



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' REGISTRY NO. 315187, TAX CODE 06250230965

**EXPLANATORY REPORT BY THE BOARD OF DIRECTORS ON THE PROPOSAL SET OUT IN THE SOLE
POINT OF THE EXTRAORDINARY SECTION OF THE AGENDA OF THE SHAREHOLDERS' MEETING OF
TECHNOGYM S.P.A. CALLED FOR MAY 7, 2024 IN SINGLE CALL**

1. **Proposal for granting the power to the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years from the resolution date, for a free and divisible increase of the share capital, also in multiple tranches, pursuant to Art. 2349 of the Italian Civil Code, through the issue of a maximum number of 700,000 ordinary shares, for a maximum amount of Euro 35,000, with an issuing value equal to the accounting par value of the shares at the execution date, to be fully allocated to the capital and assigned to the employees of Technogym S.p.A. and of its subsidiaries who are the beneficiaries of the plan for a free assignment of the rights to receive ordinary shares of the Company, called “2024-2026 Performance Shares Plan”. Ensuing amendments to Art. 6 of the Articles of Association in force.**

Dear Shareholders,

This report is made pursuant to Art. 125-*ter* of Legislative Decree no. 58 of 24 February 1998, as amended and supplemented (the “Consolidated Law on Finance” or “TUF”), to Art. 72 and to Annex 3A of the Implementation Regulation of the TUF governing the activities of issuers, adopted by Consob by Resolution no. 11971 of 14 May 1999, as amended and supplemented (the “**Issuers' Regulation**”).

The Board of Directors summoned you to an extraordinary meeting so that you evaluate the proposed proxy to the Board of Directors for your approval, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years from the date of the resolution, of the right to increase the share capital, free of charge and divisible also in several *tranches*, pursuant to Art. 2349 of the Italian Civil Code, for a maximum of Euro 35,000 (thirty-five thousand/00), by issuing a maximum of 700,000 (seven hundred thousand) ordinary shares, without indication of nominal value, having the same characteristics as those in circulation, at an issue value equal to the accounting parity of the Technogym shares at the date of execution to be allocated in full to capital, to employees of Technogym S.p.A. and of the companies controlled by it that are beneficiaries of the plan for the free assignment of rights to receive ordinary shares of Technogym S.p.A., also called “2024-2026 Performance Shares Plan” with consequent amendment of Article 6 of the current Articles of Association.

1. Reasons for the capital increase

The Board of Directors of 25 March 2024 resolved, among other things, to submit for the evaluation and approval of the ordinary Shareholders' Meeting an incentive and loyalty plan called “2024-2026 Performance Shares Plan” (the “**Plan**”) reserved for employees and/or collaborators of Technogym S.p.A. (“**Technogym**” or the “**Company**”) or Subsidiaries (the “**Beneficiaries**” and, each, the “**Beneficiary**”), who hold considerable managerial roles or otherwise capable of making a significant contribution in view to the pursuit of the strategic objectives of the Company and/or the Group, including Executives with Strategic Responsibilities of the Company, to be implemented through the free assignment of ordinary shares Technogym (the “**Shares**”), upon the achievement of certain performance objectives.

The details of the Plan are described in the specific explanatory report and in the information document prepared pursuant to Art. 84-bis of the Issuers' Regulations - to which reference should be made for more information - made available to the Shareholders for the evaluation of the relevant item on the

agenda of the ordinary portion of the Shareholders' Meeting.

Specifically, the Plan has as its object the free assignment of rights which allow, in the event of the achievement of certain performance objectives, the assignment of a number of Technogym ordinary shares (the “**Rights**”) determined under the terms and conditions of referred to in the regulation concerning the definition of the criteria, methods and terms of implementation of the Plan (the “**Regulation**”) which will be approved by the Board of Directors under the power of attorney conferred upon them by the Shareholders’ Meeting. It is understood that the number of Shares in question are assigned if the concerned subjects have met or even exceeded the aforementioned performance objectives.

Pursuant to Art. 2349 of the Italian Civil Code the shares that will be attributed under the Plan derive from a capital increase to be carried out through use of profits or reserves from profits, or from treasury shares held by the Company.

Therefore, in order to ensure a sufficient supply of Shares to be assigned to the Beneficiaries who are employees of the Company and/or its subsidiaries in the event that the performance objectives are achieved - so that this amount is sufficient even where the Company does not use treasury shares for this category of beneficiaries - the Board of Directors intends to submit to your attention the proposal to grant upon it, pursuant to Art. 2443 of the Italian Civil Code, the power to increase the share capital free of charge for a period of five years from the date of the resolution, free of charge and divisible also in several tranches, pursuant to Art. 2349 of the Italian Civil Code, for a maximum of Euro 35,000 (thirty-five thousand/00) with the issue of a maximum of 700.00 (seven hundred thousand) ordinary shares, without indication of the nominal value, having the same characteristics as those in circulation, at an issue value equal to the accounting parity of the Technogym shares at the date of execution to be allocated in full to capital, to be assigned to Beneficiaries who are employees.

The reasons for adopting the Plan lie in the need to strengthen Technogym’s ability to retain key resources and attract people with the best skills, as well as aligning the interest in corporate performance of the Company’s key resources with that of Shareholders in creating sustainable value over time.

2. Characteristics of the capital increase reserved for the beneficiaries of the Plan

For the execution of the capital increase to service the Plan, we therefore proposed to assign to the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, the right to increase the share capital free of charge, also in several tranches, drawing from the profits or from reserves of profits to be allocated for this purpose and to be identified by the Board of Directors, pursuant to Art. 2349 of the Italian Civil Code, for a maximum of Euro 35,000 (thirty-five thousand/00) with the issue of a maximum of 700,000 (seven hundred thousand) ordinary shares, without indication of the nominal value, having the same characteristics as those in circulation, at an issue value equal to the accounting parity of the Technogym shares at the date of execution to be fully allocated to capital.

The Plan is structured over a 3-year time horizon (2024-2026) and provides for:

- the attribution of the Rights to the Beneficiaries, to be made no later than 12 (twelve) months from the date of approval of the Regulations; and
- the possible assignment of the Shares to be carried out no later than the 60th calendar day

following the approval of the IFRS Consolidated Financial Statements of the Group as at 31 December 2026, following due diligence on the performance objectives and other vesting conditions provided for in the Plan.

The maximum number of Shares that can be allotted to the Beneficiaries under the Plan is 700.000 (seven hundred thousand).

The share capital increase pursuant to Art. 2349, paragraph 1, of the Italian Civil Code must take place through the use of profits and/or reserves of profits, as resulting from the latest Financial Statements approved during the financial year which provides for the assignment of the Shares. For this reason, we believe that the most technically effective tool for this purpose is the attribution to the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, of the right to increase the share capital free of charge in order to service the Plan.

The Board of Directors will also be given the power to identify in due time and from time to time the profits and/or reserves of profits to be allocated for the purpose, with a mandate to provide for the appropriate accounting entries resulting from the issuance operations, in compliance with the provisions of law and accounting principles applicable from time to time.

3. Characteristics of the newly issued shares

The Shares to be assigned to the Beneficiaries will be ordinary, have regular enjoyment and, therefore, the rights related to them will belong to each Beneficiary starting from the moment in which the latter becomes the holder of the shares, which will bear their accrued interests on that date.

4. Changes to Article 6 of the Articles of Association

As a result of the proposed resolution that is submitted for your approval, it will be necessary to integrate Article 6 of the current Articles of Association by inserting a clause relating to the Shareholders' resolution authorising the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, to increase the share capital free of charge pursuant to Art. 2349 of the Italian Civil Code, in order to service the *2024-2026 Performance Shares Plan*.

It should be noted that the proposed statutory amendment in question does not attribute the right of withdrawal to Shareholders who do not approve, since it does not apply to any of the cases of withdrawal identified in Article 2437 of the Italian Civil Code.

Below is the current text of Article 6 of Technogym's Articles of Association compared with the text in the version that the Board of Directors proposes to adopt, by deleting the two paragraphs, consequently re-numbering the other paragraphs and inserting a new last paragraph:

CURRENT TEXT	PROPOSED TEXT
6.1 The share capital amounts to 10,066,375.00 Euro (ten million sixty-six thousand three hundred and seventy-five thousand	Unchanged

point zero zero) and is divided into 201,327,500 (two hundred one million three hundred and twenty seven thousand five hundred) ordinary shares with no indication of par value.	
6.2 The shares are nominative and indivisible.	Unchanged
6.3 If, for any reason whatsoever, a share belongs to multiple parties, the rights pertaining to such share must be exercised by a common representative appointed in accordance with Article 2347, paragraph 1 of the Italian Civil Code.	Unchanged
6.4 Payments on shares are requested by the Board of Directors within the terms and with the methods it deems convenient. Shareholders who are late in their payments shall bear annual interest accruing to the extent of the reference rate as defined in Article 2 of Italian Legislative Decree No. 231 of 9 October 2002, as amended, without prejudice to the provisions of Article 2344 of the Italian Civil Code.	Unchanged
6.5 The Extraordinary Shareholders' Meeting may approve share capital increases, which may also be performed through the contribution of goods in kind or receivables, through the issue of shares, including in special categories, also to be assigned free of charge in application of Article 2349 of the Italian Civil Code in favour of employees of the Company or subsidiaries.	Unchanged
6.6 The role of Shareholder entails unconditional acceptance of these Articles of Association and all Shareholders' resolutions made in compliance with the law and the articles of association in force <i>pro tempore</i> .	Unchanged
6.7 The extraordinary shareholders' meeting of 5 May 2021 resolved to confer upon the Board of Directors, pursuant to Art. 2443 of the Italian Civil	Unchanged

<p>Code, for a period of five years commencing upon 5 May 2021, the right to increase the share capital for the implementation of the incentive and loyalty plan called “2021-2023 Performance Shares Plan”, for a maximum of Euro 30,000.00 (thirty thousand point zero zero), by issuing up to 600,000 (six hundred thousand) new ordinary shares with no indication of their nominal value, with the same characteristics as those in circulation, with regular entitlement, at an issue value equal to the accounting par value of the Technogym shares at the execution date of this authorisation, through the assignment of a corresponding maximum amount of profits and/or profit reserves as set forth in the most recent Financial Statements approved pursuant to Art. 2349 of the Italian Civil Code, to the employees of “Technogym S.p.A.” and its subsidiaries who are beneficiaries of the “2021-2023 Performance Shares Plan” and within the terms, under the conditions and according to the methods set forth in such Plan.</p>	
<p>6.8 The Extraordinary Shareholders' meeting of 4 May 2022 resolved to confer upon the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years commencing upon 4 May 2022, the right to increase the share capital for the implementation of the incentive and loyalty plan called “2022-2024 Performance Shares Plan”, for a maximum of Euro 35,000.00 (thirty thousand point zero zero) with the issue of up to 700,000 (seven hundred thousand) new ordinary shares with no indication of their nominal value, with the same characteristics as those in circulation, with regular entitlement, at an issue value equal to the accounting par value of the Technogym shares at</p>	<p>Unchanged</p>

<p>the execution date of this authorisation, through the assignment of a corresponding maximum amount of profits and/or profit reserves as set forth in the most recent Financial Statements approved pursuant to Art. 2349 of the Italian Civil Code, to the employees of “Technogym S.p.A.” and its subsidiaries who are beneficiaries of the “2022-2024 Performance Shares Plan” and within the terms, under the conditions and according to the methods set forth in such Plan.</p>	
<p>6.9 The Extraordinary Shareholders' meeting of 5 May 2023 resolved to confer upon the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years commencing upon 5 May 2023, the right to increase the share capital for the implementation of the incentive and loyalty plan called “2023-2025 Performance Shares Plan”, for a maximum of Euro 35,000.00 (thirty thousand point zero zero) with the issue of up to 700,000 (seven hundred thousand) new ordinary shares with no indication of their nominal value, with the same characteristics as those in circulation, with regular entitlement, at an issue value equal to the accounting par value of the Technogym shares at the execution date of this authorisation, through the assignment of a corresponding maximum amount of profits and/or profit reserves as set forth in the most recent Financial Statements approved pursuant to Art. 2349 of the Italian Civil Code, to the employees of “Technogym S.p.A.” and its subsidiaries who are beneficiaries of the “2023-2025 Performance Shares Plan” and within the terms, under the conditions and according to the methods set forth in such Plan.</p>	<p>Unchanged</p>

	<p>6.10 The Extraordinary Shareholders' meeting of 7 May 2024 resolved to confer upon the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years commencing upon 7 May 2024, the right to increase the share capital for the implementation of the incentive and loyalty plan called “2024-2026 Performance Shares Plan”, for a maximum of Euro 35,000.00 (thirty thousand point zero zero) with the issue of up to 700,000 (seven hundred thousand) new ordinary shares with no indication of their nominal value, with the same characteristics as those in circulation, with regular entitlement, at an issue value equal to the accounting par value of the Technogym shares at the execution date of this authorisation, through the assignment of a corresponding maximum amount of profits and/or profit reserves as set forth in the most recent Financial Statements approved pursuant to Art. 2349 of the Italian Civil Code, to the employees of “Technogym S.p.A.” and its subsidiaries who are beneficiaries of the “2024-2026 Performance Shares Plan” and within the terms, under the conditions and according to the methods set forth in such Plan.</p>
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If you agree with our proposal, we are submitting for your approval the following resolution proposal.

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

- *having reviewed the Explanatory Report of the Board of Directors and the proposals contained therein;*
- *in light of the adoption of the plan called “2024-2026 Performance Shares Plan”;*
- *having regard to the establishment in the Articles of Association of the right to assign profits and/or profit reserves to employees of the Company or subsidiaries by means of the issue of shares reserved to them, pursuant to Art. 2349, paragraph 1 of the Italian Civil Code*

resolves

- *to confer upon the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years*

commencing upon the date of this resolution, the right to increase the share capital, also in multiple tranches, in order to service the plan called “2024-2026 Performance Shares Plan”, for a maximum of Euro 35,000.00 (thirty thousand point zero zero), by issuing up to 700,000 (seven hundred thousand) new ordinary shares with no indication of their nominal value, with the same characteristics as those in circulation, with regular entitlement, at an issue value equal to the accounting par value of the Technogym shares at the execution date of this authorisation, through the assignment of a corresponding maximum amount of profits and/or profit reserves as set forth in the most recent Financial Statements approved pursuant to Art. 2349 of the Italian Civil Code, within the terms and under the conditions and according to the methods set forth in the 2024-2026 Performance Share Plan;

- *to grant the Board of Directors, and on its behalf to their legal representatives pro tempore, even severally, the right to identify in due time and from time to time the profits and/or reserves of profits to be allocated for the purpose, with a mandate to provide for the appropriate accounting entries resulting from the issuance operations, in compliance with the provisions of the law and the accounting principles applicable from time to time;*
- *to amend Article 6 of the Articles of Association by introducing a new last paragraph 6.10 having the following content: “The Extraordinary Shareholders’ Meeting of 7 May 2024 approved the delegation, pursuant to Art. 2443 of the Italian Civil Code, to the Board of Directors, for a period of five years as of 7 May 2024, of the right to increase the share capital for the implementation of the incentive and loyalty plan called the “2024-2026 Performance Shares Plan”, for a maximum of Euro 35,000.00 (thirty thousand point zero zero), by issuing up to 700,000 (seven hundred thousand) new ordinary shares with no indication of nominal value, with the same characteristics as those outstanding, with regular entitlement, at an issue value equal to the accounting par value of the Technogym shares at the execution date of this delegation, through the assignment of a corresponding maximum amount of profits and/or profit reserves as set forth in the most recent financial statements approved pursuant to Art. 2349 of the Italian Civil Code, to the employees of “Technogym S.p.A.” and its subsidiaries who are beneficiaries of the “2024-2026 Performance Shares Plan” and within the terms, under the conditions and according to the methods set forth in such Plan”;*
- *to hereby vest the Board of Directors, and for it their legal representatives pro tempore, also severally, with all powers to make changes to Article 6 of the Articles of Association from time to time ensuing from resolutions concerning and the execution and finalisation of the delegated share capital increase, to that end meeting all obligations and making the disclosures set forth by law, as well as to carry out all formalities required to ensure that the resolutions adopted are registered in the pertinent Register of Companies, and to make any amendments, changes or additions to these resolutions that may be necessary or in any event required by the competent authorities, as well as all powers to meet the legislative and regulatory obligations ensuing from the resolutions adopted.”*

For the Board of Directors
The Chairman
Nerio Alessandri