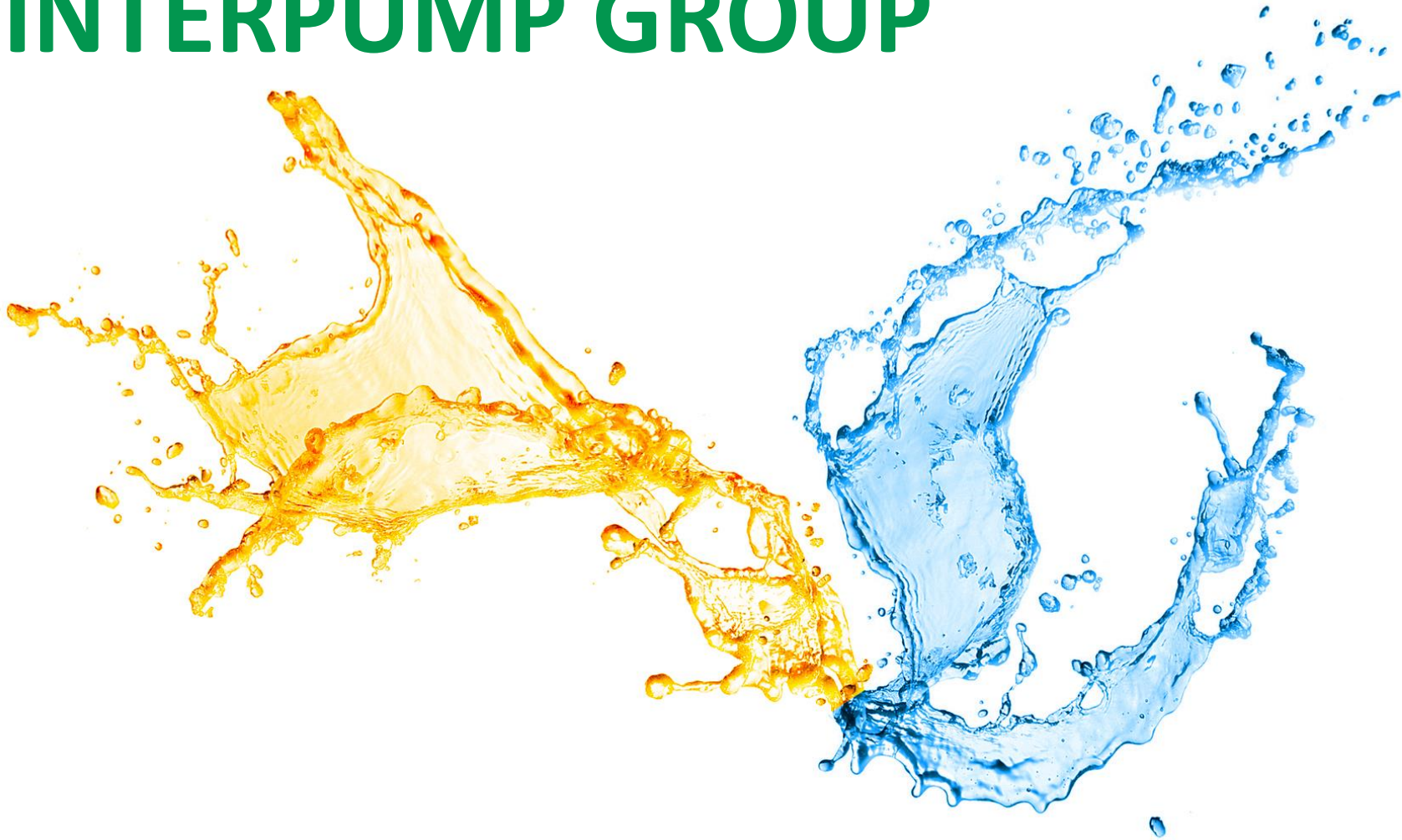




# INTERPUMP GROUP



October 2024

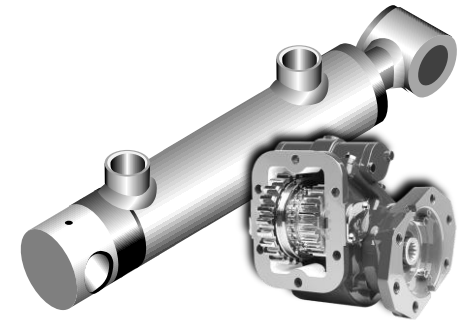
- **GROUP OVERVIEW**
- **2024 OUTLOOK**
- **2Q2024 FINANCIAL RESULTS**
- **ANNEX**



- **GROUP OVERVIEW**



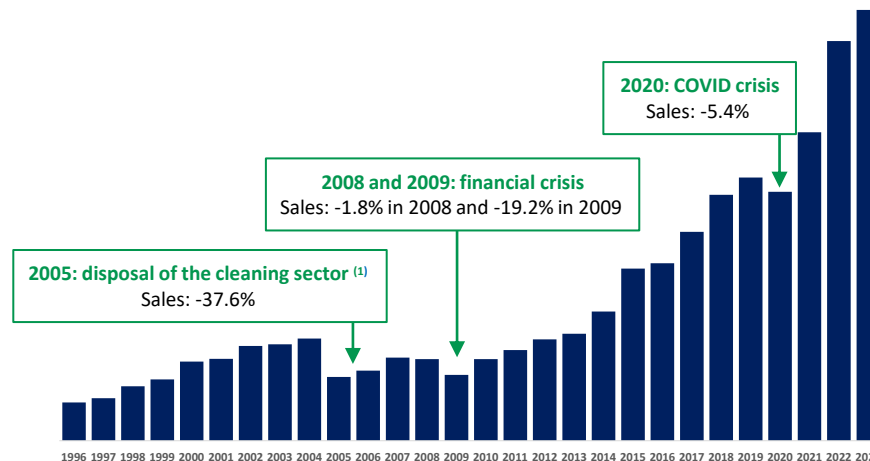
- € 2.240m of turnover and € 536m of EBITDA (24% on net sales) in 2023 divided between two divisions
  - Hydraulics and Water Jetting
- **Hydraulics:** around 75% of Group sales, EBITDA margin around 22%
  - Wide range of components for mobile and non-mobile hydraulics: PTOs, cylinders, gear pumps, valves, hoses, fittings, ...
  - Additional businesses: reduction gears, hoses, fittings for non-hydraulic applications
- **Water Jetting:** around 25% of Group sales and EBITDA margin around 28%
  - High-pressure plunger piston pumps
  - Additional businesses: flow handling components for food&beverage, cosmetics and pharmaceutical components



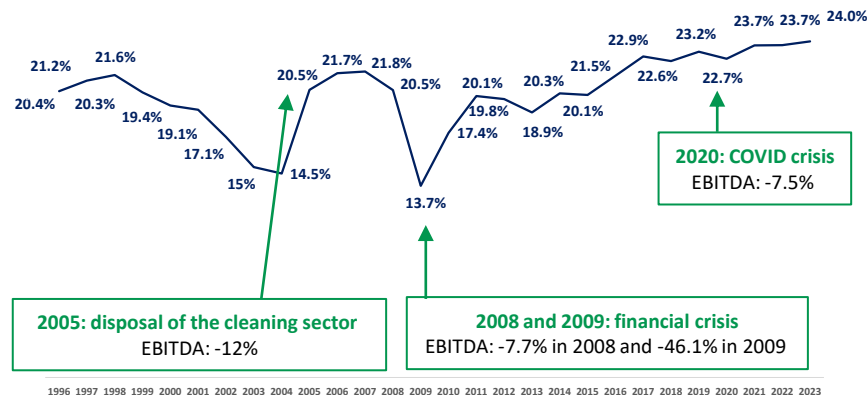


- Since IPO in 1996 a track record of excellence and resilience
- Sales: only 4 years of decrease driven by strategic activities review <sup>(1)</sup> or extraordinary external events
  - Diversification by division, geography, product and market application
  - Complementary nature of two divisions
  - Consistent organic growth enhanced by M&A
- EBITDA: only 5 years of decrease
  - Business model and cost structure flexibility
  - Integration capability
    - E.g. Hydrocontrol<sup>(2)</sup> and IMM<sup>(3)</sup> in 2014 and White<sup>(4)</sup> in 2022

## GROUP 1996-2023 SALES EVOLUTION (€ million)



## GROUP 1996-2023 EBITDA MARGIN EVOLUTION (% on net sales)

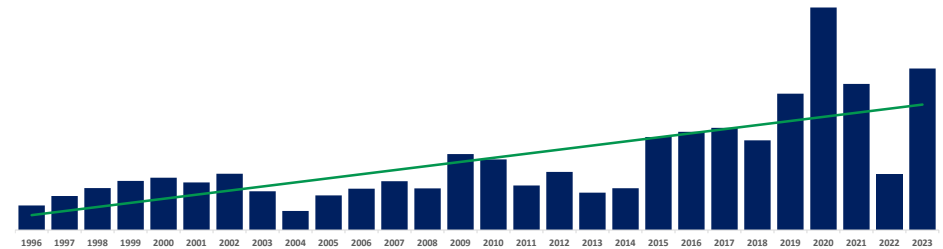


<sup>(1)</sup> April 2005: € 293ml of sales with an EBITDA margin of around 10% in 2004 - <sup>(2)</sup> May 2013: € 57m of sales with an EBITDA margin of around 12% in 2012

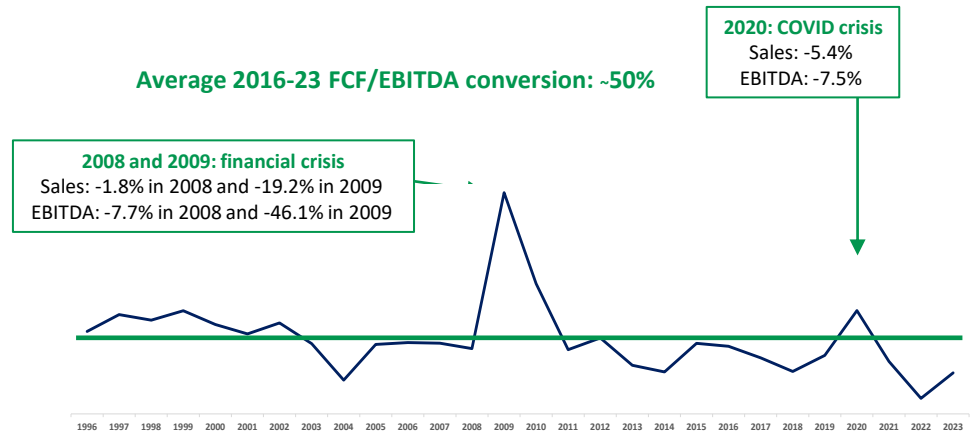
<sup>(3)</sup> August 2013: € 62m of sales with an EBITDA margin of around 13% in 2013E - <sup>(4)</sup> June 2021: € 200ml of sales with an EBITDA margin of around 22% in 2022E

- FCF: growing generation and consistent exploitation in worsening environment
  - EBITDA excellence and resilience
  - TWC proactive management
    - Customer quality
    - Tactical supply chain approach
    - Inventories fast adaptation capability
  - CAPEX flexibility

## GROUP 1996-2023 FCF EVOLUTION (€ million)

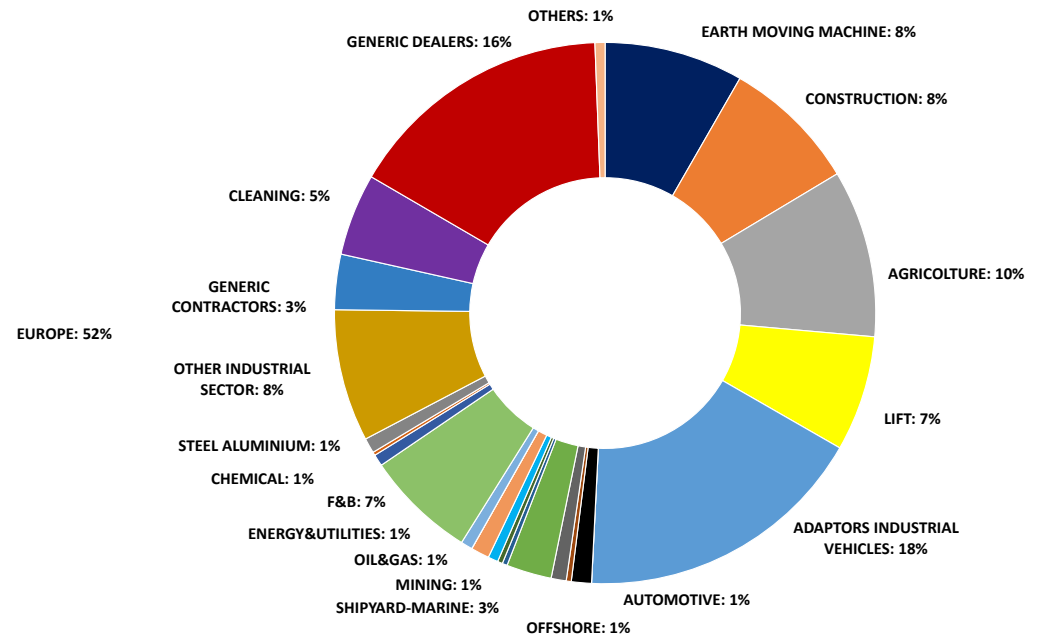
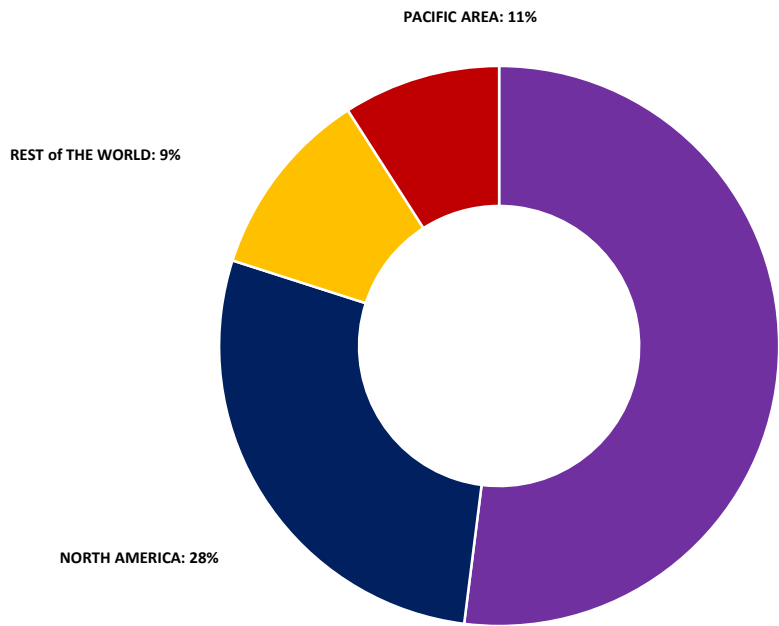


## GROUP 1996-2023 CASH CONVERSION EVOLUTION





**GROUP**  
2023 sales: € 2.240m



Market application breakdown: incidence below 0.5% not indicated, incidence between 0.5-1% rounded to 1%





	HYDRAULICS	WATER JETTING	
		HIGH PRESSURE PUMPS DEVICES & SYSTEMS	FLOW HANDLING COMPONENTS
<b>PRODUCTS</b>	<ul style="list-style-type: none"> <li>Power take-offs, cylinders, hydraulic motors &amp; gear pumps, valves</li> <li>Rubber and flexible metal hoses, rigid pipes, pipe system design and connection flanges</li> <li>Linear, orthogonal/planetary reduction gears for lightweight to very large-scale applications</li> </ul>	<ul style="list-style-type: none"> <li>Piston pumps 1-2,000hP used in high-pressure applications</li> <li>Standard or custom design</li> <li>Pump-based turnkey systems and assemblies</li> </ul>	<ul style="list-style-type: none"> <li>Stainless steel agitators, mixers, manifolds, tanks, cleaning-in-place systems, heat treatment, centrifugal separators, low-pressure pumps</li> </ul>
<b>MARKET</b>			
<b>Dimension</b>	<b>&gt; € 50 bn / yr</b>	<b>€ 1 bn / yr</b>	<b>€ 9 bn / yr</b>
<b>Features</b>	<ul style="list-style-type: none"> <li>Size and efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Niches market and high operators' fragmentation</li> </ul>	<ul style="list-style-type: none"> <li>Extreme geographic &amp; product diversification</li> </ul>
<b>Organic &amp; external growth opportunities</b>	<ul style="list-style-type: none"> <li><b>Organic:</b> long-term growth related to world GDP</li> <li><b>External:</b> plentiful</li> </ul>	<ul style="list-style-type: none"> <li><b>Organic:</b> on going development across various industries</li> <li><b>External:</b> limited</li> </ul>	<ul style="list-style-type: none"> <li><b>Organic:</b> leveraging on development &amp; urbanization and nutritional awareness trends</li> <li><b>External:</b> plentiful</li> </ul>
<b>GROUP COMPETITIVE ADVANTAGES</b>	<ul style="list-style-type: none"> <li>Product range and geographical production footprint allow to supply the largest OEMs                             <ul style="list-style-type: none"> <li>Volatility reduced by diversification</li> <li>Flexibility to adapt to any market phase</li> </ul> </li> <li>M&amp;A strategy as a driver to improve visibility, product range and cross-selling opportunities</li> <li>Manufacturing of key components (e.g. directional control valves) ensures sticky and long-lasting business relationships</li> </ul>	<ul style="list-style-type: none"> <li>Largest player in its niche</li> <li>Top-of-the-market product performance</li> <li>Premium positioning due to history and reputation</li> <li>After-sales revenues (~1/3 of sector total)</li> </ul>	<ul style="list-style-type: none"> <li>Hygienically sensitive applications require the same skills needed at even higher levels for high-pressure pumps: sophisticated flow design, high-precision metal machining &amp; surface treatments</li> <li>Focus on high-margin components</li> </ul>

<sup>(1)</sup> Management estimates on 3<sup>rd</sup> parties' data





## HYDRAULICS



### EARTH MOVING

Excavators  
Backhoe loaders  
Skid-steer loaders



### TRUCK OUTFITTERS

Tipping trucks  
Trash collection  
Firefighting  
Snow plowing  
Towing - Car Carriers  
Crane trucks



### TRUCK

Factory-fitted  
PTOs



### AGRICULTURE

Farm tractors  
Front loaders  
Harvesting machines



### CONSTRUCTION

Concrete mixing  
Telescopic handlers  
Conditioning  
refrigeration  
ventilation



### INDUSTRIAL

Machine tools  
Hydraulic power packs  
Automated assembly lines



### LIFTING

Mobile-fixed cranes  
Elevators  
Forklifts  
Conveyor belts



### DRILLING/TUNNELING

Tunnel-boring machines

## WATER JETTING



### FOOD, COSMETICS <sup>(1)</sup>

High-pressure homogenizers  
Water-jet food cutting,  
slicing, meat separation  
High-pressure sterilization



### AUTOMOTIVE

Rail engine heads deburring  
Bodywork cutting  
Welded seals cleanup



### CONSTRUCTION

Hydro-demolition <sup>(2)</sup>  
Surface preparation <sup>(2)</sup>  
Infrastructures renewal <sup>(2)</sup>



### MARINE / SHIPYARDS

Water-blasting removal <sup>(2)</sup>  
Hull cleaning <sup>(2)</sup>  
Fuel pumps for methanol-  
converted marine engines



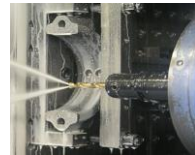
### TRUCKS

Lightweight high pressure  
pumps for sewer trucks  
Other utility vehicles



### WATER PROCESSING

Misting  
Reverse-osmosis  
desalination



### INDUSTRY

Machine drilling & cutting <sup>(2)</sup>  
Pulp & paper  
Fibers intertwining  
Overspray removal



### CONTRACTORS

Sell or rent general-purpose  
high-pressure systems for  
cleaning and maintenance  
service (e.g. U.S. market)



### STEEL / ALUMINUM

Descaling of steel bars <sup>(2)</sup>  
Cleaning of tanks & vessels <sup>(2)</sup>



### CLEANING

Mid/high-power cleaning <sup>(2)</sup>  
Car washing systems  
Airport tarmacs <sup>(2)</sup>  
Fish-farming nets <sup>(2)</sup>



### OIL & GAS

Anti-icing and pressure-  
restoring fluids injections  
Underwater pumping  
Emergency valve operation  
Platform decommissioning

<sup>(1)</sup> In addition to flow handling components - <sup>(2)</sup> Group can supply the entire turnkey system



## HYDRAULICS

### INTERPUMP HYDRAULICS

#### MUNCIE POWER

Power take offs



### WALVOIL – WHITE - EUROFLUID

Directional control valves, pumps & motors, compact hydraulics, electronics.

Motor & steering solutions



### BERMA – DRAINTEC - DZ TRASMISSIONI REGGIANA RIDOTTORI - TRANSTECNO

Reduction gears



### I.M.M.

Hypress and fluid solutions



### TUBIFLEX - ALLTUBE

Metallic flexible hoses



### CONTARINI – PANNI - HYDRA DYNE HYDROVEN

Cylinders & rotary manifolds



### GS-HYDRO – TEKNOTUBI

Rigid pipes & piping system



### AMERICAN MOBILE

Oil tanks



### HYDRALOK

Hose assembling machine

## WATER JETTING

### HIGH PRESSURE PUMPS DEVICES & SYSTEMS



### INTERPUMP PRATISSOLI ALFA VALVOLE

High flow/pressure plunger pumps



### NLB

Production and rental of high-pressure pumps and complete systems



### INOXIHP

Specialised solutions for the steel and mining industries



### HAMMELMANN

High pressure pumps (up to 1.500 HP – 6.000 bar / 87K PSI) Design and supply of turnkey solutions



### FLOW HANDLING COMPONENTS

### BERTOLI

Homogenizers



### INOXPA – FLUINOX PPC - YRP

Mixers, components & systems



### MACFUGE MARIOTTI&PECINI

Mixers, agitators and centrifugal separators



### I.MEC

Mechanical screens



### WAIKATO

Milking system



### PROCESS PARTERS YRP FLOW TECNOLOGY



## FLEXIBILITY

- Vertically integrated manufacturing (wherever possible)
- Use of general-purpose programmable machine tools (no rigid production lines)
- Standard metal-working processes to facilitate outsourcing

Product mix and sales strategy can adapt fast to market evolution

## DIVERSIFICATION

- Across the widest possible range of applications, products, customers and geographies
- High share of local-for-local production

Standardisation & merger to be executed when needed

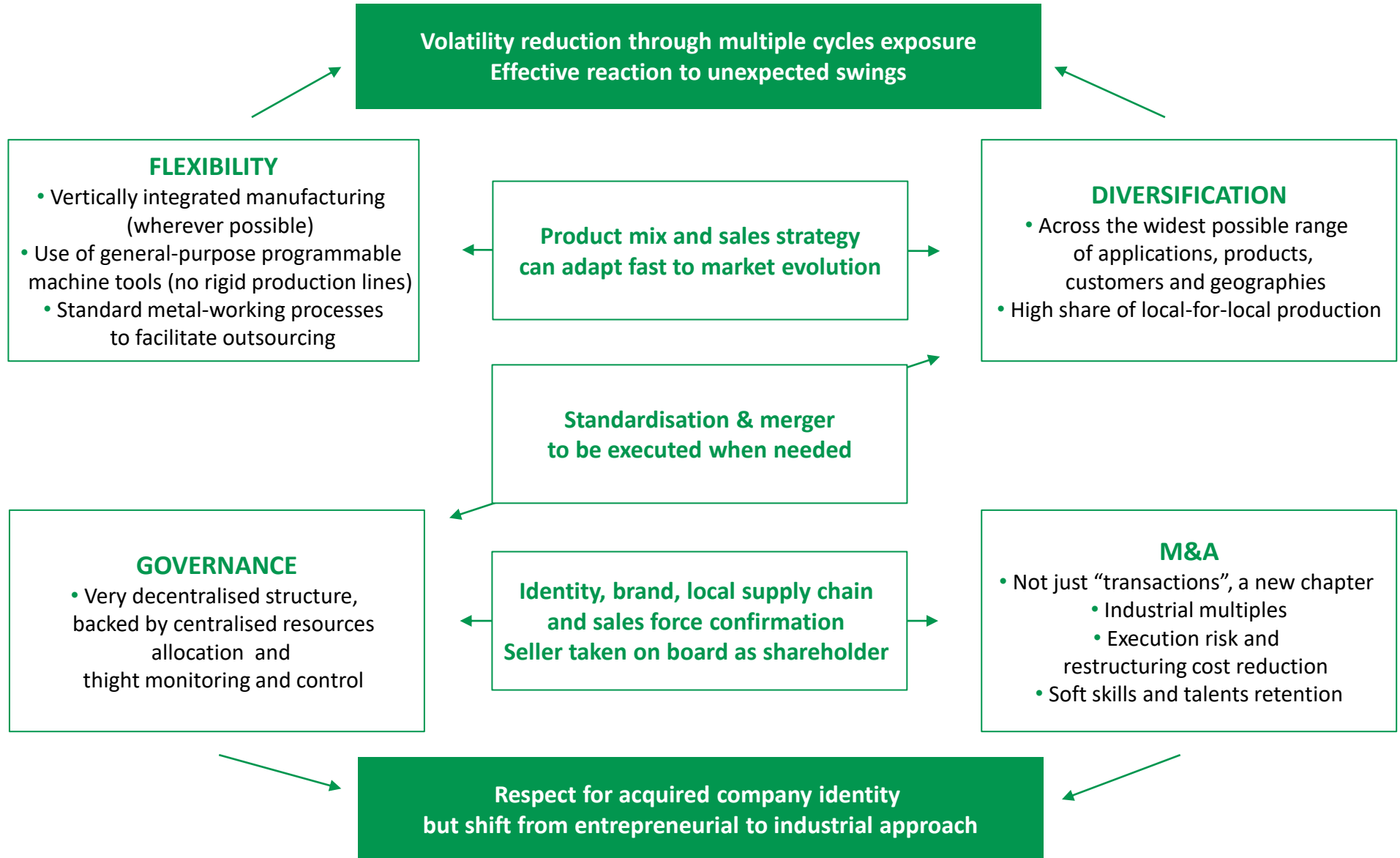
## GOVERNANCE

- Very decentralised structure, backed by centralised resources allocation and tight monitoring and control

Identity, brand, local supply chain and sales force confirmation. Seller taken on board as shareholder

## M&A

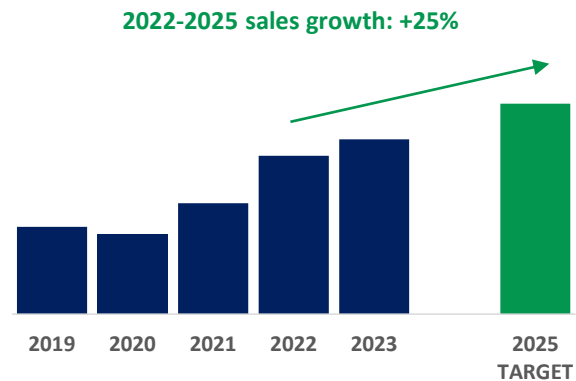
- Not just “transactions”, a new chapter
  - Industrial multiples
  - Execution risk and restructuring cost reduction
- Soft skills and talents retention



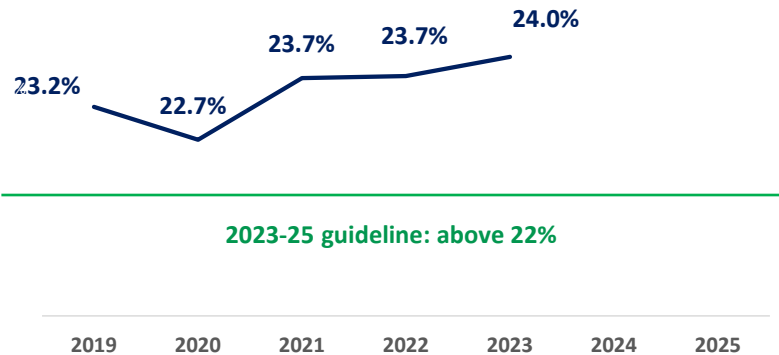


- 2023-25 commitments, 1 target with 2 guidelines<sup>(1)</sup>
- One target: sales
  - around 25% of total growth<sup>(2)</sup>
- Two guidelines: profitability and leverage
  - Profitability: above 22% EBITDA margin including possible M&A temporary dilution effect
  - Leverage<sup>(3)</sup>: between 1.0x and 1.5x

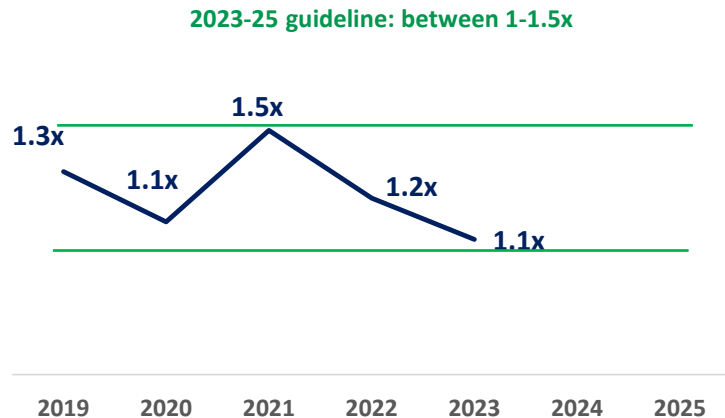
## 2022-25 GROUP EXPECTED SALES EVOLUTION <sup>(1)</sup>



## EBITDA MARGIN GUIDELINE (% on net sales)



## LEVERAGE RATIO GUIDELINE



<sup>(1)</sup> At contract FX rate - <sup>(2)</sup> From both organic growth and M&A - <sup>(3)</sup> Total debt/EBITDA ("Total Debt" = NFP including commitments for the acquisition of investments)

- **GROUP OVERVIEW**
  
- **2024 OUTLOOK**





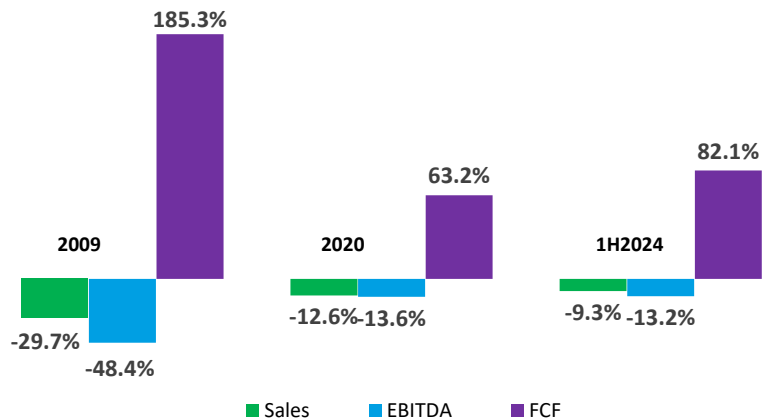
- Most recent trends underline <sup>(1)</sup>
  - Hydraulics: ongoing sales normalisation/stagnation
  - Water Jetting: sales and moreover backlog acceleration
  
- 2024 financial expectations updating
  - Sales: high single digit organic decrease
    - Impact of all 2024 perimeters changes: around 2% <sup>(2)</sup>
  - Profitability: around 23%
    - Business model flexibility and countermeasures continuous deployment
  - Cash flow: improvement ongoing
    - TWC and CAPEX normalisation

<sup>(1)</sup> Management controlling system data - <sup>(2)</sup> Impact of 2023 (Mouldtech, I.Mec and Waikato) and 2024 (PP China and YRP, Alltube and Alfa Valvole) acquisitions calculated on 2023 reported sales

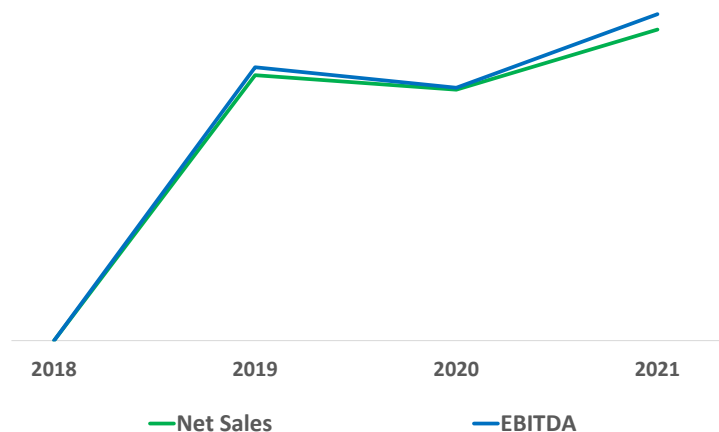




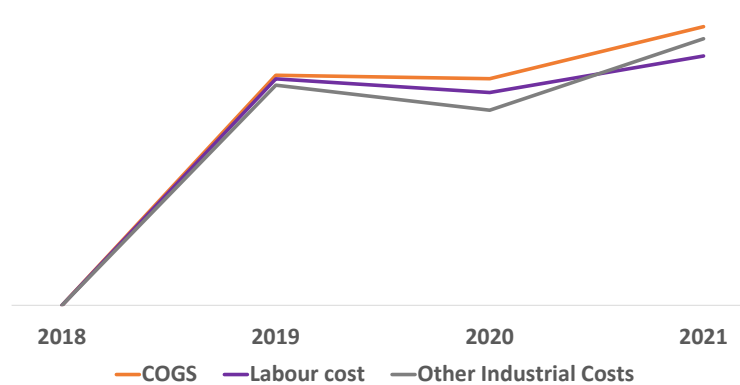
2009, 2020 and 1H2024 SALES, EBITDA & FCF EVOLUTION <sup>(1-2)</sup>  
 % change compared to previous reporting period



GROUP 2019-2021 SALES&EBITDA EVOLUTION <sup>(2)</sup>  
 (Figures indexed to 2018 data)



GROUP 2019-2021 COGS, LABOUR COST and «OTHER INDUSTRIAL COSTS» EVOLUTION <sup>(2-3)</sup>  
 (Figures indexed to 2018 data)



<sup>(1)</sup> Sales and EBITDA on organic bases, FCF on total basis - <sup>(2)</sup> 2019 EBITDA data including IFRS16 adoption impact - <sup>(3)</sup> COGS, Labour cost and "Other industrial costs" are around 90% of Group cost base

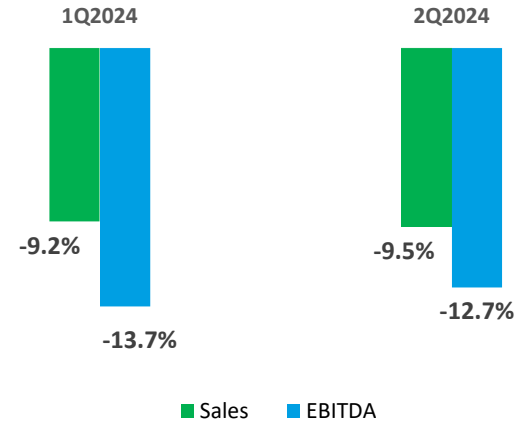
- **GROUP OVERVIEW**
- **2024 OUTLOOK**
- **2Q2024 FINANCIAL RESULTS**



- Delivering margin protection and cash improvement
  - Delivering margin protection
    - A 9.5% sales decrease resulted in a 12.7% EBITDA decrease and a margin of 22.8% from 23.7% <sup>(1-2)</sup>
    - Driven by Hydraulics, 1Q margin dilution of 130bps reduced to 90bps in 2Q
  - Delivering cash flow improvement
    - In 1H FCF almost doubled
  
- Building Group’s future growth
  - US\$300m Private Shelf agreement <sup>(3)</sup>
  - 4 acquisitions with a perfect fit with Group strategy
  
- Updating 2024 financial expectations
  - Sales: high single digit organic decrease
  - Profitability: around 23% of EBITDA margin
  - Cash flow: improvement ongoing

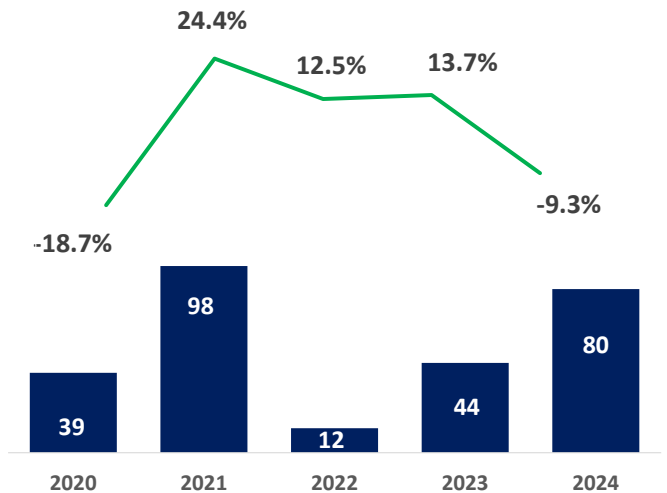
## 2024 SALES & EBITDA EVOLUTION <sup>(1-2)</sup>

% change compared to previous reporting period



## 1H GROUP ORGANIC GROWTH & FCF EVOLUTION

Million €



<sup>(1)</sup> For Group accounting definitions see please slides 35-36 - <sup>(2)</sup> EBITDA excluding from 2Q2023 € 5.4m of insurance reimbursement correlated to IMM Romania

<sup>(3)</sup> US\$100 single tranche issued

- 2Q2024
  - Sales: Water Jetting and acquisitions mitigate lasting Hydraulic normalisation
  - Profitability: improved margin protection with 90bps of dilution in 2Q compared to 130bps in 1Q
  - NFP: reduction despite CAPEX and acquisitions

Million €	2QUARTER		1HALF	
	2023	2024	2023	2024
<b>Group Sales</b>	592.2	549.8	1,184.5	1,095.7
<b>Growth</b>		-7.2%		-7.5%
of which				
▪ Organic		-9.5%		-9.3%
▪ Perimeter change <sup>(1)</sup>		+2.1%		+1.9%
▪ FX impact		-0.2%		-0.1%
<b>EBITDA <sup>(2)</sup></b>	145.7	124.6	295.4	251.9
<b>Growth</b>		-14.5%		-14.7%
<b>% on net sales</b>	<b>24.6%</b>	<b>22.7%</b>	<b>24.9%</b>	<b>23.0%</b>
<b>Net Income</b>	82.4	62.5	168.5	130.1
<b>NFP <sup>(3)</sup></b>			578.3	516.8

**-12.8% and  
from 23.7% to 22.8%  
on organic basis and  
excluding IMM one-off**

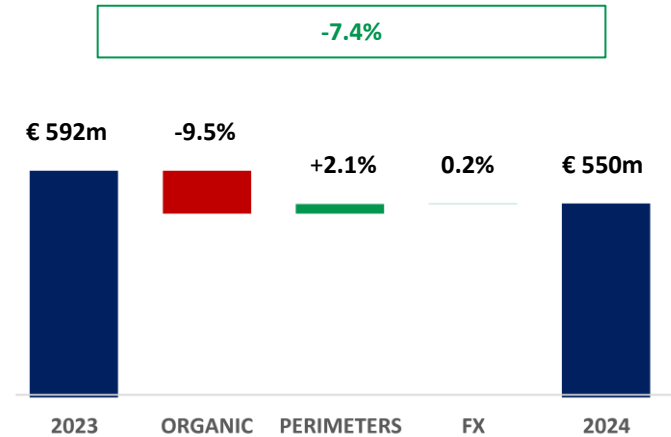
**-13.2% and  
From 24.2% to 23.1%  
on organic basis and  
excluding IMM one-off**

<sup>(1)</sup> 2024 perimeter change: Mouldtech (consolidated from April 2023), I.Mec and and Waikato (consolidated since June 2023), PP China, YRP Flow Technologies (consolidated since April 2024), Alltube (consolidated since May 2024) and Alfa Valvole (consolidated since June 2024) - <sup>(2)</sup> Excluding € 45.8m and € 72.7m of subsidiaries purchase commitments in 2024 and 2023 respectively

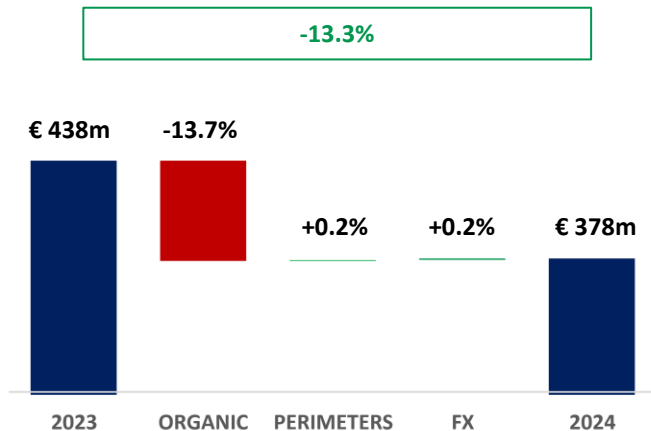


- 2Q2024: Hydraulics still impacted by normalisation, Water Jetting stronger than comparison
  - Hydraulics: worse “orbital motors“, sluggish other businesses
  - Water Jetting: “high pressure systems” best performer among most important products

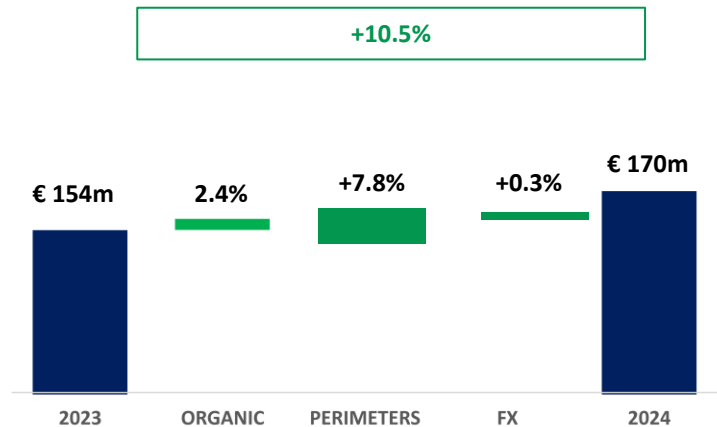
## 2Q2024 GROUP SALES EVOLUTION



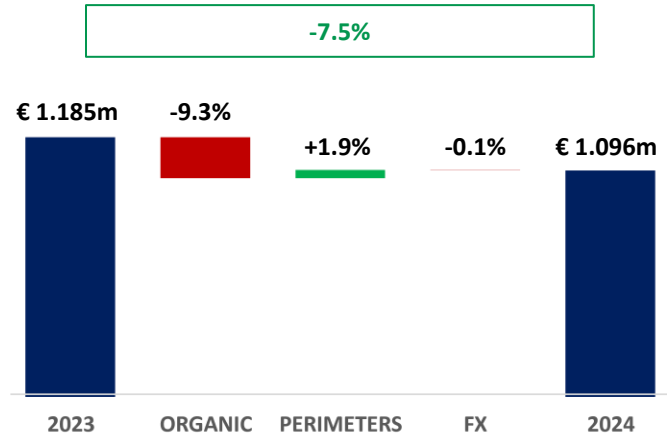
## 2Q2024 HYDRAULICS SALES EVOLUTION



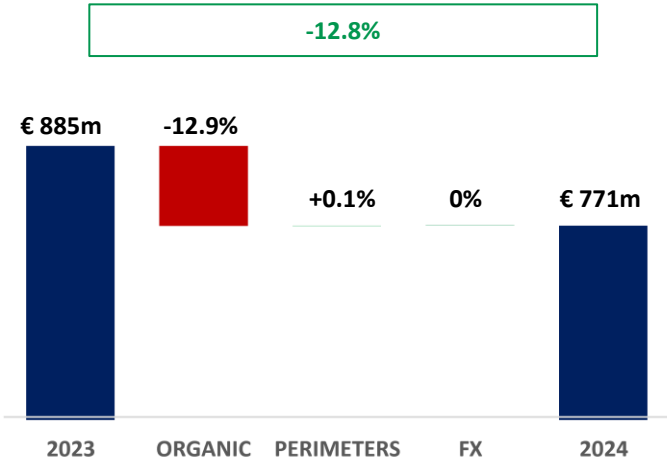
## 2Q2024 WATER JETTING SALES EVOLUTION



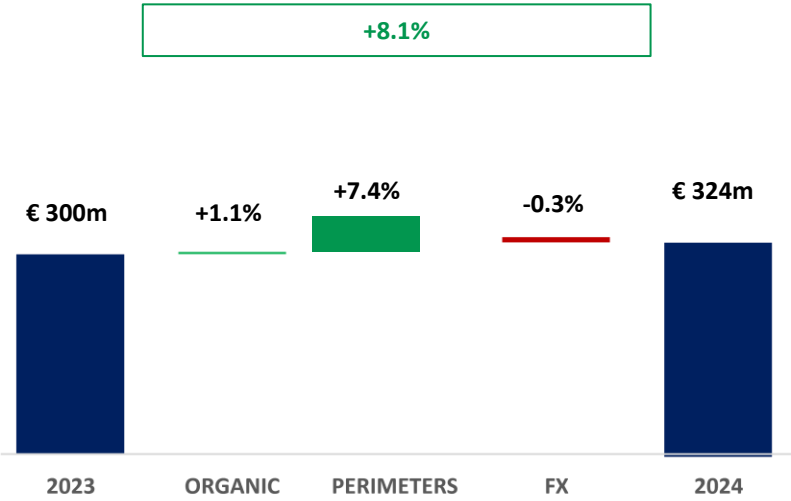
## 1H2024 GROUP SALES EVOLUTION



## 1H2024 HYDRAULICS SALES EVOLUTION

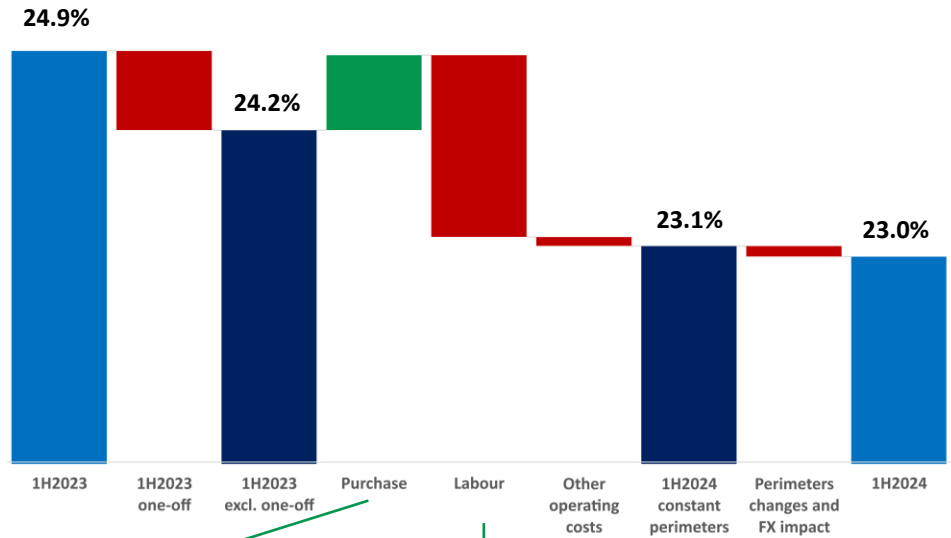


## 1H2024 WATER JETTING SALES EVOLUTION





## 1H2024 EBITDA EVOLUTION <sup>(1-2)</sup> (% on Net Sales)



**SALES DOWN BY 9.4% AT CONSTANT PERIMETERS**

- **Purchase cost**  
Down by almost 11%
- **Warehouse unload**  
Down by more than 3%

- **Labour force adjustment**  
Group average employees' number: down almost by 2%  
Group temporary workers: down by more than 17%
- **Labour flexibility instruments use**  
Collective closings, short time work
- **Production insource**

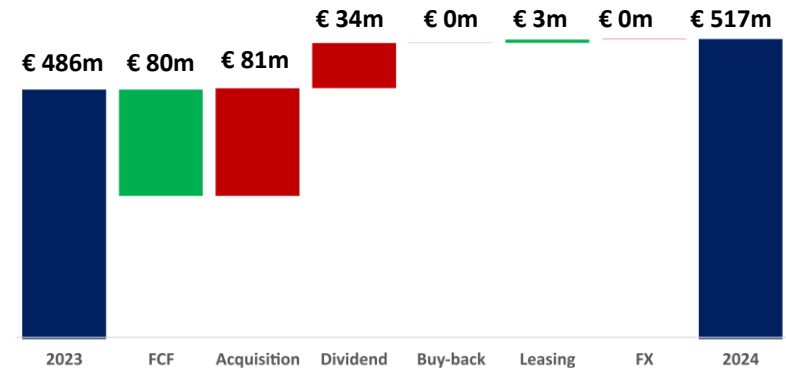
- **G&A expenses**  
Down by more than 1%
- **Production insource**  
External manufacturing expenses:  
down by more than 15%

<sup>(1)</sup> Management controlling system data – <sup>(2)</sup> In the graph “purchase” is net of “inventories changes” and “total other income”

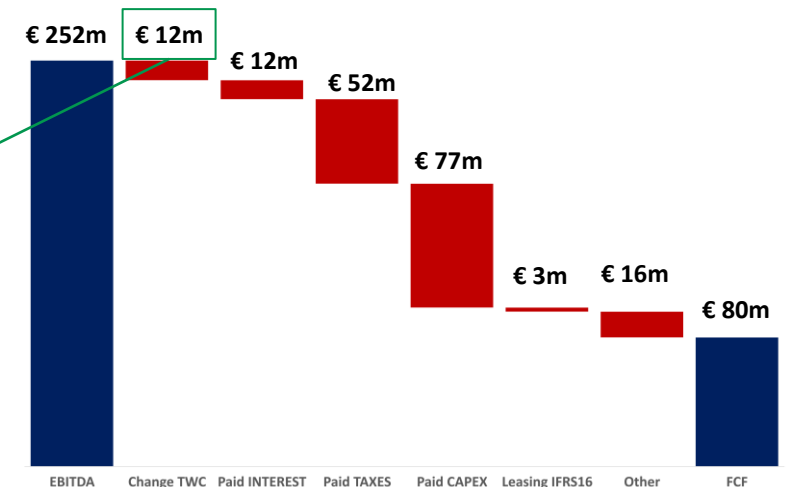
- January: US\$300m Private Shelf agreement
  - US\$100 single tranche issued
    - 8 years average duration and 4.17% coupon
  
- June: NFP of € 517m compared to € 486m as of December 2023<sup>(2)</sup>
  - FCF: almost doubled to € 80m
    - TWC: in 2Q from cash absorption to cash generation
  - CAPEX: € 77m compared to € 81m
    - Last important project ongoing
  - Acquisitions: € 81m
    - 4 new companies and put-call options exercise (e.g. Transtecno remaining 20% stake)

1Q: € 32m of absorption  
2Q: € 20m of generation

## NFP EVOLUTION <sup>(1-2)</sup> (€ m)



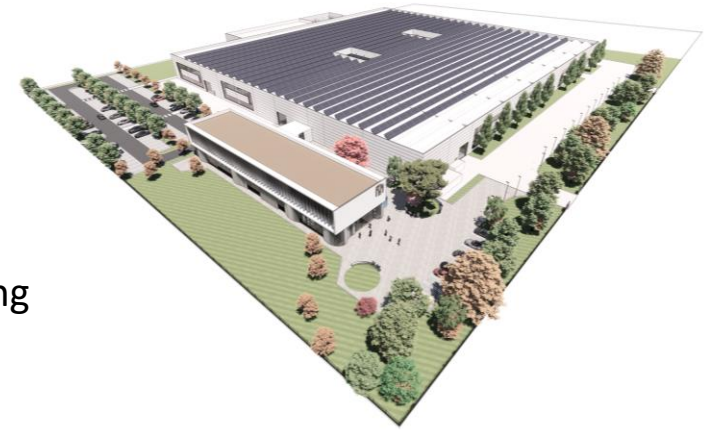
## FCF EVOLUTION <sup>(1)</sup> (€ m)



<sup>(1)</sup> For Group accounting definitions see please slides 35-36 - <sup>(2)</sup> Excluding € 45.8m and € 81.2m of subsidiaries purchase commitments in 2024 and 2023



- New Interpump Hydraulics headquarter
  - 62,000 sq. metres, a total area increase of around 30%
  - Best environmental standards
    - Photovoltaic plants with an estimated 2,300,000 kWh annual production and consequently 1.219 Tco2 savings
    - 10x better thermal isolation compared to the current building



Interpump Hydraulics – The rendering and the July wip status of the new headquarters in Sala Bolognese (Italy)

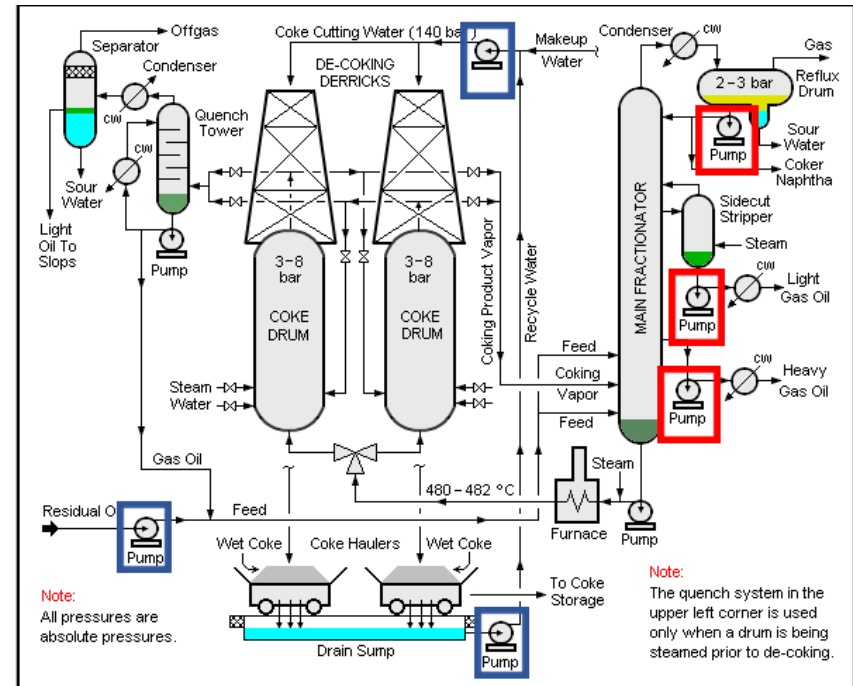
- 4 acquisitions and put-call options exercise
  
- Acquisitions with a perfect fit with Group growth and diversification strategy in 1H2024
  - Strengthening Group’s global network
    - PP China & YRP, “Flow Processing” in China: entry into the plant engineering market and expansion in the components market with the support of a trustworthy management
    - Alltube, “Hose, pipes & fittings» in UK: adding rigid pipe fabrication and manipulation in the region
  - Completing Group product catalogue
    - Alfa Valvole, “Pressure pump” in Italy: dosing pump for precision fluid metering and injection applications and ball valves for any fluid control
  
- Put-call options exercise
  - 20% of Transtecno to 100% of the total equity
  - 20% Draintech to 100% of the total equity

2024 INTERPUMP GROUP ACQUISITIONS <sup>(1)</sup>				
ACQUIRED COMPANIES		2023 DATA		IMPLIED EV/EBITDA
		Sales	EBITDA Margin	
9 April	<b>PP CHINA YRP FLOW TECNOLOGY</b>	€ 10m	10%	2.9x
22 April	<b>ALLTUBE</b>	€ 5m	15%	1.7x
3 June	<b>ALFA VALVOLE</b>	€ 28m	26%	6.1x

<sup>(1)</sup> See please slide 27 for additional details on 2024 acquisitions

- Alfa Valvole
  - Completing Group product catalogue
  - Increasing exposure to Oil&Gas market applications
  
- Opportunities in both short and medium-long term
  - Short term
    - Dosing pump inside Group “complete systems”
    - Leveraging Group presence in North America
  - Medium-long term
    - R&D activities and know-how sharing in pump world

**ILLUSTRATIVE EXAMPLE - DELAYED COKER PLANT <sup>(1)</sup>**



**INTERPUMP PUMP**  
Piston pumps to pump the main flow

**ALFA VALVOLE DOSING PUMP**  
Dosing pump to inject auxiliary substances

<sup>(1)</sup> Illustrative example taken by Wikipedia

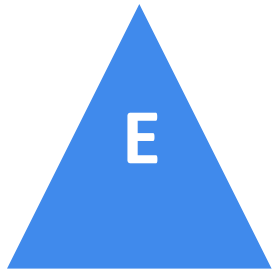
- **GROUP OVERVIEW**
- **2024 OUTLOOK**
- **2Q2024 FINANCIAL RESULTS**
- **ESG PATH**



*“A falling tree makes more noise than a growing forest”*

Lao Tzu





## 2023-2025 KEY TARGETS

<ul style="list-style-type: none"> <li>▪ <b>Definition of Group “Carbon neutrality” strategy</b></li> <li>▪ Reduction of Group “Carbon intensity”</li> <li>▪ Increase of renewed electricity consumption</li> </ul>	<p>2023</p> <p>2025</p> <p>2025</p>
<ul style="list-style-type: none"> <li>▪ Injury rate improvement</li> <li>▪ <b>ESG supply chain evaluation</b></li> <li>▪ ISO 45001 extension</li> </ul>	<p>2024</p> <p>2023</p> <p>2027</p>
<ul style="list-style-type: none"> <li>▪ <b>Establishment of Board ESG Committee</b></li> <li>▪ <b>Succession plan formalisation</b></li> <li>▪ Tax compliance consolidation</li> </ul>	<p>2023</p> <p>2023</p> <p>2024</p>

## SUPPORTED GRI and SDG



305-1 and 2  
302-1



403-9  
308-1 / 414-1



207-1, 2 and 3



- All 2023 ESG Plan actions delivered
  - Building Group ESG foundation
  
- Multi annual actions delivery duly on going
  - Leading to 2023 and 2050 decarbonisation target
  
- Group ESG methodological approach improvements
  - Higher number of Group companies included in the sample
  - Scope 3 first data collection and analysis
  - M&A sensitivity exercise to evaluate Group acquisition strategy impact
  
- Financial resources updating
  - Around € 13m of CAPEX and around € 9m of OpEX until 2032 <sup>(1)</sup>

<sup>(1)</sup> 2023-25 ESG Journey and 2023-32 Decarbonisation Strategy



## ANALYSIS AND MEASUREMENT

BUILDING GROUP  
ESG FOUNDATIONS

LEADING TO  
2030 AND 2050 DECARBONISATION TARGETS

2022

2023

2024

2025

2027

- E.1 - Carbon neutrality strategy
- E.4 - Circular economy (phase 1)
  - E.7 - Product ECO-design
- S.1 - Injury rate improvement
- S.5 - ESG supply chain evaluation model definition
- S.6 - ESG supply chain evaluation model extension
- G.1 - Board ESG Committee
- G.2 - Code of Ethics revision
- G.3 - Succession plan formalisation
- G.4 - Tax Control Framework adoption
- G.5 - GR1 207-4 information updating
  - G.6 - Updating on ESG journey

- E.2 - Carbon intensity reduction
- E.3 - Increase of renewable energy consumption
- E.5 - Circular economy (phase 2)
- E.6 - Water monitoring system
- S.3 - Increase of non-compulsory training
- S.4 - Global mobility program
- S.7 - Diversity&inclusion model definition

ANALYSIS, MEASUREMENT, REVIEW AND FINETUNE

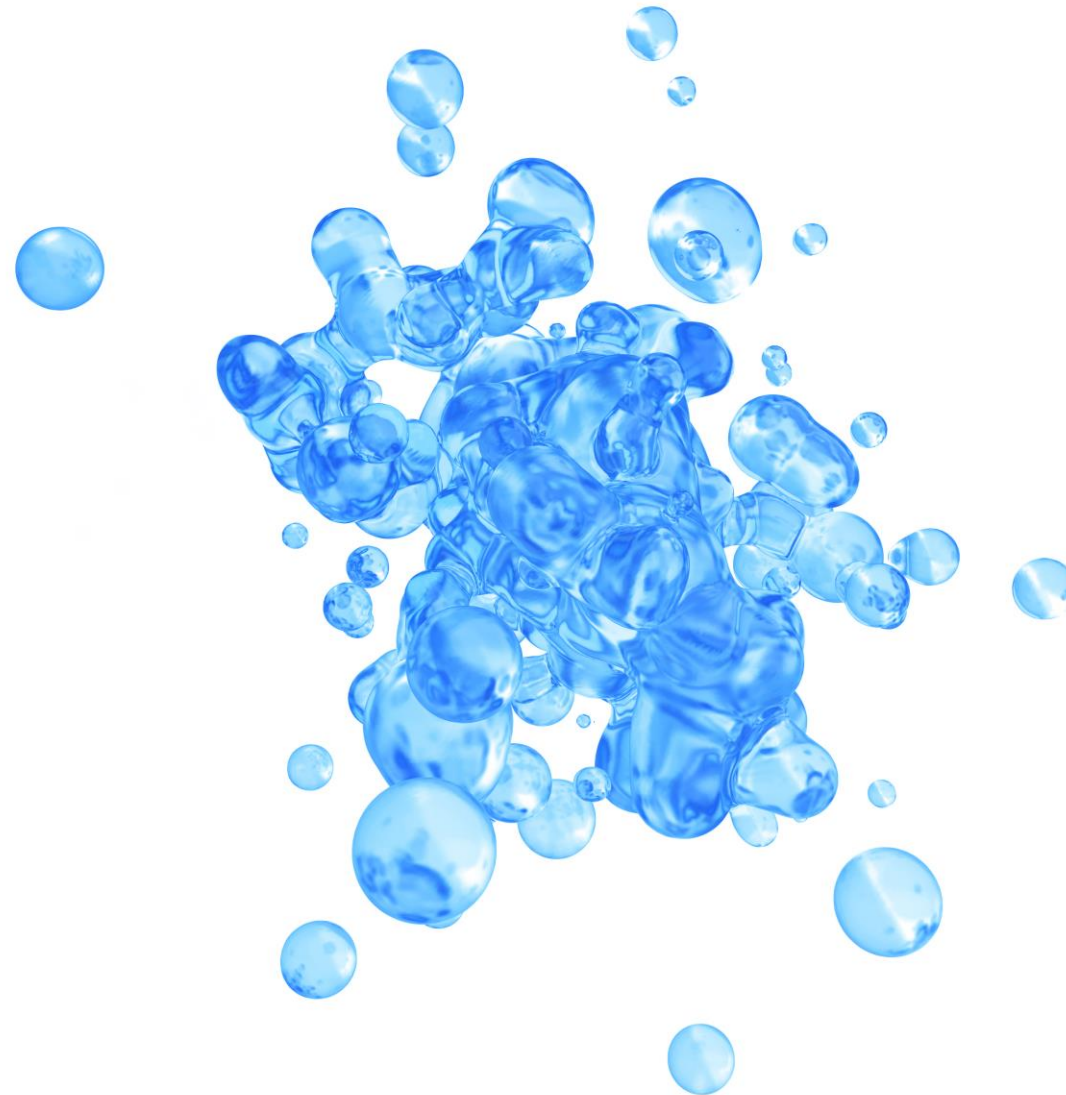
- All activities are in progress according the related timetable
- Focussing on 2024 specific actions
  - E.7: all preparatory activities completed, now deep assessment of EU Regulation 2024/1781 released on 13 June 2024
  - S.6: after a finetuning process driven by the Corporate functions to incorporate features of others Group business models, 2023 Walvoil evaluation model will be deployed to all Italian entities and distributed to the relevant supplier to start the evaluation process
  - G.4: Fiscal Strategy and Tax Compliance Model drafts almost ready, Risk Assessment process on going

2023-2025 ESG JOURNEY	
2024 ACTIONS	
E.7	Product ECO-Design
S.1 <sup>(1)</sup>	Injury rate improvement
S.6	ESG supply chain evaluation model extension to all Italian manufacturing entities
G.4	Tax compliance consolidation in line with best practices
G.5 <sup>(2)</sup>	GR1 207-4 information updating
G.6 <sup>(2)</sup>	Updating on ESG journey

<sup>(1)</sup> 2023-24 multi-year target - <sup>(2)</sup> Ongoing annual target

- **GROUP OVERVIEW**
- **2024 OUTLOOK**
- **1Q2024 FINANCIAL RESULTS**
- **ANNEX**





The Group uses several alternative measures that are not identified as accounting parameters in the framework of the IFRS standards in order to allow the trend of economic operations and the Group's financial position to be better evaluated. Such indicators can also assist the directors in identifying operating trends and making decisions on investments, resource allocation and other business matters. The measurement criterion applied by the Group may therefore differ from the criteria adopted by other groups and so may not be comparable with them. Such alternative performance indicators are constituted exclusively starting from the Group's historical data and measured in compliance with the Guidelines on Alternative Performance Measures issued by ESMA/2015/1415 and adopted by Consob with communication no. 92543 of 3 December 2015. These indicators refer only to performance in the period illustrated in this Interim Board of Directors' Report and the comparative periods and not to expected performance, so they must not be seen as replacing the indicators required by the reference accounting standards (IFRS). Finally, the alternative indicators are processed with continuity and using uniform definitions and representations for all the periods for which financial information is included in this Interim Board of Directors' Report.

The performance indicators used by the Group are defined as follows:

- **Earnings/(Losses) before interest and tax (EBIT):** Net sales plus Other operating income less Operating costs (Cost of sales, Distribution costs, General and administrative expenses, and Other operating costs)
- **Earnings/(Losses) before interest, tax, depreciation and amortization (EBITDA):** EBIT plus depreciation, amortization, write-downs and provisions;
- **Net indebtedness (Net financial position):** calculated as the sum of Loans obtained and Bank borrowing less Cash and cash equivalents;
- **Capital expenditure (CAPEX):** the sum of investment in property, plant and equipment and intangible assets, net of divestments;
- **Free Cash Flow:** the cash flow available to the Group, defined as the difference between the cash flow of operating activities and the cash flow for investments in tangible and intangible fixed assets;
- **Capital employed:** calculated as the sum of shareholders' equity and net financial position, including debts for the acquisition of equity investments;
- **Return on capital employed (ROCE):**  $\text{EBIT} / \text{Capital employed}$ ;
- **Return on equity (ROE):**  $\text{Net profit} / \text{Shareholders' equity}$ .

The Group's income statement is prepared by functional area (also called the "cost of sales" method). This form is deemed to be more representative than its "type of expense" counterpart, which is nevertheless included in the notes to the Annual Financial Report. The chosen form, in fact, complies with the internal reporting and business management methods. The cash flow statement was prepared using the indirect method.

The Group uses some additional terms too, below the related definitions:

- **Organic variation:** variation at constant perimeter and FX
- **Trade Working Capital:** NWC with “Trade Payable” net of CAPEX Trade Payable
- **Buy-back:** purchase of treasury shares less Proceeds from the sale of treasury shares to stock option beneficiaries
- **Leasing IFRS 16:** principal portion of finance lease installments +/- new leasing contracts arranged +/- remeasurement and early close-out of leasing contracts
- **Paid CAPEX:** investment in property, plant & equipment - proceeds from the sales of property, plant & equipment + investment in other intangible assets





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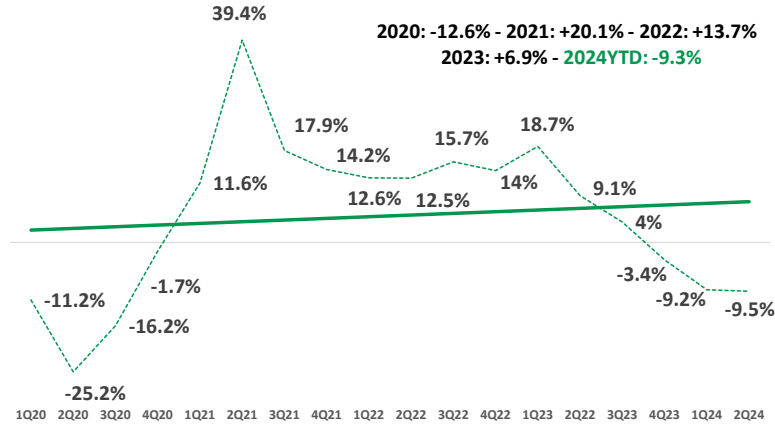
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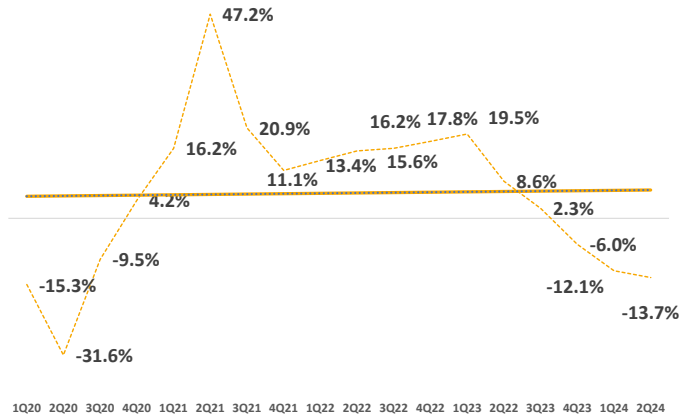


GROUP 2020-2024 ORGANIC GROWTH EVOLUTION by QUARTER



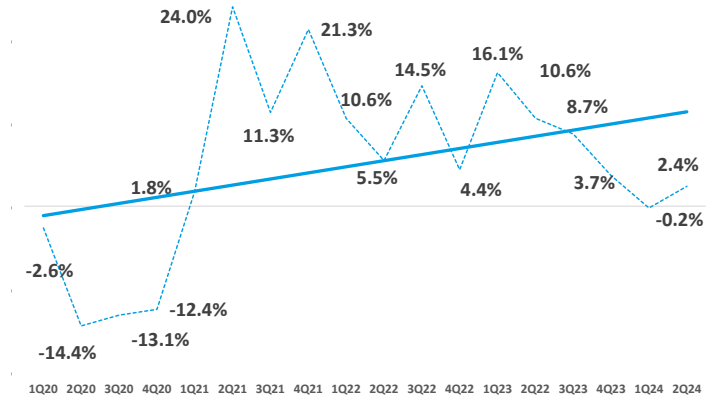
HYDRAULICS 2020-2024 ORGANIC GROWTH EVOLUTION by QUARTER

2020: -13.6% - 2021: +22.8% - 2022: +15.9% - 2023: +5.9% - 2024YTD: -12.9%



WATER-JETTING 2020-2024 ORGANIC GROWTH EVOLUTION by QUARTER

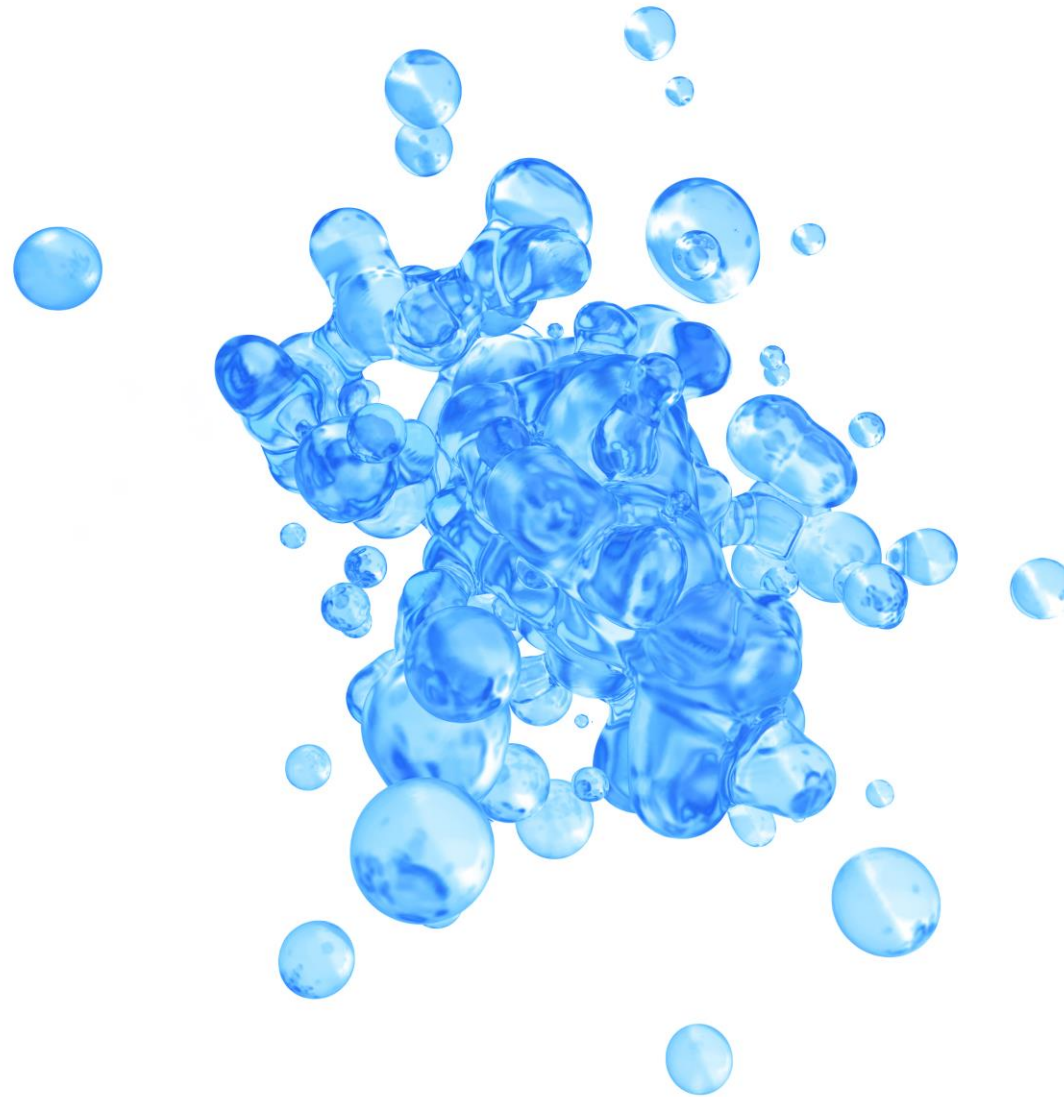
2020: -10.8% - 2021: +14.4% - 2022: +8.5% - 2023: +9.5% - 2024YTD: 1.1%



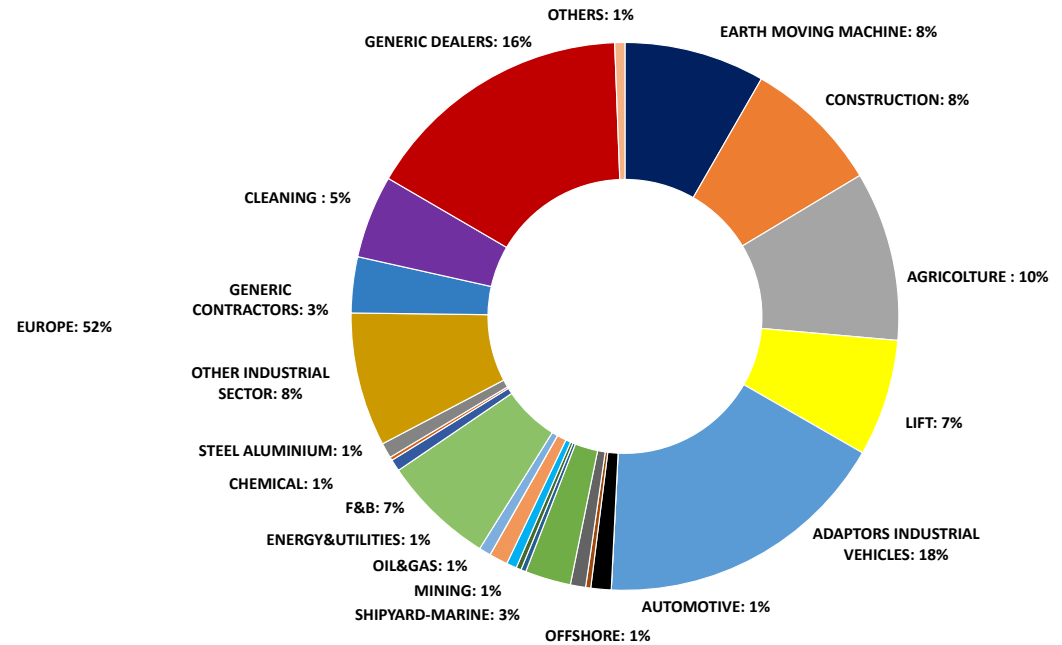
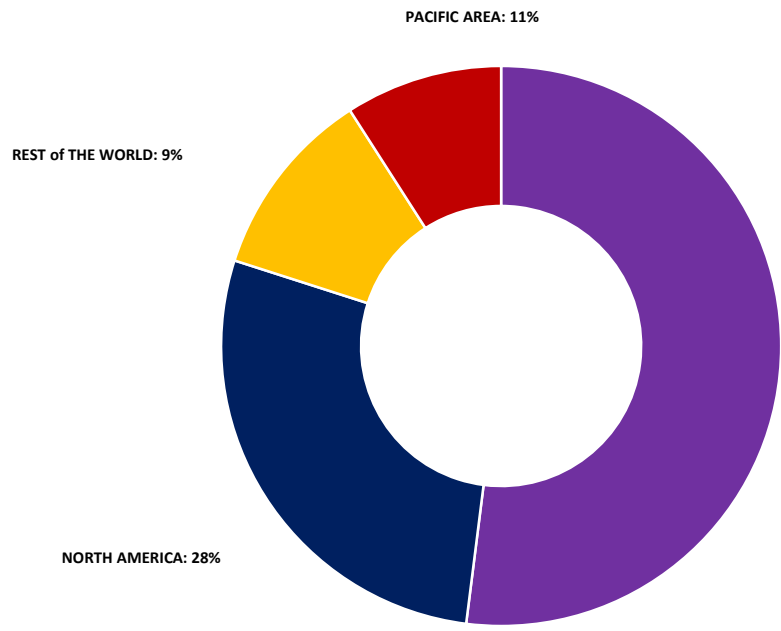


## 2024 INTERPUMP GROUP ACQUISITIONS

ACQUIRED COMPANIES		2023 DATA			Total consideration	IMPLIED EV/EBITDA	Consolidated since Where
		Sales	EBITDA Margin	Additional Information			
9 April	<b>PP CHINA</b> <b>YRP FLOW TECHNOLOGY</b> China	€ 10m	10%	-	€ 2.9m	2.9x	April 2024 Water Jetting division
22 April	<b>ALLTUBE</b> U.K.	€ 5m	15%	€ 1m of cash	€ 2.3m	1.7x	May 2024 Hydraulics division
3 June	<b>ALFA VALVOLE</b> Italy	€ 28m	26%	€ 11m of cash	€ 55.2m	6.1x	June 2024 Water Jetting division

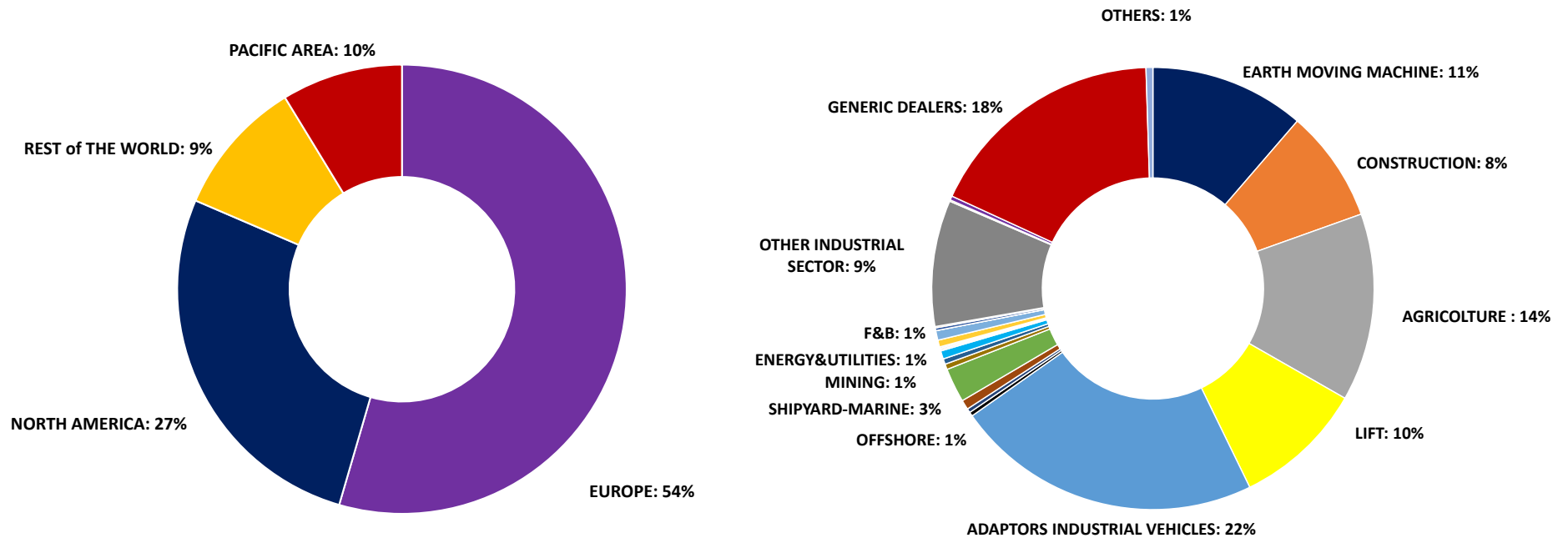


**GROUP**  
2023 sales: € 2,240m



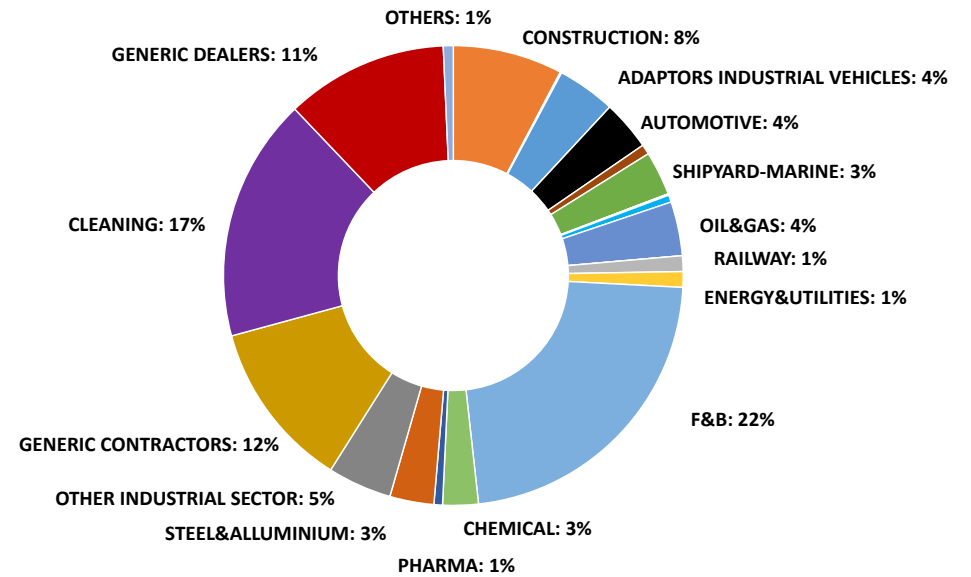
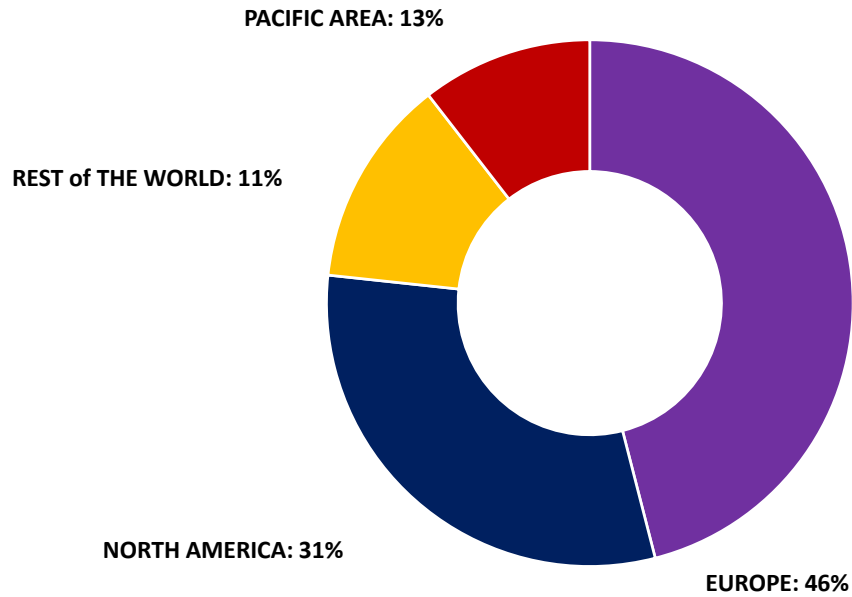
<sup>(1)</sup> Market application breakdown: incidence below 0.5% not indicated, incidence between 0.5-1% rounded to 1%

**HYDRAULICS**  
2023 sales: € 1,634m



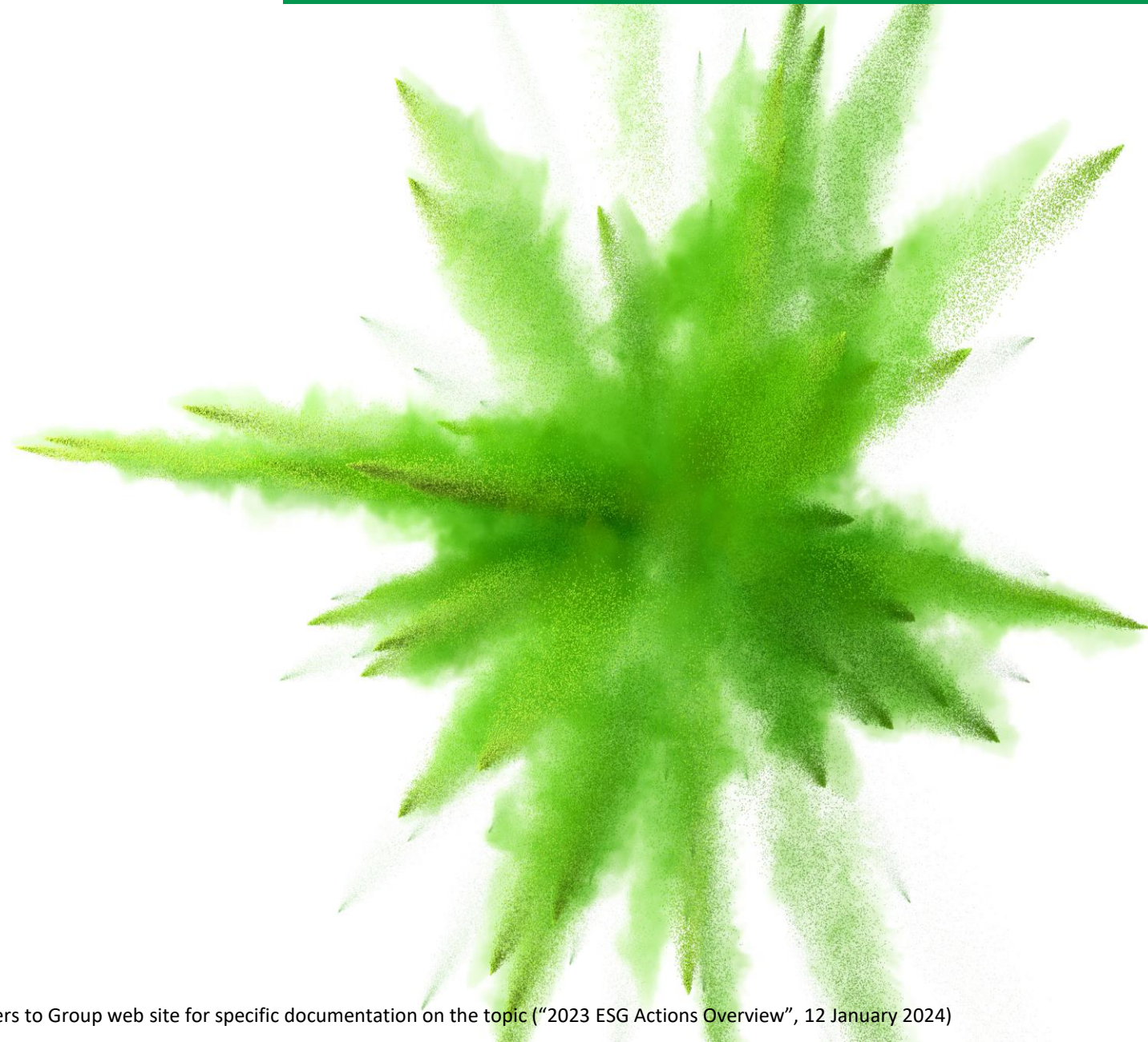
<sup>(1)</sup> Market application breakdown: incidence below 0.5% not indicated, incidence between 0.5-1% rounded to 1%

**WATER JETTING**  
2023 sales: € 606m






<sup>(1)</sup> Market application breakdown: incidence below 0.5% not indicated, incidence between 0.5-1% rounded to 1%





Please refer to Group web site for specific documentation on the topic (“2023 ESG Actions Overview”, 12 January 2024)




- 3 main streams
  - Climate change
  - Product life cycle
  - Water efficiency
  
- Formalisation of Group “E” strategy and policies is the cornerstone
  
- Approximately € 10m of CAPEX and not material impact on Group G&A in the plan horizon
  - CAPEX: around 40% already included in 2022 projects
  - G&A: most activities will be performed internally

ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
<div style="writing-mode: vertical-rl; transform: rotate(180deg); background-color: #008000; color: white; padding: 5px; font-weight: bold;">CLIMATE CHANGE</div> <p style="text-align: center; color: #008000; font-weight: bold;">E.1</p>	<p style="color: #008000; font-weight: bold;">Carbon neutrality strategy definition</p> <ul style="list-style-type: none"> <li>■ To be applied to the entire Group perimeter and to all carbon emission categories (Scope 1, 2 and 3)</li> <li>■ Fundamental support to reach timely 2030 and 2050 EU target</li> </ul>	  	<p style="text-align: center;">N.A.</p>	<p style="text-align: center;">Base year: 2022 Target year: <b>2023</b></p>

	ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
CLIMATE CHANGE	E.2	<p><b>Carbon intensity reduction</b></p> <ul style="list-style-type: none"> <li>Focus on Scope 1 and 2</li> <li>Main leverages: photovoltaic plants installation and renewable purchase energy agreement</li> <li>Italian manufacturing site as PPA starting point</li> </ul>	<p>305-1 and 2</p>	<p><b>K.P.I.</b> tCO<sub>2</sub>eq/€ <sup>(1)</sup></p> <p><b>Target: -30%</b> (from 0.040 <sup>(2)</sup> to 0.028)</p>	<p>Base year: 2021 <b>Target year: 2025</b></p>
	E.3	<p><b>Increase of renewable energy consumption</b></p> <ul style="list-style-type: none"> <li>Main leverages: photovoltaic plants installation and renewable purchase energy agreement</li> <li>Italian manufacturing site as PPA starting point</li> </ul>	<p>302-1</p>	<p><b>K.P.I.</b> Total renewable EE (GJ)/Total energy</p> <p>Base: 3% <b>Target: 25%</b></p>	<p>Base year: 2021 <b>Target year: 2025</b></p>
PRODUCT LIFE CYCLE	E.4	<p><b>Circular economy – Phase 1</b></p> <ul style="list-style-type: none"> <li>Waste assessment and potential by-products analysis</li> <li>Network with partner entities at regional level</li> <li>Pilot project in IPG and IMM subsidiaries</li> </ul>		N.A.	<p>Base year: 2022 <b>Target year: 2023</b></p>
	E.5	<p><b>Circular economy – Phase 2</b></p> <ul style="list-style-type: none"> <li>Feasibility study on Phase 1 project extension</li> <li>Italian manufacturing site as possible perimeter</li> </ul>		N.A.	<p>Base year: 2023 <b>Target year: 2025</b></p>






	ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
WATER EFFICIENCY	E.6	<p><b>Water monitoring system</b></p> <ul style="list-style-type: none"> <li>Phase 1: mapping of the installed water monitoring systems across the Group</li> <li>Phase 2: implementation of a continuous water monitoring system in all Group factories</li> </ul>	<p>303-3 and 4</p>	N.A.	<p>Base year: 2022</p> <p><b>Target year: 2025</b></p>
PRODUCT LIFE CYCLE	E.7	<p><b>Product ECO-design</b></p> <ul style="list-style-type: none"> <li>Phase 1: definition of a Group ECO-design policy</li> <li>Phase 2: implementation of Group policy through procedures reflecting business model heterogeneities</li> </ul>		N.A.	<p>Base year: 2022</p> <p><b>Target year: 2024</b></p>

- 4 main streams
  - Health & safety
  - People development
  - Responsible supply chain
  - Diversity & inclusion
  
- “Pilot projects” will be crucial to capitalise on already existing best practices at subsidiaries level
  - Walvoil for “ESG supply chain evaluation model definition” and Muncie for “diversity & inclusion”
  
- Not material financial impacts in the implementation horizon
  - Around € 3m of incremental costs for both ISO 45001 extension and non-compulsory training



ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
<div style="writing-mode: vertical-rl; transform: rotate(180deg); background-color: #008000; color: white; padding: 5px; font-weight: bold;">HEALTH &amp; SAFETY</div> <p style="text-align: center; color: #008000; font-weight: bold;">S.1</p>	<p style="text-align: center; color: #008000; font-weight: bold;">Injury rate improvement</p> <ul style="list-style-type: none"> <li>■ Keep injury frequency below 2019-21 average</li> </ul>	<div style="display: flex; align-items: center; justify-content: center;">  <div style="margin-left: 10px;">   </div> </div> <p style="text-align: center;">403-9</p>	<p style="text-align: center; font-weight: bold;">K.P.I.</p> <p style="text-align: center;">Injury rate <sup>(1)</sup></p> <p style="text-align: center;">Average 2019-21: 2,2 <sup>(2)</sup></p>	<p style="text-align: center;">Base year: 2021</p> <p style="text-align: center; font-weight: bold;">Target year: 2024</p>

<sup>(1)</sup> (Total n° of employees injuries above 1 day / Total n° of hours worked) x 200.000 - <sup>(2)</sup> Please refer to Non-financial statements as of 31 December 2019, 2020 and 2021 for details

	ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
HEALTH & SAFETY	S.2	<p><b>ISO 45001 extension</b></p> <ul style="list-style-type: none"> <li>Focus on subsidiaries with manufacturing sites</li> </ul>	 	<p><b>K.P.I.</b></p> <p>% Group turnover</p> <p>Base: 22% <b>Target: 45%</b></p>	<p>Base year: 2021 <b>Target year: 2027</b></p>
PEOPLE DEVELOPMENT	S.3	<p><b>Increase of non-compulsory training</b></p> <ul style="list-style-type: none"> <li>Focus on “below - in line” target subsidiaries</li> <li>Definition of Group guidelines and identification of training areas</li> </ul>	 	<p><b>K.P.I.</b></p> <p>About 35% increase average training hours x employee<sup>(1)</sup></p>	<p>Base year: 2021 <b>Target year: 2025</b></p>
	S.4	<p><b>Global mobility program</b></p> <ul style="list-style-type: none"> <li>Define and implement a worldwide mobility program across Group subsidiaries</li> </ul>	 	<p>N.A.</p>	<p>Base year: 2022 <b>Target year: 2025</b></p>
RESPONSIBLE SUPPLY CHAIN	S.5	<p><b>ESG supply chain evaluation model definition</b></p> <ul style="list-style-type: none"> <li>Updated suppliers’ evaluation model with environmental and social criteria</li> <li>Initial focus on “material” suppliers</li> <li>Execution of a pilot project in Walvoil Group</li> </ul>	  	<p>N.A.</p>	<p>Base year: 2022 <b>Target year: 2023</b></p>

	ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
RESPONSIBLE SUPPLY CHAIN	S.6	<p><b>ESG supply chain evaluation model extension</b></p> <ul style="list-style-type: none"> <li>First focus on Italy (100% of manufacturing subsidiaries)</li> <li>Feasibility study for a worldwide application</li> </ul>	  	N.A.	<p>Base year: 2023  <b>Target year: 2024</b></p>
DIVERSITY & INCLUSION	S.7	<p><b>Diversity &amp; inclusion model definition</b></p> <ul style="list-style-type: none"> <li>Systematic and consistent mapping of HR evolution and development from a diversity &amp; inclusion point of view</li> <li>Execution of a pilot project in Muncie</li> </ul>	 	N.A.	<p>Base year: 2023  <b>Target year: 2025</b></p>





- 3 main streams
  - ESG as governance cornerstone
  - Spread of ESG principles, actions and results inside and outside the Group
  - Tax compliance consolidation in line with best practices
  
- “G” actions will follow the natural path of Group governance activities
  - Mostly be addressed by 2023 annual shareholders meeting
  
- Almost all activities will be performed internally
  - Possible support on certain areas from specialised external consultants

	ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
ESG CORNERSTONE	<b>G.1</b>	<p style="text-align: center; color: #008000;"><b>Establishment of Board ESG Committee</b></p> <ul style="list-style-type: none"> <li>■ Separation between “Control &amp; Risk” and “Sustainability” committees</li> <li>■ Inclusion of executive directors</li> </ul>	 	N.A.	Base year: 2022 <b>Target year:</b> <b>1H2023</b>






ESG PRINCIPLES-ACTIONS-RESULTS SPREAD

ALIGNMENT TO TAX BEST PRACTICES

ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
<b>G.2</b>	<p style="text-align: center;"><b>Code of Ethics revision</b></p> <ul style="list-style-type: none"> <li>To reflect ESG principles in Code of Ethics</li> </ul>		N.A.	Base year: 2022 <b>Target year: 1H2023</b>
<b>G.3</b>	<p style="text-align: center;"><b>Succession plan formalization</b></p> <ul style="list-style-type: none"> <li>Succession plan formalization (starting from Interpump Group S.p.A.)</li> </ul>		N.A.	Base year: 2022 <b>Target year: 2023</b>
<b>G.4</b>	<p style="text-align: center;"><b>Tax compliance consolidation in line with best practices</b></p> <ul style="list-style-type: none"> <li>Tax strategy formalization</li> <li>Tax governance and tax risk management and control enhancement</li> <li>Internal compliance review for OECD Pillar II</li> </ul>		N.A.	Base year: 2022 <b>Target year: 2024</b>
<b>G.5</b>	<p style="text-align: center;"><b>GR1 207-4 information updating</b></p> <ul style="list-style-type: none"> <li>Country-by-country report refresh and annual updating</li> </ul>		N.A.	Base year: 2022 <b>Target year: annual</b>

ESG PRINCIPLES-ACTIONS-RESULTS SPREAD

ACTION ID	DESCRIPTION	GRI and SDG	KPI	TIMING
G.6	<p style="text-align: center;"><b>Updating on ESG journey</b></p> <ul style="list-style-type: none"> <li>▪ Periodic updating on actions implementation</li> </ul>	  	N.A.	<p>Base year: 2022</p> <p><b>Target year:</b> <b>annual</b></p>

The Manager in charge of preparing the company's financial reports declares - pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance - that the accounting information contained in this presentation corresponds to the document results, books and accounting records.

S. Ilario d'Enza, 7 August 2024

*Mauro Barani*

