



TECHNOGYM S.P.A.
REGISTERED OFFICE IN CESENA, VIA CALCINARO, 2861
SHARE CAPITAL EURO 10,066,375.00 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
2 OF THE ORDINARY SECTION OF THE AGENDA OF THE SHAREHOLDERS' MEETING OF
TECHNOGYM S.P.A. CALLED FOR MAY 5, 2021 IN SINGLE CALL**

2. Allocation of the profit for the year and proposal of dividend distribution. Related resolutions.

Dear Shareholders,

the Separate Financial Statements at December 31, 2020 closed with a net profit of 46,339,485.58.

The Board of Directors proposes to resolve, out of the net profit for the 2020 financial year, upon the distribution of a dividend of Euro 0.22 per ordinary share, before the law-mandated withholding tax. Considering that, at present, the outstanding shares of the Company are 201.327.500, the total amount of the distribution would be equal to Euro 44,292,050.00. Considering the 2021 calendar approved by Borsa Italiana S.p.A., we recommend that you set the payment of the dividend on May 26, 2021, with dividend record date on May 25, 2021, and coupon no. 4 detachment date on May 24, 2021.

Therefore, as first point, we propose to allocate the amount of net profit for the 2020 financial year, equal to 46,339,485.58, as follows:

- (i) for Euro 3,225.00 to legal reserve, so that the total amount of the legal reserve, currently equal to Euro 2,010,050.00, can represent 1/5 of the share capital as required by article 2430 of the Italian Civil Code;
- (ii) for Euro 44,292,050.00 as dividend;
- (iii) for Euro 2,044,210.58 to retained earnings reserve.

Moreover, as second point, in view of the accounting effects that occurred during the year, and to maintain a precise relationship between shareholders' equity item and the specific destination of the reserves, we propose:

- (i) to release a portion equal to Euro 12,256.60 of the reserve for the adoption of IAS and to allocate it to retained earnings reserve;
- (ii) to allocate a portion of the retained earnings reserve equal to Euro 5,033,568,90 as follows:
 - to extraordinary reserve for Euro 3,702,555.28;
 - to exchange rate reserve for Euro 1,331,013.62.

Moreover, as third point, because of the assignment of the shares related to the "Performance Shares Plan for the period 2017-2019", we propose to reclassify the remainder of the entire Stock Grant Plan reserve equal to Euro 2,142,561.00 to the Share Premium Reserve.

For all additional information, please refer to the Annual Financial Report, comprising the draft Financial Statements and the Consolidated Financial Statements at December 31, 2020, approved by the Board of Directors on March 24, 2021, the Directors' Report on Operations, and the certification per art. 154-bis, paragraph 5, of Legislative Decree no. 58 of February 24, 1998, which will be filed and made available with the procedures and in accordance with the law, together with the Board of Statutory Auditors' Report and to the Independent Auditors' Report.

Therefore, by virtue of the above, we propose that you pass the following resolution:

'The Shareholders' Meeting of Technogym S.p.A.,

- *having examined the Directors' Report on Operations;*
- *having acknowledged the Reports of the Board of Statutory Auditors and of the Independent Auditors PricewaterhouseCoopers S.p.A.;*

- *having examined the Separate Financial Statements at December 31, 2020, set out in the draft document presented by the Board of Directors, that closed with a net profit of Euro 46,339,485.58;*
- *having examined the Explanatory Report of the Board of Directors,*

resolves

- a) *to allocate the net profit for the year of Technogym S.p.A. of Euro 46,339,485.58 as follows:*
- (i) for Euro 3,225.00 to legal reserve;*
 - (ii) for Euro 44,292,050.00 as dividend;*
 - (iii) for Euro 2,044,210.58 to retained earnings reserve;*
- b) *moreover, in view of the accounting effects that occurred during the year, and to maintain a precise relationship between shareholders' equity item and the specific destination of the reserves, we propose:*
- (i) to release a portion equal to Euro 12,256.60 of the reserve for the adoption of IAS and to allocate it to retained earnings reserve;*
 - (ii) to allocate a portion of the retained earnings reserve equal to Euro 5,033,568,90 as follows:*
 - *to extraordinary reserve for Euro 3,702,555.28;*
 - *to exchange rate reserve for Euro 1,331,013.62.*
- c) *to reclassify the remainder of the entire Stock Grant Plan reserve equal to Euro 2,142,561.00 to the Share Premium Reserve;*
- d) *that the dividend shall be paid on May 26, 2021, with dividend record date on May 25, 2021 and coupon no. 4 detachment date on May 24, 2021”.*

on behalf of the Board of Directors
The Chairman
Nerio Alessandri