

**Motivated proposal of the Board of Statutory Auditors
to supplement the fees provided for in the contract
with Auditors PricewaterhouseCoopers S.p.A.
for the financial years from 31 December 2016 to 31 December 2024**

Dear Shareholders,

The Board of Statutory Auditors of Technogym S.p.A.

WHEREAS

- the Shareholders' Meeting of Technogym S.p.A., (the "Company") passed on 16 February 2016 a resolution authorising the contract for the legal audit to be granted to PricewaterhouseCoopers S.p.A. ("PwC") also for the financial years from 31 December 2016 to 31 December 2024;
- in the resolution, the Shareholders' Meeting determined that the auditors' annual fees would be Euro 665,000 (six hundred and sixty-five thousand euros) for the legal audit for the entire Group, in Italy and abroad;
- the initial proposal presented by PwC on 15 February 2016 provided for the possibility of a fee review during the term of the contract, in the event of any exceptional or unforeseeable circumstances, including changes in the law, which would require changes to the professional services requested;
- the introduction of the new audit principle 315R "*Identifying and Assessing the Risks of Material Misstatement*" requires that for audits relating to reporting periods beginning on or after 15 December 2021, the auditing firm is required to carry out additional audit procedures on the financial statements, with reference to the verification of additional new requirements for the internal control system and this will involve a greater outlay of time and resources on the part of PwC;
- in a letter of engagement dated 11 January 2023 and sent to the Board of the Company, with a copy to the Board of Statutory Auditors for information, the legal auditing firm formulated a proposal for a one-off increase to the fees, compared to the amount originally provided for. As indicated by the auditing firm in a document discussed with the Company, PwC is required to carry out additional procedures in relation to:
 - a greater understanding of the internal control system, in relation to the increased use of technology and information systems;
 - a clearer definition of the controls on Information Technology;

- an identification of “significant” audit statements and “significant” classes of operation; of items which are not significant but in any case “material” in monetary terms; a focus on the consideration of “factors of inherent risk” in the assessment of risks at assertion level.
- in order to carry out these additional activities, PwC has requested additional “one-off” fees, determined at € 95,000.00 (ninety-five thousand euros) for the financial statements for the year ending 31 December 2022;
- the request for additional fees comes with confirmation that all the other clauses indicated in the initial proposal of 15 February 2016, will remain the same,

CONSIDERING THAT

- PwC’s initial proposal of 15 February 2016 provides that *“should any exceptional or unforeseeable circumstances arise, including ... changes in the law, changes to the accounting and/or auditing standards, or other unforeseeable circumstances ... we will inform you of this with a view to reaching a joint agreement on any activities not covered by this proposal, and on the quantification of the related fees”*.
- this change must be the subject of a Meeting resolution;

FINDING THAT

- the introduction of the auditing principle 315R *“Identifying and Assessing the Risks of Material Misstatement”* will entail more activities for the auditing of the Technogym Group than envisaged in the original proposal of 15 February 2016;
- this will require additional time and resources than envisaged in the original proposal for the legal auditing services;
- the quantification of the higher fee indicated in our letter of 11 January 2023 is considered fair

CONCLUSIONS

On the basis of the stated reasons, the Board invites the Meeting to authorise the increase in the fees to PwC as decided by the Shareholders’ Meeting of 16 February 2016, by granting a further one-off additional payment of € 95,000.00 (ninety-five thousand euros) payable on the financial statements to 31 December 2022.

Cesena, 22 March 2023

Chairperson

Francesca Di Donato

Standing Auditor

Pier Paolo Caruso

Standing Auditor

Fabio Oneglia