounting parity of Technogym shares on the date of execution of the delegated powers by allotment of a corresponding amount of earnings and/or retained earnings resulting from the last financial statements approved from time to time in accordance with Article 2349 of the Italian Civil Code, for whose resolution the extraordinary general shareholders' meeting of 08 May 2019 shall be requested to confer appropriate delegated powers to the Board of Directors in accordance with Article 2443 of the Italian Civil Code.

The proposed capital increase under Article 2349 of the Italian Civil Code to the benefit of the Plan, together with the description of its terms and conditions, are illustrated in a special explanatory report prepared in accordance with Article 72 and with Annex 3A of the Issuers' Regulations, made available to the public according to the terms and procedures prescribed by the applicable laws and regulations. This proposal shall be submitted for review and approval to the extraordinary Company Shareholders' Meeting.

In this regard, in accordance with Article 2349 of the Italian Civil Code, the Shares to be allotted to Plan Beneficiaries who are not employees of the Company and/or of its subsidiaries shall derive solely from the purchase of treasury shares carried out in accordance with Articles 2357 and 2357-*ter* of the Italian Civil Code.

### **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 Company Shareholders' Meeting 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 subject.

### **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 20 March 2019, examined the Plan and agreed to submit it to the Board of Directors for approval.

On 27 March 2019, the Board of Directors, upon the proposal of the Appointments and Remuneration Committee, agreed to approve the Plan proposal and to submit it to the Shareholders' Meeting for approval.

**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, potentially in more than one sitting, then by the Ordinary Shareholders' Meeting called to approve the Plan, upon the 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 actually be allotted to each Beneficiary under the terms and conditions of the Regulations using the formula referred to in section 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 on the aforesaid dates, of the financial instruments on which the plans are based, if traded on regulated markets.**

As at 27 March 2019, when the Appointments and Remuneration Committee met to examine the Plan, deciding to submit it to the Board of Directors for approval, the Stock Exchange Price of Technogym ordinary shares was Euro 11.01.

As at 27 March 2019, when the Board of Directors met to approve the Plan to be submitted to the Shareholders' Meeting called for 08 May 2019, the Stock Exchange Price of Technogym ordinary shares was Euro 11.13.

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 ways and according to the 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 following occurring at the same time: (i) this allocation or any decisions made by the remuneration committee on the matter, and (ii) the disclosure of information considered relevant pursuant to art. 114, paragraph 1; for example, in the case where such information is: a. not publicly available and capable of positively affecting market prices, or, b. already publicly available and capable of 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 accrual conditions referred to in section 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. 31 December 2021. Consequently, any disclosure of inside information at the time of the award of the Right to Receive Shares would not explain significant effects on the Plan nor on the behaviour of the Beneficiaries who, at that moment, cannot perform any transactions on the Shares, since their delivery is deferred to a time after the assignment of the 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 parity of information to the market, and in compliance with the procedures adopted by the Company.

Beneficiaries are required to comply with the provisions governing insider trading set out by applicable legislation and regulations, as well as internal Group procedures, in particular those regulating the disposal of Shares which might be allotted after verifying the Performance Objectives and other conditions for the Allotment.

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

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

The Plan provides for the free award of the Right to Receive Shares to Beneficiaries, it being understood that the maximum number of Shares that may be allotted under the Plan is 600,000 (i.e. 0.3% of the share capital), to be delivered in dematerialized form, subject to the satisfaction of the accrual conditions specified in section 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. 31 December 2021.

##### **4.2 Indication of the period for the actual implementation of the plan, including with reference to any other envisaged cycles.**

The identification of the Beneficiaries and the Award of the Right to Receive Shares will be made by the Board of Directors, upon the proposal of the Appointments and Remuneration Committee, including in more than one tranche, provided that such an Award may not take place once 12 months have elapsed 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 section 2.2, thus establishing the number of Shares to be allotted to each Beneficiary. The Allotment of 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. 31 December 2021.

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

The initial identification of the Beneficiaries and the related Award of the Right to Receive Shares with the indication of the Basic Number of Shares is expected to occur in 2019. The Performance Objectives will be verified with reference to the 2019-2021 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. 31 December 2021.

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

The maximum number of Shares that can be allotted to Beneficiaries under the Plan is 600,000 (six hundred thousand).

**4.5 Plan implementation terms and clauses, specifying whether the allotment of the instruments is subject to the satisfaction of conditions 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 section of this Information Document. In particular, on the Award Date of the Right, the Board of Directors, upon the proposal of the Chairman of the Board and after hearing the opinion of 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 section 2.3 above.

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

**4.6 Indication of possible restrictions on the availability of the allotted instruments or the instruments resulting from the exercise of the options, especially with 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 6 (six) 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 any Shares allotted to each Beneficiary in order to obtain the funds needed to fulfil tax and/or social contribution obligations according to the means 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, since 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 otherwise decided by the Board of Directors, after hearing the opinion of the Appointments and Remuneration Committee, in favour of the Beneficiaries.

Should the employment relationship terminate, in the case of a 'good leaver', the Beneficiary (or his or



her 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. The case of a ‘good leaver’ occur where the employment relationship is terminated due to death, absolute impediment from performing one’s duties for a continuous period of six months, or nine months even if not continuous within 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 definitively 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, as well as in 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 causes of plan cancellation.**

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

#### **4.10 Reasons relating to any forecast of a "redemption", by the company, of the financial instruments covered by the plans, pursuant to art. 2357 et seq. of the Italian Civil Code; beneficiaries of the redemption, indicating whether it is intended only for specific categories of employees; effects of the 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 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 on the Allotment Date, as determined on the basis of previously defined terms and conditions, for the overall amount and in relation to each instrument in the plan.**

On the date of drafting of this Information Document there are insufficient elements to provide reliable estimates of the expected liability for the Company, it being subject to a number of unforeseeable factors.

Information on the total cost of the Plan will be provided in accordance with the methods set out in art. 84-*bis*, paragraph 5, 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 accrual 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, the maximum number of 600,000 (six hundred thousand) ordinary shares is allotted under the Plan and, assuming that all of the Shares to be allotted under the assigned Rights to Receive Shares derive from the Share Capital Increase, these Shares will represent 0.3% of the entire share capital.

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

There is no prescribed limit for exercising 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 a Shareholder of the Company, in any way.

**4.15 If the shares are not traded on regulated markets, any information deemed useful to properly assessing 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 1 provided in paragraph 4.24 of Model no. 7 of Annex 3A to the Issuers' Regulations will be provided according to the methods set out in art. 84-*bis*, paragraph 5, letter a) of the Issuers' Regulations.