ANNUAL FINANCIAL REPORT **2025**

INTERPUMP GROUP

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COMPOSITION OF CORPORATE BODIES

Board of Directors	Fulvio Montipò	*Executive Chairman*
	Giovanni Tamburi (b)	*Deputy Chairman*
	Fabio Marasi (d)	*Chief Executive Officer*
	Antonia Di Bella (a) (c)	*Independent Director*
	Nicolò Dubini (a) (c)	*Independent Director*
	Marcello Margotto (b)	*Independent Director* *Lead Independent Director*
	Federica Menichetti (a) (b) (c)	*Independent Director*
	Roberta Pierantoni	*Independent Director*
	Rita Rolli (d)	*Independent Director*
	Anna Chiara Svelto (d)	*Independent Director*
Board of Statutory Auditors	*Anna Maria Allievi*	*Chairman*
	Mario Tagliaferri	*Statutory Auditor*
	Mirco Zucca	*Statutory Auditor*
Independent Auditors	PricewaterhouseCoopers S.p.A.	

(a) Member of the Control and Risks Committee
(b) Member of the Remuneration Committee and the Nomination Committee
(c) Member of the Related Party Transactions Committee
(d) Member of the Sustainability Committee

A.

REPORT ON OPERATIONS FOR 2025

1. PROFILE OF THE INTERPUMP GROUP

Interpump Group S.p.A., an Italian company with headquarters in Sant'Ilario d'Enza (RE), is the world's leading manufacturer of high and very-high pressure pumps. Founded in 1977, leveraging the ingenuity and entrepreneurship of Fulvio Montipò, the Company is now listed on the Milan Stock Exchange in the Euronext Star Milan segment.

Via a long sequence of acquisitions, the business has expanded its presence in the hydraulic sector, becoming firmly established as one of the principal groups active in world markets. Over the years, the Interpump Group has in fact expanded its product portfolio, offering numerous solutions designed to satisfy market demand. Today, the products designed and developed by Group companies have multiple applications in different contexts, encompassed within the Water-Jetting and Hydraulic sectors.

The Water-Jetting sector includes companies active in the traditional core business of the Interpump Group, i.e. the production and sale of plunger pumps rated from 1 to 2,000 HP (from 0.7 to 1,500 kW), and the related accessory components. Since 2017 the Water-Jetting sector also includes companies engaged in the production of special pumps, mixers, agitators, cleaning systems, valves and tanks for the food processing, chemicals, cosmetics and pharmaceutical industries.

The Hydraulic sector, developed from 1997, includes companies active in the production and sale of a continually expanding range of hydraulic components: from power take-offs to cylinders, from valves and directional controls to hydraulic lines and fittings, from gears to orbital motors and steering systems.

Today, the Group owns manufacturing and distribution subsidiaries in 36 countries, located in Europe and the rest of the world.

Group Structure

Interpump Group SpA

Water Jetting

- Inoxihp Srl (52,72%)
  - H.S. Srl*
- Servizi Industriali Srl (90%)
- Pioli Srl
  - Nuova S.M. Srl
- Sit SpA (88%)
- I.MEC. Srl (70%)
- Alfa Valvole Srl
  - Alfa OBL America Inc. (85%)
- NLB Corporation Inc.
- GP Companies Inc.
  - GP Companies (China) Inc.
- Hammelmann GmbH
  - Hammelmann Corporation Inc.
  - Hammelmann Australia Pty Ltd
  - Hammelmann Pumps Systems Co. Ltd (90%)
  - Hammelmann S.L.
  - Hammelmann France SARL
  - Hammelmann Swiss GmbH
  - Hammelmann Endüstri Pompalari A.S
  - Hammelmann Vostok (99,9%)
    (0,1% remaining held by Interpump Hydraulics RUS)
  - GS-Hydro HK Ltd.*
    - GS-Hydro Piping System (Shanghai) Co. Ltd.*
- Inoxpa S.A.U.
  - Inoxpa India Private
  - Inoxpa France SAS
  - Improved Solutions Portugal Unipessoal Lda
  - Inoxpa (UK) Ltd
  - Inoxpa Solutions Moldova (66,67%)
  - Inoxpa Colombia SAS
  - Inoxpa Italia Srl
  - Inoxpa Skandinavien A/S
  - Inoxpa South Africa Proprietary Ltd
  - Inoxpa Special Processing Equipment Co. Ltd
  - Inoxpa China Flow Technology Co., Ltd (60%)
  - Shanghai PuPeng Flow Technology Co. Ltd (60%)
  - Inoxpa Ukraine
  - Inoxpa USA Inc.
  - LTD Inoxpa (70%)
  - Inoxpa México (99%)
    (1% remaining held by Inoxpa Italia S.r.l.)
- Waikato Milking Systems Limited
  - WMS GP Limited
  - Waikato Milking System UK Ltd
  - Waikato Milking System Ireland Ltd
  - Hi-Tech Enviro Solution Ltd
  - Waikato Milking System LP
    - Waikato Milking System Lease Ltd
    - Waikato Milking System USA LLC

* Companies belonging to Hydraulic Sector
Non consolidated line-by-line
Dormant, being wound up or otherwise inactive

As at 31/12/2025
All Holding 100% unless otherwise specified

Group Structure

Interpump Group SpA

Hydraulics

- Interpump Hydraulics SpA
  - Oleodinamica Panni Srl
  - Hydroven Srl
  - Hydrocar Chile S.A. (90%)
  - Wuxi Interpump Weifu Hydr. Company Ltd (65%)
  - Interpump Hydraulics India Ltd
  - Interpump Hydraulics Middle East FZE ●
  - Interpump Hydraulics France Sarl
  - Interpump South Africa Pty Ltd
  - Interpump Hydraulics RUS ●
  - Interpump Hydraulics Peru Sac (90%) ●
  - Eurofluid Hydraulics S.r.l. (80%)
  - F.A.R.M.A. SRL
    - F.A.R.M.A. USA Inc.
  - Interpump Hydraulics Brasil Ltd
    - Hidrover Equipmentos Hidraulicos Ltda (59%)
      - Tutto Hidraulicos Ltda
  - Contarini Leopoldo Srl
    - Unidrò Contarini Sas
    - Copa Hydrosistem Ood
  - Interpump Hydraulics (UK) Ltd
    - Mega Pacific Pty Ltd
    - Mega Pacific NZ Pty Ltd
    - IMM Hydraulics Ltd ●
    - Bristol Hose Ltd ●
    - Alltube Engineering Ltd ●
  - Muncie Inc.
    - Hydra Dyne Technology Inc. (75%) (14,99% remaining held by Interpump Group SpA)
    - GS-Hydro U.S. Inc.
  - I.M.M Hydraulics SpA
    - IFS Germany GmbH
    - FGA Srl
    - IMM Hydro Est
    - IFS France Sarl
    - Tekno Tubi Srl
  - Padoan Srl (65%)
    - Padoan Chile Ltda ●
    - Padoan Deutschland (70%)
    - Padoan Swiss SA
- Tubiflex Spa
- IPG Mouldtech India PVT LTD (85%)
- Transtecno Srl
  - Transtecno BV (51%)
    - Transtecno Aandrijftechniek BV (51%)
  - Transtecno Iberica (70%)
  - MA Transtecno SAPI de C.V. (70%)
  - Hangzhou Interpump Power Transmissions
- Walvoil SpA (65%) (35% remaining held by Interpump Hydraulics SpA)
  - Walvoil Fluid Power Corporation
  - Walvoil Fluid Power Korea Llc
  - Walvoil Fluid Power (India) Pvt. Ltd (99,97%) (0,03% remaining held by Interpump Hydraulics India Ltd)
  - Walvoil Fluid Power France Sarl
  - Walvoil Fluid Power Australasia
  - Walvoil Canada Inc.
  - Walvoil Fluid Power (Dongguan) Co. Ltd
  - Walvoil Fluid Power Mexico S.A. de C.V. ●
- White Drive Motors and Steering Sp. ZOO
- White Drive Motors and Steering LLC
- White Drive Motors and Steering GmbH ●
- Interpump Piping GS Srl
  - GS-Hydro AB
  - GS-Hydro Denmark AS
  - GS-Hydro UK Ltd
  - GS-Hydro System GmbH ●
  - GS-Hydro System Sp ZOO
  - GS-Hydro Austria GmbH
  - GS-Hydro S.A.U.
    - Suministros Franquesa S.A.
  - GS-Hydro Benelux B.V.
  - GS-Hydro Korea Ltd.
  - GS-Hydro Singapore Pte Ltd.
  - GS-Hydro do Brasil S.H. Ltda
- Reggiana Riduttori Srl
  - Borghi Assali Srl (70%)
  - RR Pacific PTY Ltd.
  - RR Slovakia A.S.
  - RR USA Inc.
  - RR Canada Inc.
  - RR Holland BV
  - RR France Sarl (95%)
  - Interpump Antriebstechnik GmbH ●

● (blue) Non consolidated line-by-line
● (red) Dormant, being wound up or otherwise inactive

As at 31/12/2025
All Holding 100% unless otherwise specified

Countries where Interpump Group is present - Europe focus

Key
- 🔴 Production
- 🟢 Distribution and commercial support

Ireland
- 🟢 Waikato

UK
- 🔴 Interpump Hydraulics
- 🟢 GS Hydro
- 🟢 Inoxpa
- 🟢 Waikato

Spain
- 🔴 Inoxpa
- 🟢 GS Hydro
- 🟢 Hammelmann
- 🟢 Transtecno

Portugal
- 🔴 Inoxpa

Denmark
- 🟢 GS Hydro
- 🟢 Inoxpa

Netherlands
- 🟢 GS Hydro
- 🟢 Reggiana Riduttori
- 🟢 Transtecno

Germany
- 🔴 Hammelmann
- 🔴 Padoan
- 🟢 IMM
- 🟢 Reggiana Riduttori
- 🟢 White Drive

Switzerland
- 🔴 Padoan
- 🟢 Hammelmann

France
- 🟢 Contarini
- 🟢 Hammelmann
- 🟢 IMM
- 🟢 Inoxpa
- 🟢 Interpump Hydraulics
- 🟢 Reggiana Riduttori
- 🟢 Walvoil

Italy
- 🔴 Alfa Valvole
- 🔴 Borghi Assali
- 🔴 Contarini
- 🔴 Eurofluid Hydraulic
- 🔴 F.A.R.M.A.
- 🔴 FGA
- 🔴 Hydroven
- 🔴 H.S.
- 🔴 I.Mec
- 🔴 IMM
- 🔴 Inoxhip
- 🔴 Interpump Group
- 🔴 Interpump Hydraulics
- 🔴 Nuova SM
- 🔴 Panni
- 🔴 Padoan
- 🔴 Pioli
- 🔴 Reggiana Riduttori
- 🔴 Servizi Industriali
- 🔴 SIT
- 🔴 Tekno Tubi
- 🔴 Transtecno
- 🔴 Tubiflex
- 🔴 Walvoil
- 🟢 Inoxpa

Sweden
- 🟢 GS Hydro

Austria
- 🟢 GS Hydro

Poland
- 🔴 White Drive
- 🟢 GS Hydro

Slovakia
- 🔴 Reggiana Riduttori

Ukraine
- 🟢 Inoxpa

Moldova
- 🔴 Inoxpa

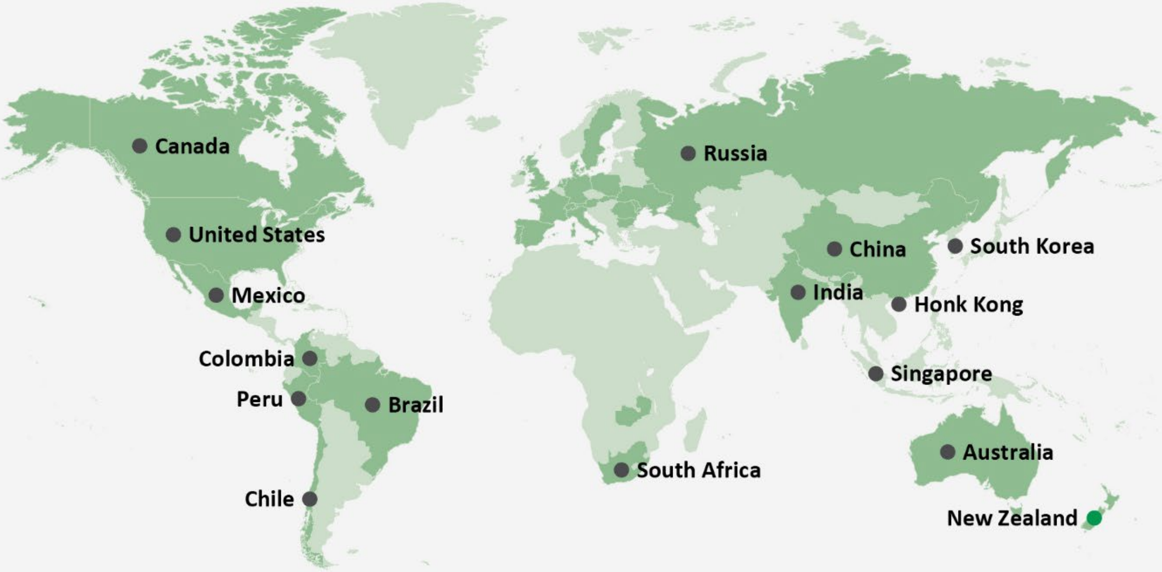
Romania
- 🔴 IMM

Bulgaria
- 🔴 Contarini

Turkey
- 🟢 Hammelmann

Countries in which Interpump Group is present

Key
- Production (red)
- Distribution and commercial support (green)



Canada
- 🔴 Hydra Dyne Tech
- 🟢 Reggiana Riduttori
- 🟢 Walvoil

United States
- 🔴 General Pump
- 🔴 Inoxpa
- 🔴 Muncie Power
- 🔴 NLB
- 🔴 White Drive
- 🟢 Alfa Valvole
- 🟢 F.A.R.M.A.
- 🟢 GS Hydro
- 🟢 Hammelmann
- 🟢 Inoxpa
- 🟢 Reggiana Riduttori
- 🟢 Waikato
- 🟢 Walvoil

Mexico
- 🟢 Inoxpa
- 🟢 Transtecno
- 🟢 Walvoil

Colombia
- 🟢 Inoxpa

Brazil
- 🔴 Hidrover Equip Hidraulicos
- 🔴 Interpump Hydraulics
- 🔴 Tutto Hidraulicos
- 🟢 GS Hydro

Chile
- 🟢 Interpump Hydraulics

Peru
- 🟢 Interpump Hydraulics

Russia
- 🟢 Hammelmann
- 🟢 Inoxpa
- 🟢 Interpump Hydraulics

South Africa
- 🟢 Inoxpa
- 🟢 Interpump Hydraulics

India
- 🔴 Inoxpa
- 🔴 Interpump Hydraulics
- 🔴 Walvoil

China
- 🔴 Interpump Hydraulics
- 🔴 Transtecno
- 🔴 Walvoil
- 🟢 General Pump
- 🟢 GS Hydro
- 🟢 Hammelmann
- 🟢 Inoxpa

South Korea
- 🔴 Walvoil
- 🟢 GS Hydro

Honk Kong
- 🟢 GS Hydro

Singapore
- 🟢 GS Hydro

Australia
- 🟢 Hammelmann
- 🟢 Mega Pacific
- 🟢 Reggiana Riduttori
- 🟢 Walvoil

New Zealand
- 🔴 Waikato
- 🟢 Mega Pacific

FINANCIAL HIGHLIGHTS OF THE INTERPUMP GROUP

€/000	31/12/2025	31/12/2024	31/12/2023	31/12/2022	31/12/2021
Consolidated revenues	2,070,684	2,078,399	2,240,039	2,077,964	1,604,255
Foreign revenues	84%	85%	84%	84%	83%
EBITDA	461,964	456,622	536,725	492,337	379,757
EBITDA %	22.3%	22.0%	24.0%	23.7%	23.7%
EBIT (Operating profit)	336,564	337,814	428,819	384,004	295,048
EBIT %	16.3%	16.3%	19.1%	18.5%	18.4%
Consolidated net profit	209,709	228,470	277,516	269,749	198,519
Free cash flow	220,404	205,088	147,892	51,100	133,800
Net indebtedness [1]	376,115	476,115	567,661	604,596	572,718
Consolidated shareholders' equity	2,110,101	2,019,337	1,802,904	1,566,110	1,339,664
Net indebtedness / EBITDA	0.81	1.04	1.06	1.23	1.51
Net capital expenditure (Capex)	98,752	135,250	164,948	129,479	106,726
Average headcount	9,463	9,310	9,325	8,721	8,433
ROE	9.9%	11.3%	15.4%	17.2%	14.8%
ROCE	13.5%	13.5%	18.1%	17.7%	15.4%
EPS - Euro	1.955	2.124	2.565	2.524	1.836
Dividend per share - Euro	0.350	0.330	0.320	0.300	0.280

Dividends refer to the year of formation of the distributed profit.
See Note 3.1 below for definitions of the indicators presented above.

[1] Inclusive of the debt related to the acquisition of investments.

€/000	31/12/2020	31/12/2019	31/12/2018	31/12/2017	31/12/2016
Consolidated revenues	1,294,363	1,368,618	1,279,167	1,086,547	922,818
Foreign revenues	85%	84%	83%	82%	83%
EBITDA	294,055	317,890	288,519	248,648	198,502
EBITDA %	22.7%	23.2%	22.60%	22.90%	21.50%
EBIT (Operating profit)	207,659	247,214	236,549	198,912	153,533
EBIT %	16.0%	18.1%	18.50%	18.30%	16.60%
Consolidated net profit	173,271	180,602	173,862	135,723	94,473
Free cash flow	203,769	124,824	82,183	93,552	89,947
Net indebtedness [2]	332,186	425,100	331,866	323,808	300,024
Consolidated shareholders' equity	1,149,977	1,055,074	868,905	764,729	677,538
Net indebtedness / EBITDA	1.13	1.17	1.15	1.3	1.51
Net capital expenditure (Capex)	61,395	73,654	68,185	47,812	36,527
Average headcount	7,415	6,921	6,472	5,750	5,016
ROE	15.1%	17.1%	20.0%	17.7%	13.9%
ROCE	14.0%	16.7%	19.7%	18.3%	15.7%
EPS - Euro	1.596	1.699	1.619	1.257	0.884
Dividend per share - Euro	0.260	0.250	0.220	0.210	0.200

[2] Inclusive of the debt related to the acquisition of investments.

2. SIGNIFICANT EVENTS DURING THE YEAR

The global economy was unstable throughout 2025. The geopolitical tensions, caused by a multitude of ongoing conflicts and compounded by the trade tariff hikes (albeit mitigated by recent agreements), have further heightened concerns about the prospects for growth. The revised IMF estimates indicate a 3.3% rise in global GDP in 2025, 3.3% in 2026, and 3.2% in 2027. These statistics are influenced by the worldwide slowdown in trade, mainly due to the imposition of customs barriers, as offset by increasing investment in the technological sector, principally linked to AI.

These estimates may be further constrained by the direct and indirect effects of evolving trade policies, which could dampen the prospects for the global economy over the medium term.

Inflation is easing in the world's leading economies, except in the United States, where the new tariffs have raised the cost of imports. Worldwide, the rate of inflation is expected to fall to 4.1% in 2025 and to 3.8% in 2026 (source: IMF).

Given the stabilization of inflation and the forecasts for growth, the principal central banks held interest rates steady during Q4 2025. The United States again provided the exception, with the Fed making three consecutive rate cuts (25 basis points each) in September, October and December, to a range between 3.50% and 3.75%, amid concerns about both the rate of inflation and a slowdown in the jobs market.

The OECD forecasts for 2026 indicate a slight slowdown in global growth, given the risks associated with heightened trade and geopolitical tensions, with possible corrections in the financial markets linked to the technological sectors.

The macroeconomic parameters available for the leading economies indicate as follows:

- The Euro area economy has demonstrated resilience, despite the challenging international environment. GDP grew by 0.3% in real terms during Q3 2025, outpacing forecasts after the volatility experienced in the first half of the year. This instability was mainly due to the surge in trade ahead of the US tariff increases, and to the resulting uncertainty. The Euro area economy grew by 0.3 percentage points more in Q4 than in Q3, consistent with the results achieved in the third quarter. Domestic demand is likely to remain the principal driver of growth there, sustained by increases in real wages and employment, given the stability of the jobs market with unemployment rates at historical lows. External demand is also expected to increase, now that trade policies are less uncertain, despite gradual emergence of the effects of the tariff increases. Inflation should remain stable at around 2.1% in 2025, before easing to 1.9% in 2026 and 1.8% in 2027, and rising back to 2.0% in 2028. Based on the latest macroeconomic projections, GDP growth forecasts have been revised up to 1.4% in 2025, 1.2% in 2026 and 1.4% in 2027, which should be maintained in 2028 (source: European Central Bank).

- In the United States, economic activity slowed during 2025 (with forecast growth of 2%), after three years of robust expansion. US imports spiked strongly at the start of the year, since purchases from abroad were brought forward to avoid the expected tariff increases (which subsequently came into force on 2 April). The resulting acceleration in international trade was however just a transitory phenomenon. The subsequent slowdown came in combination with less dynamic employment growth rate and the impact on prices of the tariff increases. Inflation was stable through December 2025 at an annual rate of 2.7%, which remains above the stated objective of 2%. Given signs of stagnation in the jobs market and, to date, the modest impact of the tariff hikes on prices, the Federal Reserve continued to relax monetary policy during 2025, with three consecutive rate cuts to 3.50%-3.75% by the end of December. The latest estimates indicate a decline in GDP growth from 2.8% in 2024 to 2.1% in 2025, followed by 2.4% in 2026 (source: Bank of Italy - OECD - Fed).

- In China, growth was essentially stable during 2025, hampered by the weakness of domestic demand and the crisis of investment in the real estate market and in industrial activity. In order to tackle the weakness of domestic demand, the Chinese authorities introduced a trade-in program during the year that included automobiles and consumer electronics. Exports weakened during Q2, especially to the United States, in view of the escalation in tariff-related trade tensions. The announced hikes were later suspended until November 2026, after the United States and China reached agreement on multiple trade topics, including tariff reductions. Despite the smaller contribution from exports to the USA, the increased exports to Asia, Latin America and Europe resulted in annualized economic growth of 5.2% in the first 3 quarters of 2025, with a forecast of 5.0% for 2025 overall and 4.5% in 2026. (source: ISTAT/OECD/IMF).

In early July, the US government threat to raise the tariff on imports from Europe to 30% on 1 August caused consternation. The US administration had already announced on 2 April 2025 a drastic increase in tariffs on imports from almost every country, based on the size of their trade surpluses with the United States. Additionally, the depreciation of the dollar against the euro (losing about 13% of its value since the start of 2025), has acted as an extra implicit tariff and made operating conditions more complex for European exporters. On 27 July 2025, the European Commission reached a framework agreement with the US government that fixes the standard tariff at 15%, as a replacement for those set earlier. Nevertheless, this is 13 percentage points higher than the effective rate in force at the end of 2024. In turn, the European Union scrapped the retaliatory measures already approved, agreeing to eliminate the tariffs on intermediate goods imported from the USA, facilitate access to certain US agricultural exports that meet EU standards, and acquire US energy products totaling about USD 750 billion during the period through 2028. Implementation of this agreement is partially clouded by uncertainties linked both to the need for approval from the European institutions, still not given at this time, and to the risk of differences in interpretation.

The tightening of customs policies during 2025 has resulted in higher tariffs for certain categories of goods sold by the Group. That said, the percentage of Group turnover exported to the North American area is limited; in fact, the Group already has significant production facilities in the United States to support local demand, and these are not affected by the trade policies described above. Additionally, the Group has also taken countermeasures designed to absorb the tariff increases, while continuing to assess the developments arising from any new trade agreements.

Against this background, which remains critical and marked by multiple disruptions, the Interpump Group still managed to generate results in 2025 that were broadly in line with those achieved in 2024, remaining positive in terms of revenues, margins and cash generation.
The limited exposure of the Interpump Group in countries involved in the military conflict in Ukraine is confirmed. Specifically, the Interpump Group earned revenues of € 21.0 million from customers in Russia, Belarus and Ukraine during 2025 (€ 17 million in 2024), with outstanding receivables at 31 December 2025 of € 1.5 million (€ 2.7 million at the end of 2024).

Compared with 2024, the consolidation perimeter of the Water-Jetting sector changed as follows in 2025:

- Hammelmann Endüstri Pompalari A.Ş., a newly-formed company, was consolidated for the first time from 1 January 2025;
- Alfa OBL America Inc., a newly-formed company, was consolidated for the first time from 1 May 2025;
- During Q2 2025, the Group acquired Nuova S.M. S.r.l., a company active in the processing and finishing of metals that has been consolidated using the equity method from June 2025;

- During Q2 2025 the Group exercised the option to purchase 10% of Servizi Industriali S.r.l. from the minority quotaholders, raising the percentage ownership from 80% to 90%;
- Lastly, following a reorganization within the Waikato group, the business activities of Waikato Milking Systems LP were transferred to Waikato Milking Systems Limited (previously known as “Waikato Holding Limited”) with effect from 31 December 2025.

Compared with 2024, the consolidation perimeter of the Hydraulic sector changed as follows in 2025:

- North American Manufacturing Inc. was absorbed by Muncie Inc. with effect from 1 January 2025;
- Innovativ Gummi Tech Srl was absorbed by I.M.M. Hydraulics Spa with effect from 1 January 2025;
- Interpump Hydraulics Middle East FZE was put into liquidation on 14 April 2025;
- During Q2 2025 the Group acquired the final 0.23% minority interest in Interpump Hydraulics France S.a.r.L and now holds the entire equity interest in that company;
- On 16 June 2025, Interpump Group announced the signature of a binding agreement to acquire, through its subsidiary Interpump Hydraulics S.p.A., 65% of the quota capital of Padoan S.r.l., a company specialized in the production of tanks for industrial vehicles and machinery, with effect from 1 July 2025. Founded in 1937 and based in Olmi di S. Biagio di Callalta (TV) with over 50 employees, the company closed 2024 with revenues of approximately € 15 million and an EBITDA margin exceeding 17%. The total enterprise value of Padoan was set at about € 16 million and “put & call” mechanisms have been defined so that Interpump Group can acquire the residual quotas from July 2030. The Group entered the tank sector back in 2011 with the acquisition of American Mobile Power, one of the leading US manufacturers and distributors of tanks for hydraulic installations in the industrial vehicles market. The acquisition of Padoan establishes an equally important presence in Europe. The company has been consolidated on a line-by-line basis from 1 July 2025, thus contributing to the consolidated results for six months;
- On 24 October 2025 Interpump Group announced the acquisition, through its subsidiary Hidrover Ltda, of the entire share capital of Tutto Hidráulicos Ltda, a company specialized in the hydraulic cylinder sector. This company, founded in 2008 and based in Caxias do Sul (Brazil) with over 110 employees, is expected to close 2025 with revenues of approximately € 12 million and an EBITDA margin of around 24%. The enterprise value of Tutto Hidráulicos was set at about € 12 million.
  The Interpump Group entered the cylinders sector in 2008 thorugh the acquisitions of Contarini, Modenflex, Cover, Panni Oleodinamica and HS Penta, all operating in the same industry but with different, and therefore complementary, specializations. The acquisition in Canada of Hydra Dyne Tech in 2019 represented a further step in the internationalization process, which was followed, less than a year ago, with the acquisition in Brazil of Hidrover. The company has been consolidated on a line-by-line basis from 1 November 2025, thus contributing to the consolidated results for two months;
- On 4 November 2025 Interpump Group announced the acquisition, through its subsidiary Reggiana Riduttori S.r.l., of 70% of the quota capital of Borghi Assali S.r.l., a company specialized in the design and manufacturing of hydraulic and electric steering axles for industrial vehicles.
  Founded in 1971 and based in Bomporto (MO, Italy), the company closed 2024 with revenues exceeding € 12 million and an EBITDA margin of approximately 15%. Borghi Assali was valued at about € 8 million (for 100%) and “put & call” mechanisms have been defined so that Interpump Group can acquire the residual quotas from October 2030. The activities of Borghi Assali fit perfectly into the power transmission sector: axles are complementary products to gearboxes and therefore expand the product range. The company has been consolidated on a

line-by-line basis from 1 November 2025, thus contributing to the consolidated results for two months;

- On 18 December 2025, Interpump Group announced the acquisition, through its subsidiary Interpump Hydraulics S.p.a., of the entire quota capital of F.A.R.M.A. S.r.l., a company specialized in the design and manufacturing of components parts for tanks. Founded in 1975 and based in Medicina (BO, Italy), the company is expected to close 2025 with revenues of almost € 15 million and an EBITDA margin of around 25%. Farma was valued at about € 22 million (for 100%). Current management will ensure operational continuity, consistent with the philosophy of the Interpump Group. Farma's activities integrate seamlessly with Interpump Hydraulics' products, enabling the company to offer its customers increasingly comprehensive hydraulic kits. The balance sheet of the company has been consolidated at year end, while the economic effects of the acquisition will be recognized with effect from 1st January 2026;
- Lastly, the liquidation of RR India Pvt. Ltd. was completed during Q4 2025.

With regard to the purchase of treasury shares:

- The treasury share purchase program was completed on 9 April 2025. Announced to the market on 24 March 2025, following authorization at the Shareholders' Meeting held on 26 April 2024, this program resulted in the purchase of 250,000 treasury shares at an average price of € 31.8391 each, with a total outlay of € 8 million.
- On 29 April 2025, the Shareholders' Meeting authorized the purchase of a maximum number of treasury shares not exceeding 10% of the share capital of the parent company. In the context of that authorization, on 16 May 2025 a mandate was granted for the purchase of 250,000 treasury shares between 19 May and 18 August 2025. This purchase was completed prior to 30 June 2025 at an average price of € 34.5371 each, with a total outlay of € 8.6 million.

The dual purpose of these programs was to guarantee not only implementation of the share-based incentive plans arranged in favor of the directors, employees and key collaborators of the Group, but also the disposal and/or exchange of treasury shares, in the context of acquisitions and/or agreements with strategic partners that support the development of the Group.

3. PERFORMANCE AND RESULTS OF THE GROUP

3.1 ALTERNATE PERFORMANCE MEASURES

The Group uses several alternate performance measures that are not identified as accounting parameters in the IFRS issued by the International Accounting Standards Board and adopted by the European Union, in order to allow better evaluation of the trend of economic operations and the Group's financial position. Such indicators are also tools that assist the directors in identifying operating trends and in making decisions on investments, resource allocation and other business matters. Therefore, the measurement criterion applied by the Group may differ from the criteria adopted by other groups and hence may not be comparable with them. Such alternate performance indicators are based exclusively on historical Group data and measured in conformity 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 accounting period illustrated in this Report on Operations and the comparative periods and not to expected performance and must not be taken to replace the indicators required by the IFRS issued by the International Accounting Standards Board and adopted by the European Union. Finally, the alternate measures are processed consistently and with uniformity of definition and representation for all periods for which financial information is included in this Annual Financial Report.

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

- **Earnings/(Losses) before interest and tax (EBIT)**: Revenues 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 financial position**: the sum of Financial debts and Bank debts less Cash and cash equivalents;

- **Net indebtedness**: the sum of the Net financial position and debts for the acquisition of equity investments;

- **Capital expenditure (CAPEX)**: the sum of investments in tangible and intangible fixed assets, net of divestments;

- **Free cash flow**: the cash flow available for the Group, defined as the difference between the cash flow from operating activities and the cash flow invested 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):** EBIT / Capital employed;

- **Return on equity (ROE)**: Net profit / Shareholders' equity.

The Group's income statement is prepared by functional area (also called the "cost of sales" method). This format is deemed to be more representative than its “type of expense” counterpart, which is nevertheless included in the explanatory notes to the Annual Financial Report. The chosen format is consistent with internal reporting and the business management processes adopted.

In order to enhance comparability with the economic and financial data reported in the prior period, certain economic information is provided both at constant perimeter (consolidation perimeter for the prior period, including companies acquired in the prior period for the same number of months, while excluding new acquisitions in the current period) and net of exchange differences (constant perimeter, applying the spot and average rates used in the prior period).

The cash flow statement is prepared using the indirect method.

3.2 CONSOLIDATED INCOME STATEMENT

€/000	2025	2024
Revenues	**2,070,684**	**2,078,399**
Cost of sales	(1,339,909)	(1,364,753)
Gross profit	**730,775**	**713,646**
% of revenues	*35.3%*	*34.3%*
Other net revenues	41,871	36,714
Distribution expenses	(185,174)	(173,890)
General and administrative expenses	(241,005)	(227,118)
Other operating costs	(9,903)	(11,538)
EBIT	**336,564**	**337,814**
% of revenues	*16.3%*	*16.3%*
Financial income	27,271	35,296
Financial expenses	(65,326)	(62,380)
Equity method contribution	339	302
Profit for the year before taxes	**298,848**	**311,032**
Income taxes	(89,139)	(82,562)
Consolidated profit for the year	**209,709**	**228,470**
% of revenues	*10.1%*	*11.0%*
Attributable to:		
Shareholders of Parent	208,122	227,051
Minority shareholders of subsidiaries	1,587	1,419
Consolidated profit for the year	**209,709**	**228,470**
EBITDA	**461,964**	**456,622**
% of revenues	*22.3%*	*22.0%*
Shareholders' equity	2,110,101	2,019,337
Net financial position	291,099	409,044
Debts for the acquisition of equity investments	85,016	67,071
Capital employed	**2,486,216**	**2,495,452**
ROCE	**13.5%**	**13.5%**
ROE	**9.9%**	**11.3%**
Basic earnings per share	**1.955**	**2.124**

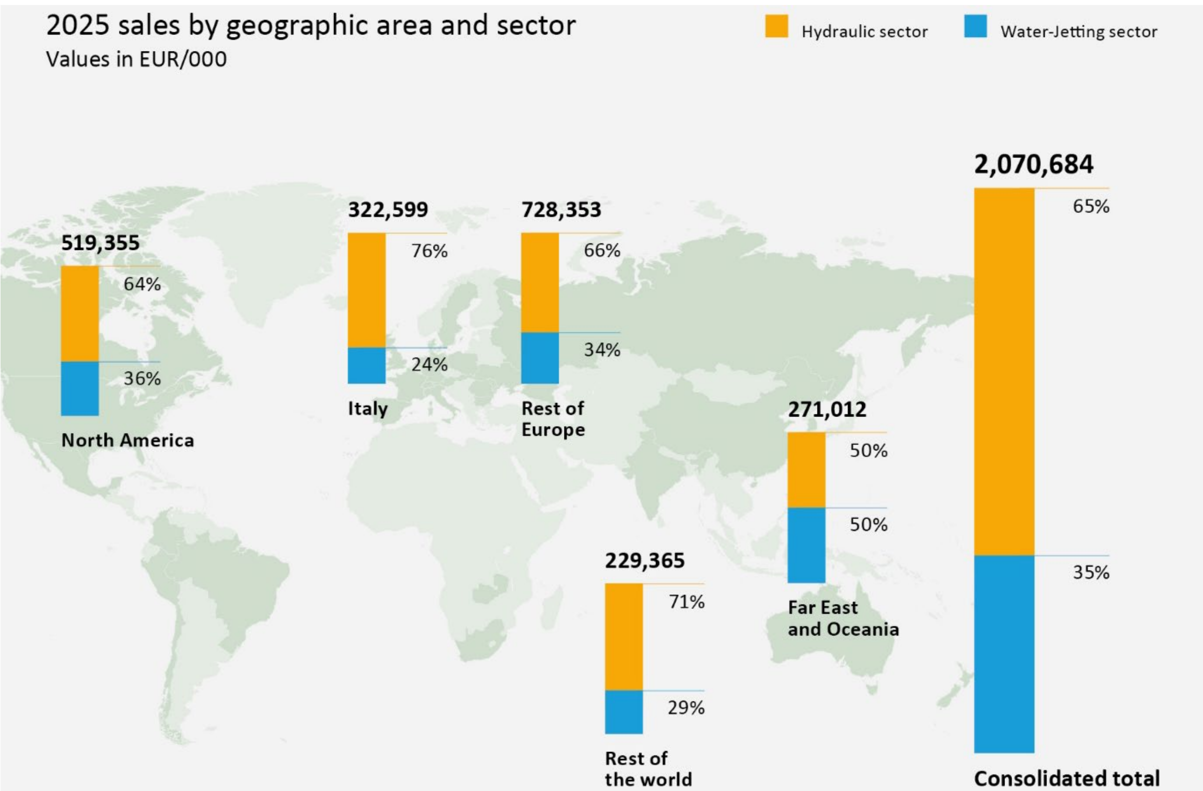
3.3 REVENUES

Revenues totaled € 2,071 million in 2025, down by 0.4% from € 2,078 million in 2024 (-2.7% at constant perimeter and -0.7% also net of exchange differences). Analysis by business sector shows that revenues in the Hydraulic Sector were 3.7% lower than in 2024, while those in the Water-Jetting Sector were 6.7% higher.

Revenues by business sector and geographical area (meaning customer location) were as follows:

€/000	Italy	Europe (Italy excluded)	North America*	Far East and Pacific Area	Rest of the World	Total
2025						
Hydraulics	243,735	482,608	330,580	134,723	163,307	1,354,953
Water Jetting	78,864	245,745	188,775	136,289	66,058	715,731
Total	**322,599**	**728,353**	**519,355**	**271,012**	**229,365**	**2,070,684**
2024						
Hydraulics	241,247	488,258	388,496	146,907	142,586	1,407,494
Water Jetting	69,206	231,800	187,580	114,402	67,917	670,905
Total	**310,453**	**720,058**	**576,076**	**261,309**	**210,503**	**2,078,399**
2025/2024 percentage changes						
Hydraulics	1.0%	-1.2%	-14.9%	-8.3%	14.5%	-3.7%
Water Jetting	14.0%	6.0%	0.6%	19.1%	-2.7%	6.7%
Total	**3.9%**	**1.2%**	**-9.8%**	**3.7%**	**9.0%**	**-0.4%**
2025/2024 percentage changes at constant perimeter						
Hydraulics	+0.1%	-2.6%	-15.1%	-8.5%	-1.9%	-6.1%
Water Jetting	+1.5%	+4.7%	+0.8%	+16.1%	-4.3%	+4.3%
Total	**+0.4%**	**-0.2%**	**-9.9%**	**+2.3%**	**-2.7%**	**-2.7%**

*= revenues principally earned in the United States of America.



3.4 PROFITABILITY

The cost of sales accounted for 64.7% of revenues (65.7% in 2024). Production costs represented 27.5% of revenues (26.8% in 2024) and totaled € 568.9 million (€ 556.4 million in 2024, which however did not include the costs of Shanghai PuPeng Flow Technology Co. and Inoxpa China Flow Technology Co., Ltd for 3 months, AllTube Engineering Ltd for 4 months, Alfa Valvole S.r.l. for 5 months, H.S. S.r.l. for 6 months and Hidrover Equipamentos Hidráulicos Ltda for 11 months).

The purchase cost of raw materials and components sourced on the market, including changes in inventories, accounted for 37.2% of revenues (38.9% in 2024) and totaled € 771.0 million (€ 808.3 million in 2024, which however did not include the costs of Shanghai PuPeng Flow Technology Co. and Inoxpa China Flow Technology Co., Ltd for 3 months, AllTube Engineering Ltd for 4 months, Alfa Valvole S.r.l. for 5 months, H.S. S.r.l. for 6 months and Hidrover Equipamentos Hidráulicos Ltda for 11 months).

Distribution costs were 4.7% higher at constant perimeter (+6.9% net of exchange differences) with respect to 2024, with an incidence on revenues of 9.0% (8.4% in 2024).

General and administrative expenses were 3.7% higher at constant perimeter (+5.4% also net of exchange differences) with respect to 2024, with an incidence on revenues of 11.6% (10.9% in 2024).

Payroll costs totaled € 487.7 million (€ 469.7 million in 2024, which however did not include the costs of Shanghai PuPeng Flow Technology Co. and Inoxpa China Flow Technology Co., Ltd for 3 months, AllTube Engineering Ltd for 4 months, Alfa Valvole S.r.l. for 5 months, H.S. S.r.l. for 6 months and Hidrover Equipamentos Hidráulicos Ltda for 11 months). At constant perimeter, payroll costs amounted to € 478.9 million, up by 2.0% due to a 1.1% rise in per capita cost and an increase in the average headcount by 80.5 employees.

The total number of Group employees in 2025 averaged 9,463 (9,390 at constant perimeter) compared to 9,310 persons in 2024. The increase in the average headcount during 2025 can be broken down as follows: +59 in Europe, -107 in the US and +201 in the Rest of the World.

In addition, the Group employed 1,588 temporary workers during the year (1,534 in 2024) at a cost of € 27.0 million (€ 28.8 million in 2024).

EBITDA totaled € 462.0 million (22.3% of revenues) compared with € 456.6 million in 2024 (22.0% of revenues).

The following table sets out EBITDA by business sector:

€/000	2025	% on total revenues*	2024	% on total revenues*	Change
Hydraulics	266,212	19.6%	279,817	19.8%	-4.9%
Water Jetting	195,752	27.2%	176,805	26.2%	+10.7%
Total	**461,964**	**22.3%**	**456,622**	**22.0%**	**+1.2%**

* = Total revenues include those to other Group companies in the other sector, while the revenues analyzed previously are exclusively those external to the Group (see Note 2.4 in the Explanatory notes). Accordingly, for consistency, the percentage is calculated on total revenues rather than on those reported previously.

EBIT was € 336.6 million (16.3% of revenues) compared with € 337.8 million in 2024 (16.3% of revenues), reflecting a decrease of 0.4 percentage points.

The tax rate for the year was 29.8% (26.5% in 2024); notably in this regard, certain subsidiaries enjoyed non-repeatable tax benefits in the prior year.

Net profit for 2025 was € 209.7 million (€ 228.5 million in 2024) reflecting a decrease of 8.2%.

Basic earnings per share declined from € 2.124 in 2024 to € 1.955 in 2025.

Non-annualized ROCE was 13.5% (13.5% in 2024 as well).

Non-annualized ROE was 9.9% (11.3% in 2024).

3.5 GROUP STATEMENT OF FINANCIAL POSITION

Capital employed eased from € 2,495.5 million at 31 December 2024 to € 2,486.2 million at 31 December 2025.

The following statement of financial position is classified in terms of the sources and applications of funds:

€/000	31/12/2025	%	31/12/2024	%
Trade receivables	397,253		385,963	
Net inventories	678,984		700,614	
Other current assets	69,390		91,028	
Trade payables	(233,564)		(237,371)	
Current taxes payable	(36,447)		(28,360)	
Current portion of provisions for risks and charges	(8,862)		(8,858)	
Other current liabilities	(133,001)		(143,066)	
Net working capital	**733,753**	**29.5**	**759,950**	**30.5**
Net intangible and tangible fixed assets	844,608		853,747	
Goodwill	865,841		837,798	
Other intangible fixed assets	74,060		76,896	
Other non-current assets	52,798		53,089	
Liabilities for employee benefits	(21,995)		(21,292)	
Non-current portion of provisions for risks and charges	(12,860)		(13,136)	
Other non-current liabilities	(49,989)		(51,600)	
Total net fixed assets	**1,752,463**	**70.5**	**1,735,502**	**69.5**
Total capital employed	**2,486,216**	**100**	**2,495,452**	**100**
Financed by:				
Group shareholders' equity	2,098,608		2,008,352	
Non-controlling interests	11,493		10,985	
Total shareholders' equity	**2,110,101**	**84.9**	**2,019,337**	**80.9**
Cash and cash equivalents	(415,704)		(392,637)	
Bank debts	33,688		33,236	
Interest-bearing financial debts (current portion)	232,031		241,919	
Debts for the acquisition of equity investments (current portion)	25,277		5,725	
Total current financial debts (liquid funds)	**(124,708)**	**(5.0)**	**(111,757)**	**(4.5)**
Interest-bearing financial debts (non-current portion)	441,084		526,526	
Debts for the acquisition of equity investments (non-current portion)	59,739		61,346	
Total non-current financial debts	**500,823**	**20.1**	**587,872**	**23.6**
Total sources of financing	**2,486,216**	**100**	**2,495,452**	**100**

Interpump Group's equity structure is balanced, with a leverage index of 0.18 (0.24 at 31 December 2024). The leverage index is calculated as the ratio between the short and medium/long-term financial debts and shareholders' equity inclusive of non-controlling interests.

Goodwill was subjected to an impairment test at 31 December 2025.

3.6 CAPITAL EXPENDITURE

Expenditure on property, plant and machinery totaled € 136.7 million, of which € 17.5 million through the acquisition of investments (€ 169.2 million in 2024, of which € 16.6 million through the acquisition of investments). The additions during the year are analyzed in the following table:

€/000	2025	2024
Increases for the purchase of fixed assets used in the production process	90,821	127,823
Increases for machinery rented to customers	13,574	11,254
Leased assets	14,782	13,534
Capex	**119,177**	**152,611**
Increases through the acquisition of equity investments	17,486	16,599
Total increases in the year	**136,663**	**169,210**

The increases in 2025 include € 42.9 million invested in land and buildings (€ 52.9 million in 2024).

The difference with respect to the capital expenditure reported in the cash flow statement is due to the timing of payments.

Increases in intangible assets totaled € 12.0 million, of which € 2.2 million through the acquisition of equity investments (€ 19.5 million in 2024, including € 10.4 million through the acquisition of equity investments), mainly with regard to the Padoan Group and to Tutto Hidráulicos Ltda.

3.7 CASH FLOW

The change in net financial position breaks down as follows:

€/000	2025	2024
Opening net financial position	**(409,044)**	**(486,497)**
Adjustment: opening net financial position of companies not consolidated line by line at the end of the prior year	-	-
Adjusted opening net financial position	**(409,044)**	**(486,497)**
Liquidity generated by operations	347,449	307,198
Principal portion of finance lease installments (IFRS 16)	(20,375)	(19,749)
Cash flow generated (absorbed) by the management of operating capital	(12,194)	30,331
Cash flow generated (absorbed) by other current assets and liabilities	(1,302)	19,549
Capital expenditure on tangible fixed assets	(91,774)	(129,186)
Proceeds from the sale of tangible fixed assets	2,686	2,980
Increase in other intangible fixed assets	(9,664)	(9,044)
Financial income received	6,831	7,435
Other	(1,253)	(4,426)
Free cash flow	***220,404***	***205,088***
Acquisition of equity investments, including received indebtedness and net of treasury stock assigned	(52,435)	(92,103)
Dividends paid	(36,198)	(34,986)
Disbursements for purchase of treasury shares	(16,594)	(10,337)
Proceeds from the sale of treasury shares to stock option beneficiaries	4,754	581
Principal portion of finance lease installments (IFRS 16)	20,375	19,749
Principal portion of new leasing contracts arranged (IFRS 16)	(14,714)	(13,534)
Remeasurement and early close-out of leasing contracts (IFRS 16)	(1,091)	3,822
Changes in other financial assets	(349)	(526)
Loans repaid (granted) by/to non-consolidated subsidiaries	(241)	-
Net cash generated (used)	***123,911***	**77,754**
Exchange differences	(5,966)	(301)
Closing net financial position	**(291,099)**	**(409,044)**

Net liquidity generated by operating activities totaled € 347.5 million (€ 307.2 million in 2024), reflecting an increase of 13.1%. Free cash flow increased to about € 220.4 million in 2025 (from € 205.1 million in 2024), despite the continued implementation of investment plans and the absorption of working capital.

The net financial position totals € 291.1 million (€ 409.0 million at 31 December 2024), primarily after paying dividends of € 36.2 million, purchasing treasury shares for € 16.6 million, and making net payments of € 52.4 million to acquire equity investments and residual minority interests.

Net indebtedness, including payables and commitments, determined in accordance with ESMA guidance 32-382-1138 and included in Consob notice no. 5/21, comprises:

€/000	31/12/2025	31/12/2024	01/01/2024
Cash and cash equivalents	415,704	392,637	334,483
Bank debts (advances and STC amounts)	(33,688)	(33,236)	(52,469)
Interest-bearing financial debts (current portion)	(232,031)	(241,919)	(264,911)
Interest-bearing financial debts (non-current portion)	(441,084)	(526,526)	(503,600)
Net financial position	***(291,099)***	***(409,044)***	***(486,497)***
Commitments for the purchase of equity investments (current portion)	(25,277)	(5,725)	(38,354)
Commitments for the purchase of equity investments (non-current portion)	(59,739)	(61,346)	(42,810)
Total net indebtedness	***(376,115)***	***(476,115)***	***(567,661)***

The Net indebtedness/EBITDA ratio amounted to 0.81, with an improvement in comparison with last year (1.04). There were no outstanding hedge contracts at 31 December 2025.

4. RISK FACTORS

The Group is exposed to the normal risks and uncertainties of any business activity. The markets in which the Group operates are world niche markets in many cases, with limited dimensions and few significant competitors. These characteristics represent a significant barrier to entry by new competitors, given the major benefits of economies of scale and the doubtful economic returns available to potential competitors. The Interpump Group enjoys a position of world leadership in the fields of high and very-high pressure pumps and power take-offs: these positions accentuate the risks and uncertainties of the business venture.

The following is an illustration of the financial risk factors to which the Group is exposed:

4.1 MARKET RISKS

4.1.1 Exchange rate risk

The Group has subsidiaries in 36 countries and translates financial statements denominated in 27 currencies other than the euro. Accordingly, the Group is principally exposed to the risk deriving from the translation of those financial statements.

The Group operates at an international level and mainly produces in the countries in which the destination markets are located; accordingly, revenues in local currency are largely absorbed by costs also incurred in that currency. However, the Group is also exposed, to a lesser extent, to the exchange rate risk originating from revenues denominated in currencies other than those in which the related costs were incurred.

In order to manage exchange rate risk generated by forecasts of future commercial transactions stated in a currency other than the Group's functional currency (euro), Group companies can use plain vanilla forward contracts or purchase options, when deemed appropriate. The counterparties of these contracts are primary international financial institutions with high ratings.

There were no outstanding macro or hedging contracts at 31 December 2025.

In particular, the Group is exposed in relation to revenues denominated in US dollars, British pounds, Australian dollars, Canadian dollars, Chinese renminbi and Indian Rupees from commercial transactions with third-party customers and Group companies. It is current Group policy not to hedge recurring commercial transactions, taking out exchange risk hedges only in the event of those that are non-recurring, either in terms of amount or of the frequency with which they occur.

In relation to financial exposures, € 11.8 million of intercompany loans were disbursed and € 6.3 million collected during 2025 in currencies other than those utilized by the debtor or creditor companies. From a financial standpoint, these exposures are eliminated on consolidation of the financial statements, since they derive from relations with subsidiaries. At 31 December 2025 loans granted in currencies other than those used by the debtor or creditor companies totaled € 61.0 million, down by € 3.0 million since 31 December 2024. Once again in 2025, the Group made the strategic decision not to hedge these exposures.

4.1.2 Interest-rate risk

Interest-rate risk derives from medium/long-term loans granted at floating rates. It is currently Group policy not to arrange hedges, in view of the limited average duration of the existing bank loans (around 3.5 years).

4.1.3 Credit risk

The Group does not have any significant credit concentrations. Group policy is to sell to customers only after having evaluated their creditworthiness and, therefore, within predetermined credit limits. Historically, the Group has not incurred any major losses for bad debts.

4.1.4 Liquidity risk

Prudent management of liquidity risk involves the retention of an appropriate level of cash on hand and sufficient access to lines of credit. Because of the dynamic nature of the Group's business with the associated frequent acquisitions, it is Group policy to have access to stand-by lines of credit that can be utilized at very short notice.

4.1.5 Price and cash flow risk

The Group is subject to constant changes in metal prices, especially steel, cast iron, stainless steel, iron, aluminum, brass and bronze. Group policy is to hedge this risk where possible by way of medium-term commitments with suppliers, or by means of stocking policies when prices are low, or by entering into agreements with customers to transfer the risk to them.

The volatility of raw material prices during 2025 differed depending on the sector. The prices charged for steel (both stainless and for reinforcement and restoration purposes) and cast iron remained stable overall. Aluminum prices followed an irregular pattern, with a fall in the summer months that was followed by marked recovery at year end. The situation regarding copper, brass and cobalt was more critical, with marked rises during the final quarter given the tensions affecting global demand and supply chains. During the year, the Group sometimes decided to purchase larger quantities in order to guarantee the availability of the materials needed for production purposes.

Considerable uncertainty is expected in 2026, principally due to the recent tariffs and entry in force of the Carbon Border Adjustment Mechanism (CBAM), which will impact the cost of non-EU imports and make it harder to define stable pricing policies.

Further, the Group constantly monitors the price trend of these raw materials, seeking to adopt the most effective policies that minimize the exposure to this risk.

The Group does not hold listed securities that would be subject to stock market fluctuations. The revenues and cash flow of Group operating activities are not influenced by changes in interest generating assets.

The Group is monitoring developments carefully with regard to the import tariffs imposed on countries by the United States, and the counter-measures taken by them, analyzing the potential impacts on the business and studying the actions to be taken to mitigate their potential adverse effects.

4.1.6 Climate change risk

With regard to climate change, the Interpump Group does not fall with the scope of Directive 2003/87/EC (as amended most recently by Directive (EU) 2018/410), which introduced and governs the European Union Emissions Trading System (EU ETS). The ETS is the principal tool adopted by the European Union to reach the CO_2 reduction targets established for the principal industrial sectors and aviation. Although the Interpump Group is not included in the industrial sectors covered by the ETS, the Group is nevertheless committed to combat climate change. The 2023-2025 ESG Plan, approved by the Board of Directors on 5 October 2022, includes actions in support of the ESG strategy that are intended to have a significant, concrete impact on the development of the business. In particular, the Plan not only adopts environmental protection and social inclusion objectives, but also strengthens the correlation between achievement of the ESG Plan objectives and the remuneration of top management.

In particular, the actions completed in 2025 were designed to help the Group reach its decarbonization targets for 2030 and 2050. Group strategy envisages the reduction of emissions via increased recourse to certified green electricity, the installation of new renewable energy plants and the optimization of energy consumption within the organization.

The path of sustainable growth and environmental protection taken by the Interpump Group also means devising processes that support the circular economy of products, the more efficient management of water resources and the development of technical solutions for the eco-design of products. The entire process will be achieved *inter alia* by leveraging throughout the organization the best practices developed in specific areas by each component part of the Group.

Given the above analyses and, in particular, the assessments made of the physical risks (acute and chronic) at Group locations, the resulting potential impacts on assets and revenues were not considered probable and, accordingly, no specific provisions or asset writedowns were recorded at 31 December 2025.

Again in view of the above, the forecasts reflected in the 2026-2030 business plans used for the impairment tests were not significantly affected by the above physical, climate-related risks but, nevertheless, were prepared in a prudent manner that contains the expected level of future cash flows.

The Group is also potentially exposed to risks deriving from the impacts of future, more restrictive laws and regulations governing energy efficiency and climate change, that might result in increased operating costs.

4.1.7 Geo-political risk

The international macroeconomic environment continues to reflect a high level of uncertainty, caused by the geo-political tensions and conflicts in various areas of the world, not least the Middle East.

These tensions intensified during 2025 following episodes of instability in the Gulf area and growing friction between Iran, the USA, Israel and other international players. As a consequence, the energy markets became more volatile and fears for global inflation increased. The geo-political situation has escalated further in early 2026, with the outbreak of conflict involving Iran and other regional and international powers. These dynamics could indirectly impact global market trends and the industrial sectors in which the Group operates, with possible adverse effects on the availability and cost of raw materials, supply chain efficiencies, international logistics and, not least, energy prices and exchange rates.

The Group continues to monitor geo-political and macroeconomic developments with care, assessing the potential direct and indirect effects should current conflicts escalate further, even though these are difficult to quantify at present. Where appropriate, the Group takes steps to mitigate the potential adverse impacts, including via geographical diversification of the sources of supply, stronger relations with alternate suppliers and careful management of operating and financial risks.

5. OTHER INFORMATION

5.1 CORPORATE GOVERNANCE

In relation to corporate governance, the model adopted by Interpump Group S.p.A. is based on the provisions of the Corporate Governance Code promoted by Borsa Italiana S.p.A., published in January 2020, to which Interpump Group has adhered. The report on corporate governance and the ownership structure can be found in the Corporate Governance section of the website www.interpumpgroup.it.

The following table provides information on the number of shares held by the directors, statutory auditors, and key management personnel, as required by the combined provisions of art. 123-*(2)*, subsection 1.c), and art. 123-*(3)*, subsection 4, TUF:

Name	Number of shares held at 31/12/2024	Number of shares purchased and/or subscribed for in 2025	Number of shares sold in 2025	Number of shares held at 31/12/2025
Fulvio Montipò	1,555,233	-	-	1,555,233
Fabio Marasi	-	60,000	58,393	1,607
Key management personnel	1,032	5,100	5,000	1,132
Statutory auditors	-	-	-	-

Leila Montipò e Sorelle S.A.p.A. holds 73.08% of the share capital of Gruppo IPG Holding S.p.A., which in turn holds 25,501,799 shares in Interpump Group S.p.A., equal to 23.422% of the share capital. The other 26.92% interest in Gruppo IPG Holding S.p.A. is held by Tamburi Investment Partners S.p.A., in which Giovanni Tamburi (Deputy Chairman of the Board of Directors of Interpump Group S.p.A.) is the Chairman of the Board of Directors and Chief Executive Officer.

Leila Montipò e Sorelle S.A.p.A., formed on 6 November 2020, holds a controlling interest pursuant to art. 2359, subsection 2, of the Italian Civil Code in Gruppo IPG Holding S.p.A. and, accordingly, is required to prepare consolidated financial statements since the exemption clauses envisaged in art. 27 of Decree 127 dated 9 April 1991: the financial statements are prepared under the IFRS issued by the International Accounting Standards Board and adopted by the European Union.

From FY 2021, Gruppo IPG Holding S.p.A. is no longer required to prepare consolidated financial statements since Leila Montipò e Sorelle S.A.p.A. was formed on 6 November 2020 and is subject to that obligation, being the parent company of Gruppo IPG Holding S.p.A., owning 73.08% of its share capital. Nevertheless, Gruppo IPG Holding S.p.A. has not elected to apply that exemption and continues to prepare consolidated financial statements.

Leila Montipò e Sorelle S.A.p.A. does not carry out management and coordination activities in relation to Gruppo IPG Holding S.p.A. and is also not subject to any management and coordination activities.

Gruppo IPG Holding S.p.A. does not carry out any management or coordination activities in relation to Interpump Group S.p.A. and is also not subject to any management and coordination activities.

The resolution adopted by the Board of Directors of Interpump Group S.p.A. on 12 June 2008 acknowledges that Interpump Group S.p.A. is not subject to management or coordination by Gruppo IPG Holding S.p.A. because:

- the shareholder has no means or facilities for the execution of such activities, having no employees or other personnel capable of providing support for the activities of the Board of Directors;
- the shareholder does not prepare the budgets or business plans of Interpump Group S.p.A.;
- the shareholder does not issue any directives or instructions to its subsidiary, nor does it require to be informed beforehand or to approve either its most significant transactions or its routine administration;
- there are no formal or informal committees or work groups in existence, formed of representatives of Gruppo IPG Holding and representatives of the subsidiary.

At the date of this report there were no changes in relation to the conditions stated above.

In the context of its business activities and with a view to the constant improvement of its long-term business strategies, the Group has always sought to recognize sustainability as a key factor in the creation of value, both internally and for the community and the environment, having regard for the real differences in each country where Group companies operate.

The Group draws inspiration from and has adopted the OECD Guidelines for multinational enterprises and the United Nations Guiding Principles for business and human rights, as well as the International Labor Organisation (ILO) conventions and the principles embodied in the UN Global Compact.

In addition to the compliance regulation mentioned above, over the years the Group has prepared a set of internal Guidelines and Policies, communicated to all subsidiaries and updated periodically, comprising:

- the Code of Ethics;
- the Guidelines and Polices on anti-corruption, OHS and the environment, human rights and diversity, equity and inclusion, included in the Global Compliance Programs ("GCP");
- the Organization, Management and Control Model ("231 Model") pursuant to Decree 231/2001, which includes a "Whistleblowing Procedure" that explains how to submit and process reports on actual or alleged infringements of the principles and rules specified in the Code of Ethics, the Organization, Management and Control Model pursuant to Decree 231/2001, Group policies and procedures and, more broadly, the applicable laws and regulations.

5.2 STOCK OPTION PLANS

With the aim of motivating Group management and promoting participation in the goal of value creation for shareholders, the following stock option plans exist at 31 December 2025: one approved by the Shareholders' Meeting of 30 April 2019 (2019-2021 plan), one approved by the Shareholders' Meeting of 29 April 2022 (2022-2024 plan), and one approved by the Shareholders' Meeting of 29 April 2025 (2025-2027 plan).

The Shareholders' Meeting held on 30 April 2019 approved a stock option plan, known as the "*Interpump Incentive Plan 2019-2021*", which envisages granting a maximum of 2,500,000 options at an exercise price of Euro 28.4952 each and, for options granted after 30 April 2020, at the official price quoted on the Italian Stock Exchange on the day prior to the grant date. At the meeting held on 27 June 2019, the Board of Directors granted 1,800,000 options to Executive Chairman Fulvio Montipò, while 418,500 options were granted to other beneficiaries during 2019. A further 20,000 options were granted to other beneficiaries on 3 June 2020. Overall, therefore, a total of 2,238,500 options were granted. The options were exercisable from 30 June 2022 to 31 December 2025 and, accordingly, this plan is now closed.

On 18 March 2024, the Board of Directors deemed it appropriate to identify the persons in certain key roles within the Company and the Group as "Key Management Personnel", recalling that, pursuant to the Consob Regulation on Related-Party Transactions, adopted by Resolution no. 17221 dated 12 March 2010, such persons are those who "*have the power and responsibility, directly or indirectly, to plan, manage, and control the activities of the company*".

The changes in the 2019-2021 plan up to 31 December 2025 were as follows:

	Number of options
Options granted at 1 January	**80,776**
Options granted in the year	-
Options exercised in the year	(80,776)
Options canceled in the year	-
Total options granted at 31 December	**-**

The beneficiaries of these options were as follows:

	Option exercise price per share	Vesting period	Number of options granted, start of year	Number of options canceled in the year	Number of options exercised in the year	Number of options exercisable at year end
Directors of the Parent Company						
Fulvio Montipò	€ 28.4952	01.07.2022 - 31.12.2025	-	-	-	-
Fabio Marasi	€ 28.4952	01.07.2022 - 31.12.2025	-	-	-	-
Key management personnel	€ 27.9868	01.07.2022 - 31.12.2025	5,000	-	(5,000)	-
Other beneficiaries	€ 28.4952	01.07.2022 - 31.12.2025	75,776	-	(75,776)	-
Total			**80,776**	**-**	**(80,776)**	**-**

The Shareholders' Meeting held on 29 April 2022 approved a new stock option plan, known as the "*Interpump Incentive Plan 2022-2024*", which envisages granting a maximum of 2,250,000 options at an exercise price of Euro 38.6496 each and, for options granted after 29 April 2023, at the official price quoted on the Italian Stock Exchange on the day prior to the grant date. The meeting of the Board of Directors held on the same date granted 1,620,000 options to Fulvio Montipò, the Executive Chairman. On, respectively, 23 May 2022, 20 October 2022 and 28 April 2023, a further 288,000 (of which 45,000 to Chief Executive Officer Fabio Marasi), 6,000 and 35,000 options (of which 15,000 to Chief Executive Officer Fabio Marasi) were granted to other beneficiaries (including those granted to the Key Management Personnel identified at the above-mentioned Board meeting held on 18 March 2024). Overall, a total of 1,949,000 options have therefore been granted. The options can be exercised between 30 June 2025 and 31 December 2028. A total of 2,000 options were canceled in 2025 (21,200 options canceled in 2024).

The changes in the 2022-2024 plan up to 31 December 2025 were as follows:

	Number of options
Options granted at 1 January	**1,918,800**
Options granted in the year	-
Options exercised in the year	(63,500)
Options canceled in the year	(2,000)
Total options granted at 31 December	***1,853,300***

The beneficiaries of these options were as follows:

	Option exercise price per share	Vesting period	Number of options granted, start of year	Number of options canceled in the year	Number of options exercised in the year	Number of options exercisable at year end
Directors of the Parent Company						
Fulvio Montipò	€ 38.6496	01.07.2025 - 31.12.2028	1,620,000	-	-	1,620,000
Fabio Marasi	€ 38.6496	01.07.2025 - 31.12.2028	60,000	-	(60,000)	-
Key management personnel	€ 38.6496	01.07.2025 - 31.12.2028	80,000	-	-	80,000
Other beneficiaries	€ 38.6496	01.07.2025 - 31.12.2028	158,800	(2,000)	(3,500)	153,300
Total			**1,918,800**	**(2,000)**	**(63,500)**	**1,853,300**

The Shareholders' Meeting held on 29 April 2025 approved a new stock option plan, the "*Interpump Incentive Plan 2025/2027*", that envisages the grant of up to 2,450,000 options, at an exercise price of € 30.4397. These may be exercised on one or more occasions between 30 June 2028 and 31 December 2031, for amounts each time of not less than 0.25% of the options granted to each beneficiary. The meeting of the Board of Directors held on 15 May 2025 granted 1,530,000 options, of which 1,140,000 to Fulvio Montipò, the Executive Chairman, 160,000 to Chief Executive Officer Fabio Marasi, and 230,000 to the Key Management Personnel identified at the Board meeting held on 18 March 2024 (see above). A further 204,000 options were granted to other beneficiaries on 26 May 2025. Overall, a total of 1,734,000 options have therefore been granted.

The changes in the 2025-2027 plan up to 31 December 2025 were as follows:

	Number of options
Options granted at 1 January	**-**
Options granted in the year	1,734,000
Options exercised in the year	-
Options canceled in the year	-
Total options granted at 31 December	***1,734,000***

The beneficiaries of these options were as follows:

	Option exercise price per share	Vesting period	Number of options granted in the year	Number of options canceled in the year	Number of options exercised in the year	Number of options exercisable at year end
Directors of the Parent Company						
Fulvio Montipò	€ 30.4397	01.07.2028 - 31.12.2031	1,140,000	-	-	1,140,000
Fabio Marasi	€ 30.4397	01.07.2028 - 31.12.2031	160,000	-	-	160,000
Key management personnel	€ 30.4397	01.07.2028 - 31.12.2031	230,000	-	-	230,000
Other beneficiaries	€ 30.4397	01.07.2028 - 31.12.2031	204,000	-	-	204,000
Total			**1,734,000**	**-**	**-**	**1,734,000**

5.3 RELATIONS WITH GROUP COMPANIES AND TRANSACTIONS WITH RELATED PARTIES

In compliance with the provisions of the Consob regulation adopted with resolution no. 17221 of 12 March 2010, as amended, Interpump Group S.p.A. has adopted the procedure that regulates related party transactions. This procedure was approved for the first time by the Board of Directors on 10 November 2010 and has been continuously updated in accordance with the regulatory provisions in force time by time and adapted to reflect current practices. In particular, on 28 June 2021 the Board of Directors approved a new version that takes account of the effects of Italian Legislative Decree 49/2019, which transposed into Italian law the provisions of Directive (EU) 2017/828 ("Shareholders' Rights II") with regard to related parties, as well as the related amendments made by CONSOB on 10 December 2020 to the Issuers' Regulation and the Regulation governing Related Party Transactions. On 4 August 2023 the Board of Directors approved a new version of the procedure that reflects the latest regulatory changes, of a minor nature, made since the amendments mentioned above. Lastly, on 6 August 2025 the Board of Directors approved new changes to the procedure that included *inter alia* the introduction of a significantly more detailed description of the duties and responsibilities of the various parties involved, of the rules governing Related Party Transactions in urgent cases, and of the conditions for exempting routine transactions carried out on market or standard terms. These changes also streamlined the governance of Related Party Transactions of Lesser Significance, assigning responsibility for their approval to the Chairman of the Board of Directors, in the context and to the extent of the powers granted to him, rather than to the Board as a whole. The new version can be found in the Corporate Governance section of the Interpump website (www.interpumpgroup.it).

Information on transactions carried out with related parties is given in Note 2.12 of the Explanatory notes to the Consolidated financial statements. Overall, there were no atypical or unusual transactions with related parties during 2025 and the transactions that did take place, in the ordinary course of business by the Group companies concerned, were conducted on an arm's-length basis.

5.4 TREASURY SHARES

At 31 December 2025 the Parent company held 2,494,087 shares, representing 2.291% of capital, acquired at an average unit cost of Euro 37.96064.

5.5 RECONCILIATION WITH THE FINANCIAL STATEMENTS OF THE PARENT COMPANY

The consolidated shareholders' equity and net profit attributable to the owners of the Parent company are reconciled below with the equivalent amounts reported in the separate financial statements:

	Shareholders' equity at 31/12/2025	Net profit for 2025	Shareholders' equity at 31/12/2024
Parent Company's financial statements	**803,575**	**124,714**	**719,020**
Difference between the book value of consolidated investments and their valuation according to the equity method	1,298,536	83,452	1,292,791
Greater book value of a building owned by the Parent Company	156	(5)	161
Elimination of Parent Company's intercompany profits	(3,659)	(39)	(3,620)
Total consolidation adjustments	1,295,033	83,408	1,289,332
Consolidated shareholders’ equity and net profit attributable to the owners of the Parent Company	**2,098,608**	**208,122**	**2,008,352**

5.6 RESEARCH, DEVELOPMENT AND DESIGN WORK

The Group considers research and development activities as one of the main factors of success and a source of competitive advantage on international markets. Once again, the Group invested heavily during 2025 to place new product ranges on the market, optimize and customize existing products, and develop new technological and circuit solutions.

In particular, new pumps and related accessories for the Water-Jetting sector are principally designed and developed by Interpump Group S.p.A. 2025 saw the completion of 2 projects for the development of new pumps, as well as the start of 8 new projects. By contrast, new very high pressure pumps and systems for the Water-Jetting sector are mainly developed by Hammelmann GmbH. In 2025, this German subsidiary completed two projects relating to the development of safety modules for manual high-pressure pistols and very high-pressure pumps, while a project relating to pasteurization pumps remains in progress.

R&D work in the Hydraulic sector was mainly carried out by Walvoil S.p.A. in 2025. In particular, projects to digitalize the hydraulic system were pursued (introduction of mechatronic command modules for hydraulic directional control valves and of electronic controllers for axial piston pumps) with a view to offering adaptive interconnected intelligent systems that deliver direct, functional and energy-saving benefits for industrial vehicles; in addition, systems software supported by advanced electronic components has been developed to expand the catalog of human-machine-interfaces and electronic controllers. These innovations are branded "*HDS - Hydraulic Digital Solutions*" by the company.

Group strategy over the next few years is to continue with high levels of expenditure in the area of research and development in order to assure renewed impetus to structured growth. Research costs have been capitalized in accordance with their multi-annual usefulness. Product development costs capitalized in 2025 amounted to € 2,814 thousand (€ 2,977 thousand in 2024), while the costs for design personnel charged to the income statement totaled € 38,463 thousand (€ 36,681 thousand in 2024).

5.7 GROUP COMPANIES

The Interpump Group is especially active in making acquisitions, including of small and medium-sized companies, which is why it comprises a large number of companies, including small enterprises, and has a direct presence in 36 countries.

At 31 December 2025 the Interpump Group is led by Interpump Group S.p.A., which holds direct and indirect controlling interests in 129 companies (9 of which are dormant and/or in liquidation) operating in two business segments (the Hydraulic Sector and the Water Jetting Sector).

The Parent Company, with registered offices in Sant'Ilario d'Enza, mainly produces high and very high pressure plunger pumps for water, as well as high pressure cleaners, which are classified in the Water Jetting Sector.

With regard to the regulatory requirements envisaged in art.15 of the Consob Market Regulation (previously art. 36, updated by Consob Decision 20249 dated 28 December 2017), on the conditions for listing the parent companies of subsidiaries formed in or governed by the laws of countries that are not EU member states, it is confirmed with respect to the situation at 31 December 2024 that there have not been any changes in the companies of importance to the consolidated financial statements, given their inclusion in the audit plan.

The main data of the consolidated subsidiaries are summarized in the table below, whereas for the Parent Company the data are provided in the financial report attached hereto.

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
Alfa Valvole S.r.l. **(B)**	1,560	100.00%	Casorezzo (MI)	Design and distribution of volumetric pumps (Water-Jetting sector)	29.8	16.2	99	56
Alfa OBL America Inc. **(E)**	88	85.00%	Austin - USA	Design and distribution of volumetric pumps (Water-Jetting sector)	0.4	-	-	-
GP Companies Inc.	1,854	100.00%	Minneapolis - USA	Distributor of high-pressure pumps (Water-Jetting sector)	60.8	60.3	65	63
Hammelmann Australia Pty Ltd	472	100.00%	Melbourne - Australia	Sale of very high pressure systems and pumps (Water-Jetting sector)	16.3	16.3	28	27
Hammelmann Corporation Inc.	39	100.00%	Miamisburg - USA	Sale of very high pressure systems and pumps (Water-Jetting sector)	32.2	30.2	32	32
Hammelmann France	50	100.00%	Etrichè – France	Sale of very high pressure systems and pumps (Water-Jetting sector)	7.6	9.7	9	7
Hammelmann GmbH	25	100.00%	Oelde - Germany	Very high pressure systems and pumps (Water-Jetting sector)	203.2	184.0	488	456
Hammelmann Pumps Systems Co Ltd	871	90.00%	Tianjin - China	Sale of very high pressure systems and pumps (Water-Jetting sector)	13.2	12.9	31	27
Hammelmann S. L.	500	100.00%	Zaragoza - Spain	Sale of very high pressure systems and pumps (Water-Jetting sector)	7.0	5.4	9	9
Hammelmann Swiss GmbH	89	100.00%	Dudingen - Switzerland	Sale of very high pressure systems and pumps (Water-Jetting sector)	2.2	1.8	3	2
Hammelmann Endüstri Pompalari A.Ş.	75	100.00%	Istanbul - Türkiye	Sale of very high pressure systems and pumps (Water-Jetting sector)	4.7	-	4	-
I.mec S.r.l.	100	70.00%	Reggio Emilia	Production of production of mechanical sifters (Water-Jetting sector)	12.6	13.3	47	52
Improved Solutions Unipessoal Ltda (Portugal)	760	100.00%	Vale de Cambra – Portugal	Production and sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	9.4	9.0	58	53
Inoxihp S.r.l.	119	52.72%	Nova Milanese (MI)	Production and sale of very high pressure systems and pumps (Water-Jetting sector)	17.4	21.6	58	57
Inoxpa S.A.U.	23,000	100.00%	Banyoles – Spain	Production and sale of equipment for the food processing, chemicals, cosmetics and	71.5	64.7	258	249

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
				pharmaceuticals industries (Water-Jetting sector)				
Inoxpa India Private Ltd	6,779	100.00%	Pune - India	Production and sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	20.9	15.8	107	100
Inoxpa France SaS	2,071	100.00%	Chambly - France	Production and sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	11.9	11.3	30	30
Inoxpa Solutions Moldova	317	66.67%	Chisinau - Moldova	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	2.5	3.0	28	27
Inoxpa Colombia SAS	133	100.00%	Bogotá - Colombia	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	7.7	7.1	24	23
Inoxpa Italia S.r.l.	100	100.00%	Mirano (VE)	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	6.1	4.7	16	16
Inoxpa Skandinavien A/S	134	100.00%	Erritsø - Denmark	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	2.5	2.5	5	5
Inoxpa South Africa Proprietary Ltd	104	100.00%	Gauteng - South Africa	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	6.9	4.3	20	18
Inoxpa Special Processing Equipment Co. Ltd	1,647	100.00%	Jianxing – China	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	9.6	7.8	6	6
Shanghai PuPeng Flow Technology Co. Ltd. **(A)**	1,170	60.00%	Shanghai - China	Production and sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	3.8	2.5	13	14

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
Inoxpa China Flow Technology Co. Ltd. **(A)**	1,536	60.00%	Shanghai - China	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	9.7	5.4	31	17
Inoxpa (UK) Ltd	1,942	100.00%	Eastbourne - United Kingdom	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	2.0	3.0	5	4
Inoxpa Ukraine	113	100.00%	Kiev – Ukraine	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	0.6	0.6	4	4
Inoxpa USA Inc.	1,426	100.00%	Santa Rosa - USA	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	6.5	4.2	9	9
Inoxpa LTD	1,435	70.00%	Podolsk - Russia	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	16.9	12.4	69	58
Inoxpa Mexico S.A. de C.V.	309	100.00%	Mexico City - Mexico	Sale of equipment for the food processing, chemicals, cosmetics and pharmaceuticals industries (Water-Jetting sector)	1.9	1.4	5	5
NLB Corporation Inc.	12	100.00%	Detroit - USA	Production and sale of very high pressure systems and pumps (Water-Jetting sector)	91.0	98.9	245	246
Pioli S.r.l.	10	100.00%	Reggio Emilia	Galvanic treatment of metals (Water-Jetting sector)	4.1	3.8	34	28
Servizi Industriali S.r.l.	100	90.00%	Ozzano Emilia (BO)	Sale of centrifugal separators (Water-Jetting sector)	7.2	7.3	27	26
SIT S.p.A.	105	88.00%	S.Ilario d'Enza (RE)	Drawing, shearing and pressing sheet metal (Water-Jetting sector)	3.5	3.2	18	18
Waikato Milking Systems Limited (NZ)	27,591	100.00%	Hamilton - New Zealand	Design, production and sale of mechanized milking systems (Water-Jetting sector)	-	-	-	-
Waikato Milking Systems L.P. (NZ)	46,803	100.00%	Auckland - New Zealand	Design, production and sale of mechanized milking systems (Water-Jetting sector)	24.6	23.1	91	86
Waikato Milking Systems Lease Ltd	-	100.00%	Auckland - New Zealand	Design, production and sale of mechanized milking systems (Water-Jetting sector)	-	-	-	-
Waikato Milking Systems USA LLC	-	100.00%	Verona - USA	Design, production and sale of mechanized milking systems (Water-Jetting sector)	8.8	6.8	10	12

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
Waikato Milking Systems UK Limited	-	100.00%	Shrewsbury - United Kingdom	Design, production and sale of mechanized milking systems (Water-Jetting sector)	2.0	2.0	4	3
Waikato Milking Systems Ireland Ltd	1	100.00%	Dublin - Ireland	Design, production and sale of mechanized milking systems (Water-Jetting sector)	0.9	0.7	2	3
Interpump Hydraulics S.p.A.	2,632	100.00%	Sala Bolognese (BO)	Production and sale of power take-offs and hydraulic pumps (Hydraulic sector)	100.0	106.1	300	305
Borghi Assali S.r.l. **(G)**	100	70.00%	Bomporto (MO)	Design and production of hydraulic and electric steering axles for industrial vehicles (Hydraulic sector)	1.2	-	7	-
Contarini Leopoldo S.r.l.	47	100.00%	Lugo (RA)	Production and sale of hydraulic cylinders (Hydraulic sector)	25.0	23.6	100	105
Unidrò Contarini S.a.s.	8	100.00%	Barby - France	Production and sale of hydraulic cylinders (Hydraulic sector)	5.5	5.7	14	15
Copa Hydrosystem Ood	3	100.00%	Troyan - Bulgaria	Production and sale of hydraulic cylinders (Hydraulic sector)	9.1	9.3	138	150
F.A.R.M.A. S.r.l.	2,022	100.00%	Fossatone di Medicina (BO)	Production and sale of components for storage tanks (Hydraulic Sector)	-	-	-	-
F.A.R.M.A. USA Inc.	43	100.00%	Birmingham - USA	Sale of components for storage tanks (Hydraulic sector)	-	-	-	-
Hydrocar Chile S.A.	129	90.00%	Santiago - Chile	Sale of hydraulic pumps and power take-offs (Hydraulic sector)	8.8	8.5	49	50
Hydroven S.r.l.	200	100.00%	Tezze sul Brenta (VI)	Sale of ancillary products for industrial vehicles, hydraulic pumps and power take-offs (Hydraulic sector)	26.6	28.0	59	58
Interpump Hydraulics Brasil Ltda	15,126	100.00%	Caxias do Sul - Brazil	Production and sale of power take-offs, hydraulic pumps and cylinders (Hydraulic sector)	24.1	24.2	177	164
Interpump Hydraulics France S.a.r.l.	76	100.00%	Ennery - France	Sale of hydraulic pumps and power take-offs (Hydraulic sector)	4.9	4.6	13	13
Interpump Hydraulics India Private Ltd	682	100.00%	Hosur - India	Production and sale of power take-offs and hydraulic pumps (Hydraulic sector)	14.0	20.0	131	131

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
Interpump South Africa PTY Ltd	-	100.00%	Johannesburg - South Africa	Sale of ancillary products for industrial vehicles, hydraulic pumps and power take-offs (Hydraulic sector)	2.9	4.5	29	30
Eurofluid Hydraulics S.r.l.	100	80.00%	Albinea (RE)	Production and sale of hydraulic valves and directional controls (Hydraulic sector)	19.4	18.4	77	77
Interpump Hydraulics (UK) Ltd.	13	100.00%	Kidderminster United Kingdom	Sale of hydraulic pumps and power take-offs (Hydraulic sector)	20.0	20.8	105	89
H.S. S.r.l. **(C)**	99	100.00%	Sulbiate (MB)	Production and sale of hydraulic systems (Hydraulic sector)	3.5	2.5	24	13
Hidrover Equipamentos Hidráulicos Ltda. **(D)**	10,107	59.00%	Flores da Cunha - Brazil	Production and sale of hydraulic cylinders (Hydraulic sector)	23.2	1.2	146	12
Mega Pacific Pty Ltd	335	100.00%	Newcastle - Australia	Sale of hydraulic products (Hydraulic sector)	18.2	20.9	43	43
Mega Pacific NZ Pty Ltd	557	100.00%	Mount Maunganui - New Zealand	Sale of hydraulic products (Hydraulic sector)	1.3	1.7	5	5
Muncie Power Prod. Inc.	784	100.00%	Muncie - USA	Hydraulic pumps and power take-offs (Hydraulic sector)	144.0	144.9	504	436
Hydra Dyne Technology Inc.	80	89.99%	Ingersoll - Canada	Production and sale of hydraulic cylinders, valves and rotary unions (Hydraulic sector)	24.6	24.9	146	152
Padoan S.r.l. **(F)**	100	65.00%	Olmi di S. Biagio di Callalta (TV)	Production and sale of storage tanks for industrial vehicles and machinery (Hydraulic Sector)	7.7	-	21	-
Padoan Suisse SA **(F)**	107	100.00%	San Vittore (Switzerland)	Production and sale of storage tanks for industrial vehicles and machinery (Hydraulic Sector)	1.3	-	3	-
Padoan Deutschland GmbH **(F)**	100	70.00%	Mönchengladbach - Germany	Production and sale of storage tanks for industrial vehicles and machinery (Hydraulic Sector)	0.9	-	3	-
Oleodinamica Panni S.r.l.	2,000	100.00%	Tezze sul Brenta (VI)	Production and sale of hydraulic cylinders (Hydraulic sector)	53.7	59.9	270	273

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
Wuxi Interpump Weifu Hydraulics Company Ltd	2,095	65.00%	Wuxi - China	Production and sale of hydraulic pumps and power take-offs (Hydraulic sector)	9.3	10.1	51	53
IMM Hydraulics S.p.A.	520	100.00%	Atessa (CH)	Production and sale of hydraulic hoses and fittings (Hydraulic sector)	76.8	74.4	408	387
IFS France S.a.r.l.	162	100.00%	Strasbourg - France	Sale of hydraulic hoses and fittings (Hydraulic sector)	2.7	2.9	10	8
Interpump Fluid Solutions Germany GmbH	52	100.00%	Meinerzhagen - Germany	Sale of hydraulic hoses and fittings (Hydraulic sector)	5.9	8.2	14	17
IMM Hydro Est	3,155	100.00%	Catcau Cluj Napoca - Romania	Production and sale of hydraulic hoses and fittings (Hydraulic sector)	15.6	13.8	187	180
FGA S.r.l.	10	100.00%	Fossacesia (CH)	Surface treatments (Hydraulic sector)	1.5	1.6	13	13
Tekno Tubi S.r.l.	100	100.00%	Terre del Reno (FE)	Production and sale of rigid and flexible hydraulic lines (Hydraulic sector)	18.0	17.8	85	90
Tubiflex S.p.A.	515	100.00%	Orbassano (TO)	Production and sale of flexible hoses (Hydraulic sector)	26.5	24.6	124	121
Walvoil S.p.A.	7,692	100.00%	Reggio Emilia	Production and sale of hydraulic valves and directional controls (Hydraulic sector)	218.0	250.7	1,316	1,340
Walvoil Fluid Power Corp.	137	100.00%	Tulsa - USA	Sale of hydraulic valves and directional controls (Hydraulic sector)	58.4	70.1	74	76
Walvoil Fluid Power (India) Pvt Ltd	4,803	100.00%	Bangalore - India	Production and sale of hydraulic valves and directional controls (Hydraulic sector)	58.0	59.2	336	342
Walvoil Fluid Power Korea Llc	453	100.00%	Pyeongtaek – South Korea	Production and sale of hydraulic valves and directional controls (Hydraulic sector)	15.4	15.6	67	70
Walvoil Fluid Power France Sarl	10	100.00%	Vritz - France	Production and sale of hydraulic valves and directional controls (Hydraulic sector)	-	-	5	4
Walvoil Fluid Power Australasia	7	100.00%	Melbourne - Australia	Agent for the sale of hydraulic valves and directional controls (Hydraulic sector)	-	-	2	2
Walvoil Canada Inc.	76	100.00%	Terrebonne Quebec - Canada	Sale of hydraulic valves and directional controls (Hydraulic sector)	6.9	7.1	18	19

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
Walvoil Fluid Power Dongguan Co. Ltd	3,720	100.00%	Dongguan - China	Production and sale of hydraulic valves and directional controls (Hydraulic sector)	23.0	22.0	146	142
IPG Mouldtech India PVT Ltd	298	85.00%	Coimbatore - India	Smelting of ferrous metals, cast iron and aluminum (Hydraulic sector)	7.8	7.5	109	111
Reggiana Riduttori S.r.l.	6,000	100.00%	S. Polo d'Enza (RE)	Production and sale of power transmission systems: planetary gears, ratiomotors and drive wheels (Hydraulic sector)	100.6	100.5	228	234
RR USA Inc.	1	100.00%	Boothwin USA	Sale of power transmission systems: planetary gears, ratiomotors and drive wheels (Hydraulic sector)	38.7	45.8	26	26
RR Canada Inc.	1	100.00%	Vaughan Canada	Sale of power transmission systems: planetary gears, ratiomotors and drive wheels (Hydraulic sector)	4.9	5.7	6	7
RR Holland BV	19	100.00%	Oosterhout - Netherlands	Sale of power transmission systems: planetary gears, ratiomotors and drive wheels (Hydraulic sector)	8.5	8.4	13	13
RR France S.a r.l.	400	95.00%	Thouare sur Loire - France	Sale of power transmission systems: planetary gears, ratiomotors and drive wheels (Hydraulic sector)	3.4	3.4	8	9
RR Slovakia A.S.	340	100.00%	Zvolen - Slovakia	Production and sale of power transmission systems: planetary gears, ratiomotors and drive wheels (Hydraulic sector)	1.3	1.2	30	27
RR Pacific Pty	249	100.00%	Victoria - Australia	Sale of power transmission systems: planetary gears, ratiomotors and drive wheels (Hydraulic sector)	4.6	5.1	8	7
Transtecno S.r.l.	100	100.00%	Anzola dell'Emilia (BO)	Production and sale of gears and ratiomotors (Hydraulic sector)	60.5	55.5	149	138
Hangzhou Interpump Power Transmission Co. Ltd	575	100.00%	Hangzhou - China	Production and sale of gears and ratiomotors (Hydraulic sector)	39.2	38.0	174	170
Transtecno Iberica the Modular Gearmotor S.A.	203	70.00%	Gava - Spain	Sale of gears and ratiomotors (Hydraulic sector)	5.1	4.1	13	12
MA Transtecno S.A.P.I. de C.V.	124	70.00%	Apodaca - Mexico	Sale of gears and ratiomotors (Hydraulic sector)	4.3	5.1	26	24

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
Transtecno BV	18	51.00%	Amersfoort - Netherlands	Sale of gears and ratiomotors (Hydraulic sector)	4.7	4.0	7	7
Transtecno Aandrijftechniek - Netherlands	-	51.00%	Amersfoort - Netherlands	Sale of gears and ratiomotors (Hydraulic sector)	1.2	1.0	1	1
Tutto Hidráulicos Ltda **(G)**	2,529	100.00%	Caxias do Sul - Brazil	Production and sale of hydraulic cylinders (Hydraulic sector)	1.4	-	16	-
White Drive Motors and Steering Sp. z o.o.	33,254	100.00%	Wroclaw - Poland	Production and sale of orbital motors and steering systems (Hydraulic sector)	87.6	86.3	435	502
White Drive Motors and Steering, LLC	86,070	100.00%	Hopkinsville - USA	Production and sale of hydraulic valves and directional controls (Hydraulic sector)	42.8	68.3	171	253
Interpump Piping GS S.r.l.	10	100.00%	Reggio Emilia	Piping holding company (Hydraulic sector)	-	-	-	-
GS-Hydro Singapore Pte Ltd	624	100.00%	Singapore	Design, production and sale of piping systems (Hydraulic sector)	1.2	2.3	5	6
GS-Hydro Korea Ltd.	1,892	100.00%	Busan - South Korea	Design, production and sale of piping systems (Hydraulic sector)	10.3	11.2	41	38
GS-Hydro Piping Systems (Shanghai) Co. Ltd.	2,760	100.00%	Shanghai - China	Design, production and sale of piping systems (Hydraulic sector)	6.7	6.9	52	48
GS-Hydro Benelux B.V.	18	100.00%	Hendrik Ido Ambacht - Netherlands	Design, production and sale of piping systems (Hydraulic sector)	8.3	8.8	22	20
GS-Hydro Austria GmbH	40	100.00%	Pashing - Austria	Design, production and sale of piping systems (Hydraulic sector)	5.7	7.1	25	26
GS-Hydro Sp z o.o. - Poland	1,095	100.00%	Gdynia - Poland	Design, production and sale of piping systems (Hydraulic sector)	4.1	4.2	22	27
GS-Hydro Denmark AS	67	100.00%	Kolding - Denmark	Design, production and sale of piping systems (Hydraulic sector)	5.7	4.1	15	14
GS-Hydro S.A.U (Spain)	90	100.00%	Las Rozas - Spain	Design, production and sale of piping systems (Hydraulic sector)	13.5	12.8	80	62
Suministros Franquesa S.A.	160	100.00%	Lleida - Spain	Assembly and sale of hydraulic hoses, fittings and other components (Hydraulic sector)	1.8	1.5	11	11
GS-Hydro U.S. Inc.	9,903	100.00%	Houston - USA	Design, production and sale of piping systems (Hydraulic sector)	1.9	2.0	4	5

Companies consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity	Revenues €/million 31/12/2025	Revenues €/million 31/12/2024	Average number of employees 2025	Average number of employees 2024
GS-Hydro do Brasil Sistemas Hidr. Ltda	252	100.00%	Rio de Janeiro - Brazil	Design, production and sale of piping systems (Hydraulic sector)	1.8	1.8	9	9
GS-Hydro UK Ltd	5,095	100.00%	Aberdeen - United Kingdom	Design, production and sale of piping systems (Hydraulic sector)	20.1	20.7	89	93
GS-Hydro Ab (Sweden)	120	100.00%	Kista - Sweden	Design, production and sale of piping systems (Hydraulic sector)	1.4	2.0	5	4
GS-Hydro Hong Kong Ltd	1	100.00%	Hong Kong	Design, production and sale of piping systems (Hydraulic sector)	1.0	0.3	-	-
Hi-Tech Enviro Solutions Limited	-	100.00%	Auckland - New Zealand	Dormant (Water-Jetting sector)	-	-	-	-
WMS GP Limited (NZ)	-	100.00%	Hamilton - New Zealand	Dormant (Water-Jetting sector)	-	-	-	-
Interpump Hydraulics Middle East FZE	1,226	100.00%	Dubai - United Arab Emirates	in liquidation (Hydraulic sector)	-	-	1	2
White Drive Motors and Steering GmbH	25	100.00%	Parchim - Germany	in liquidation (Hydraulic sector)	-	0.1	2	8
GS-Hydro System GmbH (Germany)	179	100.00%	Witten - Germany	in liquidation (Hydraulic sector)	-	-	1	1
AllTube Engineering Ltd	351	100.00%	Daventry - United Kingdom	Dormant (Hydraulic sector)	-	0.7	-	11
Padoan Chile Ltda	32	100.00%	Santiago (Chile)	Dormant (Hydraulic sector)	-	-	-	-
IMM Hydraulics Ltd	-	100.00%	Kidderminster - United Kingdom	Dormant (Hydraulic sector)	-	-	-	-
Bristol Hose Ltd	-	100.00%	Bristol - United Kingdom	Dormant (Hydraulic sector)	-	-	-	-

A) = Revenues for 9 months in 2024

B) = Revenues for 7 months in 2024

C) = Revenues for 6 months in 2024

D) = Revenues for 1 month in 2024

E) = Revenues for 8 months in 2025

F) = Revenues for 6 months in 2025

G) = Revenues for 2 months in 2025

Companies not consolidated line by line	Share capital €/000	Percentage control at 31/12/2025	Location	Main activity
General Pump China	111	100.00%	Ningbo – China	Sale of components (Water-Jetting sector)
Interpump Hydraulics Perù	318	90.00%	Lima - Peru	Sale of hydraulic pumps and power take-offs (Hydraulic sector)
Interpump Hydraulics RUS	172	100.00%	Moscow - Russia	Sale of hydraulic pumps and power take-offs (Hydraulic sector)
Hammelmann Vostok	86	100.00%	Moscow - Russia	Sale of very high pressure systems and pumps (Water-Jetting sector)
Interpump Antriebstechnik GmbH	25	100.00%	Stuttgart - Germany	Sale of power transmission systems: planetary gears, ratiomotors and drive wheels (Hydraulic sector)
Nuova S.M. S.r.l.	10	100.00%	Reggio Emilia	Metal finishing treatments (Water Jetting Sector)
Walvoil Fluid Power Mexico S.A. de C.V.	249	100.00%	Apodaca - Mexico	Production and sale of hydraulic valves and directional controls (Hydraulic sector)

6. EVENTS OCCURRING AFTER THE CLOSE OF THE YEAR AND BUSINESS OUTLOOK

No atypical or unusual transactions have been carried out subsequent to 31 December 2025 that would call for changes to these consolidated financial statements.

On 17 February 2026, in the context of the plan to purchase treasury shares authorized at the Shareholders' Meeting held on 29 April 2025 pursuant to art. 144-(2) of Consob Regulation 11971/1999, Interpump Group S.p.A. launched a program to purchase a total of 500,000 treasury shares on the MTA, organized and managed by Borsa Italiana S.p.A., between 17 February and 16 May 2026, at a maximum price of € 60.00 per share and, therefore, with a maximum outlay of € 30 million. For the purposes of implementing this buy-back program, on 16 February 2026 the Company granted a specific mandate to Banca Akros S.p.A. that terminated on 11 March: on that date, Interpump Group S.p.A. held 2,985,087 shares in its portfolio, equal to 2.742% of the share capital, purchased at an average cost of € 37.97442.

With specific reference to the latest international conflict involving Iran, the United States and Israel, which broke out consequent to the military operations carried out on 28 February 2026, the Group is monitoring developments and their effects - which are hard to quantify given the recent start of the conflict - on its economic and financial position.

The Group confirms its extraordinary capacity for resilience and solidity, despite a global context of persistent uncertainty and geopolitical/economic changes that have few precedents. The characteristic diversification of the Group represents a solid element of protection and stability.

For this reason, the Group believes that it will be able to achieve growth in turnover in the current year, if the trends of previous year are confirmed, or to minimize the possible impacts of any deterioration: therefore, the Group prudently estimates, on an organic basis, a change in turnover of be-tween +3% and -2%, with a different contribution from the two sectors, particularly in the first part of the year. In fact, while the recovery process of the Hydraulics sector should continue positively, the Water-Jetting sector will not see a repeat of an extraordinary order that resulted in record values last year and will not allow the solid continuity of that sector to be fully appreciated.

Thanks to the flexibility of its business model, the Group will continue, on the one hand, to work on costs according to the evolution of demand, to confirm the levels of excellence in terms of margins, and, on the other, to continue the process of normalizing both investments and working capital to achieve a new record in terms of cash generation.

A.

SUSTAINABILITY REPORTING - CSRD

ESRS 2 – GENERAL DISCLOSURES

Basis for preparation

BP-1 - General basis for preparation of sustainability statements

This ***Sustainability Report*** is prepared on a consolidated basis, meaning that its perimeter is the same as that of the Consolidated Financial Report. It is specified that, with reference to:

- the companies consolidated using the equity method, only the data needed to calculate the Scope 1 and Scope 2 emissions has been considered[3];
- Tutto Hidráulicos Ltda, Borghi Assali S.r.l., Padoan Deutschland GmbH, Padoan Swiss SA, F.A.R.M.A. S.r.l. and F.A.R.M.A. USA Inc., only their employee data (S1-6, S1-8, S1-9, S1-14, S1-17) has been included in this report.

See the “Consolidation perimeter” section of the “Explanatory Notes” to the Annual Financial Report for details of consolidated companies and their locations.

Company	Country	Geographical reporting area	% held at 31/12/25
Interpump Group S.p.A.	Italy	Italy	
Alfa Valvole S.r.l.	Italy	Italy	100%
Borghi Assali S.r.l.	Italy	Italy	70%
Contarini Leopoldo S.r.l.	Italy	Italy	100%
Eurofluid Hydraulic S.r.l.	Italy	Italy	80%
F.A.R.M.A. S.r.l.	Italy	Italy	100%
FGA S.r.l.	Italy	Italy	100%
H.S. S.r.l.	Italy	Italy	100%
Hydroven S.r.l.	Italy	Italy	100%
I.mec S.r.l.	Italy	Italy	70%
IMM Hydraulics S.p.A.	Italy	Italy	100%
Inoxihp S.r.l.	Italy	Italy	53%
Inoxpa Italia Srl	Italy	Italy	100%
Interpump Hydraulics S.p.A.	Italy	Italy	100%
Interpump Piping GS S.r.l.	Italy	Italy	100%
Oleodinamica Panni S.r.l.	Italy	Italy	100%
Padoan S.r.l.	Italy	Italy	65%
Pioli S.r.l.	Italy	Italy	100%

[3] See Chapter “5.7 - Group companies” for details about the companies not consolidated on a line-by-line basis.

Company	Country	Geographical reporting area	% held at 31/12/25
Reggiana Riduttori S.r.l.	Italy	Italy	100%
Servizi Industriali S.r.l.	Italy	Italy	90%
SIT S.p.A.	Italy	Italy	88%
Tekno Tubi S.r.l.	Italy	Italy	100%
Transtecno S.r.l.	Italy	Italy	100%
Tubiflex S.p.A.	Italy	Italy	100%
Walvoil S.p.A.	Italy	Italy	100%
GS-Hydro Austria GmbH	Austria	Europe (Italy excluded)	100%
Copa Hydrosistem OOD	Bulgaria	Europe (Italy excluded)	100%
GS-Hydro Denmark AS	Denmark	Europe (Italy excluded)	100%
Inoxpa Skandinavien A/S	Denmark	Europe (Italy excluded)	100%
Hammelmann France	France	Europe (Italy excluded)	100%
IFS FRANCE SARL	France	Europe (Italy excluded)	100%
Inoxpa France Sas	France	Europe (Italy excluded)	100%
Interpump Hydraulics France S.a.r.l.	France	Europe (Italy excluded)	100%
RR France Sarl	France	Europe (Italy excluded)	95%
Unidro Contarini Sas	France	Europe (Italy excluded)	100%
Walvoil Fluid Power France Sarl	France	Europe (Italy excluded)	100%
GS-Hydro System GmbH	Germany	Europe (Italy excluded)	100%
Hammelmann GmbH	Germany	Europe (Italy excluded)	100%
Interpump Fluid Solutions Germany GmbH	Germany	Europe (Italy excluded)	100%
Padoan Deutschland GmbH	Germany	Europe (Italy excluded)	70%
White Drive Motors and Steering GmbH	Germany	Europe (Italy excluded)	100%

Company	Country	Geographical reporting area	% held at 31/12/25
Waikato Milking Systems Ireland Limited	Ireland	Europe (Italy excluded)	100%
Inoxpa Solutions Moldova	Moldova	Europe (Italy excluded)	67%
GS-Hydro Benelux B.V.	Netherlands	Europe (Italy excluded)	100%
RR Holland BV	Netherlands	Europe (Italy excluded)	100%
Transtecno Aandrijftechniek B.V.	Netherlands	Europe (Italy excluded)	51%
Transtecno BV	Netherlands	Europe (Italy excluded)	51%
GS-Hydro Sp. z o.o.	Poland	Europe (Italy excluded)	100%
White Drive Motors and Steering Sp. z o.o.	Poland	Europe (Italy excluded)	100%
Improved Solutions Unipessoal Ltda	Portugal	Europe (Italy excluded)	100%
IMM Hydro Est	Romania	Europe (Italy excluded)	100%
Inoxpa LTD	Russia	Europe (Italy excluded)	70%
RR Slovakia A.S.	Slovakia	Europe (Italy excluded)	100%
GS-Hydro S.A.U	Spain	Europe (Italy excluded)	100%
Hammelmann S. L.	Spain	Europe (Italy excluded)	100%
Inoxpa S.A.U. (Spain)	Spain	Europe (Italy excluded)	100%
Suministros Franquesa S.A.	Spain	Europe (Italy excluded)	100%
Transtecno Iberica the Modular Gearmotor s.a.	Spain	Europe (Italy excluded)	70%
GS-Hydro Ab	Sweden	Europe (Italy excluded)	100%
Hammelmann Swiss GmbH	Switzerland	Europe (Italy excluded)	100%
Padoan Swiss SA	Switzerland	Europe (Italy excluded)	100%

Company	Country	Geographical reporting area	% held at 31/12/25
Hammelmann Endüstri Pompalari	Türkiye	Europe (Italy excluded)	100%
Inoxpa Ukraine	Ukraine	Europe (Italy excluded)	100%
AllTube Engineering Ltd	UK	Europe (Italy excluded)	100%
Bristol Hose Limited	UK	Europe (Italy excluded)	100%
GS-Hydro UK Ltd	UK	Europe (Italy excluded)	100%
IMM Hydraulics Ltd	UK	Europe (Italy excluded)	100%
Inoxpa Ltd	UK	Europe (Italy excluded)	100%
Interpump Hydraulics UK	UK	Europe (Italy excluded)	100%
Waikato Milking Systems UK Limited	UK	Europe (Italy excluded)	100%
Hydra Dyne Technology Inc	Canada	North America	90%
RR Canada Inc.	Canada	North America	100%
Walvoil Canada Inc.	Canada	North America	100%
Alfa OBL America Inc.	USA	North America	85%
F.A.R.M.A. USA Inc.	USA	North America	100%
General Pump Inc.	USA	North America	100%
GS-Hydro U.S. Inc.	USA	North America	100%
Hammelmann Corporation Inc.	USA	North America	100%
Inoxpa USA Inc.	USA	North America	100%
Muncie Inc.	USA	North America	100%
NLB Corp.	USA	North America	100%
RR USA Inc.	USA	North America	100%
Waikato Milking Systems USA LLC	USA	North America	100%
Walvoil Fluid Power Corp.	USA	North America	100%
White Drive Motors and Steering, LLC	USA	North America	100%
Hammelmann Australia Pty Ltd	Australia	Far East and Pacific Area	100%
Mega Pacific Pty Ltd	Australia	Far East and Pacific Area	100%

Company	Country	Geographical reporting area	% held at 31/12/25
RR Pacific PTY Ltd	Australia	Far East and Pacific Area	100%
Walvoil Fluid Power Australasia	Australia	Far East and Pacific Area	100%
GS-Hydro Piping Systems (Shanghai) Co. Ltd.	China	Far East and Pacific Area	100%
Hammelmann Pump System Ltd	China	Far East and Pacific Area	90%
Hangzhou Interpump Power Transmissions Co., Ltd.	China	Far East and Pacific Area	100%
Inoxpa China Flow Technology Co., Ltd	China	Far East and Pacific Area	60%
Inoxpa Special Processing Equipment Co. Ltd	China	Far East and Pacific Area	100%
Shanghai PuPeng Flow Technology Co., Ltd	China	Far East and Pacific Area	60%
Walvoil Fluid Power (Dongguan) Co., Ltd	China	Far East and Pacific Area	100%
Wuxi Interpump Weifu Hydraulics Company	China	Far East and Pacific Area	65%
GS-Hydro Korea Ltd.	South Korea	Far East and Pacific Area	100%
Walvoil Fluid Power Korea Llc.	South Korea	Far East and Pacific Area	100%
GS-Hydro Hong Kong Ltd	Hong Kong	Far East and Pacific Area	100%
Hi-Tech Enviro Solutions Limited	New Zealand	Far East and Pacific Area	100%
Mega Pacific NZ Pty Ltd	New Zealand	Far East and Pacific Area	100%
Waikato Milking Systems L.P.	New Zealand	Far East and Pacific Area	100%
Waikato Milking Systems Lease Limited	New Zealand	Far East and Pacific Area	100%
Waikato Milking Systems Limited	New Zealand	Far East and Pacific Area	100%
WMS GP Limited	New Zealand	Far East and Pacific Area	100%
GS-Hydro Singapore Pte Ltd	Singapore	Far East and Pacific Area	100%

Company	Country	Geographical reporting area	% held at 31/12/25
GS-Hydro do Brasil Sistemas Hidráulicos Ltda	Brazil	Rest of the World	100%
Hidrover Equipamentos Hidráulicos Ltda	Brazil	Rest of the World	59%
Interpump Hydraulics Brasil	Brazil	Rest of the World	100%
Tutto Hidráulicos Ltda	Brazil	Rest of the World	100%
Hydrocar Chile S.A.	Chile	Rest of the World	90%
Padoan Chile Ltda	Chile	Rest of the World	100%
Inoxpa Colombia Sas	Colombia	Rest of the World	100%
Interpump Hydraulics Middle East FZE	UAE	Rest of the World	100%
Inoxpa India Private Ltd	India	Rest of the World	100%
Interpump Hydraulics India Ltd	India	Rest of the World	100%
IPG MOULDTECH INDIA PVT LTD.	India	Rest of the World	85%
Walvoil Fluid Power (India) Pvt. Ltd.	India	Rest of the World	100%
Inoxpa Mexico	Mexico	Rest of the World	100%
MA Transtecno S.A.P.I. de C.V.	Mexico	Rest of the World	70%
Inoxpa South Africa Pty Ltd	South Africa	Rest of the World	100%
Interpump South Africa Pty Ltd	South Africa	Rest of the World	100%

In this reporting year:

- Interpump did not elect to omit specific disclosures about intellectual property, know-how, or the results of innovation;
- there were no situations envisaged in arts. 19 and 29 of Directive 2013/34/EU regarding imminent developments or matters under negotiation.

Additionally, the following companies are either non-operational, dormant and/or in liquidation: Interpump Piping GS S.r.l., White Drive Motors and Steering GmbH, AllTube Engineering Ltd, Bristol Hose Limited, IMM Hydraulics Ltd, GS-Hydro Hong Kong Ltd, GS-Hydro System GmbH, Hi-Tech Enviro Solutions Limited, Waikato Milking Systems Lease Limited, Waikato Milking Systems Limited, WMS GP Limited, Padoan Chile Ltda and Interpump Hydraulics Middle East FZE.

When conducting the double materiality assessment (described in more detail in the section entitled "*IRO-1: Description of the process to identify and assess material impacts, risks, and opportunities*"), the backbone of this Sustainability Report, the Group considered all stages in the value chain, both direct operations and upstream and downstream activities.

BP-2 - Disclosures in relation to specific circumstances

No special events or situations significantly influenced the sustainability performance of the Interpump Group during the 2025 reporting year.

The following metrics used in this Report are currently subject to uncertainty:

Metrics	Reasons for uncertainty
Scope 3 Greenhouse Gas Emissions	The calculation sometimes relies on non-primary data derived from various estimates (including distances, purchase costs, and emission factors).
Energy consumption	Consumption estimates based on historical trends, or assessments made by management, were used when supplier data was not provided for the latter part of the year.

The following metrics make reference to a perimeter different to that used for the consolidation:

- for Scope 3 emissions, the data for the companies considered, accounting for about 65% of consolidated turnover and 80% of Scope 1 and Scope 2 emissions, was not scaled up. Over the next few years, this perimeter will be extended gradually to include less emissions-heavy companies as well. For more details about how this metric was prepared and its accuracy, see the section entitled “E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions”;
- for payment practices, a sample of Group companies representing about 28% of consolidated direct purchases (raw materials, semi-finished goods, tools, and outsourced processing) was analyzed. These purchasing categories are among the most significant for the Group’s manufacturing companies and, in fact, match those considered by the project to rate vendors based on ESG criteria, in the context of the Group’s broader ESG plan for 2023-2025. The consolidated data was not scaled up to Group level. We believe this perimeter, which includes the principal companies within the Group, is broad enough to be reasonably representative of the consolidated values; it will be extended further in the coming years, in order become even more representative. See the chapter entitled “G1-6 - Payment practices” for a more detailed discussion of the calculation method used.

No changes have been made to the sustainability information published in prior reports and, furthermore, no significant errors are known to have been made in prior reporting periods.

Regarding the disclosures required by other sustainability reporting regulations or guidelines beyond ESRS, note that a number of the principal companies within the Group have implemented management systems and models to monitor, measure, and improve their environmental performance, as well as to help reduce pollution, waste generation, and unintentional discharges into the environment.

At the end of 2025, ISO 14001 certification covers 22% of Group companies and 43% of consolidated turnover. Alongside this, ISO 45001 certification has been obtained by 17% of subsidiaries (generating 31% of turnover), confirming their adoption of health and safety management systems compliant with international standards.

With regard to the 2025 CSRD, Interpump confirms that no information has been included in the form of references.

Governance

GOV-1 - The role of the administrative, management, and supervisory bodies

The Board of Directors (Board) of Interpump Group S.p.A., appointed at the Shareholders' Meeting held on 28 April 2023, consists of 10 directors, including: 2 executive directors (20%), 1 non-executive director (10%), and 7 independent non-executive directors (70%).

At present, there are no worker representatives on the Board. All Board members bring the professionalism and skills needed for the roles assigned to them. They all have experience in the industrial sector, while at least 80% have M&A expertise and 70% have proven knowledge of ESG matters.

The composition of the Board meets suitable diversity standards, in terms of gender and age band, consistent with the principles and recommendations of the Corporate Governance Code for Issuers, which requires at least two-fifths of their Board members to be from the less-represented gender. This requirement is also reflected in the Bylaws of the Company.

In terms of gender, 50% of the directors in office are women, while the remaining 50% are men.

The Board has been assigned a central role in the corporate governance of Interpump Group S.p.A., with broad powers and responsibilities regarding governance and the system of internal control and risk management, as well as for the definition of sustainability policies in pursuit of sustainable success, via the creation of long-term value for shareholders and key stakeholders.

The Board meeting held on 28 April 2023 established a standalone Sustainability Committee (previously part of the Control, Risks, and Sustainability Committee) tasked with investigative, proposal-making, and consultative roles on Environmental, Social, and Governance (ESG) matters.

The Board defines the strategy and objectives of the Group, including the sustainability policies that matter in the pursuit of sustainable success, and plays an active role in assessing and managing the material topics discussed in this Sustainability Report. This process is supported by the Sustainability Committee on ESG specifics and by the Control and Risks Committee with regard to the system of internal control and risk management.

The results of the process followed by the Sustainability Committee to identify material topics for inclusion in the Sustainability Report are presented to and discussed with the Board every year. The Committee is also tasked with examining the contents of the periodic sustainability report with the Manager responsible for drafting the accounting documents, before presentation to the Board for approval. Lastly, the Sustainability Committee also prepares sustainability goals, strategies, and long-term plans for the Board to consider, monitoring their implementation.

Certain impacts, risks, and opportunities (IROs) are implicitly managed within the 2023-2025 ESG Plan. That said, there are no specific IRO procedures in place at the reporting date for their overall management.

The Committee comprises one executive director with sustainability-related powers and two independent directors. Overall, the Committee has adequate skills in the sector in which the Company operates, as well as in relation to its functions and duties concerning the ESG policies adopted by the Group. Specifically, the directors possess significant experience in the areas of finance, ESG, auditing, enterprise risk management, and governance.

GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies

Following introduction of the CSRD, the analysis of impacts, risks, and opportunities has been progressively embedded into the broader process of defining the corporate strategy. At least once a year, the Board receives an update on material impacts, risks, and opportunities, as well as on the results and efficacy of the policies, actions, metrics, and targets adopted. This analysis, backed by the know-how and work of the two Board committees, provides a clear picture of all Impacts, Risks, and Opportunities (IROs).

The system of internal control and risk management adopted by Interpump Group S.p.A. comprises a set of rules, procedures, and organizational functions designed to identify, measure, manage, and monitor the main risks. In particular, Interpump Group S.p.A. has defined an Enterprise Risk Management model (ERM Model or Model) that draws on global best practices (like the CoSO Framework, CoSO ERM WBCSD, and ISO 31000) and implements the recommendations of Corporate Governance Code. This Model takes a systematic approach to identifying, measuring, managing, and monitoring the principal risks that could impact on achievement of the Interpump Group's strategic objectives. The risk assessment inherent in the ERM Model starts by defining the nature and level of risk that fits with the strategic directions set by the Board. Risks are evaluated periodically based on their: (i) likelihood, being the probability that an event will happen, based on historical analyses, future projections, or subjective assessments by sector experts, and (ii) impacts, being the consequences of an event on the financial, operational, reputational, compliance, and sustainability areas (in terms of their impacts, risks, and opportunities).

Work to embed the double materiality analysis (CSRD) within the ERM model commenced during 2025. The objective is to create a centralized risk catalog that ensures consistent balance when assessing financial performance and sustainability impacts.

The Sustainability Committee also monitors execution of the 20 actions and related targets specified in the 2023-2025 ESG Strategic Plan, approved by the Board on 5 October 2022, that embeds sustainability standards within the business strategy adopted by the Group.

GOV-3 - Integration of sustainability-related performance in incentive schemes

The Remuneration Policy of the Interpump Group, approved at the Shareholders' Meeting and valid for the three-year period 2025-2027, covers the members of the administrative bodies, including the executive and non-executive directors, the general managers, and the other executives with strategic responsibilities ("Key Management Personnel"), as well as - without prejudice to the provisions of art. 2402 of the Italian Civil Code, the Statutory Auditors of Interpump Group S.p.A.

With specific reference to the remuneration of the Executive Directors and Key Management Personnel, this policy includes a fixed component, a variable short-term component ("MBO", Management by Objectives), and long-term incentives ("LTI", Long-Term Incentive Plan), in order to promote the achievement of specific objectives in the interests of all shareholders.

Fixed component
The level of fixed remuneration - linked to professional specialization, position held and responsibilities assigned - is sufficient to remunerate the Director or Executive, even if the variable component is withheld following failure to achieve the performance objectives.

Variable component

The objective of MBO plan described in the Remuneration Policy is to encourage Directors and Executives to achieve specific performance targets. Specific targets and the related parameters are identified after taking account of the need for:

- precise, clear, and objectively measurable targets set and communicated in advance;
- alignment with the objectives of the Company and the Group;
- the appropriate progression of performance goals over time, having regard for the sustainability of the remuneration recognized.

The Remuneration Policy allows the Board to pay discretionary bonuses within predefined limits, and to establish specific vesting periods, deferred payment mechanisms, and ex-post correction mechanisms (e.g. “claw-back” and/or “malus” clauses).

With reference to the long-term incentives, on 29 April 2025 the Shareholders’ Meeting of Interpump Group S.p.A. approved the “Interpump Incentive Plan 2025-2027”, which envisages the grant of a certain number of options to the “beneficiaries”, being employees, directors and/or collaborators of the Company and/or the Group, identified from among those persons who hold positions and/or perform functions of a strategic nature, with a view to building loyalty and creating future value. The performance objectives are not only economic and financial in nature - associated with the achievement of specific results at Group level - and linked to personal performance, but also correlated in part with the development and consolidation of those ESG topics important to the Group, as measured *inter alia* for disclosure in this Sustainability Report.

The objectives underlying the recognition of remuneration in the form of stock options are not only economic and financial in nature - associated with the achievement of specific results at Group level - and linked to personal performance, but also correlated with the development and consolidation of those ESG topics important to the Group. In particular and solely by way of example, the objectives may relate to the Environmental, Social and Governance areas and any activities that, from time to time, are deemed significant for the Group, as well as measurable and/or measured for reporting in this Sustainability Report:

- Environmental area, the adoption of solutions intended to lower the impact of business activities on the environment (for example, by reducing atmospheric emissions and/or the production of waste, increasing the use of energy derived from renewable sources and lowering water consumption);
- Social area, the adoption of policies intended to improve the social impact of business activities (for example, via initiatives in support of diversity and inclusion, action to reduce the injury rate and the definition of a policy in support of local communities);
- Governance area, the adoption of measures to improve the management and governance of the Company and the Group (for example, by improving the organizational and/or functional structure of the Board or the training on whistleblowing matters).

In view of the growing awareness about and attention paid to ESG policies, from 2022 the Remuneration Policy of the Company has included additional, non-financial KPIs linked to pursuit and achievement of the objectives indicated in the 2023-2025 ESG Plan.

Specifically, when setting remuneration, the:

- annual incentive system (MBO) envisages correlation with the ESG objectives by identifying precise KPIs linked to achievement of the annual objectives specified in the ESG Plan, assigning them a 15% weighting with respect to the MBO as a whole.
- the medium/long-term incentive system (LTI), represented by the Interpump Incentive Plan for 2025-2027, also envisages that, for 15% of the options offered to each beneficiary, the objectives

assigned to them must contribute to the development and consolidation of the ESG topics that *inter alia* are measurable and/or measured for non-financial reporting purposes.

The Remuneration Policy is approved by the Board, which is responsible for its implementation and revision, based on a proposal from the Remuneration Committee, and after hearing the opinion of the Board of Statutory Auditors. The Policy is also submitted to a binding vote at the Shareholders' Meeting.

GOV-4 - Statement on sustainability due diligence

The Interpump Group has implemented a due diligence process that seeks to identify actual and potential negative impacts from its activities, and roll out initiatives to prevent or mitigate them (more on this in later sections on the material Topical Standards), implementing the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This process still needs some work, in certain cases, in order manage the impacts within the entire value chain.

The table below sets out the core elements of the due diligence on sustainability matters and the related sections in which they are discussed:

Core due diligence elements	Reference (Sections in Sustainability Report)
Embed responsible business conduct within the business management systems and policies adopted	• GOV-1: The role of the administrative, management, and supervisory bodies • GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies • GOV-3: Integration of sustainability-related performance in incentive schemes
Involve affected stakeholders in every phase of the due diligence process	• SBM-1: Strategy, business model, and value chain • SBM-2: Interests and views of stakeholders
Identifying and assessing impacts	• SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model • IRO-1: Description of the process to identify and assess material impacts, risks, and opportunities
Adopt impact mitigation actions	• GOV-1: The role of the administrative, management, and supervisory bodies • SBM-1: Strategy, business model, and value chain • SBM-2: Interests and views of stakeholders
Assess the efficacy of actions and report them	• GOV-5: Risk management and internal controls over sustainability reporting

GOV-5 - Risk management and internal controls over sustainability reporting

The Interpump Group has implemented an "internal control model for non-financial reporting" that defines how to identify, measure, manage, and control risks linked to the reporting of non-financial information, as part of the broader system of internal controls over non-financial disclosures that ensures the credibility, accuracy, reliability, and timeliness of the Group's non-financial data and information.

Risk identification for the purpose of reporting non-financial information follows a process-based approach, whereby risks are identified in relation to each process in which they may emerge. Consequently, existing processes and subprocesses are analyzed with reference to the process matrices documented as part of the system of internal controls over non-financial disclosures, and the specific activities involved in each subprocess are identified. After identifying the risks linked to the reporting of non-financial information, the Company maps the actions already in place i.e. each risk-response measure used to tackle the potential risk, by mitigating it or translating it into an opportunity (e.g. measures of an organizational, procedural, IT, or other nature). Risks are ranked by their significance and potential organizational impact.

The system of internal control includes the following information and data:

- Cross-cutting ESRS (ESRS 1 and ESRS 2): these include guidelines for reporting on such general sustainability matters as governance, strategy, risk management, and the transparency of information;
- Topical Standards (E1, E2, E3, E5, S1, S2, S4): material topics identified via the double materiality assessment.

For each ESRS type, the following table indicates the main reporting risks identified and the controls implemented to mitigate them:

ESRS type	Main risks identified	Examples of controls implemented to mitigate risks
Cross-cutting (ESRS 1 and ESRS 2)	• Late production and publication of the Sustainability Report, • Unauthorized access to the reporting system, • Wrong consolidation perimeter defined.	• Access controls to ensure that only authorized personnel can use the reporting system, • Audit checks on the data input to confirm its completeness and accuracy. • Approval procedures for additions and changes to reporting data, plus automated controls to reduce manual errors in the reporting process.
Topical Standards (E1, E2, E3, E5, S1, S2, S4)	• Erroneous collection, processing, and reporting of data on: - energy consumption, - natural gas consumption, - water consumption, - recycled, stored, or reused water, - waste produced, - flows of goods received, - workforce, - employee training, - health and safety of personnel, - wages and remuneration, - human rights violations, - payment practices.	• Checks to ensure the accuracy of data on energy and water consumption. • Verification procedures to ensure the accuracy of information about the waste generated and the flow of goods received. • Controls to monitor the reporting of data about the workforce and human rights, and to ensure the consistency and reliability of the information disclosed.

The results of the risk assessment and the internal control work included in the sustainability reporting process via the adoption of careful, well structured reporting practices. These include the scheduling of reporting tasks, establishing responsibilities and timelines for data collection and validation, and ensuring the traceability of information and actions.

The Manager responsible for drafting the accounting documents ensures the maintenance and adequacy of the system of internal control over non-financial reporting, and is assisted by the Internal Audit, Risk & Compliance Function, which constantly monitors its efficacy via the following actions:

- identification of the perimeter to be analyzed in terms of the Group companies involved, including the related business processes that make a quali-quantitative contribution to preparation of the Sustainability Report of Interpump Group S.p.A.;
- mapping and update of risks and controls relevant for non-financial reporting purposes;
- verification of the adequacy of the design and operational effectiveness of the controls, via independent monitoring and periodic tests;
- working with management (a.k.a. risk owners), who are tasked as part of their duties with implementing line controls for the proper execution of operating activities, including those with an impact on the production of non-financial data, to identify corrective actions (remediation plans) in order to:
    - make necessary corrections,
    - ensure the proper functioning of the system of internal control.

In order to enable the Board to perform its oversight role, the Internal Audit, Risk & Compliance Function prepares summary reports, annually or more frequently, on the results of the work performed. After sharing the results with the Manager responsible for drafting the accounting documents, the Internal Audit, Risk & Compliance Function presents them to the Control and Risks Committee, which opines on the adequacy and effectiveness of the system of internal control over non-financial reporting, considering the characteristics of the business and the risk profile accepted. After making that assessment, the Control and Risks Committee presents the Report to the Board for review.

Strategy

SBM-1 - Strategy, business model, and value chain

The product catalog of the Interpump Group is especially numerous and broad, but essentially defines the two business sectors: Water-Jetting and Hydraulics.

Principal products

Water-Jetting sector	Hydraulic sector
• Plunger pumps for water (1 to 2,000 HP) with related components and accessories; • Special pumps, mixers, agitators, cleaning systems, valves and tanks; • Automated milking systems.	• Hydraulic components [4]; • Piping systems; • Gears for industrial and domestic machines; • Orbital motors and steering systems

Principal markets

Water-Jetting sector	Hydraulic sector
• Agri-food industry; • Cosmetics industry; • Pharmaceutical industry; • Steel industry; • Industrial cleaning services; • Water treatment; • Automotive industry; • Construction machinery sector; • Oil & Gas sector;	• Manufacturers of earth-moving, construction, agricultural and lifting equipment; • Mining/extraction sector; • Industrial automation; • Logistics.

More details about Interpump Group products can be found on the Group website[5].

Geographically, the following markets are served: Italy, Rest of Europe, North America, Far East and Pacific Area, and Rest of the World, as already shown in the "Revenues" section of the income statement chapter in this document.

There were no significant changes in the products sold or the markets served (industry-wise or geographically) by the Interpump Group during 2025.

[4] For example: power take-offs, gear pumps, cylinders, hydraulic motors, oil tanks, directional controls and related electronic or mechanical control systems, hydraulic lines (flexible rubber hoses, flexible metal pipes, and rigid pipes), flanges and fittings.
[5] See the following webpage: https://www.interpumpgroup.it/it/chi-siamo/business

The following table summarizes employment by the Group in the above geographical areas at 31 December 2025:

	Italy	Rest of Europe	North America	Far East and Pacific Area	Rest of the World	Total
No. employees	4,050	2,256	1,310	799	1,247	9,662

All products comply with current regulations and are not subject to restrictions in any of the markets in which the Interpump Group operates.

In the context of the 2023-2025 ESG Plan, the Group has adopted Ecodesign Guidelines to identify and develop innovative processes that significantly extend product lifecycles, promoting longer useful lives, reuse, and recycling. Each Group company is responsible for the definition of operating procedures to achieve the above Guidelines, together with KPIs to monitor both the environmental impacts of their products and performance over time.

The key principles embodied in these Guidelines include:

- the efficient management of materials - the Group commits to using renewable raw materials, secondary raw materials, by-products, and/or production scrap (especially higher-value materials, like steel, brass, and cast iron) and to optimizing the use of materials in the production process.
- the extension of product lifecycles - the Group pledges to offer customers repair and preventive maintenance services (even via use of the Internet of Things), as well as products designed to facilitate their complete disassembly.

Currently, however, it is still not possible to define quantitative sustainability targets for major groups of products and services, customer categories, geographical areas, or stakeholder relations.

The Interpump Group has always been committed to continuous innovation and the development of cutting-edge technologies. R&D into innovative products that deliver increased efficiency and reliability is a core part of the Interpump business. All this potentially translates into a lower impact on the environment, waste generation, the consumption of natural resources, and the emission of CO_2 into the atmosphere. The markets in which the Group operates increasingly seek sustainable solutions that minimize their environmental impacts. In this context, Interpump strives to develop products and technologies that can contribute to environmental sustainability while, at the same time, guaranteeing high standards of quality and performance. The search for better product performance often results in improved profiles for energy and water consumption or for the materials used in production. The Group's R&D efforts find practical application in collaboration with various clients, mostly to create new products and applications, or enhance their performance. These dynamics ripple across all Group companies and their respective products, no matter the geographical area or sector of application.

The Interpump Group has embedded its sustainability and business development strategy into the 2023-2025 ESG Plan: 20 actions to be implemented during the plan period, as also detailed on the website of Interpump Group S.p.A.

The value chain of the Interpump Group

Given the heterogeneous nature of the business, the value chain used by the Interpump Group is somewhat complex, reflecting the multiple markets served and services provided.

The upstream activities of the Group are supported by a global network of suppliers, which fall into three principal macro-categories:

- key suppliers that provide mechanical components, metal, rubber, compound and plastic semi-finished parts, electrical components and equipment, utensils, and tools for production and assembly purposes. In turn, these suppliers purchase from third parties the raw materials that underpin Interpump's production processes;
- suppliers of water, needed in the various stages of production and product testing;
- suppliers of fuel and energy, needed to carry out all the various activities.

Interpump also draws on support from businesses active in the areas of sales and distribution, logistics, processing and production, and in the external provision of professional services (e.g. HR, IT, legal, marketing, tax, and auditing).

The wide range of technical solutions and the diversified geographical presence often require the decentralized management of procurement at subsidiary level. Additionally, the commercial and distribution companies within the Group are able to purchase products from external suppliers, as well as from the Group's manufacturing companies.

Interpump carries out numerous activities directly, with an emphasis on the production and sale of:

- high and very high pressure plunger pumps (Water-Jetting sector).
- hydraulic systems and components, flexible rubber hoses and rigid metallic pipes, power transmissions, gear motors, orbital motors and steering systems (Hydraulic sector).

In addition to direct production, Interpump also:

- provides after-sales and technical support to customers;
- resells third-party products;
- carries out R&D work, both internally and in collaboration with customers and suppliers;
- carries out testing, quality control and ancillary production processes.

Given the nature of the items offered, consisting of components for the assembly of third-party products, the Group's downstream supply chain comprises OEMs, distributors and resellers. As such, the Group's business model involves very limited exposure to end consumers (as defined in Decree 206/2005), focusing instead on professional and industrial-level relationships.

For example, the following table shows the sectors in which the solutions offered by the Group's Water-Jetting and Hydraulic sectors are used.

Application of solutions Water-Jetting sector	Application of components Hydraulic sector
Food-processing industry	Industrial vehicles
Dairy industry	Earth-moving equipment
Cosmetics industry	Construction vehicles
Water treatment	Lifting and transport vehicles
Industrial cleaning	Agricultural vehicles
Oil & Gas industry	Machine tools
Construction industry	
Foundries and steelworks	

Furthermore, again downstream in the value chain, the Interpump Group interfaces with operators engaged in:

- logistics for the transportation and distribution of products;
- management of waste/EOL products.

The Interpump Group has always been committed to continuous innovation and the development of cutting-edge technologies. The Group's R&D efforts find practical application in collaboration with various clients, mostly to create new products and applications, or enhance their performance. Despite the complexity of the collaborative process with customers, Interpump believes that this approach can deliver the following benefits:

- Direct feedback: collaborating closely with customers during the R&D process means that immediate, direct feedback on products and services can be obtained.
- Synergies: involving customers in the early stages of development enables solutions to be created that satisfy their needs and preferences. This approach can lead to the identification of additional products and applications that are even more innovative and suited to the target market.
- Risk reduction: collaborating with customers from the outset helps to reduce risks by identifying potential issues before they become critical or costly to resolve.
- Customer loyalty: involving customers in the development process increases their confidence in Group companies.

SBM- 2 - Interests and views of stakeholders

The Interpump Group periodically interacts with stakeholders to ensure that business decisions align with the expectations and needs of all involved parties.

For each category of stakeholder identified, the Interpump Group has developed specific communications channels via which to listen periodically to their opinions and understand their points of view and needs. The comments and results deriving from the various forms of stakeholder engagement are considered by top management when updating the list of impacts, risks, and opportunities to be monitored.

Interpump Group S.p.A. also recognizes the fundamental importance of discussions with its shareholders and investors, fostering constant, ongoing dialog with a view to creating value over the medium-long term. At the meeting held on 4 October 2021, the Board adopted the "Policy for managing dialog with the Shareholders" in order to govern the most appropriate forms of engagement with the shareholders and significant stakeholders.

The principal stakeholders identified by Interpump are listed below, together with the respective engagement methods and frequency.

Stakeholder category (45a i)	Engagement frequency (45a ii, iii)	Engagement method (45a ii, iii)
Employees and collaborators	Continuous	- Periodic assessment of performance and results - Corporate intranet - Specific training programs - Communications from top management - Collective bargaining - Questionnaire to identify the relevant issues, used to fill in the materiality matrix
Shareholders	Continuous	- Institutional website - Periodic meetings - Shareholders' meeting - Press releases - Adoption of a policy for managing dialog with the shareholders
Local Community	Continuous	- Institutional website - Donations - Meetings for student orientation (apprenticeships/internships)
Competitors	Periodic	- Institutional website - Participation in initiatives, fairs and events
Trade unions	Periodic / ad hoc	- Institutional meetings
Trade associations	Continuous / ad hoc	- Participation at conferences and information sessions
Providers of finance	Periodic	- Institutional website - Periodic meetings with financial analysts

Stakeholder category (45a i)	Engagement frequency (45a ii, iii)	Engagement method (45a ii, iii)
		- Press releases
Suppliers	Continuous / ad hoc	- Institutional website - Constant relations with the relevant business functions - Participation in initiatives and events - Stakeholder engagement
Public administration and control bodies	Continuous	- Institutional meetings
Customers	Continuous / ad hoc	- Institutional website - Customer service - Catalogs - After-sales service - Trade fairs - Stakeholder engagement
Legislator	Continuous	- Institutional website - Disclosure to Consob and the market - Information on request - Reports and financial statements - Press releases - Shareholders' meetings

Certain specific stakeholder categories - including investors, top management, Board members and a sample of customers and suppliers - were involved directly in assessing the importance of the various sustainability matters.

As specified above, in the section entitled "*GOV-1: The role of the administrative, management, and supervisory bodies*", the results of this analysis are examined annually by the Board, with assistance from the Sustainability Committee. The Board of Directors is periodically informed about the opinions of stakeholders, based on the engagement activities scheduled throughout the year.

SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model

The sustainability impacts, risks, and opportunities deemed material by the Interpump Group, following completion of the double materiality analysis that underpinned the preparation of this Report, are described in the tables presented in the remainder of this section.

The following are specified with regard to the impacts:

- whether they are negative or positive and how they affect people or the environment;
- the related actions included in the 2023-2025 ESG Strategic Plan[6];
- the time horizons that are reasonably expected;
- whether they arise in the Group's direct operations or within the value chain.

The following types of impact are presented in the tables:

- positive (P) or negative (N);
- actual (Act) or potential (Pot);
- characterized by a Short (S), Medium (M) or Long (L) time horizon;
- position within the value chain: direct operations (Direct), Upstream (Up) or Downstream (Down).

ESRS	Topic	Subtopic	Sub-subtopic	Description of impact	Position within value chain	Act / Pot	P / N	Time horiz.	ESG plan
E1	Climate change	Mitigation		The procurement, transportation, and production processes necessary to create the Group's products involve energy consumption from non-renewable sources and the related GHG gas emissions, primarily from the use of fossil fuels (Scope 1) and the purchase of electricity from the grid (Scope 2) to operate the Group's plants. The resulting Scope 1 and 2 emissions represent the principal driver of the Group's contribution to the rise in global temperatures.	Direct	Act	N	L	Action E.1 E.2 E.3

[6] Further details about the 2023-2025 ESG Plan of the Interpump Group and related actions can be found in a specific section of the website https://www.interpumpgroup.it/it/sostenibilita/piano-esg-2023-2025

ESRS	Topic	Subtopic	Sub-subtopic	Description of impact	Position within value chain	Act / Pot	P / N	Time horiz.	ESG plan
E1	Climate change	Energy		The material impact derives from an energy mix that contains a high incidence of non-renewable fossil fuels (coal, natural gas and petroleum). This configuration, combined with limited opportunities to enhance energy efficiency, results in an elevated consumption of primary energy from non-renewable sources, which conflicts with the objective to transition to low-emission energy sources.	Direct	Act	N	L	Action E.1 E.2 E.3
E1	Climate change	Mitigation		The Interpump Group contributes to indirect (Scope 3) greenhouse gas (GHG) emissions throughout the value chain. These are particularly material in the following areas: 1) Extraction and processing of raw materials (e.g. metals and fossil fuels), due to the intrinsic high energy consumption and industrial processes involved. 2) Generation of energy purchased and included in goods and services throughout the value chain. These emissions make a significant contribution to the overall climate impact of the business	Up	Act	N	L	
E1	Climate change	Mitigation		Certain categories of product sold by the Group require fuels and electricity for their use. This generates significant GHG emissions (Scope 3, Category 11) that contribute to climate change, representing an actual negative material impact of the business on the environment throughout the downstream value chain. These emissions are a significant portion of the total generated by the business.	Down	Act	N	L	
E1	Climate change	Energy		The Group has a negative impact on the environment via intensive energy consumption and the use of non-renewable fossil fuels by its suppliers (Scope 3, Upstream categories: e.g. Category 1 - Purchased goods and services, Category 2 - Capital assets). This upstream consumption contributes significantly to the depletion of natural resources and global GHG emissions.	Up	Act	N	L	

ESRS	Topic	Subtopic	Sub-subtopic	Description of impact	Position within value chain	Act / Pot	P / N	Time horiz.	ESG plan
E1	Climate change	Energy		The Group has a negative impact on the environment via the consumption of energy during the use of sold products (Scope 3, Category 11 - Use of sold products) by its customers. This downstream energy requirement, often covered from fossil sources by end customers, contributes directly to the increase in global GHG emissions and the depletion of resources, with a material impact on climate change.	Down	Act	N	L	
E2	Pollution	Pollution of air		Atmospheric emissions include pollutants that have a negative impact on air quality and ecosystems, including human and animal health. During activities within the supply chain, polluting emissions are released into the atmosphere.	Up	Act	N	M	
E2	Pollution	Pollution of water		Water discharges contain pollutants that have a negative impact on water quality. During activities within the supply chain, polluting discharges are released into the water.	Up	Act	N	M	
E2	Pollution	Pollution of soil		The extraction and processing of raw materials and semi-finished goods used by the Group has a negative impact on soil quality. During activities within the supply chain, the likely discharge of pollutants has a negative impact on the surrounding territory.	Up	Act	N	M	
E3	Water and marine resources	Water	Water consumption	Although limited, water consumption by Group plants has an impact on the territories in which the business operates, especially if located in a water-stressed area, with consequences for its availability for the local community. Among the countries in which the Group operates, about 50% are in medium/low water-stress situations, while the remainder (including Italy) fall into medium/high stress categories.	Direct	Act	N	S	Action E.6

ESRS	Topic	Subtopic	Sub-subtopic	Description of impact	Position within value chain	Act / Pot	P / N	Time horiz.	ESG plan
E3	Water and marine resources	Water	Water withdrawal	Water withdrawal by Group plants has an impact on the territories in which the business operates, especially if located in a water-stressed area, with consequences for its availability for the local community. Among the countries in which the Group operates, about 50% are in medium/low water-stress situations, while the remainder (including Italy) fall into medium/high stress categories.	Direct	Act	N	S	Action E.6
E3	Water and marine resources	Water	Water consumption	The process of producing raw materials, such as metals, requires large quantities of water. Here too, the consumption of water has an impact on the territories in which companies within the value chain operate.	Up	Act	N	S	
E3	Water and marine resources	Water	Water withdrawal	The process of producing raw materials, such as metals, requires large quantities of water. Here too, the withdrawal of water has an impact on the territories in which companies within the value chain operate.	Up	Act	N	S	
E5	Circular economy	Resource inflows, including resource use		Although the Interpump Group carries out constant research into technical solutions capable of reducing the environmental impact and consumption of raw materials, the share of raw materials obtained from recycling is not always high; in addition, it is not always possible to: choose raw materials with a low environmental impact, guarantee the repairability of components or optimize the management of EOL products.	Direct	Pot	N	M	Action E.4 E.5

ESRS	Topic	Subtopic	Sub-subtopic	Description of impact	Position within value chain	Act / Pot	P / N	Time horiz.	ESG plan
E5	Circular economy	Waste		The quantity, type, and quality of waste generated are a consequence of procurement, production, and product EOL activities. The Group directly generates both hazardous and non-hazardous waste, with the primary waste being ferrous metal filings and turnings. If not properly managed, waste disposal can generate environmental impacts in the affected territories. This impact depends not only on the specific regulations of the various countries in which the Group operates, but also on the local infrastructure available to manage waste.	Direct	Act	N	S	Action E.4 E.5
E5	Circular economy	Waste		Although the Interpump Group carries out constant research into technical solutions capable of reducing its environmental impact, it is possible to imagine a potential negative impacts both downstream and with regard to EOL products. Indeed, there may be significant increases in environmental pollution and an overloading of landfills due to difficulties with the disposal or recycling of EOL products, especially if they were designed with complex, non-recyclable materials, or sold in markets with poor waste management facilities.	Down	Act	N	S	Action E.7
S1	Own workforce	Working conditions	Health and safety	Business processes may affect the health and safety of employees, depending on their duties which might involve the use of heavy machinery, the manual handling of loads or repetitive work. Such work could cause workplace injuries, with possibly serious consequences for the persons concerned.	Direct	Pot	N	S	Action S.1 S.2

ESRS	Topic	Subtopic	Sub-subtopic	Description of impact	Position within value chain	Act / Pot	P / N	Time horiz.	ESG plan
S1	Own workforce	Working conditions	Collective bargaining, including rate of workers covered by collective agreements	In certain countries in which the Group operates, local regulations might have only defined a simple negotiating framework, indeed if one exists at all. This situation might reduce the ability of employees to express themselves effectively when negotiating contractual conditions, with a possible negative impact on industrial relations that undermines the ability of the business to attract and retain talent over the long term.	Direct	Pot	N	S	
S1	Own workforce	Equal treatment and opportunities for all	Gender equality and equal pay for equal work of equal value	Group operations in jurisdictions with different regulatory frameworks for civil rights could generate a potential negative impact on gender equality. Working in contexts that offer weak protections for diversity and non-discrimination exposes the workers to the risk of unequal treatment and restricted access to equal career and remuneration opportunities, compromising the standards of dignified work promoted by the Group.	Direct	Pot	N	S	
S1	Own workforce	Equal treatment and opportunities for all	Employment and inclusion of persons with disabilities	Group operations in jurisdictions with different regulatory frameworks for civil rights could generate a potential negative impact on the protection of disabilities. Working in contexts that offer weak protections for diversity and non-discrimination exposes the workers to the risk of unequal treatment and restricted access to equal career and remuneration opportunities, compromising the standards of dignified work promoted by the Group.	Direct	Pot	N	S	
S1	Own workforce	Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	Group operations around the world in jurisdictions with limited legal protections exposes workers to potential negative impacts linked to violence and harassment in the workplace. Such situations might compromise their right to the safe and dignified working environment promoted by the Group.	Direct	Pot	N	S	

ESRS	Topic	Subtopic	Sub-subtopic	Description of impact	Position within value chain	Act / Pot	P / N	Time horiz.	ESG plan
S1	Own workforce	Equal treatment and opportunities for all	Diversity	Group operations in jurisdictions with different regulatory frameworks for civil rights could generate a potential negative impact on the protection of diversity. Working in contexts that offer weak protections for diversity and non-discrimination exposes the workers to the risk of unequal treatment and restricted access to equal career and remuneration opportunities, compromising the standards of dignified work promoted by the Group.	Direct	Pot	N	S	Action S.7
S1	Own workforce	Equal treatment and opportunities for all	Training and skills development	Failure to update the professional skills of employees, via the implementation of training pathways, could have a negative impact on productivity and general business performance.	Direct	Pot	N	M	Action S.3
S1	Own workforce	Other work-related rights	Privacy	Information systems are becoming an ever more fundamental part of the Group’s business, and ensuring their security is a priority. If not adequately protected, sensitive employee data could be disclosed externally and threaten privacy compliance.	Direct	Pot	N	S	
S2	Workers in the value chain	Other work-related rights	Child labor	The presence of the Group in global markets with weak regulatory frameworks for the protection of workers exposes value-chain workers to the risks of abuse and harassment. Poor oversight of diversity and non-discrimination in those geographical areas encourages the potential violation of human rights and failure to satisfy the minimum standard for dignified work, even resulting in the exploitation of child labor.	Up	Pot	N	S	
S2	Workers in the value chain	Other work-related rights	Forced labor	The presence of the Group in global markets with weak regulatory frameworks for the protection of workers exposes value-chain workers to the risks of abuse and harassment. Poor oversight of diversity and non-discrimination in those geographical areas encourages the potential violation of human rights and failure to satisfy the minimum standard for dignified work, even resulting in the exploitation of forced labor.	Up	Pot	N	S	

ESRS	Topic	Subtopic	Sub-subtopic	Description of impact	Position within value chain	Act / Pot	P / N	Time horiz.	ESG plan
S2	Workers in the value chain	Other work-related rights	Privacy	Information systems are becoming an ever more fundamental part of the Group's business, and ensuring their security is a priority. If not adequately protected, the sensitive data of suppliers and their employees could be disclosed externally and threaten privacy compliance.	Up	Pot	N	S	
S2	Workers in the value chain	Working conditions	Health and safety	Given the geographical dislocation of suppliers and the complexity of the supply chain, upstream workers might be exposed to health and safety risks in the workplace, such as the use of dangerous chemical substances, unsafe machinery and exaggerated work pressures. This potential negative impact could well correlate with jurisdictions that have poor regulatory standards and controls.	Up	Pot	N	S	
S4	Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy	Information systems are becoming an ever more fundamental part of the Group's business, and ensuring their security is a priority. If not adequately protected, sensitive customer data could be disclosed externally and threaten privacy compliance.	Direct	Pot	N	S	
G1	Business conduct	Management of relationships with suppliers including payment practices		Payment terms that are excessively extended or influenced by the contractual power of the Group could have a negative impact on the financial equilibrium and liquidity management of suppliers.	Direct	Pot	N	M	
G1	Business conduct	Corporate culture		Failure to strive for progressive alignment with corporate governance best practices could have indirect negative impacts on stakeholders.	Direct	Pot	N	L	Action G.1 G.2
G1	Business conduct	Protection of whistle-blowers		Failure to promote and protect a collaborative and transparent environment could have indirect negative impacts on stakeholders.	Direct	Pot	N	L	

2025 summary table of impacts

ESRS	No. of impacts	Position within value chain			Time horizon		
		Up	Direct	Down	Short	Medium	Long
E1	**6**	2	2	2	-	-	6
E2	**3**	3	-	-	-	3	-
E3	**4**	2	2	-	4	-	-
E5	**3**	-	2	1	2	1	-
S1	**8**	-	8	-	7	1	-
S2	**4**	4	-	-	4	-	-
S4	**1**	-	1	-	1	-	-
G1	**3**	-	3	-	-	1	2
Total	**32**	**7**	**18**	**7**	**18**	**6**	**8**

The following table presents the risks and opportunities identified from the 2025 double materiality analysis, specifying:

- where they manifest throughout the value chain;
- if the effects are actual (current) and/or potential.

The following are also indicated for each risk and opportunity:

- the risk factor concerned: A (Actions), D (dependencies) or I (impact);
- Short (S), Medium (M) or Long (L) time horizon;
- position within the value chain: direct operations (Direct), Upstream (Up) or Downstream (Down).

ESRS	Topic	Subtopic	Sub-subtopic	R / O	Description of risk / opportunity	Factor	Position within value chain	Time horizon
E1	Climate change	Mitigation		O	Via the monitoring of emissions and the definition of a decarbonization strategy, the Group seeks to consolidate its resilience and align proactively with the global climate targets and stakeholder expectations. The objective is to transform the management of climate impacts into a competitive advantage, consolidating the stability of the Group over the long term and seeking new business opportunities.	A	Direct	L
E1	Climate change	Adaptation		O	The Group seeks to strengthen its operational resilience and business continuity by embedding the analysis of physical-climate risks in its strategic processes. The objective is to transform the management of climate impacts into a competitive advantage, consolidating the stability of the Group over the long term and seeking new business opportunities.	A	Direct	L
E1	Climate change	Energy		O	The investments in energy efficiency and procurement from renewable sources act as competitive drivers, enabling the Group to mitigate its vulnerability to possible energy market shocks. This strategy transforms the need to lower Scope 2 emissions into an opportunity to strengthen operational resilience.	A	Direct	L
E1	Climate change	Mitigation		O	By developing financial opportunities linked to the energy transition, the Group could gain reputational benefits, thereby attracting environmentally-conscious clients and investors. Additionally, the adoption of energy-efficient technologies and sustainable practices leads to significant cost savings.	D	Direct	M
E1	Climate change	Adaptation		O	By developing financial opportunities linked to the energy transition, the Group could gain reputational benefits, thereby attracting environmentally-conscious clients and investors. Additionally, the adoption of energy-efficient technologies and sustainable practices leads to significant cost savings.	D	Direct	M

ESRS	Topic	Subtopic	Sub-subtopic	R / O	Description of risk / opportunity	Factor	Position within value chain	Time horizon
E1	Climate change	Energy		O	By developing financial opportunities linked to the energy transition, the Group could gain reputational benefits, thereby attracting environmentally-conscious clients and investors. Additionally, the adoption of energy-efficient technologies and sustainable practices leads to significant cost savings.	D	Direct	M
E1	Climate change	Mitigation		R	Climate change will result in increased regulatory pressures and obligations for undertakings to reduce their greenhouse gas emissions. Such obligations could generate higher operating costs for IPG. Moreover, customer preferences are shifting towards organizations that are committed to mitigating their GHG emissions. Should the Group fail to position itself among these companies, it could suffer reputational damage with a potential loss of market share.	I	Direct	M
E1	Climate change	Adaptation		R	Climate change will result in increased regulatory pressures and obligations for undertakings to reduce their greenhouse gas emissions. Such obligations could generate higher operating costs for IPG. Moreover, customer preferences are shifting towards organizations that are committed to mitigating their GHG emissions. Should the Group fail to position itself among these companies, it could suffer reputational damage with a potential loss of market share.	I	Direct	M
E1	Climate change	Adaptation		R	Climate-related events, such as extreme weather conditions, can cause damage to physical assets, requiring repair costs, replacements, or the impairment of affected assets. The increasing frequency and severity of such events could also necessitate investments in higher insurance premiums and general adaptation measures, leading to increased operating costs. Legal risks are also significant, as such issues could result in lawsuits and financial liabilities.	I	Direct	L
S1	Own workforce	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	O	A diverse workforce can spark greater innovation and creativity, thus making the growth of the Group more sustainable. In addition, equal treatment represents an opportunity to attract and retain talent, while also ensuring full compliance with the regulations and lowering any potential legal risks.	A	Direct	M

ESRS	Topic	Subtopic	Sub-subtopic	R / O	Description of risk / opportunity	Factor	Position within value chain	Time horizon
S1	Own workforce	Equal treatment and opportunities for all	Employment and inclusion of persons with disabilities	O	A diverse workforce can spark greater innovation and creativity, thus making the growth of the Group more sustainable. Furthermore, the promotion of an accessible working environment increases both the sense of belonging and workforce retention, with a positive impact in terms of the costs associated with employee turnover.	A	Direct	M
S1	Own workforce	Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	O	A diverse workforce can spark greater innovation and creativity, thus making the growth of the Group more sustainable. In addition, the promotion of a respectful and protective working environment represents an opportunity to attract and retain talent, while also ensuring full compliance with the regulations and lowering any potential legal risks.	A	Direct	M
S1	Own workforce	Equal treatment and opportunities for all	Diversity	O	The promotion of a culture of respect stimulates collaboration and expansion of the corporate network. Transforming compliance obligations into an competitive opportunity improves the ability to attract and retain experienced human capital and lowers the exposure to dispute-related risks.	A	Direct	M
S1	Own workforce	Equal treatment and opportunities for all	Training and skills development	O	Training initiatives designed to promote for personnel growth and enhance career opportunities can lift employee morale and their sense of belonging. This approach enhances internal productivity and increases the attractiveness of the Group in the jobs market, encouraging the development of an ideal working environment for experienced personnel.	A	Direct	M
S1	Own workforce	Working conditions	-	R	Low workforce morale and the erosion of trust can have a serious impact on the operations and financial performance of a business. These factors may have an adverse impact on the reputation of the Group and lead to greater employee turnover (lower productivity, additional training and hiring costs)	D	Direct	M
S1	Own workforce	Working conditions	Health and safety	R	If insufficient attention is dedicated to the health and safety of employees, as in the case of workplace injuries caused by adequate preventive measures or the incorrect identification of risks, Interpump could be faced with an increase in compensation claims and legal penalties for failure to comply with the regulations. Furthermore, an unsafe working environment could result in an increase in employee turnover and a consequent reduction in productivity, in addition to reputational losses.	I	Direct	S

ESRS	Topic	Subtopic	Sub-subtopic	R / O	Description of risk / opportunity	Factor	Position within value chain	Time horizon
S1	Own workforce	Other work-related rights	Privacy	R	Management of the sensitive data of employees is governed by national and international privacy protection laws. Should IT systems not be properly protected from unauthorized physical access, or fail to comply with all regulatory requirements, the Group could face fines and penalties.	I	Direct	S
S1	Own workforce	Other work-related rights	Child labor	R	The adoption of inadequate protocols to safeguard the human rights of employees (child labor) exposes the Group to the risk of legal disputes and penalties, as well as to increased employee turnover and serious reputational losses.	I	Direct	S
S1	Own workforce	Other work-related rights	Forced labor	R	The adoption of inadequate protocols to safeguard the human rights of employees (forced labor) exposes the Group to the risk of legal disputes and penalties, as well as to increased employee turnover and serious reputational losses.	I	Direct	S
S2	Workers in the value chain	Other work-related rights	Child labor	R	Risk of failure to identify unlawful or unethical conduct (child labor) within the supply chain. Against a background of increased regulatory severity (CSDDD), the incompleteness of due diligence work could give rise to civil liability, administrative penalties and reputational losses, with consequent financial outflows and a loss of market confidence.	D	Up	S
S2	Workers in the value chain	Other work-related rights	Forced labor	R	Risk of failure to identify unlawful or unethical conduct (forced labor) within the supply chain. Against a background of increased regulatory severity (CSDDD), the incompleteness of due diligence work could give rise to civil liability, administrative penalties and reputational losses, with consequent financial outflows and a loss of market confidence.	D	Up	S
S2	Workers in the value chain	Other work-related rights	Privacy	R	Management of the sensitive data of suppliers is governed by national and international privacy protection laws. Should IT systems not be properly protected from unauthorized physical access, or fail to comply with all regulatory requirements, the Group could face fines and penalties.	I	Up	S
S4	Consumers and end-users	Impacts related to the information provided to consumers and/or end-users	Privacy	R	Management of the sensitive data of customers is governed by national and international privacy protection laws. Should IT systems not be properly protected from unauthorized physical access, or fail to comply with all regulatory requirements, the Group could face fines and penalties.	I	Down	S

2025 summary table of risks and opportunities

ESRS	No.	Position within value chain			Time horizon		
		Up	Direct	Down	Short	Medium	Long
E1 - Risks	**3**	-	3	-	-	2	1
E1 - Opportunities	**6**	-	6	-	-	3	3
S1 - Risks	**5**	-	5	-	4	1	-
S1 - Opportunities	**5**	-	5	-	-	5	-
S2 - Risks	**3**	3	-	-	3	-	-
S4 - Risks	**1**	-	-	1	1	-	-
Total	**23**	**3**	**19**	**1**	**8**	**11**	**4**

The Interpump Group has developed a business strategy that takes into account material impacts and risks, as well as the opportunities that may arise from them. Specifically, the Group has implemented a Risk Assessment process - coordinated by the Internal Audit, Risk & Compliance Function and updated annually - that takes sustainability matters into account.

No impacts, risks and opportunities are reported in 2025 via the provision of specific additional information. Furthermore, none of the risks identified in the double materiality analysis are expected to increase significantly the likelihood of major adjustments to assets and liabilities in the coming year.

The Group is finalizing the 2026-2028 ESG Strategic Plan, which will define operational targets in close correlation with the impacts, risks, and opportunities (IRO) identified in the 2025 materiality analysis.

Management of Impacts, Risks, and Opportunities

IRO-1 - Description of the process to identify and assess material impacts, risks, and opportunities

The ESRS standard establishes that a sustainability matter can be material from one or both of the following standpoints:

- impact dimension: a sustainability matter is material when it relates to the actual or potential impacts, whether positive or negative, of the business on people or the environment over the short, medium, or long term. These impacts can stem from activities under the direct control of the business or from those within the upstream and downstream value chains.
- financial dimension: a sustainability matter is material if it could, or does, give rise to significant financial impacts on the business, whether negative (risks) or positive (opportunities) in nature. These risks and opportunities can stem from activities under the direct control of the business or from those within the upstream and downstream value chains.

The Group has defined its sustainability priorities via a double materiality analysis, the details of which are presented in the following sections.

IMPACT MATERIALITY

In order to identify the material sustainability matters, the Interpump Group started by identifying and assessing its impacts on people and the environment (inside-out view). This process was carried out in three phases:

Phase 1 - Understanding the context in which the Interpump Group operates: activities, business relationships, and geographies

The following were considered in order to identify the material impacts of the Interpump Group on people and the environment:

- all direct operations carried out, as detailed in the earlier section entitled "SBM-1: Strategy, business model, and value chain".
- the key business relationships of the Interpump Group, as detailed in the earlier section entitled "SBM-1: Strategy, business model, and value chain".
- all countries in which the Interpump Group operates and that have been analyzed with reference to two geographical macro-areas: "Europe, North America, Pacific Area" and "Rest of the world". This approach was adopted to analyze and highlight the impacts, risks, and opportunities (IROs) that matter most to the Group.

Phase 2 - Identification of the actual and potential impacts of the Group, including via dialog with the stakeholders

Stakeholder involvement was important, especially for the identification of actual and potential negative impacts that could influence their decisions about the Group. For a detailed profile of the stakeholders of the Interpump Group and the related engagement processes, see the earlier section entitled "*SBM-2: Interests and views of stakeholders*".

Phase 3 - Assessment and ranking of the materiality of the impacts identified

Two different scales were used to assess and rank the negative and positive impacts identified:

Negative impacts	Positive impacts
Negative impacts were ranked by considering their **likelihood** of occurrence and their severity, based on the following factors: • Scale how grave the impact is • Scope how widespread the impact is within the value chain concerned • Irremediable character to what extent a negative impact can be remediated	Positive impacts were ranked by considering their **likelihood** of occurrence, as well as their **scale** and **scope**.

The Interpump Group assessed each aspect that determines the severity of an impact (scale, scope, irremediable character) scoring them from 1 to 5. The addition of these three separate scores determined the overall severity weighting, in a range from 0 to 15. This sum was then uplifted by a coefficient of 20% if the impact might have negative effects on human rights.

This calculated value was then multiplied by the likelihood of occurrence, which could range from 0.2 (unlikely) to 1 (certain).

On completion of this procedure, all impacts with a final score of less than 5 were deemed to be immaterial; conversely, those above that threshold were deemed to be material.

FINANCIAL MATERIALITY

After having identified the material sustainability impacts, the Group identified and assessed the sustainability risks and opportunities that have, or could have, short-, medium-, or long-term financial impacts on the Interpump Group.

These risks and opportunities were correlated with:

- the material impacts identified as an output from the Impact Materiality analysis;
- the dependencies, being the external factors on which the organization relies in order to carry out its activities and achieve its objectives;
- actions included in the 2023-2025 ESG Plan in order to mitigate negative impacts and/or maximize any positive sustainability impacts.

Financial materiality was assessed with sole reference to the management actions, policies and mitigation measures already implemented by the Group; to do this, scores from 1 to 5 were assigned to the probability and magnitude parameters. Specifically, magnitude was considered as the impact of the risk/opportunity on EBITDA, consistent with the procedure using in the Group's ERM model. On completion of this procedure, all risks and opportunities with a final score of less than 1.6 were deemed to be immaterial; conversely, those above that threshold were deemed to be material.

DEFINITION OF MATERIAL SUSTAINABILITY TOPICS

The results of the two analyses (Impact Materiality and Financial Materiality) were aggregated into material impacts, risks, and opportunities, which were then used to define the material sustainability matters.

The Interpump Group involved certain stakeholders - including customers, suppliers, investors, top management, and Board members - in the process of assessing the importance of the material sustainability topics. In addition, as specified in the earlier section entitled "*GOV-1: The role of the administrative, management, and supervisory bodies*", the Board - assisted by the Sustainability Committee - is involved, at least yearly, in an examination of the results of the process to identify material topics for inclusion in the Sustainability Report.

In order to map risks fully, the Enterprise Risk Management (ERM) Model identifies sustainability risks using an approach that qualifies risk events as significant if they impact sustainability factors or topics deemed important for Interpump, including for the purpose of disclosure in this Report. Quantification took account of the assessments made for non-financial reporting purposes, including the double materiality analysis. For each impact, the controls implemented by the Group were also identified.

Based on the double materiality analyses already carried out by the Group, the IROs linked to biodiversity are not deemed to be material. Given the limited impact of this topic on direct operations, attention was focused on the first cluster of Tier 1 suppliers. That analysis sought to assess the importance attached to biodiversity by the Group's main suppliers of metal semi-finished goods, which are mostly based in Italy. Their registered addresses were used as a proxy for the location of the production plants, in order to check their proximity to MAB (Man and the Biosphere Programme) areas. While this was only a partial analysis, needing more work over time, biodiversity does not currently appear to be a material topic for this first cluster of suppliers.

IRO-2 - Disclosure requirements in ESRS covered by the undertaking's sustainability report

Following the double materiality analysis, eight material topics were identified. Details can be found on the pages indicated in the following table:

ESRS	Subtopic	Sub-subtopic	Page
E1 - Climate change	Climate change adaptation	-	118
	Climate change mitigation	-	118
	Energy	-	118
E2 - Pollution	Pollution of air	-	135
	Pollution of soil	-	135
	Pollution of water	-	135
E3 - Water and marine resources	Water	Water consumption	138
	Water	Water withdrawal	138
E5 - Resource use and circular economy	Resource inflows, including resource use	-	145
	Waste	-	145
S1 – Own workforce	Working conditions	Health and safety	153
	Working conditions	Secure employment	153
	Working conditions	Adequate wages	153
	Working conditions	Social dialogue	153
	Working conditions	Collective bargaining, including rate of workers covered by collective agreements	153
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	153
	Equal treatment and opportunities for all	Training and skills development	153
	Equal treatment and opportunities for all	Diversity	153
	Equal treatment and opportunities for all	Employment and inclusion of persons with disabilities	153
	Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	153
	Other work-related rights	Child labor	153
	Other work-related rights	Forced labor	153
	Other work-related rights	Privacy	153
S2 – Workers in the value chain	Working conditions	Health and safety	174
	Other work-related rights	Child labor	174
	Other work-related rights	Forced labor	174
	Other work-related rights	Privacy	174
S4 – Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy	180
G1 – Business conduct	Corporate culture	-	186
	Protection of whistle-blowers	-	186
	Management of relationships with suppliers including payment practices	-	186

The Interpump Group has divided its impacts, risks, and opportunities into three thresholds of significance: *low*, *medium*, and *high*. The significance (*medium* or *high*) of material impacts, risks, and opportunities is detailed in the earlier section entitled "SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model".

The following table below lists all the data points from EU regulations other than Delegated Regulation 2023/5303 on European Sustainability Reporting Standards. The "Section" column indicates the location of each element within the Report or, alternatively, the wording "Not significant" if the topic was not deemed material following the double materiality analysis:

Disclosure requirement and related	Datapoint	SFDR reference [7]	Pillar 3 reference ([8])	Benchmark Regulation reference ([9])	EU Climate Law reference ([10])	Section
ESRS 2 GOV-1 Board's gender diversity	21-d	Annex I, Table 1, Indicator no. 13		Commission Delegated Regulation (EU) 2020/1816 [11], Annex II		ESRS 2 GOV-1
ESRS 2 GOV-1 Percentage of Board members who are independent	21-e			Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS 2 GOV-1
ESRS 2 GOV-4 Statement on due diligence	30	Annex I, Table 3, Indicator no. 10				ESRS 2 GOV-4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities	40-d-i	Annex I, Table 1, Indicator no. 4	Article 449a Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453 [12] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		Not significant
ESRS 2 SBM-1 Involvement in activities related to chemical production	40-d-ii	Annex I, Table 2, Indicator no. 9		Commission Delegated Regulation (EU) 2020/1816, Annex II		Not significant

[7] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019, on sustainability-related disclosures in the financial services sector (SFDR) (OJ L 317, 9.12.2019, p. 1).

[8] Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013, on prudential requirements for credit institutions and amending Regulation (EU) 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1).

[9] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) 596/2014 (OJ L 171, 29.6.2016, p. 1).

[10] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021, establishing the framework for achieving climate neutrality and amending Regulations (EC) 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

[11] Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020, supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

[12] Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022, amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social, and governance risks (OJ L 324, 19.12.2022, p. 1).

Disclosure requirement and related	Datapoint	SFDR reference [7]	Pillar 3 reference ([8])	Benchmark Regulation reference ([9])	EU Climate Law reference ([10])	Section
ESRS 2 SBM-1 Involvement in activities related to controversial weapons	40-d-iii	Annex I, Table 1, Indicator no. 14		Article 12(1) of Commission Delegated Regulation (EU) 2020/1818 and Annex II of Commission Delegated Regulation (EU) 2020/1816		Not significant
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco	40-d-iv			Article 12(1) of Commission Delegated Regulation (EU) 2020/1818 [13] and Annex II of Commission Delegated Regulation (EU) 2020/1816		Not significant
ESRS E1-1 Transition plan to reach climate neutrality by 2050	14				Article 2(1) of Regulation (EU) 2021/1119	ESRS E1-1
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks	16-g		Article 449a Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article 12(1) d) to g) of Commission Delegated Regulation (EU) 2020/1818 and Article 12(2)		Not significant
ESRS E1-4 GHG emission reduction targets	34	Annex I, Table 2, Indicator no. 4	Article 449a Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: alignment metrics	Article 6 of Commission Delegated Regulation (EU) 2020/1818		ESRS E1-4
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	38	Annex I, Table 1, Indicator no. 5 and Annex I, Table 2, Indicator no. 5				ESRS E1-5

[13] Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020, supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council, as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Disclosure requirement and related	Datapoint	SFDR reference [7]	Pillar 3 reference ([8])	Benchmark Regulation reference ([9])	EU Climate Law reference ([10])	Section
ESRS E1-5 Energy consumption and mix	37	Annex I, Table 1, Indicator no. 5				ESRS E1-5
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors	40-43	Annex I, Table 1, Indicator no. 6				ESRS E1-5
ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	44	Annex I, Table 1, Indicator nos. 1 and 2	Article 449a Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Articles 5(1), 6 and 8(1) of Commission Delegated Regulation (EU) 2020/1818		ESRS E1-6
ESRS E1-6 Gross GHG emissions intensity	53-55	Annex I, Table 1, Indicator no. 3	Article 449a Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: alignment metrics	Article 8(1) of Commission Delegated Regulation (EU) 2020/1818		ESRS E1-6
ESRS E1-7 GHG removals and carbon credits	56				Article 2(1) of Regulation (EU) 2021/1119	Not significant
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks	66			Annex II of Commission Delegated Regulation (EU) 2020/1818 and Annex II of Commission Delegated Regulation (EU) 2020/1816		Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk ESRS E1-9 Location of significant assets at material physical risk	66-a; 66-c		Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			Phase-in

Disclosure requirement and related	Datapoint	SFDR reference [7]	Pillar 3 reference ([8])	Benchmark Regulation reference ([9])	EU Climate Law reference ([10])	Section
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes	67-c		Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralized by immovable property - Energy efficiency of the collateral			Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities	69			Annex II of Commission Delegated Regulation (EU) 2020/1818		Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	28	Annex I, Table 1, Indicator no. 8, Annex I, Table 2, Indicator no. 2, Annex I, Table 2, Indicator no. 1, Annex I, Table 2, Indicator no. 3				Not significant
ESRS E3-1 Water and marine resources	9	Annex I, Table 2, Indicator no. 7				ESRS E3-1
ESRS E3-1 Dedicated policy	13	Annex I, Table 2, Indicator no. 8				ESRS E3-1
ESRS E3-1 Sustainable oceans and seas	14	Annex I, Table 2, Indicator no. 12				ESRS E3-1
ESRS E3-4 Total water recycled and reused	28-c	Annex I, Table 2, Indicator no. 6.2				ESRS E3-4
ESRS E3-4 Total water consumption in m^3 per net revenue from own operations	29	Annex I, Table 2, Indicator no. 6.1				ESRS E3-4
ESRS 2 IRO-1 – E4	16-a-i	Annex I, Table 1, Indicator no. 7				Not significant
ESRS 2 IRO-1 – E4	16-b	Annex I, Table 2, Indicator no. 10				Not significant
ESRS 2 IRO-1 – E4	16-c	Annex I, Table 2, Indicator no. 14				Not significant

Disclosure requirement and related	Datapoint	SFDR reference [7]	Pillar 3 reference ([8])	Benchmark Regulation reference ([9])	EU Climate Law reference ([10])	Section
ESRS E4-2 Sustainable land / agriculture practices or policies	24-b	Annex I, Table 2, Indicator no. 11				Not significant
ESRS E4-2 Sustainable oceans / seas practices or policies	24-c	Annex I, Table 2, Indicator no. 12				Not significant
ESRS E4-2 Policies to address deforestation	24-d	Annex I, Table 2, Indicator no. 15				Not significant
ESRS E5-5 Non-recycled waste	37-d	Annex I, Table 2, Indicator no. 13				ESRS E5-5
ESRS E5-5 Hazardous waste and radioactive waste	39	Annex I, Table 1, Indicator no. 9				ESRS E5-5
ESRS 2 SBM3 – S1 Risk of incidents of forced labor	14-f	Annex I, Table 3, Indicator no. 13				ESRS 2 SBM3 – S1
ESRS 2 SBM3 – S1 Risk of incidents of child labor	14-g	Annex I, Table 3, Indicator no. 12				ESRS 2 SBM3 – S1
ESRS S1-1 Human rights policy commitments	20	Annex I, Table 3, Indicator no. 9 and Annex I, Table 1, Indicator no. 11				ESRS S1-1
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	21			Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS S1-1
ESRS S1-1 Processes and measures for preventing trafficking in human beings	22	Annex I, Table 3, Indicator no. 11				ESRS S1-1
ESRS S1-1 Workplace accident prevention policy or management system	23	Annex I, Table 3, Indicator no. 1				ESRS S1-1
ESRS S1-3 Grievance/complaints handling mechanisms	32-c	Annex I, Table 3, Indicator no. 5				ESRS S1-3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents	88-b; 88-c	Annex I, Table 3, Indicator no. 2		Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS S1-14
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness	88-e	Annex I, Table 3, Indicator no. 3				S1-14

Disclosure requirement and related	Datapoint	SFDR reference 7	Pillar 3 reference (8)	Benchmark Regulation reference (9)	EU Climate Law reference (10)	Section
ESRS 2 SBM3 – S1 Risk of incidents of forced labor	14-f	Annex I, Table 3, Indicator no. 13				ESRS 2 SBM3 – S1
ESRS S1-16 Unadjusted gender pay gap	97-a	Annex I, Table 1, Indicator no. 12		Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS S1-16
ESRS S1-16 Excessive CEO pay ratio	97-b	Annex I, Table 3, Indicator no. 8				ESRS S1-16
ESRS S1-17 Incidents of discrimination	103-a	Annex I, Table 3, Indicator no. 7				ESRS S1-17
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	104-a	Annex I, Table 1, Indicator no. 10 and Annex I, Table 3, Indicator no. 14		Annex II of Commission Delegated Regulation (EU) 2020/1816 and Article 12(1) of Commission Delegated Regulation (EU) 2020/1818		ESRS S1-17
ESRS 2- SBM3 – S2 Significant risk of child labor or forced labor in the value chain	11-b	Annex I, Table 3, Indicator nos. 12 and 13				ESRS 2 SBM-3 – S2
ESRS S2-1 Human rights policy commitments	17	Annex I, Table 3, Indicator no. 9 and Annex I, Table 1, Indicator no. 11				ESRS S2-1
ESRS S2-1 Policies related to value chain workers	18	Annex I, Table 3, Indicator nos. 11 and 4				ESRS S2-1
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	19	Annex I, Table 1, Indicator no. 10		Annex II of Commission Delegated Regulation (EU) 2020/1816 and Article 12(1) of Commission Delegated Regulation (EU) 2020/1818		ESRS S2-1
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	19			Commission Delegated Regulation (EU) 2020/1816, Annex II		ESRS S2-1

Disclosure requirement and related	Datapoint	SFDR reference [7]	Pillar 3 reference ([8])	Benchmark Regulation reference ([9])	EU Climate Law reference ([10])	Section
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain	36	Annex I, Table 3, Indicator no. 14				ESRS S2-4
ESRS S3-1 Human rights policy commitments	16	Annex I, Table 3, Indicator no. 9 and Annex I, Table 1, Indicator no. 11				Not significant
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles and/or OECD Guidelines	17	Annex I, Table 1, Indicator no. 10		Annex II of Commission Delegated Regulation (EU) 2020/1816 and Article 12(1) of Commission Delegated Regulation (EU) 2020/1818		Not significant
ESRS S3-4 Human rights issues and incidents	36	Annex I, Table 3, Indicator no. 14				Not significant
ESRS S4-1 Policies related to consumers and end-users	16	Annex I, Table 3, Indicator no. 9 and Annex I, Table 1, Indicator no. 11				ESRS S4-1
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	17	Annex I, Table 1, Indicator no. 10		Annex II of Commission Delegated Regulation (EU) 2020/1816 and Article 12(1) of Commission Delegated Regulation (EU) 2020/1818		ESRS S4-1
ESRS S4-4 Human rights issues and incidents	35	Annex I, Table 3, Indicator no. 14				ESRS S4-4
ESRS G1-1 United Nations Convention against Corruption	10-b	Annex I, Table 3, Indicator no. 15				Not significant
ESRS G1-1 Protection of whistle-blowers	10-d	Annex I, Table 3, Indicator no. 6				ESRS G1-1
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws	24-a	Annex I, Table 3, Indicator no. 17		Annex II of Commission Delegated Regulation (EU) 2020/1816		Not significant

ENVIRONMENTAL INFORMATION

As required by the regulations, this section first presents details of the alignment with the EU Taxonomy (art. 8 Reg. 2020/852), then examines and reports on the environmental impacts, risks, and opportunities (IRO) identified in the materiality analysis:

- DISCLOSURE UNDER THE TAXONOMY REGULATION
- ESRS E1 - CLIMATE CHANGE
- ESRS E2 - POLLUTION
- ESRS E3 - WATER AND MARINE RESOURCES
- ESRS E5 - RESOURCE USE AND CIRCULAR ECONOMY

DISCLOSURE UNDER THE TAXONOMY REGULATION

Introduction

In order to achieve the climate and energy goals set for 2030 and 2050 in the European Green Deal, the European has deemed it essential to guide private sector investment towards sustainable projects and initiatives. For this purpose, the European Taxonomy was introduced with the aim of creating a tool to report, transparently and objectively, those economic activities that contribute substantially to the goals of the European Green Deal. Regulation (EU) 2020/852 (hereinafter, the "Taxonomy Regulation" or "Regulation"), which entered into force on 12 July 2020, defines the criteria under which a given economic activity can be considered environmentally sustainable.

Pursuant to art. 3 of the Taxonomy Regulation, an economic activity is considered "environmentally sustainable" if it:

- complies with the Technical Screening Criteria defined, on a scientific basis, for each activity included in the Taxonomy Regulation. Consistency with the Technical Screening Criteria ensures that an economic activity:
- contributes substantially to one or more of the six environmental objectives set out in Article 9 of the Regulation, which are listed below:
    - Climate change mitigation;
    - Climate change adaptation;
    - The sustainable use and protection of water and marine resources;
    - The transition to a circular economy;
    - Pollution prevention and control;
    - The protection and restoration of biodiversity and ecosystems.
- does no significant harm to any of the five remaining environmental objectives;
- is carried out in compliance with the Minimum Safeguards - specified in art. 18 of the Regulation - to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

From January 2022, companies subject to the NFRD Directive (EU 2014/95) must include the disclosures required by the Taxonomy Regulation (EU 2020/852) in their Consolidated Non-Financial Statement (NFS). This requirement also exists in the CSRD, with the need to report the KPIs for eco-sustainable turnover, CapEx and OpEx. Businesses, including the Interpump Group, are must therefore check, via the Taxonomy Delegated Acts, the eligibility and alignment of their economic activities with the related technical screening criteria.

Eligible activities
The concept of eligibility does not require compliance with the technical screening criteria: an economic activity is considered eligible if it falls within the regulatory scope of the Delegated Acts. Eligible activities comprise the subset of business activities that, potentially, can be aligned with the environmental objectives of the European Union. Conversely, activities not addressed by the regulations are defined as ineligible.

Aligned activities
An economic activity is only deemed aligned when, in addition to being eligible, it satisfies all three of the following conditions: contributes substantially to one of the EU's environmental objectives; does no significant harm (DNSH) to other objectives, and guarantees respect for the minimum social safeguards.

Assessment of compliance with the Regulation

Eligibility analysis

In 2025, the Interpump Group mapped the activities carried out by individual companies within the Group that can be associated with activities included in the Taxonomy Regulation, checking, in each case, for consistency between the provisions of the Regulation and the substance of their activities. Where necessary, the respective NACE codes were also considered to better corroborate the analysis. Based on these results, the proportion of Turnover, CapEx, and OpEx attributable to "Taxonomy-eligible" activities listed in the "Climate Delegated Act" and the "Environmental Delegated Act" was evaluated with in relation to the following objectives:

- Climate Change Mitigation (CCM);
- Transition to a circular economy (CE).

Double counting was avoided by individual examination of each item associated with activities classified as eligible, and completion of the taxonomy templates in accordance with the provisions of the Regulation. On completion of this process, the activities of the Group were associated with the following categories included in the Taxonomy Regulation:

1.2 - Manufacture of electrical and electronic equipment (CE)

Based on the definition of Electrical and Electronic Equipment (EEE), this category could potentially include all equipment that depends on electric currents or electromagnetic fields to function properly.

For the 2025 reporting year, the Group opted for a more restrictive interpretation of the Regulation, considering just electronic products to be eligible, while excluding those that are merely electrical. For this purpose, electromechanical products and systems were included where:

- the electronic component is a defining element of the contribution made by Group companies;
- the added value is primarily attributable to the electronic component and the underlying applied research;
- the purchasing decision made by the customer is essentially linked to the electronic component and its intrinsic connection to the mechanical part.

Based on this approach, the proportion of Turnover, OpEx, and CapEx attributable to this activity, with respect to the related 2025 consolidated amounts, was as follows:

- Turnover 2.0%
- CapEx 0.3%
- OpEx 0.5%

By way of example, the categories include several of the principal Group companies and their products:

- **Walvoil S.p.A.**, electronic control units, electronic joysticks, hydraulic distributors with sensors, and advanced hydraulic servocontrols. In all these cases, it is possible to identify the presence of an electronic board designed internally and a programmable electronic component (typically a CPU or an advanced sensor);
- **Muncie Power Inc.** custom-designed modules that activate gradually the clutch system on power take-offs (PTO), thus preventing peak torque and modulating proportionately the amperage applied;
- **Hammelmann GmbH**, high-pressure pumps characterized by software and remote control systems designed entirely by internal teams to provide a highly intuitive interface for each use case.

3.9 Manufacture of iron and steel (CCM)

This category includes the activities of IPG Mouldtech, a Group company engaged in producing gray, vermicular graphite, and ductile iron castings for other Group companies. For this purpose, the CapEx related to foundry management and the associated OpEx linked to the maintenance and repair of the plant were considered in full. For the current reporting year, the incidence of CapEx allocated to this activity on the total consolidated increase in tangible fixed assets was 0.1%, while OpEx accounted for 0.2% of the total. In terms of turnover, IPG Mouldtech works almost exclusively in support of the Group's internal productivity. Consistent with the requirements of the Taxonomy Regulation, which excludes intercompany transactions from KPI calculations, the report only considers the sales made to external parties, totaling € 0.1 million in 2025.

5.1 - Repair, refurbishment, and remanufacturing (CE)

The Group has considered eligible solely the revenues from repair, refurbishment, and remanufacturing activities by Group companies whose NACE codes are identified in the Regulation for this specific activity. Accordingly, only repairs of products manufactured by Interpump Hydraulics S.p.A. were considered. The incidence of this revenue on the consolidated total was less than 0.01%. This category includes revenues from restoration work carried out following failures during use, which may involve disassembling components, reworking and/or replacing damaged parts, and subsequent reassembly.

5.2 Sale of spare parts (CE)

Pursuant to the Taxonomy Regulation, revenues deriving from the sale of spare parts are only eligible if used in products manufactured by Group companies whose NACE codes are listed in the activity description. Thus, only the sales of spare parts for components manufactured by Interpump Hydraulics S.p.A. (such as hydraulic cylinders and seals) were considered. For 2025, the incidence of revenue from this activity on the consolidated total was 0.1%.

7.1 Construction of new buildings (CCM/CE)

The Group has considered as eligible, under CapEx C, the increase in tangible fixed assets associated with the construction of new buildings and production plants. This amount includes all systems, connections, and appurtenances that are an integral part of the construction project. For 2025, the incidence of CapEx allocated to this activity on the total consolidated increase in tangible fixed assets was about 4.9%.

7.2 Renovation of existing buildings (CCA/CE)

The eligible CapEx C included work, whether or not capitalized, on the extraordinary maintenance of properties and any improvements made to Group buildings. For 2025, the incidence of CapEx allocated to this activity on the total consolidated increase in tangible fixed assets was 1.7%, while OpEx accounted for 0.8% of the total.

7.6 - Installation, maintenance and repair of renewable energy technologies (CCM)

This activity includes the Group's investments in the purchase and installation of photovoltaic panels on the roofs of its business premises (CapEx C). For 2025, the incidence of capital expenditure allocated to this activity on the consolidated total was 0.9%.

Other eligible activities in the construction and real estate category

The eligibility analysis conducted by the Group also identified other investments, less significant in absolute terms, but still classifiable as CapEx C in the construction and real estate category. These include:

- 7.3 Installation, maintenance and repair of energy efficiency equipment (CCM)
- 7.4 Installation, maintenance and repair of on-site charging stations for electric vehicles (CCM)
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings (CCM)

For 2025, the combined incidence of CapEx allocated to these activities on the total consolidated increase in tangible fixed assets was about 2.0%. Later tables provide further details about these various different activities.

8.1 Data processing, hosting, and related activities (CCM)

The Group has considered as eligible, under CapEx C and OpEx C respectively, the increase in tangible fixed assets associated with the establishment of data centers and servers, and the costs attributable to their management and maintenance. For 2025, the incidence of CapEx allocated to this activity on the total consolidated increase in tangible fixed assets was 0.2%, while OpEx accounted for 0.7% of the total.

4.1 Provision of data-driven IT/OT solutions (CE)

The Group has considered as eligible, under CapEx C and OpEx C respectively, the increase in tangible fixed assets and the costs associated with the development, implementation, and maintenance of software and systems to collect and analyze date, and generate insights into operational performance. For 2025, the incidence of capital expenditure allocated to this activity on the consolidated total was about 0.1%, while costs accounted for 0.4% of the total.

Alignment analysis

For the 2025 reporting year, the Interpump Group believes that none of the activities considered eligible satisfy the corresponding Technical Screening Criteria mentioned in the Taxonomy Delegated Acts (the "Climate Delegated Act" and "Environmental Delegated Act"). This requirement must be satisfied so that activities can, potentially, qualify as aligned with the Regulation and be considered environmentally sustainable.

With regard to activities 3.9 Manufacture of iron and steel, 7.1 Construction of new buildings, 7.2 Renovation of existing buildings, 7.6 Installation, maintenance, and repair of renewable energy technologies, and 8.1 Data processing, hosting, and related activities, these considerations apply to the analyses carried out in relation to the Climate Change Mitigation (CCM) objective.

Minimum Safeguards

In order to check the alignment of its activities with the Taxonomy Regulation, the Interpump Group has analyzed the conformity of its responsible business management tools with the international standards for human and workers' rights referred to by article 18 of the Regulation dealing with the Minimum Safeguards, which are:

- the OECD Guidelines for Multinational Enterprises;
- the UN Guiding Principles on Business and Human Rights, including the principles and rights established by the eight fundamental conventions identified in the ILO (International Labor Organization) Declaration on Fundamental Principles and Rights at Work;
- the Universal Declaration of Human Rights.

Consideration was also given to the indications given by the Platform on Sustainable Finance (PSF) in its Final Report on Minimum Safeguards, published in October 2022. The Interpump Group assessed its compliance with the Minimum Safeguards with reference to nine criteria covering: Human and workers' rights; Corruption; Taxation; Unfair competition. The following table indicates the controls implemented by the Interpump Group in relation to topics associated with the Minimum Safeguards (see the chapter on "Governance information" for more details):

Topic	Interpump Group controls	Description
Human rights	- Code of ethics - Guidelines on respect for human rights	The Interpump Group has a Code of Ethics, which confirms its commitment to respect human and workers' rights in compliance with the related international conventions. In February 2020, the Board of Directors of Interpump Group S.p.A. adopted its own "Human Rights Guidelines" to prevent discriminatory practices and combat both exploitation in the workplace and child labor. These Guidelines must be adopted by all Group companies, who are responsible for checking compliance with them by their business partners, via evaluation processes and/or due diligence work.
Corruption	- Anti-corruption Guidelines	In March 2019, the Board of Directors of Interpump Group S.p.A. approved Anti-corruption Guidelines that are also mandatory for all Group companies and must be followed by all those who work on their behalf. These Guidelines are aligned with the related domestic and international laws and standards. Their proper application is monitored by the Group Internal Audit, Risk & Compliance function.

Topic	Interpump Group controls	Description
Taxation	- Code of ethics	Within its Code of Ethics, the Interpump Group defines the principles that underpin its approach to taxation. In this regard, the Group acts in full compliance with the domestic tax regulations of the countries in which it operates, as well as with those in force internationally.
Competition	- Code of ethics	Within its Code of Ethics, the Interpump Group defines the principles that underpin its approach to relations with competitors.

In addition to the controls in place to ensure ethical management (mentioned in the table), the Interpump Group has adopted a Whistleblowing Procedure that governs the reporting and management of alleged unlawful or improper activities in areas covered by the minimum safeguards. Adopting a conservative and prudential approach, the Group believes that current controls in place to ensure application of the Minimum Safeguards are adequate and consistent with corporate and market expectations but, nevertheless, insufficient to guarantee that the activities identified as eligible are also aligned.

Accounting policy and contextual information

Annex I of Delegated Act 2021/2178 (hereinafter "Disclosure Delegated Act") establishes the procedures to follow in order to determine the Turnover, CapEx, and OpEx KPIs associated with the eligible activities identified by the Interpump Group. The methodology used by the Group to calculate the KPIs detailed below.

Turnover
To determine the proportion of turnover, the numerator included net revenues from products or services, including intangibles, associated with Taxonomy-eligible economic activities, while the denominator comprised the total consolidated net revenues. The latter included the revenues recognized pursuant to International Accounting Standard (IAS) 1, paragraph 82(a). The calculation of these KPIs excludes both intercompany financial flows and the value of components consumed within the internal production chain, thus ensuring that the value generated is stated net.

CapEx
To determine the proportion of capital expenditure, the numerator included the additions to consolidated fixed assets associated with eligible activities, while the denominator comprised total additions to consolidated fixed assets; both items comply with the criteria defined in point 1.1.2.2 of Annex I to the "Disclosure Delegated Act". The consolidated total included all 2025 additions to tangible and intangible fixed assets, all increases deriving from business combinations, and the effects of IFRS 16.

OpEx
To determine the proportion of operating expenses, the numerator included the operating expenses associated with eligible activities, defined using the criteria in point 1.1.3.2 of Annex I to the "Disclosure Delegated Act". Specifically, the Group considered the following operating expenses: direct non-capitalized R&D costs, the cost of maintenance and repairs, and other expenses related to asset preservation. The denominator comprised total operating expenses that satisfy the criteria described in point 1.1.3.1 of Annex I to the "Disclosure Delegated Act". Specifically, the following cost items were

included: direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

Taxonomy – KPIs for eligible activities Summary table 2025-2024	Turnover		Capital expenditure (CapEx)		Operating expenses (OpEx)	
EUR M	2025	2024	2025	2024	2025	2024
1.2 - Manufacture of electrical and electronic equipment	40.9	24.5	0.5	0.3	0.3	0.3
3.9 - Manufacture of iron and steel	0.0	-	0.1	0.4	0.1	0.2
4.1 - Provision of data-driven IT/OT solutions	-	-	0.2	0.2	0.2	0.2
5.1 - Repair, refurbishment, and remanufacturing	0.1	0.3	-	-	-	-
5.2 Sale of spare parts	2.0	2.3	-	-	-	-
7.1 - Construction of new buildings	-	-	7.3	54.7	-	-
7.2 - Renovation of existing buildings	-	-	2.6	13.2	0.4	1.3
7.5 - Installation, maintenance and repair of instruments and devices for [...] the energy performance of buildings	-	-	3.0	0.8	0.2	-
7.6 - Installation, maintenance and repair of renewable energy technologies	-	-	1.3	2.9	-	0.0
8.1 - Data processing, hosting, and related activities	-	-	0.3	0.8	0.4	0.6
Other	-	-	0.1	0.9	0.0	0.6
Total eligible	**43.1**	**27.0**	**15.3**	**74.1**	**2.2**	**2.6**
Admissibility - Taxonomy KPIs	*2.1%*	*1.3%*	*10.3%*	*39.2%*	*2.9%*	*4.8%*
Total aligned	**-**	**-**	**-**	**-**	**-**	**-**
Aligned - Taxonomy KPIs	-	-	-	-	-	-
Consolidated amounts	**2070.7**	**2078.4**	**148.6**	**188.7**	**55.0**	**54.8**

	Template 1 - Nuclear and fossil gas related activities	
	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
1	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
2	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
3	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

CAPEX **Financial year 2025** **Economic activities**	**2025**			**Criteria for substantial contribution**						**DNSH criteria (do no significant harm)**									
	Code	**CapEx (EUR M)**	**Proportion of CapEx, 2025**	**Climate change mitigation**	**Climate change adaptation**	**Water-Jetting**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water-Jetting**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned or eligible CapEx, 2024**	**Category qualifying activity**	**Category transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Eco-sustainable activities (taxonomy aligned)																			
CapEx of eco-sustainable activities (taxonomy aligned) (A.1)		**-**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
of which qualifying		-	-															E	
of which transitional		-	-																T
A.2 Taxonomy-eligible activities that are not eco-sustainable (taxonomy non-aligned activities)																			
Manufacture of electrical and electronic equipment	CE 1.2	0.5	0.3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.2%		T
Provision of data-driven IT/OT solutions	CE 4.1	0.2	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.1%	E	
Manufacture of iron and steel	***CCM 3.9***	0.1	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%		T
Construction of new buildings	***CCM 7.1*** / CE 3.1	7.3	4.9%	EL	N/EL	N/EL	N/EL	EL	N/EL								29.0%		
Renovation of existing buildings	***CCM 7.2*** / CE 3.2	2.6	1.7%	EL	N/EL	N/EL	N/EL	EL	N/EL								7.0%		T
Installation, maintenance and repair of energy efficiency equipment	***CCM 7.3***	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%	E	
Installation, maintenance and repair of on-site charging stations for electric vehicles	***CCM 7.4***	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings	***CCM 7.5***	3.0	2.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	E	
Installation, maintenance and repair of renewable energy technologies	***CCM 7.6***	1.3	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.5%	E	
Acquisition and ownership of buildings	***CCM 7.7***	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Data processing, hosting, and related activities	***CCM 8.1***	0.3	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%		T
CapEx of taxonomy-eligible activities that are not eco-sustainable (taxonomy non-aligned activities) (A.2)		**15.3**	**10.3%**	**9.9%**	**0.0%**	**0.0%**	**0.0%**	**0.4%**	**0.0%**								**39.2%**		
A. CapEx on taxonomy-eligible activities (A.1+A.2)		**15.3**	**10.3%**	**9.9%**	**0.0%**	**0.0%**	**0.0%**	**0.4%**	**0.0%**								**39.2%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx of taxonomy non-eligible activities		**133.3**	**89.7%**																
Total (A+B)		**148.6**	**100.0%**																

Proportion of CapEx	**Taxonomy aligned by objective**	**Taxonomy eligible by objective**
CCM	*0.0%*	*9.9%*
CCA	*0.0%*	*0.0%*
WTR	*0.0%*	*0.0%*
CE	*0.0%*	*0.4%*
PPC	*0.0%*	*0.0%*
BIO	*0.0%*	*0.0%*

TURNOVER Financial year 2025 Economic activities	2025			Criteria for substantial contribution						DNSH criteria (do no significant harm)									
	Code	Turnover (EUR M)	Proportion of Turnover, 2025	Climate change mitigation	Climate change adaptation	Water-Jetting	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water-Jetting	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned or eligible Turnover, 2024	Category qualifying activity	Category transitional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Eco-sustainable activities (taxonomy aligned)																			
Turnover of eco-sustainable activities (taxonomy aligned) (A.1)		**-**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
of which qualifying		-	-															E	
of which transitional		-	-																T
A.2 Taxonomy-eligible activities that are not eco-sustainable (taxonomy non-aligned activities)																			
Manufacture of electrical and electronic equipment	CE 1.2	40.9	2.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1.2%		T
Sale of spare parts	CE 5.2	2.0	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.1%		T
Manufacture of iron and steel	CCM 3.9	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Repair, refurbishment, and remanufacturing	CE 5.1	0.1	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		T
Turnover of taxonomy-eligible activities that are not eco-sustainable (taxonomy non-aligned activities) (A.2)		**43.1**	**2.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**2.5%**	**0.0%**								**1.3%**		
A. Turnover of taxonomy-eligible activities (A.1+A.2)		**43.1**	**2.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**2.5%**	**0.0%**								**1.3%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of taxonomy non-eligible activities		**2027.6**	**97.9%**																
Total (A+B)		**2070.7**	**100.0%**																

Proportion of Turnover	Taxonomy aligned by objective	Taxonomy eligible by objective
CCM	*0.0%*	*0.0%*
CCA	*0.0%*	*0.0%*
WTR	*0.0%*	*0.0%*
CE	*0.0%*	*2.1%*
PPC	*0.0%*	*0.0%*
BIO	*0.0%*	*0.0%*

OPEX **Financial year 2025** **Economic activities**	**2025**			**Criteria for substantial contribution**						**DNSH criteria (do no significant harm)**									
	Code	OpEx (EUR M)	Proportion of OpEx, 2025	Climate change mitigation	Climate change adaptation	Water-Jetting	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water-Jetting	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy aligned or eligible OpEx, 2024	Category qualifying activity	Category transitional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Eco-sustainable activities (taxonomy aligned)																			
OpEx of eco-sustainable activities (taxonomy aligned) (A.1)		-	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
of which qualifying		-	-															E	
of which transitional		-	-																T
A.2 Taxonomy-eligible activities that are not eco-sustainable (taxonomy non-aligned activities)																			
Manufacture of electrical and electronic equipment	CE 1.2	0.3	0.5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.6%		T
Manufacture of iron and steel	***CCM 3.9***	0.1	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%		T
Provision of data-driven IT/OT solutions	CE 4.1	0.2	0.4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.4%	E	
Renovation of existing buildings	***CCM 7.2*** / CE 3.2	0.4	0.8%	EL	N/EL	N/EL	N/EL	EL	N/EL								2.3%		T
Installation, maintenance and repair of energy efficiency equipment	***CCM 7.3***	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-	E	
Installation, maintenance and repair of renewable energy technologies	***CCM 7.4***	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings	***CCM 7.5***	0.2	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-	E	
Data processing, hosting, and related activities	***CCM 8.1***	0.4	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.0%		T
OpEx of taxonomy-eligible activities that are not eco-sustainable (taxonomy non-aligned activities) (A.2)		**1.6**	**2.9%**	**2.1%**	**0.0%**	**0.0%**	**0.0%**	**0.8%**	**0.0%**								**4.8%**		
A. OpEx of taxonomy-eligible activities (A.1+A.2)		**1.6**	**2.9%**	**2.1%**	**0.0%**	**0.0%**	**0.0%**	**0.8%**	**0.0%**								**4.8%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy non-eligible activities		**53.4**	**97.1%**																
Total (A+B)		**55.0**	**100.0%**																

Proportion of OpEx	**Taxonomy aligned by objective**	**Taxonomy eligible by objective**
CCM	*0.0%*	*2.1%*
CCA	*0.0%*	*0.0%*
WTR	*0.0%*	*0.0%*
CE	*0.0%*	*0.8%*
PPC	*0.0%*	*0.0%*
BIO	*0.0%*	*0.0%*

ESRS E1 - CLIMATE CHANGE

Governance

ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes

As shown in Disclosure requirement “ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes”, the Remuneration Policy of Interpump Group S.p.A. seeks, *inter alia*, to link the remuneration of Executive Directors and Key Management Personnel with the achievement of ESG objectives, using short- and medium/long-term incentive schemes that apply sustainability metrics.

Specifically, when setting remuneration, the:

- annual incentive system (MBO) envisages correlation with the ESG objectives by identifying precise KPIs linked to achievement of the annual objectives specified in the 2023-2025 ESG Plan, assigning them a 15% weighting with respect to the MBO as a whole.
- the medium/long-term incentive system (LTI), represented by the Interpump Incentive Plan for 2025-2027, also envisages that, for 15% of the options offered to each beneficiary, the objectives assigned to them must contribute to the development and consolidation of the ESG topics that *inter alia* are measurable and/or measured for non-financial reporting purposes.

Accordingly, remuneration is based on the results effectively achieved in the ESG areas that are linked both to personal performance and to the creation of medium/long-term value for the Company.

Strategy

E1-1 - Transition plan for climate change mitigation

On 10 November 2023, the Board of Directors of Interpump Group S.p.A. approved the Group's Decarbonization Strategy for 2023-32. This document lays the foundations for every environmental initiative envisaged in the 2023-25 ESG Plan and represents one of the principal actions taken to embed ESG principles in the Group strategy.

The Decarbonization Strategy approved by the Group is based on the emissions of the companies within the consolidation perimeter of the 2022 NFS[14]. Although the perimeter of the Group has changed since, due to several M&A transactions, the targets set at that time are still considered to be attainable.

With regard to the medium/long-term decarbonization targets, the Group has committed to reducing its emissions by about 45% by 2032 (limited to Scope 1 and Scope 2 emissions). When preparing this document, the Interpump Group drew inspiration from the Science-Based Targets initiative - SBTi (and thus from the broader goal of limiting global warming to 1.5°C as defined in the Paris Agreement), without formally joining it.

In fact, while the Group aims to lower Scope 1 and Scope 2 emissions by 45% by 2032, the SBTi targets a 42% reduction by 2030. This latter target should be reached by the Group between 2030 and 2032. Further, the decarbonization strategy covers approximately 90% of total Scope 1 and Scope 2 emissions, closely approaching the 95% threshold envisaged in the SBTi approach.

While the perimeter and reference targets are inspired by the SBTi methodology, the Group's approach has not been formally validated by external experts.

A 30% reduction in Group Scope 1 and Scope 2 emissions by 2025 and greater focus on achieving the decarbonization targets set for 2030 and 2050 are key objectives of the Strategy that, consistent with the ESG Plan, applies to the entire Group.

These targets were reached in 2025 by the combined application of three main drivers: additional photovoltaic installations, the purchase of certified green energy and, lastly, structured, long-term agreements for the purchase of power generated from renewable sources.

Currently, the Group has not established targets in the form of CapEx/OpEx Plans to align the economic activities of the Group with the criteria specified in Commission Delegated Regulation 2021/2139.

The exclusions envisaged in art. 12 of Regulation 2020/1818 do not apply to the Interpump Group, which is therefore included in the Paris-aligned benchmarks.

The Group's decarbonization strategy represents an initial tool for linking business resilience, environmental parameters, and financial planning. In this phase, the focus has been on tackling the Scope 1 and Scope 2 emissions. The possible extension of the decarbonization strategy to Scope 3 emissions is currently the subject of internal analysis, which seeks to identify the potential strategic

[14] Compared with the 2022 financial consolidation perimeter, the 2022 NFS perimeter did not include Eurofluid Hydraulic S.r.l. because it was acquired subsequent to 30 June 2022. See the Methodological Note in the 2022 NFS for more detailed information.

and operational drivers. These latter emissions will most likely impact on the Group's business (directly or indirectly) and will have to be monitored and managed accordingly.

The Interpump Group uses just one software suite to consolidate its ESG and economic-financial data, striving to combine environmental objectives, business strategies and financial planning. Such integration means that certain key operational metrics (e.g. energy consumption) can be associated directly with the related costs, thus strengthening the credibility of both sets of data. This approach delivers a deep understanding of the dynamics of value creation, permanently uniting industrial performance and sustainability.

Drawing on this extensive database, top management and the representatives of individual Group companies work in close collaboration to define and implement the targets set in the 2023-2025 ESG Plan. This process balances the need for a centrally-defined strategy with the importance of recognizing the specific risks and opportunities existing in the territories where Group companies operate.

When the Board of Interpump Group S.p.A. adopts sustainability policies, important contributions are made by the:

- Sustainability Committee, comprising the CEO and two independent directors;
- ESG managerial team, consisting of the CEO, the General Counsel & ESG Director, the CFO, and the Head of the Internal Audit, Risk & Compliance Function.

This structure ensures the efficacy of corporate projects, the accountability of decision-makers, and the steady dissemination of a sustainability culture. The combination of all these elements will be developed more fully in the next 2026-2028 ESG strategic plan, which the Group is currently preparing.

Although the Board of Directors of Interpump Group S.p.A. approved the Group's Decarbonization Strategy for 2023-2032 on 10 November 2023, this only partially represents a transition plan in the strict sense.

Regarding progress on implementing the decarbonization strategy, during 2025:

- additional photovoltaic systems were installed on the roofs of Group facilities;
- the ten-year Power Purchase Agreement (PPA), signed with Statkraft Markets GmbH for the annual supply of 20 GWh of certified green electricity, came into full effect.

All these efforts have made it possible to reduce the Group's emissions intensity (Scope 1 and Scope 2 - Market based) to 0.000028 t CO_2eq/EUR, being 17% lower than in 2024 despite the essential stability of revenues.

The Interpump Group currently lacks a transition plan compliant with ESRS requirements; accordingly, the impacts, risks, and opportunities in this area have only been partially identified and assessed. Once the transition plan has been prepared, Interpump will be in a position to specify how the strategy and business model will be updated for compatibility with the transition to a sustainable economy, how the exposure of corporate assets and activities to transition risks and opportunities will be assessed, and what the short-, medium-, and long-term transition risks and opportunities will be. It will also be possible to quantify the corporate investment and financing allocated to this area, and the "locked-in" GHG emissions potentially attributable to the assets of the Group. Lastly, the comprehensive update of this Group policy will be completed by defining the related targets.

As an integral part of the transition plan, the resilience analysis - not yet available - will describe the key assumptions and time horizons underpinning the strategy and business model adopted to tackle climate change, as well as the mitigation actions and resources dedicated to their implementation.

ESRS 2 SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model

During 2025, the Interpump Group updated its simulation of the impact of physical-climate risks on the carrying amount of its principal assets. The analysis covered all risks[15], both chronic[16] and acute[17], as listed in Commission Delegated Regulation (EU) 2023/2772 (CSRD)[18].

The simulation. carried out in collaboration with an external advisor, made it possible to quantify the annual expected loss attributable to the effects of acute physical risks on the 25 most representative sites. This analysis focused on the following categories of asset:

- Buildings
- Plant and machinery

The sample of corporate sites identified represents 65% of the total consolidated replacement value of these categories of asset, and is also representative of the geographical distribution of the Group and the respective strategic importance in each country.

The simulation was carried out with reference to:

- three climate scenarios consistent with the trends in the concentration of greenhouse gases (Representative Concentration Pathways – RCP) and in socio-economic development (Shared Socioeconomic Pathways – SSP) defined by the IPCC;
- three different time horizons: 2026, 2030 and 2050.

The simulation took account of the risks expressed in gross terms and, accordingly, did not consider any mitigation and adaptation measures that Group companies may have taken to contain them.

In terms of their potential economic impact, the most significant physical-climate risks (gross) for Group sites are: tornadoes, subsidence and flooding.

This assessment included the scientific climate data processed by the software used by the external advisor, such as CMIP6, ERA5, NASA, GDDP and CORDEX, in order to determine - with the greatest possible accuracy - the exposure to risk of the entire surface area of the site, thus guaranteeing greater accuracy with respect to the use of individual datapoints.

[15] Except for: Temperature fluctuations (chronic), change in prevailing winds (chronic), hydrological and rainfall variability (chronic), soil degradation (chronic), soil erosion (chronic), and cold/icy waves (acute), for which HDI has not yet developed scoring metrics.
[16] Chronic risks: Gradual, persistent climate changes that, over time, progressively influence the environment and infrastructure.
[17] Extreme and unexpected climate events, with immediate and potentially serious impacts on corporate assets.
[18] Commission delegated regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards, pages 88-89.

The Interpump Group:

- has not yet completed a specific analysis of its value chain with reference to physical-climate risks, which may be developed when preparing the transition plan;
- currently lacks a transition plan and, therefore, a resilience analysis compliant with ESRS requirements;
- is leveraging the phase-in provisions for reporting the anticipated financial effects of material physical and transition risks.

Specifically with regard to physical risks, analysis of the projections through 2030 did not identify any significant issues for the Group's production sites. For completeness, moderate but non-material impacts were identified for some locations that primarily host warehouses and logistics areas. Conversely, the long-term scenarios highlight greater uncertainty about the estimates, linked to the evolution of climate models, mitigation policies and adaptation measures. Of course, climate change impacts may emerge over long time horizons and these will be addressed properly when preparing any future analyses of the transition plan and resilience.

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1 - Description of the process to identify and assess material climate-related impacts, risks, and opportunities

The methodology used to identify the material sustainability impacts, risks, and opportunities took into account the aspects described in the section entitled “IRO-1: Description of the process to identify and assess material impacts, risks, and opportunities”, included in the chapter on General Disclosures (ESRS 2). This methodology was also applied to the analyses of climate change matters, which involved understanding the operational context, identifying their impacts, risks, and opportunities, and then assessing and prioritizing them.

As indicated in the earlier section entitled “SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model”, included in the chapter on General Disclosures (ESRS 2), the double materiality analysis carried out by the Interpump Group identified six current, material sustainability impacts, associated with two sub-topics: energy and climate change mitigation. These impacts relate to greenhouse gas (GHG) emissions into the atmosphere and affect all phases of the value chain: upstream, direct operations, and downstream.

The Group has mapped all primary sources of purchased energy, assessing their activities in order to correlate them with the respective emission factors and calculate the actual GHG emissions. With regard to potential future sources, no elements that differ from those reported in this document are currently identified.

Concurrently, three material sustainability risks and six opportunities relating to climate change were identified, linked to three sub-topics: climate change mitigation, climate change adaptation, and energy. All risks and opportunities arise within the direct operations of the Group.

As indicated in the earlier section entitled “ESRS 2 SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model”, the Interpump Group has analyzed the primary climate risks that could affect its physical assets (plant, machinery, and equipment) and potentially disrupt normal business operations.

The analysis of physical climate risks faced by the Interpump Group considered the evolution of impacts over three distinct time horizons (2026, 2030 and 2050) and various IPCC reference scenarios. This simulation helped to develop greater awareness of the potential effects on the Group’s tangible fixed assets and long-term business planning. The findings, covering both the physical and the transitional risks identified, are summarized in the earlier section on ESRS 2 SBM-3.

E1-2 - Policies related to climate change mitigation and adaptation

As indicated earlier chapters, Interpump Group S.p.A. has approved a decarbonization strategy that fits within a broader framework of policies aimed at managing the impact of climate change. Specifically, the Interpump Group has not yet defined a transition plan that, inter alia, specifies how to manage the impacts, risks, and opportunities associated with climate change mitigation and adaptation. Accordingly, while the decarbonization strategy represents an initial step in this direction, the policy does not fully address the specific standards and requirements of the ESRS. In the future, the Group will consider defining new policies or updating the current policy to include all the elements required by the above standards.

Again on this topic, note that the Product Ecodesign Guidelines adopted by the Group in the context of the 2023-2025 ESG Plan include considerations relating to the:

- Efficient management of energy resources – in the Guidelines, the Group commits to the more efficient use of energy in its production processes and to the installation of renewable energy production systems at its business locations;
- Promotion of Life Cycle Assessment (LCA) – in the Guidelines, the Group states its goal of implementing LCA for the most important products.

E1-3 - Actions and resources related to climate change policies

The Interpump Group has not currently adopted actions to manage impacts, risks, and opportunities related to climate change mitigation that can be deemed to comply with ESRS requirements. In the future, the Group will consider defining or updating actions that include all the elements required by the standards. Once the transition plan has been completed, the Group will define policies in this area and the related actions to implement them. The actions envisaged for this area in the 2023-2025 ESG Plan were completed and the respective targets reached during 2025.

In order to reach the targets envisaged in the Group's decarbonization strategy, two distinct drivers of decarbonization driver were implemented during 2025:

- Use of energy from renewable sources
  In total, during 2025 58 GWh of electricity were drawn from renewable sources, of which 20 GWh from the PPA 2025-2034 and the remaining 38 GWh from the purchase of certified green electricity (GO). No direct investments are associated with this driver.

- Installation of new photovoltaic systems for energy production
  In 2025, the additions to tangible fixed assets attributable to this category totaled € 1.3 million. Operating costs were not material and primarily related to plant maintenance and insurance. In total, the photovoltaic installations of the Group, with an output of about 16 MWp, enabled the self-consumption of 11 GWh of electricity in the Group's business processes.

The reduction in CO_2-equivalent emissions was calculated as the difference between the respective emissions reported in the market-based and location-based scenarios.

While referring to the "Disclosure under the Taxonomy Regulation" chapter for a more comprehensive analysis, the overall taxonomy-eligible CapEx value for the climate change mitigation (CCM) objective was 9.9% (€ 14.7 million) of the total additions to consolidated fixed assets. To date, there is no specific CapEx plan to align the Group's initiatives with the requirements of Commission Delegated Regulation (EU) 2021/2178.

Metrics and targets

E1-4 - Objectives related to climate change mitigation and adaptation

As specified in the earlier section entitled “E1-1 - Transition plan for climate change mitigation”, the Decarbonization Strategy of the Interpump Group is essentially based on the emissions of the companies within the consolidation perimeter of the 2022 NFS.

Actions to reach these targets include, in particular, increased purchasing of certified renewable electricity and the installation of new renewable energy production systems at Group facilities.

Interpump has committed to reducing its total Scope 1 and 2 emissions to 54,378 tCO_2eq by 2030 and 48,969 tCO_2eq by 2032, which compare with the 2022 baseline of 90,286 tCO_2eq. This target reduction in total Scope 1 and Scope 2 emissions to 48,969 tCO_2eq is approximately 40% lower than the 2022 baseline level.

The market-based method was used to calculate the Scope 2 emissions. The targets were determined by summing the expected Scope 1 and 2 emissions; accordingly, no disaggregated details are presented for each Scope. In defining the consolidated emission targets, none were established for Scope 3 emissions.

Additionally, the targets were defined for the sum of both Scope 1 and Scope 2 emissions with reference to the 2022 NFS consolidation perimeter, which does not coincide with that used to prepare this Report. Given that the impacts of new acquisitions since the publication of the decarbonization strategy (November 2023) are not particularly significant, the Group has not yet updated the 2030 emission reduction targets for consistency with the 2025 reporting perimeter. Since the publication of the decarbonization strategy in 2023, the perimeter of the Group has expanded as a result of M&A activity in the intervening period. The targets will be updated when preparing the transition plan and updating the decarbonization strategy.

The process followed to calculate the targets commenced by defining the perimeter to be analyzed, having regard for the importance of companies in terms of their turnover and emissions with respect to the Group totals (regardless of their geographical locations). The possible extension of the decarbonization process to the value chain will be explored in greater detail when preparing the transition plan.

The values indicated are all stated gross, without including the effect of any GHG removals, carbon credits, or other avoided emissions.

As previously mentioned, when setting its decarbonization targets on a Paris-aligned basis, the Interpump Group drew inspiration from, without formally adhering to, the Science-Based Targets initiative (SBTi).

While the Interpump strategy encompasses all companies within the 2022 NFS perimeter, attention has focused on actions that could be implemented by 29 Group companies, responsible for about 90% of consolidated emissions (Scope 1 and Scope 2) and third-party turnover.

In the context of defining the Interpump Group’s Decarbonization Strategy, the three building blocks used for the scenario analysis are detailed below. The focus on the regulatory, physical and development environment in the industrial sector, both nationally and internationally. This assessment of potential future events provides a starting point for the preparation of the Group's decarbonization action plan.

Regarding the regulatory context and the macro environment, the Sustainable Development Scenario (SDS) was adopted, which involves the escalation of clean energy policies and investments in order to align the energy system with the key Sustainable Development Goals (SDGs).

In this scenario, all current net-zero emission commitments are satisfied in full, and extensive efforts are made to secure short-term emission reductions; the advanced economies attain net-zero emissions by 2050, China by around 2060, and all other countries by no later than 2070. Without hypothesizing net-negative emissions, this scenario is consistent with limiting the global temperature rise to 1.65°C (with a 50% probability). With some level of net-negative emissions post-2070, the temperature increase could be curtailed to 1.5°C by 2100.

By contrast with regard to the physical scenario, Interpump's decarbonization strategy is based on the RCP 4.5 scenario. This scenario, developed by the Intergovernmental Panel on Climate Change (IPCC), expects emissions to peak in 2040 and CO_2 concentrations to stabilize by the end of the century.

RCP 4.5, often paired with SSP2 (Middle of the Road), represents a plausible, intermediate outcome - given current climate policies - that is compatible with a global average temperature rise in the (highly likely) range from 1.6 to 2.5°C by 2041-2060. By the end of the century, the increase would range from 2.1 to 3.5°C, with a best estimate of 2.7°C (IPCC AR6). All RCP scenarios anticipate reaching +1.5°C between 2021 and 2040. The RCP 4.5 scenario aligns with the upper limit of the combined commitments under the Paris Agreement.

To simulate the effects of industrial sector development based on the Group's historical values and manufacturing sector averages, energy demand is assumed to grow at a compound annual rate (CAGR) of 1.5% in all scenarios, reflecting expansion of the business and technological consumption.

The emission reduction targets are based on certain key drivers (increased purchasing of certified green electricity and installation of photovoltaic systems) and the ancillary contribution of other projects, such as the gradual replacement of production machinery and plants, energy efficiency enhancements, and electric mobility initiatives.

Considering the companies included in the decarbonization strategy published in 2023, the initial benchmark value is 90,286 tCO_2eq that, as a consequence of the decarbonization drivers, will decline to 54,378 tCO_2eq by 2030. The expected contribution of each driver is indicated below:

- Procurement of certified green electricity (reduction of 26,225 tCO_2eq)
- Installation of new photovoltaic systems (reduction of 9,683 tCO_2eq)

The effects of the steady, routine replacement of plant and machinery, as well as the substitution of specific products and processes, have not been quantified separately. With regard to the emission reduction objectives, there are currently no plans to adopt new technologies that could diverge significantly from standard industrial practices. Although the Scope 1 and Scope 2 emission targets have not been disclosed separately, the stated decarbonization drivers will impact on the Group's Scope 2 emissions, while the possible effects of actions taken with regard to Scope 1 emissions cannot be unquantifiable.

The Group consistently monitors the results achieved against the GHG emission reduction targets and, at least annually, top management and the board committees are updated on the overall efficacy of the actions taken to achieve those targets. The Board of Directors receives precise periodic updates (at least annually) on the actions completed during the year, and those not yet completed, to reach the stated targets.

The emission reductions obtained in 2025 exceeded the established targets, consolidating the trajectory towards achievement of the long-term goals set in the decarbonization strategy.

External stakeholders were not involved in the process of defining these targets. In fact, contributions from management and investors were prioritized when setting the quantitative targets.

E1-5 - Energy consumption and mix

The following table below details the Group's energy consumption with a breakdown by source:

Energy consumption and mix	UoM	2025	2024
1) Fuel consumption from coal and coal products	MWh	-	-
2) Fuel consumption from crude oil and petroleum products	MWh	23,540	24,027
3) Fuel consumption from natural gas	MWh	50,258	49,442
4) Fuel consumption from other non-renewable sources	MWh	-	-
5) Consumption of electricity, heat, steam, and cooling from fossil sources	MWh	49,453	72,534
6) Total energy consumption from fossil sources	**MWh**	**123,252**	**146,004**
7) Consumption from nuclear sources	**MWh**	**8,226**	**9,609**
8) Fuel consumption for renewable sources, including biomass	MWh	-	-
9) Consumption of electricity, heat, steam, and cooling from renewable sources	MWh	88,310	55,436
10) Consumption of self-produced renewable energy without fuel use	MWh	10,673	7,258
11) Total energy consumption from renewable sources	**MWh**	**98,983**	**62,694**
Total energy consumption	**MWh**	**230,460**	**218,307**
% incidence on total energy consumption			
Fossil sources	%	53.5%	66.9%
Nuclear sources	%	3.6%	4.4%
Renewable sources	%	42.9%	28.7%
Total	**%**	**100.0%**	**100.0%**

The principal methodologies and assumptions used to calculate the numbers in the table are presented below:

- fossil fuel consumption was converted into MWh based on the coefficients published for 2025 by the UK Department for Environment, Food and Rural Affairs (DEFRA)[19];
- electricity withdrawals from the grid were apportioned by source (nuclear, fossil, and renewable) based on the national average values published by the Association of Issuing Bodies (AIB) for the European countries in which the Group operates, and by the International Energy Agency (IEA) for the remaining countries.

Based on the NACE codes of the European Group companies and the conversion of non-European companies codes into NACE codes, all operational activities are deemed attributable to high climate impact sectors. Consequently, the net revenues from activities in high climate impact sectors are the same as the revenues presented in the financial report.

Similarly, the energy intensity of the high climate impact sectors is the same as the overall Group energy intensity. This value was calculated as the ratio of total energy consumption (in MWh) to consolidated net revenues (€ 2,071 million). The 2025 value is 0.000111 MWh/EUR.

Energy intensity	UoM	2025	2024	% 2025 / 2024
Total energy consumption	MWh	230,460	218,307	+5.6%
Revenues	M EUR	2,071	2,078	-0.4%
Energy intensity	MWh/EUR	0.000111	0.000105	+6.0%

[19] See the website: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024

E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions

The greenhouse gas (GHG) emissions of the Interpump Group in 2025 amounted to:

- 2,245,755 tCO_2eq (location-based calculation);
- 2,230,631 tCO_2eq (market-based calculation).

These values are broken down into their three components as follows:

Total Scopes 1, 2, and 3 GHG emissions	Baseline year - 2022	2025	2024	% 2025 / 2024	Target year - 2030
Scope 1 GHG emissions					
Gross Scope 1 GHG emissions (tCO_2eq)	**17,407**	**16,502**	**16,639**	**-1%**	**-**
Percentage of Scope 1 GHG emissions covered by regulated emission trading systems (%)	0%	0%	0%	-	-
Scope 2 GHG emissions					
Gross Scope 2 GHG emissions, location based (tCO_2eq)	**60,908**	**56,358**	**48,703**	**+16%**	**-**
Gross Scope 2 GHG emissions, market based (tCO_2eq)	**72,879**	**41,235**	**53,199**	**-23%**	**-**
Scope 3 GHG emissions					
Gross Scope 3 GHG emissions (tCO_2eq)		**2,173,067**	**2,660,276**	**-18%**	**-**
1. Purchased goods and services	-	407,113	496,787	-18%	-
2. Capital assets	-	27,178	41,104	-34%	-
3. Fuel- and energy-related activities	-	18,397	18,042	+2%	-
4. Upstream transportation and distribution	-	61,896	50,616	+22%	-
5. Waste generated in operations	-	3,780	4,087	-8%	-
9. Downstream transportation	-	23,787	33,732	-29%	-
11. Use of sold products	-	1,630,917	2,015,909	-19%	-
Total GHG emissions					
Total GHG emissions, location based (tCO_2eq)	-	**2,245,927**	**2,725,619**	**-18%**	**-**
Total GHG emissions, market based (tCO_2eq)	-	**2,230,804**	**2,730,115**	**-18%**	**-**

In 2025, the Group's Scope 1 emissions were substantially in line with those recorded in 2024. Turning instead to the location-based Scope 2 emissions, the increase was essentially due to the rise in electricity consumed (60%) and to the increase in emission factors in Italy and India (40%). Conversely the decline in market-based emissions was due to the purchases of certified green electricity. Lastly, the change in Scope 3 emissions since 2024 was mainly attributable to the reduction in Category 1 and Category 11 emissions, which represent about 95% of all Scope 3 emissions. For Category 1, the decline was due to an improvement in data collection at a detailed level, which allowed emission factors to be associated more precisely with the respective categories of purchased raw materials. With regard to

Category 11, certain technical benchmark parameters (average power, useful life and hours in service) were updated, contributing - together with an average reduction in the emission coefficients - to a 19% fall in Scope 3 emissions.

The principal methodologies and assumptions used to calculate CO_2-equivalent emissions are discussed below. Precise values were used where available, otherwise conservative estimates were made by choosing environmental performance assumptions that were less favorable for the Company. For instance, suppliers may not have given some companies their consumption data for the final months of the year in time for this report. In such cases, estimates were made based on historical consumption trends or budget figures.

Scope 1 emissions

This category comprises all emissions attributable to direct consumption by the Interpump Group, which primarily involves the use of fuels for heating and vehicle propulsion, as well as the usage of refrigerant gases.

Conversion parameters between the different units of measure and emission factors published for 2025 by DEFRA were used for calculation purposes. The Group does not participate in any emission trading systems. Overall, emissions attributable to the direct operations of Interpump contribute to increasing atmospheric GHG levels and the related phenomena.

Scope 2 emissions

This category includes all emissions indirectly generated by the Group when purchasing energy from suppliers, predominantly in the form of electricity.

The calculation of Scope 2 emissions using the:

- location-based method employs coefficients published by the European Environment Agency (EEA)[20] and the US Environment Protection Agency (EPA)[21]. Should these values be unavailable or lower than the corresponding domestic values, reference is made to the coefficients reported in the Terna International Comparisons 2024[22]. The factors used were selected in a prudential manner, adopting the highest among those indicated by the EEA, the EPA, and Terna International Comparisons 2024. These coefficients were applied to electricity drawn from the grid in 2025;
- market-based method employs reference parameters published by the Association of Issuing Bodies (AIB) for 2024[23] for European countries, by the US Environment Protection Agency (EPA) for the United States, by Green-E for Canada and, where absent, the location-based scenario values. The calculation involved applying the emission coefficients to the electricity drawn from the grid, net of the certified green electricity purchased.

The Scope 2 emissions derive from the Group's electricity procurement strategy, but are also influenced by the actual energy offer available in the countries where plants are located. Overall, these emissions also contribute to increasing atmospheric GHG levels and the related phenomena.

[20] https://www.eea.europa.eu/en/analysis/indicators/greenhouse-gas-emission-intensity-of-1
[21] www.epa.gov/egrid/summary-data
[22] Statistical data 2024 - International Comparisons
[23] European Residual Mixes 2024

The Group's Scope 1 and Scope 2 emissions also include 100% of the impact attributable to companies consolidated using the equity method. None of the emission metrics have been validated by an external entity, other than the party that issued the attestation of conformity.

Scope 3 emissions
The following GHG Protocol categories were considered in relation to this emission group, distinguishing between the upstream and downstream value chains:

Upstream

- Cat 1 - Purchased goods and services
- Cat 2 - Capital goods
- Cat 3 - Fuel- and energy-related activities
- Cat 4 - Upstream transportation and distribution
- Cat 5 - Waste generated in operations

Downstream

- Cat 9 - Downstream transportation
- Cat 11 - Use of sold products

The Interpump Group has reported Scope 3 emissions publicly since the 2024 financial year.

Among the principal estimates used:

- Cat 1: the average method was applied for raw materials, with alternate calculations based on purchase weights using market values (EUR/tonne);
- Cat 4 and 9: distances traveled, with emission allocation based on transport intermodality;
- Cat 11: product lifespan and consumption profile.

The spend-based method was used for Category 1 - goods other than raw materials and services - and for Category 2. The reference emission factors were those published by Eurostat, databases supplied by specialist providers, DEFRA, and Terna International Comparisons 2024.

To facilitate the standardization of data collection processes over time, the Scope 3 reporting perimeters differs from the financial consolidation perimeter. In particular, the principal 22 (mostly production) companies were selected, accounting for about 65% of consolidated sales to third parties and 80% of the Group's Scope 1 and Scope 2 emissions. The Scope 3 numbers reported relate solely and exclusively to this initial sample.

The percentage of emissions calculated with reference to primary data obtained from suppliers or other value chain partners was 0%.

The following categories were excluded from the reporting perimeter:

Upstream

- Cat 6 - Business travel
- Cat 7 - Employee commuting
- Cat 8 - Upstream leased assets

Downstream

- Cat 10 - Processing of sold products
- Cat 12 - End-of-life treatment of sold products

- Cat 13 - Downstream leased assets
- Cat 14 - Franchises
- Cat 15 - Investments

These categories were excluded from the inventory following a qualitative assessment process that considered the Group's structure and industrial sector. In some instances, these categories are not applicable (e.g., franchises and investments), while in others, they are deemed minimally or marginally impactful (e.g., employee commuting or business travel) in comparison with the categories reported in this document.

The GHG emission intensity relative to consolidated net revenues is presented below:

GHG intensity relative to net revenues	2025	2024	% 2025 / 2024
Total GHG emissions (location-based) relative to net revenues (tCO_2eq/EUR)	0.001085	0.001311	-17%
Total GHG emissions (market-based) relative to net revenues (tCO_2eq/EUR)	0.001077	0.001314	-18%

Emission intensity was calculated using consolidated net revenues (€ 2,071 million), without adding the third-party revenues of companies consolidated using the equity method. Accordingly, this value agrees with that indicated in the section entitled "Revenues" in the "Consolidated Income Statement" chapter.

The emissions were calculated using emission factors obtained from a recognized international data provider, Eurostat[24], DEFRA 2021[25], DEFRA 2025[26], and Terna International Comparisons 2024[27]. In detail, the Group used the following methods and emission factors for each category:

Upstream

- Cat 1 - Purchased goods and services: spend-based, with Eurostat emission factors for goods and services; average-based, with emission factors obtained from a recognized international data provider
- Cat 2 - Capital goods: spend-based, with Eurostat emission factors
- Cat 3 - Fuel- and energy-related activities: average data, with DEFRA 2025 WTT – Fuels, DEFRA 2021 WTT – UK & overseas electricity, and DEFRA 2025 – Transmission and distribution emission factors
- Cat 4 - Upstream transportation: distance-based, with DEFRA 2025 - freighting goods emission factors
- Cat 5 - Waste generated in operations: waste-type-specific, with DEFRA 2025 – waste disposal emission factors

Downstream

- Cat 9 - Downstream transportation: distance-based, with DEFRA 2025 - freighting goods emission factors

[24] Methodology - Environment - Eurostat
[25] Greenhouse gas reporting: conversion factors 2021 - GOV.UK
[26] Greenhouse gas reporting: conversion factors 2025 - GOV.UK
[27] Statistical data 2024 - International Comparisons

- Cat 11 - Use of sold products: *custom* method, as required by the GHG standard, applied only to products directly consuming energy during use, with Terna International Comparisons 2024 and DEFRA 2025 - Fuels - Liquid Fuel emission factors

Given the nature of the Group's activities, no biogenic CO_2 emissions from biomass combustion or biodegradation are present.

E1-7 - GHG removals and emission mitigation projects funded through carbon credits

The Interpump Group has neither initiated projects for GHG removal or storage within its direct operations, nor collaborated on similar initiatives within its value chain.

E1-8 - Internal carbon pricing

The Interpump Group did not employ internal carbon pricing systems as part of its climate-related strategy in 2025.

E1-9 - Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

This datapoint has not been reported, as allowed by the phase-in provisions.

ESRS E2 - POLLUTION

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1 - Description of the processes to identify and assess material pollution-related impacts, risks, and opportunities

Consistent with the identification and assessment processes described for ESRS 2 IRO-1, the Group has analyzed the pollution IROs. The process comprised an examination of the operating context and the prioritization of specific IROs for ESRS E2, ensuring methodological uniformity at Group level.

Following a broader mapping of the sources of pollution at Group level, it was found that the core business, focused on mechanical and assembly, generates limited emission impacts. With regard to those industrial processes with greater emissions potential, specifically galvanic and heat treatments, the Group applies a rigorous management and control system that includes dedicated technical controls and specific environmental monitoring. These actions are designed to minimize and prevent emissions into the air, the waters and the soil, ensuring constant, full compliance with the current regulatory limits.

Concerning the REACH Regulation (EC 1907/2006), in 2025 the Group completed a mapping of processes throughout the supply chain, identifying only marginal recourse to the direct importation of substances subject to registration; in these limited cases, full compliance with the required notification and registration obligations is guaranteed.

With regard to manufactured or imported item, the analysis of conformity identified lead as the principal Substance of Very High Concern (SVHC), present in concentrations higher than 0.1% p/p. This usage, typical of the engineering sector, is closely correlated with the use of specific metal alloys, for which lead is an essential additive to guarantee the tolerances and workability needed by the manufacturing processes. Consistent with the transparent approach required by ESRS E2, the Group constantly monitors regulatory changes and the alternate techniques available for the progressive replacement of such substances.

In this regard, studies and tests commenced during 2025 for the progressive adoption of lead-free alloys by various Group companies, ahead of possible future European regulatory restrictions. Among these companies, IMM Hydraulics S.p.A. has already started the progressive adoption of lead-free materials in its products.

With reference to the perimeter of direct operations by the Group and the reporting required by ESRS E2, there are no business processes that generate polluting emissions which might have a material negative impact on the atmosphere, the soil or the waters.

The Group's value chain does however include suppliers that may have a greater environmental impact. In this regard and consistent with the phase-in provisions, appropriate analyses are being developed to report the related impacts, risks, and opportunities (IROs).

As already indicated in the section entitled "SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model", included in the chapter on General Disclosures (ESRS 2), the double materiality analysis carried out by the Interpump Group identified three material sustainability impacts linked to pollution: water pollution, air pollution and soil pollution. All these impacts occur upstream in the Group's value chain. No material risks or opportunities linked to pollution were identified, neither in relation to dependencies nor to the actions envisaged in the 2023-2025 ESG Plan.

These results have been further bolstered by early consultations with stakeholders, who confirm the perception that the environmental impacts are concentrated upstream and, in any case, are managed in full compliance with the regulatory and sustainability standards.

E2-1 - Policies related to pollution

The Interpump Group is committed to safeguarding and continuously improving environmental protection, since these aspects are seen as essential for sustainable development and value creation. This commitment and the policies adopted to manage material pollution-related impacts are reflected in the Code of Ethics and the HSE Policy (described more fully in chapter S1). Given the characteristics of the Interpump Group, these policies represent high-level directives on environmental protection and primarily focus on the direct operations of the Group, without specifically addressing the related impacts, risks, and opportunities within the upstream value chain. Consequently, this aspect does not satisfy fully the requirements indicated in the MDR-P section of the ESRS.

A plan is currently being implemented to align Group policies with the disclosure requirements of ESRS 2 (General disclosures) and ESRS E2. The update seeks to formalize the commitments made by the Group with regard to the prevention and management of pollution, bridging any gaps in disclosures and consolidating a sustainability management system that complies in full with the ESRS.

E2-2 - Actions and resources related to pollution

The Interpump Group has not currently adopted actions to manage pollution-related impacts within the upstream value chain that can be deemed to comply with ESRS requirements. Given that the double materiality analysis highlighted the materiality of this topic in relation to the upstream supply chain, a broader analysis is necessary to define actions that precisely address each requirement indicated in the MDR-A section of the CSRD. In the future, the Group will consider defining or updating actions that include all the elements required by the standards.

Metrics and targets

E2-3 - Targets related to pollution

The Interpump Group has not identified targets for managing pollution-related impacts, risks, and opportunities that can be considered aligned with the ESRS. The considerations expressed in the section on actions also apply to the targets to be reached and reported in accordance with the requirements indicated in the MDR-T section of the CSRD. In future, the Group will consider defining targets in this area.

ESRS E3 - WATER AND MARINE RESOURCES

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks, and opportunities related to water and marine resources

As highlighted earlier, the Group is active in two macro-sectors: Water Jetting and Hydraulics. Although water resources are used in all production processes, they are a critically important characteristic of the Water-Jetting BU, comprising indeed its operational core.

Consequently, analysis placed greater emphasis on those Group companies that produce and sell plunger pumps with power ratings from 1 to 2,000 HP (0.7 to 1,500 kW) and related components since, in these cases, both the quality testing and subsequent usage phases make especially heavy use of water.

The methodology used to identify the impacts, risks, and opportunities took into account the aspects described in the section entitled "*IRO-1: Description of the process to identify and assess material impacts, risks, and opportunities*", included in the chapter on General Disclosures (ESRS 2). This methodology was also applied to the analyses of water-related matters, which involved understanding the operational context, identifying their impacts, risks, and opportunities, and then assessing and prioritizing them.

As indicated in the earlier section entitled "*SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model*", the double materiality analysis carried out by the Interpump Group identified four current, material sustainability impacts, associated with two sub-topics: water consumption and water withdrawals. The impacts relate to water usage and were identified in two phases of the value chain: upstream and direct operations, linked to the Group's production activities.

No material water-related risks or opportunities were identified, neither in relation to dependencies nor to the actions envisaged in the 2023-2025 ESG Plan.

The following provides specific detail, highlighting how the Interpump Group has:

- considered all water consumption, both for industrial and civilian use, accurately quantifying its withdrawals. Attention focused on industrial discharges, on the assumption that civilian discharges have no significant impact in the circumstances;
- qualitatively explored certain impacts within the supply chain, particularly with regard to foundries and steelworks. In general, given the limited volume of information and data available, the adoption of conservative assumptions has resulted in this topic being classified as material;
- qualitatively assessed water consumption linked to its products sold on the market, particularly those in the high- and very-high-pressure pump sector. In this case too, it is reasonable to assume that the consumed water contains no pollutants beyond those withdrawn and that consumption occurs near the withdrawal point.

The methodology used to identify the impacts, risks, and opportunities took into account the aspects described in the section entitled "IRO-1: Description of the process to identify and assess material impacts, risks, and opportunities", included in the chapter on General Disclosures (ESRS 2). This methodology was also applied to the analyses of water-related matters, which involved understanding the operational context, identifying their impacts, risks, and opportunities, and then assessing and prioritizing them.

For the materiality analysis of water resources, the Group has adopted Aqueduct, the tool of the World Resources Institute (WRI) for mapping, measuring and managing water risks on a global scale.

No specific consultations regarding the use of water resources in the context of the Group's direct operations have been held with stakeholder groups, with efforts instead focused on areas deemed more significant in terms of the scale and breadth of the impacts generated.

E3-1 - Policies related to water and marine resources

The Interpump Group has adopted a policy for managing water-related impacts. This policy is reflected in the HSE Policy (described more fully in chapter S1). This policy establishes high-level environmental protection directives for all Group companies and the value chain, but does not specify in detail how the Group manages the impacts, risks, and opportunities linked to water resources, as required by the ESRS.

A plan is currently being implemented to align Group policies with the disclosure requirements of ESRS 2 (General disclosures) and ESRS E3. The update seeks to formalize the commitments made by the Group with regard to the prevention and management of water resources, bridging any gaps in disclosures and consolidating a sustainability management system that complies in full with the ESRS.

In order to prevent, reduce and mitigate the possible consequences of its activities on the environment, the Interpump Group has adopted Guidelines on environmental protection, included in its Global Compliance Program, that have been disseminated to all subsidiaries. These Guidelines establish the actions that companies must implement, without exception, in order to:

- avoid discharging water without authorization from the local authorities,
- comply with limits set by local regulations,
- prevent accidental spills of pollutants and, if they occur, promptly report them to the local authorities and the Group Compliance Function,
- take appropriate action to restore the surrounding environment and prevent further occurrences in future,
- take random samples to detect, measure and monitor any concentrations of pollutants that exceed the local regulatory limits.

Among the various business processes, water is primarily used:

- to test pumps, hoses and pipes before they are sold,
- to produce steam,
- in the washing and lubrication cycles of machining centers,
- for industrial cooling.

The water used at Group plants is mainly withdrawn from the public supply (about 65%), but sometimes from owned wells or concessions (about 35%).

Given the way that water is used at Group plants, pre-treatment prior to discharge is not required in most instances. However, when water resources are used in galvanizing, painting, and other less significant (in volume terms) industrial processes, the wastewater is often managed as special waste and thus not discharged into the sewers.

Certain discharges from industrial processes may be contaminated with pollutants. The Group monitors them constantly, in collaboration with the competent authorities, when they are released into the sewers or other surface waters.

Given the increasing attention paid by various stakeholders, the Interpump Group adopted new Product Ecodesign Guidelines in 2024 as part of work to implement the current ESG Plan. The objective is to promote a reduction in environmental impact through the progressive adoption of innovative and sustainable solutions. In a context that places growing emphasis on greater efficiency and sustainability, the Group's R&D departments strive not only to create products with longer useful lives, but also to optimize their consumption of resources. Specifically, with regard to the efficient management of water resources, the Group's goal is to:

- design products capable of optimizing water consumption by end-users,
- recover water from the Group's production processes for reuse in the production cycle, without the need for substantial new withdrawals.

Among the countries in which Interpump operates, 20 are classified by Aqueduct as subject to medium/low levels of water stress (category <=2), while 14 (including Italy) are classified as areas of high water stress.

Regarding the classification of countries at water risk, 25 (including Italy) face medium-low risk conditions (category <=2), while the remaining 9 are grouped in high water risk classes.

Currently, the Interpump Group has not established quantitative commitments for the reduction of water consumption in the water-risk areas in which it operates, neither for its direct operations nor for those within its value chain. Plants in countries considered to have high water stress are not currently covered by policies compliant with the requirements of ESRS 2 MDR-P.

The Interpump Group has not adopted policies related to the sustainability of the oceans and seas, as these aspects are not especially relevant to the business model adopted.

In addition to applying the instructions contained in the Global Compliance Program, some of the larger Group companies have implemented management models and systems that structure and monitor their quality and environmental performance, with a view to constant improvement. Furthermore, most of them have obtained UNI EN ISO 14001 - Environmental management systems and UNI EN ISO 9001 - Quality management systems certifications. For further information, see the section entitled "BP-2: Disclosures in relation to specific circumstances" in the chapter entitled "ESRS 2 – General Disclosures".

E3-2 - Actions and resources related to water and marine resources

The Interpump Group has not currently adopted actions to manage impacts, risks, and opportunities related to water that can be deemed to comply with ESRS requirements. The 2023-2025 ESG Plan envisages actions that cannot be regarded as aligned with the Standard's requirements, since they are not associated with specific quantitative targets to be reached within a specified time horizon. In future, based on the policies identified, the Group will consider defining or updating actions that include all the elements required by the standards.

Nevertheless, with regard to the conservation of water resources, the Interpump Group is committed to implementing the following best practices:

- continuous monitoring of water withdrawals and discharges at production plants,
- promotion of new products and solutions to reduce water consumption while maintaining performance,
- analysis and assessment of water management within the supply chain,
- implementation of systems for the recovery and reuse of water when testing pump quality.

Again in the context of the Group's ESG Plan, the Italian Group companies have commenced the initial collection and assessment of data from their principal suppliers, partly based on certain environmental parameters. These include aspects linked to the monitoring of water consumption by suppliers, the quality of discharges, and any measures in place to ensure the proper management of water resources.

Metrics and targets

E3-3 - Targets related to water and marine resources

The Interpump Group's ESG Plan identifies targets for managing the impacts, risks, and opportunities associated with water resource use; however, these cannot be considered aligned with the ESRS, since they do not address with precision each requirement in the MDR-T section of the CSRD (e.g. the quantification of measurable water withdrawal targets). In future, the Group will consider defining targets in this area.

Given the above, consistent with the 2023-2025 ESG Plan and in order to promote the aware and responsible management of water resources, the Interpump Group has implemented a system for the continuous monitoring of its civil and industrial withdrawals, and industrial discharges, thus guaranteeing full regulatory compliance and the precise reporting of flows.

This project was completed in two main phases:

- Phase 1: verification of monitoring practices, reference regulations, and available technologies, not least to assess and adjust the measurement criteria used, ensuring the application of consistent criteria for the differentiation of civilian and industrial discharges;
- Phase 2: implementation of a system to monitor and report continuously on water withdrawals and discharges by Group plants.

Following this mapping, several Group companies have made further commitments to the careful management of water resources. As an example, when renewing its R&D section, Interpump Group S.p.A. installed meters with a view to reducing water consumption and improving the related controls. A considerable amount of water is consumed, especially in the R&D area, in order to test prototype valves, pumps, wands and homogenizers.

Water is needed constantly, 24/7, for testing purposes and is softened, treated and cooled before being used in the various test cycles. Metering systems not only monitor precisely the volumes used, but also restrict its use, thereby contributing to the more sustainable management of resources. On an ongoing basis, more than 100,000 cubic meters of water should be recycled, confirming the efforts made to enhance efficiency and environmental responsibility.

The Group has not identified targets for managing the impacts, risks, and opportunities related to marine resources, since the materiality analysis found that this aspect was not significant.

Similarly, the Interpump Group has not defined quantitative targets for the reduction of water consumption in low- and high-risk areas, including those subject to elevated water stress. In this context, no known legal requirements specifically target this area, since the corresponding policies and actions have not yet been defined.

E3-4 - Water consumption

The following table indicates the water consumed by the Interpump Group in 2025, calculated as the net effect of water withdrawals, discharges, recycling, and storage. Since 2024 is the first reporting year, the change in water storage levels was not calculated.

Water consumption	UoM	2025	2024
Total water consumption	**m^3**	**2,257**	**1,676**
of which in water risk areas	m^3	1,415	-
of which in high water stress areas	m^3	2,257	1,674

Water stress in the various countries in which the Group operates was estimated using the Aqueduct database, using the related capital cities as reference points rather than the actual corporate locations.

Within the Aqueduct database, an area might be considered at low water risk overall (due to such mitigating factors as sound governance and the stability of rainfall), despite finding itself in a high water stress situation due to physical scarcity of the resource.

The Group's plants in Italy are in this position, being subject to high water stress (physically not enough water compared with consumption in the area), but with low overall risk as a result of advanced water governance (management of reservoirs and canal networks).

Water consumption details	UoM	2025	2024
Recycled and reused	m^3	17,228	6,836
Stored	m^3	3,933	1,676
Change in stored water	m^3	2,257	-

Consistent with GRI instructions, only industrial discharges were reported in previous years, while civilian discharges were not quantified. Starting in 2024, barring the effects of storage, it is assumed that all withdrawn water is subsequently discharged; accordingly, applying mathematics, water consumption is equal to the annual change in water stored. Process water managed as waste, evaporation, and system losses are not factored into this calculation.

Given the monitoring of water withdrawals envisaged in the 2023-2025 ESG Plan and the location of most plants in high water stress areas (above all, Italy and India), a number of projects have been launched to increase the Group's water storage capacity. As shown in the above table, the increase in water stored in reflected in an increase in water consumption during 2025.

Based on the data collected, the Group's 2025 water consumption intensity was as follows:

Water consumption intensity	UoM	2025	2024
Utilities	m^3	2,257	1,676
Revenues	M EUR	2,071	2,078
Water intensity	m^3/M EUR	1.09	0.81

The Group's water withdrawals are analyzed by source below:

Water withdrawal details	UoM	2025	2024
Public supply (mains)	m^3	267,805	320,299
Owned wells/concessions	m^3	134,419	109,683
Other sources	m^3	11,250	6,180
Surface waters	m^3	-	-
Total	**m^3**	**413,474**	**436,162**

The Group's industrial discharges are analyzed by destination below:

Industrial water discharges	UoM	2025	2024
Sewer system	m^3	186,630	226,275
Surface waters	m^3	12,247	22,064
Other	m^3	15,419	10,908
Total	**m^3**	**214,296**	**259,247**

The metrics presented in this chapter have not been validated by an external entity, other than the party that issued the attestation of conformity.

ESRS E5 - RESOURCE USE AND CIRCULAR ECONOMY

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks, and opportunities related to resource use and circular economy

The methodology used to identify the impacts, risks, and opportunities took into account the aspects described in the section entitled “IRO-1: Description of the process to identify and assess material impacts, risks, and opportunities”, included in the chapter on General Disclosures (ESRS 2). This methodology was also applied to the analyses carried out regarding waste and the incoming and outgoing flows of resources, which involved understanding the operational context, identifying their impacts, risks, and opportunities, and then assessing and prioritizing them.

As indicated in the earlier section entitled “SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model”, the double materiality analysis carried out by the Interpump Group identified three current, material sustainability impacts linked to the use of resources and to the circular economy, associated with two sub-topics: waste and the flows of resources, including their use. Two impacts are linked to the direct operations of the Group, while the third is associated with the downstream value chain (customers).

On the other hand, no material sustainability risks and opportunities related to efficient resource use and circular economy were identified. This absence of material risks and opportunities is inherent in the double materiality analysis, which excluded critical impacts and significant financial risks for the Group’s business model. Despite not exceeding the current financial materiality threshold, close monitoring continues in order to identify any changes in the operating and regulatory environments.

No specific consultations regarding resource use and circular economy in the context of the Group’s direct operations have been held with stakeholder groups, with efforts instead focused on areas deemed more significant in terms of the scale and breadth of the impacts generated.

E5-1 - Policies related to resource use and circular economy

The Interpump Group has adopted a policy for managing impacts associated with resource use and circular economy. This policy is reflected in the HSE Policy (described more fully in chapter S1). This policy establishes high-level environmental protection directives for all Group companies and the value chain, but does not specify in detail how the Group manages the impacts, risks, and opportunities linked to resource use and circular economy, as required by the ESRS.

A plan is currently being implemented to align Group policies with the disclosure requirements of ESRS 2 (General disclosures) and ESRS E5. The update seeks to formalize the commitments made by the Group with regard to the management of resources from a circular economy standpoint, bridging any gaps in disclosures and consolidating a sustainability management system that complies in full with the ESRS.

That said, Eco-design Guidelines for Interpump Group products were defined in 2024, with the following principal objectives:

- promote sustainability through the effective use of resources and by extending the lifespan of products,
- support the development of a circular economy based on the incoming/outgoing flows at each plant.

In this way, the Group seeks - at least for its direct operations and, where feasible, downstream within the value chain - to limit waste generation and focus more on the use of resources within the various production processes. Achieving these ambitious objectives necessarily requires cross-functional collaboration, which depends on:

- active engagement of employees, industrial partners, suppliers, and customers;
- integration of eco-design in all product development phases (from R&D and procurement to marketing and sales).

Accordingly, these guidelines aim to formalize the Group’s commitment to reducing environmental impacts. These effects are typical in the manufacturing sector, which transforms raw materials into components and equipment; however, the ongoing commitment to modernize production processes and the applications available to customers plays a central role in the reduction of environmental impacts throughout the entire value chain.

E5-2 - Actions and resources related to resource use and circular economy

The Interpump Group has not currently adopted actions to manage impacts, risks, and opportunities related to resource use and circular economy that can be deemed to comply with ESRS requirements. The 2023-2025 ESG Plan envisages actions that cannot be regarded as aligned with the Standard’s requirements, since they are not associated with specific quantitative targets to be reached within a specified time horizon. In the future, the Group will consider defining or updating actions, based on the policies defined for this area, that include all the elements required by the standards.

That said, the 2023-2025 ESG Plan of the Interpump Group has made it possible to explore topic related to the circular economy from two interconnected standpoints:

(i) the recovery of production scrap in collaboration with the suppliers of raw materials and semi-finished products;

(ii) the design of products and solutions that enhance the recovery of materials from EOL products.

In this regard, the Group has completed the pilot project that has qualified certain metallic residues from mechanical processing as by-products (pursuant to art. 184-*(2)* of Decree 152/2006). This objective of the 2023-2025 ESG Plan facilitates the exploration of circular processes and their effects, and strengthens the Group's relations with selected suppliers in Italy.

Also in this context, Interpump plans to extend the analysis by considering whether new types of waste can be qualified as by-products, thus extending the pilot project completed by Reggiana Riduttori S.r.l. to other Group companies.

Although not formally part of the 2023-2025 ESG Plan, efforts are underway to explore production solutions that reduce the environmental impact of certain Group components; in particular, companies in the I.M.M. Hydraulics Group are developing:

- lead-free fittings,
- hydraulic hose covers with compounds formulated to optimize the recycling of rubber materials.

Metrics and targets

E5-3 - Targets related to resource use and circular economy

The Interpump Group's ESG Plan identifies targets for managing the impacts, risks, and opportunities associated with resource use and circular economy; however, these cannot be considered aligned with the ESRS, since they do not address with precision each requirement in the MDR-T section of the CSRD (e.g. the quantification of measurable waste reduction targets). In future, the Group will consider defining targets in this area.

The metrics presented in this chapter have not been validated by an external entity, other than the party that issued the attestation of conformity.

E5-4 - Resource inflows

Given the heterogeneous nature of the companies and economic sectors concerned, the Group's supply chain primarily comprises the supply of:

- raw materials, including metals that combine virgin materials with recycled materials available on the market;
- commercial components, consumables and related ancillary services;
- semi-finished parts;
- consumables and equipment for production and assembly;
- tools.

The Interpump Group identifies and classifies as "raw materials" those products that, despite being processed, retain their fundamental characteristics. These include, for example, semi-finished or finished products (such as sheets, castings, tubes, bars, blocks) that primarily consist of a single metal or alloy.

Indicatively, the following technical materials, consumed directly during the Group's production processes or expressed as an equivalent weight of purchased semi-finished products and primary components, were received in 2025:

Raw material inflows (tonnes)	UoM	2025	2024
RM equivalents received	**Tonnes**	**60,269**	**55,329**
Ferrous metals	Tonnes	53,945	47,694
Non-ferrous metals	Tonnes	4,502	7,314
Plastics	Tonnes	1,822	321

For the purpose of preparing the table on raw material inflows, only the quantities reported in Scope 3 Category 1 were considered. These values are thus subject to the same reasons for uncertainty as those outlined in the section on emissions within the value chain.

Given the nature of the Group's manufacturing activities, no biological materials are utilized in production processes. Conservatively, the proportion of packaging received from sustainable supply chains is also deemed to be zero.

The weight, in absolute and percentage terms, of reused or recycled secondary components and intermediate secondary products and materials (including packaging), has also been set conservatively at zero.

E5-5 - Resource outflows

In essence, as with all manufacturing activities, Interpump's operations generate two principal macro-categories of outflows:

- products;
- scrap from processing.

The principal products output by each sector of the Interpump Group are presented below.

Sector	Principal product outflows
Water-Jetting	• Plunger pumps with power ratings from 1 to 2,000 CV (from 0.7 to 1,500 HP), and related components and accessories, • Special pumps, • Mixers, • Agitators, • Cleaning systems, • Valves and tanks for the food processing, cosmetics and pharmaceutical industries.
Hydraulic	• Power take-offs, • Gear pumps, • Cylinders, • Hydraulic motors, • Oil tanks, • Flexible rubber hoses / metal pipes, and rigid pipes, • Flanges, • Fittings, • Gears, • Orbital motors, • Steering systems, • Hydraulic distributors and related electronic or mechanical control systems.

Since the Ecodesign Guidelines were only distributed to Group companies in 2024, it is still premature to report on the results achieved in terms of designing products and materials in accordance with circularity principles. Nonetheless, the document seeks to encourage designs that reduce the consumption of materials in production and extend the lifespan of products, including by preventive maintenance where feasible.

Waste

The weight of waste leaving Group plants (used as a proxy for waste produced) is analyzed by principal category below, with all other residual substances grouped under "Other". CER codes were used for waste mapping purposes, including for the waste of non-European companies.

Resource outflows - by type of waste	UoM	2025	2024
Non-hazardous waste			
12.01.01 - Ferrous metal filings and turnings	Tonnes	13,804	13,626
12.01.02 - Ferrous metal powders and particulates	Tonnes	768	696
12.01.99 - Unspecified waste	Tonnes	1,140	650
15.01.03 - Wooden packaging	Tonnes	1,179	1,174

17.04.05 - Iron and steel	Tonnes	2,023	2,110
20.03.01 - Non-differentiated urban waste	Tonnes	907	830
Other	Tonnes	8,783	3,196
Total - Non-hazardous	**Tonnes**	**28,602**	**22,283**
Hazardous waste			
12.01.09* - Emulsions and solutions for machinery	Tonnes	4,182	5,110
16.10.01* - waste water-based solutions containing hazardous substances	Tonnes	1,376	995
12.03.01* - Water-based washing solutions	Tonnes	563	650
13.08.02* - Other emulsions	Tonnes	74	65
15.02.02* - Absorbents, filtering materials	Tonnes	329	288
11.01.09* - Sludges and filtering residues	Tonnes	154	125
Other	Tonnes	986	1,113
Total - Hazardous	**Tonnes**	**7,665**	**8,346**
Total waste	**Tonnes**	**36,267**	**30,628**

The weight of waste to be disposed or recovered is analyzed below, distinguishing between hazardous and non-hazardous waste.

Resource outflows - by type of disposal	UoM	2025	2024
1) Hazardous waste	**Tonnes**	**7,665**	**8,346**
Diverted from disposal	**Tonnes**	**732**	**807**
of which prepared for re-use	Tonnes	83	80
of which recycled	Tonnes	92	98
of which other recovery operations	Tonnes	558	630
Disposed	**Tonnes**	**6,933**	**7,538**
of which incinerated (with energy recovery)	Tonnes	57	51
of which incinerated (without energy recovery)	Tonnes	135	135
of which landfilled	Tonnes	380	447
of which other disposal operations	Tonnes	6,361	6,904
2) Non-hazardous waste	**Tonnes**	**28,602**	**22,283**
Diverted from disposal	**Tonnes**	**26,111**	**20,467**
of which prepared for re-use	Tonnes	951	476
of which recycled	Tonnes	14,632	14,776
of which other recovery operations	Tonnes	10,529	5,215
Disposed	**Tonnes**	**2,491**	**1,816**
of which incinerated (with energy recovery)	Tonnes	155	130
of which incinerated (without energy recovery)	Tonnes	560	85
of which landfilled	Tonnes	1,134	1,018
of which other disposal operations	Tonnes	643	583
Total (1+2)	**Tonnes**	**36,267**	**30,628**
Diverted from disposal	**Tonnes**	**26,843**	**21,274**
of which prepared for re-use	Tonnes	1,033	556
of which recycled	Tonnes	14,723	14,874
of which other recovery operations	Tonnes	11,087	5,845
Disposed	**Tonnes**	**9,424**	**9,354**
of which incinerated (with energy recovery)	Tonnes	211	181
of which incinerated (without energy recovery)	Tonnes	695	221
of which landfilled	Tonnes	1,513	1,465
of which other disposal operations	Tonnes	7,004	7,487

Considering the Group's total waste, the percentage of non-recycled waste amounted to 26% in 2025, while the remaining 74% was directed to recycling and/or recovery streams.

The increase in waste produced by the Group is principally attributable to the movement of excavated earth and rocks (CER 17.05.04) as part of the expansion of a plant in Italy. Although temporarily influencing the volume of non-hazardous materials managed, this operation was carried out in full compliance with current regulations, ensuring a proper start to the disposal or recycling processes.

Regarding the management of outflows, metallic waste and the waste from mechanical processing represent the primary categories associated directly with the Group's manufacturing activities. Given the CER codes considered, the following types of waste material can be identified: ferrous metal filings, shavings, and dust, as well as equipment emulsions, washing solutions, and packaging of various kinds. The quantity and composition of this waste vary significantly from one plant to another, depending on the types of activity carried out.

Most of these flows already go for recycling and recovery, thus helping to curb the consumption of raw materials and reduce the emission of pollutants into the atmosphere. Given the breadth of the Interpump Group's activities and geographies, waste management and disposal decisions are made autonomously by each Group company, in compliance with the applicable local laws and using authorized operators.

The 2023-2025 ESG Plan also reflects the Group's ambition to increase the reuse opportunities for industrial waste, by qualifying it as by-products. In this context, only an industrial approach to the circular economy can activate new collaborations with strategic suppliers, thereby reducing environmental impacts and the related costs.

Given the nature of the Group's industrial processes, radioactive waste is not included among the waste produced.

Estimates were used to calculate the incoming and outgoing flows when exact quantities were unavailable. In particular, the mass of incoming flows was sometimes determined by dividing the purchase cost of materials by the average unit purchase cost (EUR/tonne).

If weight information was not available for outgoing flows, it was approximated with reference to disposed volumes and the related specific weights typically applicable, or to historical data updated with reference to 2025 turnover.

SOCIAL INFORMATION

In accordance with the regulatory requirements, this section examines and reports on the social impacts, risks, and opportunities (IRO) identified in the materiality analysis:

- ESRS S1 - OWN WORKFORCE
- ESRS S2 - WORKERS IN THE VALUE CHAIN
- ESRS S4 - CONSUMERS AND END-USERS

ESRS S1 - OWN WORKFORCE

Strategy

ESRS 2 SBM-2 - Interests and views of stakeholders

The Interpump Group is committed to ongoing dialog with all stakeholders, in order to take their individual needs and ideas for improvement into consideration. Employees and collaborators are recognized as stakeholders.

Acting within a Group-inspired framework, every Interpump company has developed specific communications channels for each category of stakeholder, in order to listen periodically and understand their points of view and needs. The Group engages with employees and collaborators in the following ways:

- periodic assessment of performance and results;
- specific training programs;
- communications from top management;
- collective bargaining;
- Questionnaire to identify material sustainability topics.

ESRS 2 SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model

As also shown in the chapter on General Disclosures (ESRS 2), the Interpump Group has identified eight potential negative impacts associated with its own workforce.

Of these, three are reflected in objectives specified in the 2023-2025 ESG Plan adopted by the Interpump Group, which have already been listed in the section of ESRS 2 entitled “SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model”:

Impact	Corresponding ESG Plan objective
Organization of resources and human capital	Increase of about 35% in average per-capita hours of non-mandatory training at Group level.
Occupational health and safety	Maintain the “average injury rate” of employees in the three-year period 2022-2024 below the average for the three-year period 2019-2021 (2.2); Extend adoption of the ISO 45001 Management System by Group production companies, increasing coverage from 22% to 45% of turnover.
Protection of human and workers’ rights	Initiate and complete a pilot project to assess the workplace environment with a view to promoting the principles of diversity and inclusion.

At the same time, following the double materiality analysis, five sustainability risks and five sustainability opportunities were identified as material.

The considerations expressed in the “General Disclosures” section (ESRS 2) apply to all workers potentially subject to material impacts generated by the Group. Interpump Group companies employed a total of 9,662 persons at 31 December 2025.

Given the nature of the sector in which the Group operates, the workforce mostly comprises men (81%), while the female component remains at 19%. In addition to temporary staff, the non-employed workforce includes an approximate total of 20 interns and external consultants. The large majority of employees are on full-time permanent contracts, while other contract categories are marginal.

Consistent with the methodological framework of the impacts, risks, and opportunities (IRO) defined in the ESRS, the Group has identified five opportunities for its workforce that have been included in the actions envisaged in the Group’s 2023-2025 ESG Plan. With regard to the risks, four originate from negative impacts and one derives from dependence on employees.

In particular with reference to the link between the opportunities identified for the workforce and the ESG Plan, the following actions are envisaged:

- increase in average per-capita hours of non-mandatory training at Group level;
- develop the Group's global mobility program;
- pilot project to assess the workplace environment with a view to promoting the principles of diversity and inclusion.

None of the material sustainability impacts on the Group’s own workforce are correlated with actions included in a transition plan to reduce negative environmental impacts.

As described in the section entitled “S1-1 – Policies related to own workforce,” on 14 February 2020 the Interpump Group adopted “Human Rights Guidelines” that prohibit the exploitation of child labor in its operations. Accordingly, the workforce is not exposed to operations deemed to be at risk of forced or child labor.

All material sustainability risks and opportunities identified by the Interpump Group extend uniformly to all members of its own workforce, regardless of the geographies in which they operate or the activities they perform. Currently, no activities or geographies have been identified as notably more exposed to sustainability risks than others.

Management of Impacts, Risks, and Opportunities

S1-1 - Policies related to own workforce

The Interpump Group has adopted a policy for managing the impacts, risks, and opportunities associated with its own workforce. This policy is reflected in the Policies and Guidelines adopted at Group level to safeguard and develop topics pertinent to its own workforce, such as working conditions, equal opportunities and treatment, skills development, and occupational health and safety. These Policies and Guidelines are embedded in the Corporate Governance framework adopted by the Interpump Group. They have been approved by the Board of Directors of Interpump Group S.p.A., and their adoption and implementation are mandatory for all subsidiaries, thereby binding the conduct of all workers and, to the extent applicable, the conduct of third parties that maintain relations with Interpump Group companies.

Engagement of own workforce
The Interpump Group believes in the fundamental importance of engaging with and listening to employees, in order to cultivate a corporate culture based on collaboration, dialog, and participation. These aspects are consistent with the outcomes of the double materiality analysis, from which the impacts, risks, and opportunities concerning occupational health and safety, diversity and inclusion emerged as material. These significant matters are addressed in the policies defined subsequently.

Training of own workforce
Interpump guarantees opportunities for professional growth and development for all employees, without discrimination of any kind. The principles underpinning this policy are documented in the Code of Ethics, the “HSE Policy”, and the “DEI Policy”. This orientation, also reflected in the actions identified in the 2023-2025 ESG Plan, rests on the principle of equitable access to individual learning opportunities, with training programs tailored to develop specific professional competencies, qualifications, and performance. Given the characteristics of the Group, each company is responsible for making specific training programs accessible to their employees, having regard for their respective geographical and technical requirements.

Cybersecurity guidelines
As identified in the double materiality analysis, cybersecurity is one of the risks associated with the activities of Group employees. Interpump Group S.p.A. approved Cybersecurity Guidelines on 15 March 2019, distributing them to all Group companies, with a view to defining the minimum IT security measures that each company must adopt in order to prevent the risk of cyber attacks (regardless of geographical or size considerations). Adoption of the above Guidelines is mandatory for all Group companies and their proper implementation is checked by the Internal Audit, Risk & Compliance Function, which carries out the related pre-planned audit work.

An internal functional committee (IT Security Committee) was established on 31 October 2023, tasked with defining a governance framework for managing cybersecurity risks and overall IT security within the Interpump Group. The principal objectives of this internal functional committee are indicated below:

- assess the status of IT systems and provide related support to Group companies, with a particular emphasis on cybersecurity risks;
- provide assistance to Group companies on matters concerning their cyber-incident prevention and response plans, including escalation protocols for reporting incidents promptly to, as appropriate, top management, the Control and Risks Committee, and the Board of Directors of Interpump Group S.p.A.;

- help the Board of Directors of Interpump Group S.p.A. to address any cybersecurity and IT security emergencies;
- examine and discuss cybersecurity best practices with Group senior management, in order to determine whether the existing IT systems, processes, policies, and controls align with benchmark standards;
- assess the need for and adequacy of insurance to cover losses caused by cybersecurity-related incidents;
- make proposals to Group senior management regarding optimal allocation of the resources dedicated to cybersecurity.

Membership of the IT Security Committee comprises the Chief Executive Officer of Interpump Group S.p.A., as Committee Chair, the Head of the Internal Audit, Risk & Compliance Function, the General Counsel & ESG Director, the Group Chief Financial Officer and, as subject matter experts, six representatives from the IT and cybersecurity domains of the principal subsidiaries. The Internal Audit, Risk & Compliance Function is tasked with distributing this policy to designated contacts within each Group company. Given the characteristics of the Interpump Group, the CEOs of each company are responsible for implementing this policy.

Health, safety and environment policy

A culture of workplace safety and respect for the environment is essential for the Interpump Group, which fosters and encourages responsible behavior, while also making available all the organizational and financial resources needed to prevent incidents and occupational illnesses, enhance occupational health and safety, and protect the environment. The Board of Directors of Interpump Group S.p.A. approved an updated version of the “HSE Policy” on 22 January 2024, in order to embed the sustainability principles and commitments made by the Interpump Group on adopting the ESG Plan. The new Policy focuses more on sustainable development, energy saving, resource utilization, the reduction of environmental impacts, and employee training. The Policy gives all Group companies a set of rules and minimum measures designed to protect workers and minimize the impacts of Group activities on the environment and surrounding landscapes. Each Interpump Group company is required to adopt this Policy promptly, by resolution of the Board of Directors or, in its absence, the equivalent body. The above resolutions must then be forwarded to the Group Internal Audit, Risk & Compliance Function, which is tasked with monitoring their proper and timely implementation.

Among the aspects related to occupational health and safety, the Policy:

- promotes the exchange of information and dialog with workers at all levels, in order to gather the information needed to prevent hazards and workplace incidents on a timely basis;
- establishes requirements for identifying and assessing the risks and hazards deriving from routine or non-routine activities and situations within company processes, interactions with external parties with access to corporate locations, and off-site activities carried out at the premises of customers, suppliers, or other Group companies;
- ensures that employees receive adequate instructions on how to perform their duties safety, avoiding situations that endanger their personal health and safety;
- steadfastly pursues the “zero injuries” objective via the continuous identification, assessment, prevention of, and protection against health and safety risks, the swift removal of potential hazards, and the implementation of employee health monitoring plans tailored to specific roles;
- minimizes the health and safety risks faced by workers from external companies and/or entities who are required to carry out tasks at Interpump Group plants, such as the maintenance of plant and machinery, construction work, and cleaning or security services;
- promotes the adoption of these values and principles governing health and safety matters by all parties within the supply chain.

By implementing the principles embedded in the “HSE Policy”, Interpump respects the UN Sustainable Development Goals (SDGs) and the OECD Guidelines for Multinational Enterprises.

Beyond this and to strengthen the oversight of occupational health and safety matters, certain Group companies have also adopted and implemented management systems certified in accordance with international standard UNI EN ISO 45001:2018. See the specific sections on environmental and personnel-related matters for further details.

Human Rights Guidelines

In conducting its business and activities, Interpump champions the protection of and respect for human and workers’ rights. This commitment is embedded in the Code of Ethics, in strict compliance with the related international Conventions and other current and locally-applicable regulations.

The Board of Directors of Interpump Group S.p.A. adopted the “Human Rights Guidelines” on 14 February 2020 as a set of instructions and rules of conduct designed to prevent all forms of discrimination, including those linked to the personal circumstances of individuals, and combat exploitation in the workplace and child labor. These Guidelines support strongly the principles of dignity, freedom and equality, and the protection of working conditions, union rights and occupational health and safety.

The adoption and implementation of these instructions and rules of conduct are mandatory for all Interpump Group companies and, therefore, employees and all those who act in the name and/or on behalf of Interpump Group companies, as well as advisors, suppliers and other third parties, including customers, are requested to make every effort to respect the Guidelines and the principles embodied therein.

In particular, the “Human Rights Guidelines”:

- recognize the right of employees to establish or participate in organizations and associations that defend and promote workers’ rights and interests, and prohibit discriminatory practices that penalize them based on their membership of, or participation in, union organizations and associations;
- recognize the right of workers to collective bargaining and to be represented by unions or other forms of representation elected or formed in compliance with the regulations or practices prevailing in the countries in which they work;
- condemn all forms of exploitation of labor, whether forced by threats, intimidation, punishment, reprisals or physical violence, or achieved by the serious restriction of personal freedoms, such as the confiscation of money or identity documents, human trafficking or modern slavery;
- ban the exploitation of child labor;
- ban discriminatory practices in any form, whether based on race, religious belief, age, ethnic origin, civil status, disability, sexual orientation, pregnancy or on any other personal condition;
- seek to ensure that all employees and candidates for employment are treated with full respect for diversity, promoting the principle of equal opportunities both when the working relationship is established and in all subsequent phases;
- prohibit as unacceptable any type of physical, verbal, sexual, or psychological harassment, as well as any form of abuse, threat, or intimidation in the workplace;
- recognize the importance of mentoring and professional training for the development of human resources and their skills, promoting all forms of involvement and participation by employees and their representatives;
- promote respect for human rights by all parties within the supply chain.

The “Human Rights Guidelines” draw inspiration from the principles of the UN Universal Declaration of Human Rights, the Fundamental Conventions of the International Labor Organisation (ILO), the OECD Guidelines for Multinational Enterprises, and the principles embodied in the UN Global Compact.

The principles established in the “Human Rights Guidelines” also make reference to the standards and rules of conduct for combating corruption, as specified in the “Anti-Corruption Guidelines,” for protecting and respecting the environment, as detailed in the “HSE Policy,” and for enhancing diversity and inclusion, as embodied in the “DEI Policy”.

Diversity, Equity and Inclusion Policy

The Interpump Group guarantees working conditions that respect individual dignity and are free from all acts of violence, attitudes or behaviors that are discriminatory, or damaging to individuals, their beliefs, or their preferences. For this purpose, the Board of Directors of Interpump Group S.p.A. approved the “Diversity, Equity, and Inclusion Policy” on 22 January 2024. By adopting this set of principles, objectives, and commitments, the Group seeks to promote diversity, ensure equity, and foster inclusion within the organizational structure and externally, thereby supporting the advancement of an inclusive society.

The Policy aims to cultivate a corporate culture founded on inclusion and mutual respect, in the conviction that diversity, equity and inclusion, as well as the protection of workers’ rights, are essential aspects of the Interpump Group’s activities and, as such, applicable to all Group companies.

In this light, the DEI Policy:

- recognizes diversity as a value that sparks innovation, productivity, and the creation of ideas, lifts the climate in the workplace, and encourages a blended cultural environment;
- safeguards diversity in all its forms, including gender, age, culture, physical and mental abilities and vulnerabilities, gender identity and sexual orientation, religious belief, and all other differences;
- guarantees fair access, treatment, opportunities, and professional growth in the workplace, removing barriers unrelated to merit that might hinder full participation;
- promotes professional development and the recognition of individual talent via growth pathways that respect diversity and inclusion;
- ensures the gender-neutrality of remuneration and incentive policies and practices, basing them solely on equity and the recognition of merit;
- advances individual well-being and work-life balance, protecting the more vulnerable categories and ensuring fair access to work opportunities.

The principles reflected in the “DEI Policy” are consistent with the values embedded in Interpump’s Code of Ethics and draw inspiration from the principles that underpin the UN Universal Declaration of Human Rights, the Fundamental Conventions of the International Labor Organisation (ILO), the OECD Guidelines for Multinational Enterprises, and the UN Global Compact.

Each Interpump Group company is required to adopt this Policy promptly, by resolution of the Board of Directors or, in its absence, the equivalent body. The above resolutions must then be forwarded to the Group Internal Audit, Risk & Compliance Function, which is tasked with monitoring their proper and timely implementation.

Remuneration Policy

The Remuneration Policy, inspired by the principles promoted in the Corporate Governance Code and aligned with corporate values and the expectations of stakeholders, applies to all Group employees, irrespective of their geographical location or local business specifics. Acting on a proposal from the Remuneration Committee, this Policy is first approved by the Board of Directors of Interpump Group S.p.A. and then submitted to binding vote at the Shareholders' Meeting.

Via this Policy, the Interpump Group seeks to:

- attract and motivate experienced professional resources in pursuant of the financial and non-financial objectives of the Company and the Group, as well as to incentivize the long-term loyalty of those persons who, given their skills and professional qualities, are able to manage and operate within the Company and the Group for the achievement of those objectives;
- grow the medium/long-term value of the Interpump Group in a sustainable manner, facilitating alignment of the interests of management with the those of the shareholders, having regard for the interests of other stakeholders that are important for the Company and the Group.

Beyond close ties with the established economic-financial objectives, the Remuneration Policy also strives to pursue the sustainable success of the Interpump Group. For this purpose, the 2023-2025 ESG Plan adopted by Interpump contains specific objectives for each sustainability domain - Environmental, Social, and Governance - in order to embed a long-term, realistic approach to sustainability within the strategic objectives of the Company and the Group. This Policy applies to all Group employees, although its significance is greater for those employees whose potential departure would have a more substantial impact by crystallizing a risk that was identified in the double materiality analysis.

These Policies and Guidelines are published on the website at the following link: *https://www.interpumpgroup.it/it/governance/documenti-societari, to ensure accessibility and clarity for all stakeholders. The 2025-2027 Remuneration Policy is, instead, available at the following link: https://www.interpumpgroup.it/it/governance/politiche-di-remunerazione*

S1-2 - Processes for engaging with own workers and workers' representatives about impacts

The Interpump Group consistently prioritizes active workforce participation in matters relating to inclusion, diversity, occupational health and safety, and the material impacts arising from sustainability processes.

The objectives of the Policies and Guidelines that safeguard personnel management and occupational health and safety include increasing the involvement of Group workers in the management of these matters, thus strengthening cohesion and employee well-being.

Given the characteristics and diversification of the Interpump Group, each subsidiary is directly responsible for local personnel management, working conditions, equal opportunities and treatment, skills development, and occupational health and safety. For this purpose, they have designated internal bodies and functions (including HR and the prevention and protection (safety) office) to manage these aspects.

Processes for engaging the Interpump workforce are facilitated through direct participation, as envisaged by local regulations, or, in certain instances, through the involvement of formally-recognized workers' representatives. Additionally, certain Group companies have established joint worker-management committees to exchange information and propose initiatives on occupational health and safety matters, such as health monitoring, risk assessment, incident investigation, and the promotion of corrective actions to enhance health and safety conditions, as well as initiatives related to solidarity, inclusion, diversity, and sustainability in general. These internal committees convene periodically throughout the year to ensure the continuous and updated monitoring of working conditions.

S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns

The Interpump Group strives to ensure that all workers can express their concerns, suggestions or complaints about any potential or actual adverse impacts deriving from Group activities, including with regard to the protection of human rights. This commitment is made explicit in the Code of Ethics and stated in the Global Compliance Program with reference to each material topic reported in this sustainability report. In particular, the Interpump Group recognizes the right of employees to establish or participate in organizations and associations that defend and promote workers' rights and interests and, consequently, discriminatory practices that penalize them based on their membership of, or participation in, union organizations and associations, are prohibited. Additionally, the Group recognizes the right of its employees to collective bargaining and to be represented by unions or other forms of representation, whether elected or formed in compliance with the regulations or practices prevailing in the countries in which it operates. The Interpump Group does not allow the exploitation of child labor. Group companies must ensure that their activities and those carried out by third parties, especially those in the supply chain, are free from all forms of exploitation of child labor, as defined in the ILO C138 Minimum Age Convention.

Negative impacts deriving, directly or indirectly, from the activities of the Group may be reported by the persons concerned to the individual contact points in the companies involved, who are obliged to initiate all appropriate remedial action to prevent, mitigate and make good the related consequences. In addition, the corporate and control bodies of the Group companies involved in the event must be informed promptly by the individual contact points about any developments and the remedial measures adopted. Depending on the severity of the impacts, the responsible bodies within the Parent Company may be involved, as well as the Board of Directors.

During the reference period for this report, no complaints were received about actual or potential events deriving from Group activities that might have generated negative impacts.

Whistleblowing Procedure

The Interpump Group has published a "Whistleblowing Procedure" on the corporate website that explains how to submit and process reports on actual or alleged infringements of the principles and rules specified in the Code of Ethics, the Organization, Management and Control Model pursuant to Decree 231/2001, Group policies and procedures and, more broadly, the applicable laws and regulations. The above Procedure describes and regulates the reporting process by giving the reporter (whistleblower) clear operational instructions about the subject, content and recipients of reports, as well as on how to submit them, guaranteeing to keep confidential the identity of the reporter from the moment in which the report is received, as well as to forbid any direct or indirect reprisals or discrimination against the whistleblower, in accordance with the applicable current regulations. The Procedure also governs determination of the validity and truth of the reports, so that appropriate corrective and disciplinary actions can be taken on a timely basis. Reports are directed to Report Managers, who are appointed by the supervisory bodies of all Group companies from within the Internal Audit, Risk & Compliance Function. Reports may be submitted through three preferential channels: web platform, telephone contact, or regular mail. The Report Managers are responsible for administering all reports received, assessing their justification and determining whether or not additional checks are needed. Without prejudice to the requirement to disclose certain events on a timely basis, each year or more frequently the Report Managers must guarantee a flow of summary information to top management and the Board of Directors about the reports received and administered.

During the reference period for this report, no significant reports were received via the preferential channels about alleged irregularities or unlawful activities.

S1-4 - Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The Interpump Group has adopted actions to manage impacts, risks, and opportunities related to its own workforce that - by focusing on the perimeter of the ESG Plan, which differs from the reporting perimeter used for this document - cannot be deemed aligned with ESRS requirements. In future, the Group will consider defining or updating actions in this area.

Nevertheless, as shown in the earlier section entitled “SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model”, included in this chapter (and to which reference is made), the Interpump Group has included actions in the 2023-2025 ESG Plan that address the following material sustainability impacts on its own workforce:

- organization of resources and human capital;
- occupational health and safety;
- protection of human and workers’ rights.

The actions effectively seek to mitigate material negative impacts (“employee health and safety” and “protection of human and workers’ rights”) or generate material positive impacts (“organization of resources and human capital”) for the Group’s employees. The outcomes of these actions are monitored by the Interpump Group to determine whether or not they satisfy the desired expectations. Periodically, top management and board committees receive updates on these matters, including an analysis of workplace injuries and the measures taken to reduce them. At present, no specific monetary or non-monetary resources have been identified that can be reported separately from expenditures on normal business processes, in which such actions are inherent and not separately identifiable.

The ESG Plan and related actions were devised by the Group ESG function under the supervision of the General Counsel & ESG Director. The Plan was crafted after benchmarking the position of the Interpump Group within its sector of operations, and considering key sustainability macro-trends.

As shown in the following table, the actions included in the ESG Plan may also help to mitigate sustainability risks or pursue ant material sustainability opportunities identified:

ESG Plan objective	Sustainability risk to be mitigated	Sustainability opportunity to be pursued
Maintain the “average injury rate” of employees in the three-year period 2022-2024 below the average for the three-year period 2019-2021	• If insufficient attention is dedicated to the health and safety of employees, as in the case of workplace injuries caused by adequate preventive measures or the incorrect identification of risks, Interpump could be faced with an increase in compensation claims and legal penalties for failure to comply with the regulations. Furthermore, an unsafe working environment could result in an increase in employee turnover and a consequent reduction in productivity, in addition to reputational losses.	
Extend adoption of the ISO 45001 Management System by Group production companies, increasing coverage from 22% to 45% of turnover.	• If insufficient attention is dedicated to the health and safety of employees, as in the case of workplace injuries caused by adequate preventive measures or the incorrect identification of risks, Interpump could be faced with an increase in compensation claims and legal penalties for failure to comply with the regulations. Furthermore, an unsafe working environment could result in an increase in employee turnover and a consequent reduction in productivity, in addition to reputational losses.	
Increase of about 35% in average per-capita hours of non-mandatory training at Group level.	• Low workforce morale and the erosion of trust can have a serious impact on the operations and financial performance of a business. These factors may have an adverse impact on the reputation of the Group and lead to greater employee turnover (lower productivity, additional training and hiring costs)	• Training initiatives designed to promote personnel growth and enhance career opportunities can lift employee morale and their sense of belonging.

ESG Plan objective	Sustainability risk to be mitigated	Sustainability opportunity to be pursued
Development of a Group global mobility program	• Low workforce morale and the erosion of trust can have a serious impact on the operations and financial performance of a business. These factors may have an adverse impact on the reputation of the Group and lead to greater employee turnover (lower productivity, additional training and hiring costs)	• Operational opportunity linked to a more productive and engaged workplace (sense of belonging among employees)
Pilot project to assess the workplace environment with a view to promoting the principles of diversity and inclusion.		• The promotion of a culture of respect stimulates collaboration and expansion of the corporate network. Transforming compliance obligations into a competitive opportunity • Operational opportunity linked to a more productive and engaged workplace (sense of belonging among employees)

For information about how Interpump seeks to ensure that its practices do not cause or contribute to material negative impacts on its own workforce, reference is made to the controls described in the earlier sections entitled “S1-1 - Policies related to own workforce” and “S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns”.

Metrics and targets

S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Interpump Group has identified targets for managing the impacts, risks, and opportunities related to its own workforce, but only in the context of the 2023-2025 ESG Plan that, however, cannot be deemed aligned with ESRS requirements. In future, the Group will consider defining targets in this area.

The metrics presented in this chapter have not been validated by an external entity, other than the party that issued the attestation of conformity.

S1-6 - Characteristics of the undertaking's employees

The Group has 9,662 employees at 31 December 2025, mostly concentrated in Italy, the United States, India, Germany, and China; however, the incidence of employees in Italy and the USA each exceeds 10% of the total. Permanent, full-time contracts are undoubtedly the most prevalent.

Preservation of the bond between newly-acquired companies and their local territories is distinguishing characteristic of the Interpump Group, upheld over time and through multiple M&A transactions. This approach not only maintains the local corporate identity, but also safeguards the social fabric of the territory, the local sources of employment, and the respective supplier networks.

The tables present the actual employee headcount at 31/12, rather than averages or FTEs. No particular assumptions have been made with regard to this indicator, as reference is always made to the exact numbers.

The Group's employees are analyzed by gender below, together with specific details for Italy and the USA. Employment in each of these two countries exceeds 50 persons and they each account for more than 10% of the total Group workforce.

The number of employees at 31 December 2025 is reported here as an integer, whereas the "Group companies" chapter of the financial statements presents the average number of employees during the year.

Employees by gender				**2025**				**2024**
	Italy	USA	Other countries	Group	Italy	USA	Other countries	Group
Men	3,201	897	3,694	7,792	3,106	919	3,522	7,547
Women	849	237	784	1,870	799	245	763	1,807
Other	-	-	-	-	-	-	3	3
Not specified	-	-	-	-	-	-	-	-
Total	**4,050**	**1,134**	**4,478**	**9,662**	**3,905**	**1,164**	**4,288**	**9,357**
%	*42%*	*12%*	*46%*	*100%*	*42%*	*12%*	*46%*	*100%*

The following table reports employee information by type of contract and gender.

Employees by contract type	2025					2024				
	Men	Women	Other	Not specified	Total	Men	Women	Other	Not specified	Total
No. of employees	7,792	1,870	-	-	**9,662**	7,547	1,807	3	-	**9,357**
of which on permanent contracts	7,631	1,821	-	-	**9,452**	7,363	1,745	3	-	**9,111**
of which on fixed-term contracts	161	49	-	-	**210**	184	62	-	-	**246**
of which on variable-hours contracts	2	2	-	-	**4**	4	-	-	-	**4**
of which on full-time contracts	7,723	1,635	-	-	**9,358**	7,490	1,576	3	-	**9,069**
of which on part-time contracts	69	235	-	-	**304**	57	231	-	-	**288**

The turnover rate reflects the ratio of the number of employees who departed to the number of persons employed at 31 December 2025.

Terminations	2025	2024
Employees at 31/12	**9,662**	**9,357**
No. of terminations	1,107	1,480
of which resignations	613	*776*
of which retirements	147	*118*
of which dismissals	273	*407*
of which contract expiry	43	*153*
of which failure to pass the probationary period	31	*26*
Turnover rate	11.5%	15.8%

The following analysis by region provides better insight into the geographical distribution of employees among the various countries in which the Group operates. This distribution is consistent with that used in earlier sections to allocate revenues by geographical area.

Employees by type of contract and geographical area	2025 Italy	Rest of Europe	North America	Far East / Pacific Area	Rest of the World	Total	2024 Italy	Rest of Europe	North America	Far East / Pacific Area	Rest of the World	Total
No. of employees	4,050	2,256	1,310	799	1,247	**9,662**	3,905	2,192	1,328	772	1,160	**9,357**
of which on permanent contracts	4,005	2,157	1,296	749	1,245	**9,452**	3,833	2,089	1,318	712	1,159	**9,111**
of which on fixed-term contracts	45	99	14	50	2	**210**	72	103	10	60	1	**246**
of which on variable-hours contracts	1	-	-	3	-	**4**	-	4	-	-	-	**4**
of which on full-time contracts	3,859	2,175	1,290	789	1,245	**9,358**	3,722	2,119	1,309	760	1,159	**9,069**
of which on part-time contracts	191	81	20	10	2	**304**	183	73	19	12	1	**288**

All tables present the actual number of employees at 31 December 2025. Accordingly, no assumptions or methodologies have been used.

S1-8 - Collective bargaining coverage and social dialog

Overall, 69% of Group employees are covered by collective bargaining agreements. Coverage is however uneven due to the variety of countries in which the Group operates, with 100% cover in countries like Italy and much lower percentages elsewhere.

The following table presents the coverage of collective bargaining agreements and social dialog in the two countries (Italy and the USA) whose Group employees each account for more than 10% of the total workforce:

Coverage rate	2025 Coverage of collective bargaining		2025 Social dialog	2024 Coverage of collective bargaining		2024 Social dialog
	Employees - EEA countries	Employees - non-EEA countries	Workplace representation	Employees - EEA countries	Employees - non-EEA countries	Workplace representation
0 - 19%		USA	USA		USA	USA
20 - 39%						
40 - 59%						
60 - 79%						
80 - 100%	Italy		Italy	Italy		Italy

In Italy, the number of employees covered by collective bargaining agreements may exceed the number of union members, as these agreements apply to both union members and non-members.

Again in Italy, social dialog is certainly facilitated by the activities of Workers’ Safety Representatives (RLS) and, where present, by Local Union Representatives (RSU). While social dialog is recognized as a fundamental component of the European social model, the penetration of employee participation in other countries is much lower.

S1-9 - Diversity metrics

The term "senior management" refers to the first and second organizational levels that report to the administrative and supervisory bodies of Interpump Group S.p.A. Overall, this set of employees corresponds to the executives working at the various Group companies.

The following tables analyze the distribution of senior management by gender, in numerical and percentage terms.

Composition of senior management	2025		2024	
	Number	%	Number	%
Men	198	87.2%	198	87.2%
Women	29	12.8%	26	11.7%
Other	-	-	-	-
Not specified	-	-	-	-
Total	**227**	**100.0%**	**223**	**100.0%**

The next table analyzes the distribution of Group employment by age.

Employees by age	2025		2024	
	Number	%	Number	%
< 30	1,281	13.3%	1,333	14.2%
30 - 50	5,214	54.0%	5,018	53.6%
> 50	3,167	32.8%	3,006	32.1%
Total	**9,662**	**100.0%**	**9,357**	**100.0%**

S1-10 - Adequate wages

Considering the adequacy of wages, Interpump has analyzed and normalized the total gross annual pay (RAL) (thus including any components of income other than RAL) of all employees at 31 December 2025 of all companies consolidated line by line, except: Tutto Hidráulicos Ltda, Borghi Assali S.r.l., Padoan Deutschland GmbH, Padoan Swiss SA, F.A.R.M.A. S.r.l. and F.A.R.M.A. USA Inc.

This process normalized their remuneration on an annual basis, overcoming any differences linked to the timing of hiring during the year or between full-time and part-time contracts.

The resulting amount was compared with 50% of the average remuneration reported by the OECD or another authoritative data provider on its website. Where the remuneration of an individual did not exceed these thresholds, a check was made to ensure that the annual wage was still adequately greater than the legal minimum.

This analysis confirmed that all Group employees receive an adequate wage, in compliance with ESRS S1-10.

S1-13 - Training and skills development metrics

Corporate training and skills development are a cornerstone of the Group’s growth strategy. For this purpose, Interpump plans and organizes training courses designed to develop the abilities needed to perform the duties assigned and grow the skills of management. Adequate preparation and training also increase the knowledge of operational processes, improving quality standards and, at the same time, mitigating injury risks.

Given the importance of training, this topic was also addressed in the 2023-2025 ESG Plan, which sets a target increase in the average non-mandatory training hours per capita at Group level. Considering the targets set for the reduction of injury rates, all training hours other than for “Health and Safety” were treated as non-mandatory.

The following table analyzes the 2025 training hours by topic and gender:

Training hours by type	2025					2024				
	Men	Women	Other	Not specified	Total	Men	Women	Other	Not specified	Total
Anti-corruption	1,066	283	-	-	**1,349**	981	183	-	-	**1,164**
Cyber security - IT	3,062	1,134	-	-	**4,196**	3,431	877	-	-	**4,309**
Compliance	2,853	1,134	-	-	**3,987**	638	335	-	-	**973**
Health and safety	26,509	3,727	-	-	**30,236**	27,895	5,204	-	-	**33,098**
Foreign languages	3,477	1,293	-	-	**4,770**	4,098	1,710	-	-	**5,808**
Leadership	4,119	807	-	-	**4,925**	2,534	959	-	-	**3,493**
Soft skills	6,089	2,412	-	-	**8,500**	5,713	5,342	-	-	**11,055**
Technical training	37,783	8,568	-	-	**46,352**	35,515	10,125	-	-	**45,641**
Other	9,850	2,980	-	-	**12,830**	12,567	3,561	-	-	**16,128**
Total	**94,809**	**22,337**	**-**	**-**	**117,146**	**93,373**	**28,296**	**-**	**-**	**121,668**

Per capita training hours in 2025:

Training hours per capita	2025					2024				
	Men	Women	Other	Not specified	Total	Men	Women	Other	Not specified	Total
All categories	12.2	11.9	-	-	**12.1**	12.4	15.7	-	-	**13.0**
All categories excluding HSE	8.8	10.0	-	-	**9.0**	8.7	12.8	-	-	**9.5**

All training hours delivered to enhance the professional and personal skills of employees were considered for reporting purposes, provided they were documented formally and can be verified ex post (demonstrability criterion). OTJ training, training workers for another role, and other training hours arranged independently by individuals (e.g., study leave) were excluded from the above calculation. Accordingly, this metric does not contain any estimates or approximations.

S1-14 - Health and safety metrics

Consistent with the structure of the Group, all Interpump employees are covered by the health and safety management systems adopted by their respective companies. During 2025, there were no fatalities due to work-related injuries or illnesses among Group employees or other workers operating at Group sites.

The following table presents the number and rate of injuries, distinguishing those injuries that caused an absence from work for:

- Up to one day
- More than a day

Work-related injuries - employees	2025	2024
No. of deaths from work-related injuries	-	-
Days lost for deaths from work-related injuries	-	-
Work-related injuries with absences <= 1 day		
No. of injuries	87	88
Work-related injury rate	*5.2%*	*5.5%*
Work-related injuries with absences > 1 day		
No. of injuries	146	118
Work-related injury rate	*8.8%*	*7.3%*
Total work-related injuries		
Hours worked	16,588,774	16,058,275
No. of injuries	233	206
Days lost	3,994	2,859
Work-related injury rate	*14.0%*	*12.8%*

The injury rates were calculated in accordance with EU regulations, using a multiplier of 1,000,000 (equivalent to annual working hours), so that the injury rate equals the number of injuries * 1,000,000 / actual hours worked. For completeness, this indicator previously used 200,000 hours as the multiplier.

The following table is provided for work-related illnesses:

Work-related illnesses - employees	2025	2024
No. of deaths from work-related illnesses	-	-
Days lost for deaths from work-related illnesses	-	-
No. of work-related illnesses	-	2
Days lost due to work-related illnesses	-	86

S1-16 - Compensation metrics (pay gap and total compensation)

The ratio of the highest total annual remuneration within the organization to the median wage of Group employees was calculated using both the fixed and variable components of gross remuneration, after normalizing the amounts to make them consistent and comparable. The above ratio, excluding the long-term incentive component of remuneration (share-based incentive plans), was about 81 in 2025. Including the stock option plans detailed in the Report on Remuneration Policy and Compensation Paid, the above ratio rises to about 217.

To better present how this ratio is calculated, the Group considered all employees on the payroll at 31 December 2025 of the companies consolidated line by line, except: Tutto Hidráulicos Ltda, Borghi Assali S.r.l., Padoan Deutschland GmbH, Padoan Swiss SA, F.A.R.M.A. S.r.l. and F.A.R.M.A. USA Inc.

The remuneration of employees with part-time contracts and of those persons hired during the year was normalized, to make it equivalent to that of an employee with a full-time contract from 1 January to 31 December 2025. Employees who terminated the working relationship during the year were excluded from the calculation. Total annual remuneration includes:

- fixed components: normalized annual basic pay, including any references made to the collective bargaining and personal agreements;
- variable components, only if actually received (cash basis), including remuneration for overtime hours, bonuses and awards, incentives, commissions, fringe and flexible benefits;
- long-term bonuses and stock options (where applicable), measured at fair value if specified in the Remuneration Policy, or otherwise as income in kind.

In order to calculate the gender pay gap, the Group reduced the gross annual pay (RAL) of employees to an hourly rate (calculated as RAL / contractually agreed working hours). At Group level, the ratio of the average hourly pay of women to that recognized to men was 94% in 2025 (unchanged with respect to the prior year).

S1-17 - Incidents, complaints and severe human rights impacts

Interpump has not received, directly via its own channels or via subsidiaries, any complaints or reports of workplace incidents that appear significant or critical.

Additionally, no significant or problematic episodes of work-related discrimination based on gender, race or ethnicity, nationality, religion or personal beliefs, disability, age, sexual orientation, or other relevant forms of discrimination involving stakeholders were recorded in 2025.

There were no severe incidents involving human rights during 2025.

ESRS S2 - WORKERS IN THE VALUE CHAIN

Strategy

ESRS 2 SBM-2 - Interests and views of stakeholders

The Interpump Group is committed to ongoing dialog with all stakeholders, in order to take their individual needs and ideas for improvement into consideration.

For now, considering the results of the latest materiality analysis, the Group has decided to focus engagement activities on those categories of stakeholders considered more directly affected, deferring specific analysis of the views of workers in the value chain to a later date.

ESRS 2 SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model

As shown in the earlier section entitled "*SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model*", included in the chapter on General Disclosures (ESRS 2), the Interpump Group has identified four potential negative impacts relating to value chain workers, associated with the sub-topic "*other work-related rights*". At the same time, following the double materiality analysis, three risks associated with the sub-topic "*other work-related rights*" were identified as material. Similar to the impacts identified, none of them directly correlated with the objectives included in the Group's 2023-2025 ESG Plan.

The 2023-2025 ESG Plan does not include actions or targets related to the sustainability impacts identified in connection with its value chain.

The considerations expressed in the "General Disclosures" section (ESRS 2) apply to the following categories of workers in the Interpump Group's value chain:

- workers present at Group locations, but not part of its own workforce, such as agency and maintenance personnel;
- workers upstream in the value chain, involved in the initial stages of the Group's production activities, such as foundry workers and persons employed by the suppliers of semi-finished products;
- workers downstream in the value chain, such as those employed in logistics, distribution, and after-sales services.

To date, the listening channels and analytical processes activated have not identified specific issues relating to vulnerable workers in the value chain. This assessment is subject to constant updates as the systems for monitoring the supply chain evolve.

The Board of Directors of the Interpump Group adopted the "Human Rights Guidelines" on 14 February 2020, as a set of instructions intended to combat exploitation in the workplace and child labor. The adoption and implementation of these instructions and rules of conduct are mandatory for all Interpump Group companies and, therefore, employees and all those who act in the name and/or on behalf of Interpump Group companies, as well as advisors, suppliers and other third parties, including customers, are requested to make every effort to respect the Guidelines and the principles embodied therein.

All the sustainability impacts on the value chain workers identified by Interpump Group are considered negative. Of these, only "*Management of sensitive data and information*" is common to all contexts in which the Group operates, while the "*Protection of human and workers' rights*" occurs only in countries outside the macro-group (Europe, North America, and Australia).

Of the three identified risks, two derive from the Group's dependencies (specifically suppliers), while the other arises from a material sustainability impact (specifically "*Management of sensitive data and information*").

All material sustainability risks identified by the Interpump Group extend uniformly to all value chain workers included in the perimeter analyzed (listed above), regardless of the geographies in which they operate or the activities they perform. Currently, no activities or geographies have been identified as more exposed to sustainability risks than others.

Management of Impacts, Risks, and Opportunities

S2-1 - Policies related to value chain workers

Given the strategic importance of the entities that operate within the value chain, the Interpump Group has decided to strengthen relationships and promote sustainability practices throughout the value chain, and has adopted a policy for managing the impacts, risks, and opportunities related to value chain workers.

To this end, the Interpump Group has established a set of corporate governance rules and a Global Compliance Program that define policies and guidelines to mitigate significant impacts on or create opportunities for value chain workers. This program is rooted in the principles and values embodied in the Code of Ethics, which protects and promotes the value of human resources, both its own and those in the value chain, in order to enhance and develop their wealth of knowledge and skills. In all its activities, Interpump pursues and promotes respect for human rights and, in particular, the respect for human life, the freedom and dignity of individuals, justice, fairness and solidarity. The physical and moral integrity of personnel, whether or not direct employees, is guaranteed via the provision of working conditions that respect their personal dignity and working environments that are safe and healthy.

The Policies and Guidelines, referenced in chapters ESRS S1 and ESRS G1, mandate all Interpump Group companies to disseminate and promote their principles and values among their employees and all value chain workers. These Policies and Guidelines are consistent with the values embodied in Interpump's Code of Ethics and the guidelines, standards and laws promulgated at an international level, including the UN Universal Declaration of Human Rights, the Fundamental Conventions of the International Labor Organisation (ILO), the OECD Guidelines for Multinational Enterprises, and the UN Global Compact.

They establish high-level directives for the protection and development of topics relevant to value chain workers, but do not specify in detail how the Group manages the related impacts, risks, and opportunities, as required by the ESRS. In future, the Group will consider defining or updating the current Policies and Guidelines in order to align their principles with the requirements of the CSRD.

No instances of non-compliance with the guiding principles of the UN Universal Declaration of Human Rights, the Fundamental Conventions of the International Labor Organisation (ILO), or the OECD Guidelines for Multinational Enterprises, that involve upstream and downstream value chain workers were highlighted during the reference period of this report.

Although the Group has not yet formally adopted a Suppliers' Code of Conduct, its development and promotion is currently at an advanced stage, with a view to its structural application throughout the value chain.

S2-2 - Processes for engaging with value chain workers about impacts

As stated in the earlier section entitled "*ESRS 2 SBM-2 - Interests and views of stakeholders*", included in this section, value chain workers are not currently among the priority categories involved in the stakeholder engagement process developed by the Group.

However, initiatives have still been implemented to reduce any actual and potential negative impacts on value chain workers resulting from the Group's activities. In particular with regard to the supply chain, a supplier rating model based on environmental, social, and governance criteria has been implemented. All suppliers are rated on each of the following areas of interest and with regard to their ESG-related policies and certifications, their procedures for defining and monitoring the related KPIs, and their improvement targets. The metrics used include:

- respect for human rights, child labor and forced labor practices, and general working conditions;
- personnel management, respect for diversity, and equal opportunities;
- occupational health and safety;
- cybersecurity and data protection.

By analyzing the information received via the supplier rating model, the Interpump Group is able to identify possible issues and the viewpoints of value chain workers.

Given the specific characteristics of each company within the Interpump Group, it is currently not possible to provide specific information about how they engage with workers throughout the value chain. Accordingly, in the near future, Interpump will define a structured engagement process for these workers, in order to identify more precisely any actual and potential impacts deriving from Group activities.

S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns

The Interpump Group strives to ensure that all value chain workers can express their concerns or complaints about any potential or actual adverse impacts deriving from Group activities, including with regard to working conditions and the protection of human rights. In particular, as envisaged in ILO Convention 138, human trafficking and the exploitation of child, forced or compulsory labor are not tolerated.

Any concerns or complaints can be reported to contact points at each Group company, including their HSE managers, who are required to take remedial action to prevent, mitigate, and remediate negative impacts. The processes implemented by the Interpump Group to mitigate negative impacts are considered to be effective.

The corporate and control bodies of the Group companies concerned are informed promptly about developments and the remedial measures adopted. Depending on the severity of the impacts, the responsible bodies within the Parent Company may be involved, as well as the Board of Directors.

Each Interpump Group company adopts its own procedures for monitoring and addressing concerns or complaints received from value chain workers.

During the reference period for this report, no complaints or concerns about events that caused negative impacts were reported by value chain workers or entities. The Interpump "Whistleblowing Procedure" described in Chapter ESRS S1 also establishes procedures for submitting and processing reports concerning any alleged infringements, misconduct, or concerns identified by value chain workers.

To ensure that value chain workers are aware of the channels available to raise their concerns, Group companies employ various methods to inform them about their existence and the rules for their use. Additionally, all Group companies publish the "Whistleblowing Procedure" on their websites, thus ensuring greater visibility for and access to this information. In order to protect the value chain workers who use these channels to raise their concerns, Interpump has implemented non-retaliation policies that prohibit any form of retaliation against workers who report concerns or use the remediation processes. The above policies ensure that all reports are processed confidentially to protect the identities of the workers concerned.

S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

The Interpump Group promotes proper collaboration with all value chain workers but, given the geographical spread of the Group, no specific actions aligned with ESRS requirements are envisaged at this time. In future, the Group will consider defining or updating actions in this area.

No severe human rights issues or incidents within the upstream and downstream value chains were identified or reported during the reference period for this report.

At present, no specific monetary or non-monetary resources have been identified that can be reported separately from expenditures on normal business processes, in which such actions are inherent and not separately identifiable.

Metrics and targets

S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

As previously stated, given the specific characteristics of the Group and the fragmentation of the value chain, the Interpump Group has not yet identified targets in relation to this aspect. In future, the Group will consider defining targets in relation to value chain workers.

ESRS S4 - CONSUMERS AND END-USERS

Strategy

ESRS 2 SBM-2 - Interests and views of stakeholders

The Interpump Group is committed to ongoing dialog with all stakeholders, in order to take their individual needs and ideas for improvement into consideration. Customers and end users are recognized as stakeholders.

For each category of stakeholder, the Group has established specific communications channels via which to listen periodically and understand their points of view and needs.

The Group engages with customers and end users in the following ways:

- sales visits;
- corporate websites;
- management of complaints;
- catalogs;
- after-sales service;
- trade fairs.

ESRS 2 SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model

As shown in the earlier section entitled "*SBM-3: Material impacts, risks, and opportunities and their interaction with strategy and business model*", included in the chapter on General Disclosures (ESRS 2), the Interpump Group has identified just one potential negative impact relating to consumers and end users, associated with the sub-topic: "impacts related to the information provided to consumers and/or end-users". At the same time, following the double materiality analysis, the risk associated with privacy and compliance linked to the possible dissemination of personal data has been identified as significant.

In this context, the 2023-2025 ESG Plan does not include actions or targets related to the sustainability impacts or risks identified in connection with its value chain.

Interpump Group customers are all professional operators, mostly Original Equipment Manufacturers (OEM), that incorporate Group products into their more complex systems and equipment. In this context, any direct sales to "end consumer", as defined in the current regulations, are entirely marginal, if not absent.

As indicated in the earlier section entitled "SBM-1: Strategy, business model, and value chain", the Interpump Group mostly collaborates with B2B customers and, accordingly, it is difficult to identify end-users of the multiple applications of the Group's products who might be exposed to value chain risks.

Interpump strives proactively to improve and expand its range of products, carefully checking their compatibility with the systems in which they are incorporated. Additionally, internally designed control systems and test equipment have enabled the Group to obtain a series of approvals from International Certification Bodies, attesting to the high quality and verified compatibility of the products checked. This commitment is confirmed by the Group's affiliation with the major standardization bodies, including the Italian Standards Body (UNI).

The sustainability impact on consumers and/or end-users in the value chain identified by the Interpump Group (Management of sensitive data and information) is assessed as negative and is common to all contexts in which the Group operates.

Although significant at every level within the value chain, these risks and impacts become more important from a commercial standpoint when it comes to the management of customers.

Management of Impacts, Risks, and Opportunities

S4-1 - Policies related to consumers and end users

Given the role of customers and, where applicable, end users within the value chain, the objective of the Interpump Group is to strengthen relations with them while promoting sustainability practices throughout the value chain. In this context, the Group has adopted a set of rules and tools, including the Global Compliance Program, the Code of Ethics, and additional policies and guidelines, intended to monitor and govern the impacts, risks, and opportunities associated with customers and end users, with a focus on the material topics identified.

In particular, within the Global Compliance Program (which includes a set of corporate governance rules), Interpump has defined responsible practices that, in particular, promote the safe use of its products and solutions by end-users. These practices aim to ensure that the best preventive measures are adopted to avoid risks or harm from use of the products sold, while also guaranteeing compliance with high quality standards. The Interpump Group is unwaveringly committed to strict compliance with the regulations in force in the countries where it operates and at international level (including ATEX, EMC, REACH, ROHS, and Proposition 65) that safeguard and protect customers and end-users.

In addition, the Code of Ethics defines principles and values that safeguard and protect all actors in the value chain. Lastly, the Policies and Guidelines, referenced in chapters ESRS S1 and ESRS G1, mandate all Interpump Group companies to disseminate and promote the above-mentioned principles and values.

At the date of this report, no infringements of the values and principles applicable to end-users, as embodied in the Interpump Code of Ethics, the UN Global Compact, and the OECD Guidelines, have been identified or reported in relation to the downstream value chain.

The Policies and Guidelines establish high-level directives for the protection and development of topics relevant to customers and end-users, but do not specify in detail how the Group manages the related impacts, risks, and opportunities, as required by the ESRS. In future, the Group will consider defining or updating the current Policies and Guidelines in order to align their principles with the requirements of the CSRD.

The Interpump Group is unwaveringly committed to strict compliance with the regulations in force in the countries where it operates that safeguard and protect customers and end-users.

S4-2 - Processes for engaging with consumers and end-users about impacts

Establishing dialog and clear, accessible communications with customers and end-users about the characteristics of its products, solutions, and services, is a priority for the Interpump Group. Transparent communications build trust in business relations and help customers and end-users to make informed decisions.

The Interpump Group has developed specific channels for sharing and exchanging communications and information with customers and end-users. Specifically - in addition to the management of after-sales services and complaints, and the organization of trade fairs - sales visits, the websites of Group companies and their social media platforms ensure continuous communications and frequent engagement.

The commercial functions within Interpump Group companies ensure that the feedback from end-users, received via customers, is collected and used to improve the products and services offered. This activity includes managing customer relations via various communication channels and analyzing the data collected to identify trends and the emerging needs of end-users. In addition, top management at Group level ensures that corporate strategies are focused on sustainability and that the indirect feedback from end-users is considered when making business decisions. Top management must oversee and regularly assess the ESG performance of the Group, ensuring that sustainability targets are achieved and that business practices are transparent and accountable. This integrated approach, focused on customers and end-users, is essential so that the Group can build trust and maintain a positive market reputation.

Feedback from customers and end-users provides valuable insights into areas for improvement and, by leveraging this information, the Group can optimize its processes, products, and services, enhancing their quality and efficiency. This approach to continuous contributes to the Interpump Group’s long-term competitiveness and sustainability.

Consistent with a strategic vision that positions active listening and a customer-centric approach at the heart of the business model, during 2025 the Interpump Group launched a more structured process of stakeholder engagement, involving two key commercial partners. These partners have already adopted the CSRD and share the same reporting standards and logic, thus facilitating the immediate release of operational synergies. This initiative seeks to monitor market developments and ESG expectations, but it also represents a privileged channel for the collection of direct feedback about the Group's strategies, contributing to the shared definition of material priorities and the co-creation of new sustainability initiatives. This dialog program is expected to become an annual appointment, with a view to progressive extension that ensures both continuous assessment and constant alignment of approach towards market and regulatory challenges.

S4-3 - Processes to remediate negative impacts and channels for customers and end-users to raise concerns

The Interpump Group strives to ensure that customers, and even end-users, can express their concerns or complaints about any potential or actual adverse impacts deriving from Group activities, either by direct contact with the business functions concerned or via the digital channels made available by the Group.

This commitment not only enhances transparency and trust in the business, but also contributes to corporate accountability and sustainability. In particular, no form of retaliation is tolerated and, as a result, all customers and end-users can feel safe when reporting doubts or issues. This fosters an environment in which they can express concerns freely, without fear of adverse consequences.

Any concerns or complaints can be reported to contact points at each Group company, including their sales and IT personnel, who are required to take remedial action to prevent, mitigate, and remediate negative impacts.

The corporate and control bodies of the Group companies concerned are informed promptly about developments and the remedial measures adopted. Depending on the severity of the impacts, the responsible bodies within the Parent Company may be involved, as well as the Board of Directors.

During the reference period for this report, no complaints or concerns about events that caused negative impacts were reported by value chain workers or entities. The Interpump “Whistleblowing Procedure” described in Chapter ESRS S1 also establishes procedures for submitting and processing reports concerning any alleged infringements, misconduct, or concerns identified by value chain workers. During the reference period for this report, no reports were received via the available channel about alleged irregularities or unlawful activities.

To ensure that end-users are aware of the channels available to raise their concerns, all Group companies publish the “Whistleblowing Procedure” on their websites, thus ensuring greater visibility for and access to this information. In order to protect the end-users who use these channels to raise their concerns, Interpump has implemented non-retaliation policies that prohibit any form of retaliation against those who report concerns or use the remediation processes. The above policies ensure that all reports are processed confidentially to protect the identities of the reporters.

S4-4 - Taking action on material impacts on customers and end-users, and approaches to managing material risks and pursuing material opportunities related to customers and end-users, and effectiveness of those actions

The Interpump Group is committed to establishing clear and accessible dialog and communications with all customers but, given the diversity of its product markets and sectors of application, no specific cross-cutting actions aligned with ESRS requirements are envisaged at this time. In future, the Group will consider defining or updating actions in this area.

That said, the Interpump Group adopts the following practices and initiatives that have a positive influence on customers and end-users:

- promotion of corporate sustainability: adoption of environmentally-friendly sustainable practices that raise awareness among customers and end-users about the importance of sustainability;
- innovation and continuous improvement: investment in research and development for the continuous innovation and enhancement of products and services;
- protections for counterparts: adoption of flexible returns policies, product warranties, and efficient customer services;
- customer loyalty: establishment of strong relations with customers and end-users, in order to create a positive ripple effect that strengthens the customer base and lowers customer acquisition costs.

Additionally, in the context of the ESG Plan, the Interpump Group has adopted Product Ecodesign Guidelines with a view to reducing the environmental impact of its activities via the adoption of innovative and sustainable solutions. The circular economy is based on the idea of creating a virtuous system for the use of resources, encouraging the reuse, recycling, and regeneration of materials, in order to minimize the consumption of natural resources and reduce the production of waste. In this context, ecodesign is an essential dimension to be addressed, and the above Guidelines represent a further step towards creating a sustainable and responsible business, capable of looking to the future with a far-sighted, environmentally-respectful approach.

The viewpoint of end-users is a “tool” that Interpump uses to understand better their perceptions and expectations on the topic of sustainability; in this way, the Group's ESG strategies can be adapted effectively and the related actions monitored. On this last point, Interpump gathers opinions and suggestions from customers, which in turn reflect the experiences of their end-users. The analysis of product sales and usage data also provides insights into how the actions taken to reach the targets set in the ESG Plan influence the conduct of both customers and end-users.

S4-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

As previously stated, given the variety of products and the specific characteristics of markets in which the Group operates, Interpump has not yet identified targets in relation to this aspect. In future, the Group will consider defining targets in relation to end-users.

GOVERNANCE INFORMATION

ESRS G1 - Business conduct

Governance

ESRS 2 GOV-1 - The role of the administrative, management, and supervisory bodies

As specified in the earlier section entitled "GOV-1: "The role of the administrative, management, and supervisory bodies", included in the General Disclosures chapter (ESRS 2), the Board of Directors plays a central role in the corporate governance of the Interpump Group and in the definition of sustainability policies, including those related to business conduct.

On 28 April 2023, separating certain functions previously assigned to the Control, Risks, and Sustainability Committee, the Board of Directors established a Sustainability Committee with powers to investigate, consult, and make recommendations on ESG matters. This Committee, comprising two independent directors and the Chief Executive Officer, is responsible for developing sustainability goals, strategies, and plans for the Board to consider, as well as for monitoring their implementation.

All Board members bring the professionalism and skills needed for the roles assigned to them, as discussed further in the section of the chapter on ESRS 2 entitled GOV-1: "The role of the administrative, management, and supervisory bodies". With regard to it expertise in the area of business conduct, the Board of Directors of Interpump Group S.p.A. possesses consolidated knowledge and experience in such areas as corporate ethics and culture, combating bribery and corruption, and managing stakeholder relations.

Management of Impacts, Risks, and Opportunities

ESRS 2 IRO-1 - Description of the processes to identify and assess material business conduct-related impacts, risks, and opportunities

The methodology used to identify the impacts, risks, and opportunities is consistent with the aspects described in the section entitled "*IRO-1: Description of the process to identify and assess material impacts, risks, and opportunities*", included in the chapter on General Disclosures (ESRS 2). This methodology was also applied to the analyses of matters related to business conduct, which involved understanding the operational context, identifying their impacts, risks, and opportunities, and then assessing and prioritizing them. Specifically, the analysis considered the geographical areas in which the Group operates, including the geographical distribution of suppliers and the value chain as a whole. The results of the above analysis were also determined in light of the manufacturing nature of the principal Interpump Group companies, as well as the different business sectors in which they operate and their respective organizational structures.

In the process of identifying impacts related to business conduct, three material, potentially negative, impacts were identified, associated with three specific sub-topics: business culture, protection of whistleblowers and management of relations with suppliers, including payment practices. These potential impacts were only identified in relation to direct operations.

Based on the double materiality analysis carried out in accordance with the ESRS, to date no material risks or opportunities have been identified in relation to disclosure requirement G1. Nevertheless, the Group plans to update this assessment periodically with reference to changes in the operating and regulatory environments, while also constantly monitoring both governance and ethical matters in order to ensure timely recognition of any important new elements.

As a listed issuer, the Group strives constantly to evolve and update its organizational models to reflect the best international governance practices. In this context, it is sometimes difficult to distinguish between proactive improvements and alignments with established sector practices; accordingly, these elements are considered part of normal operational diligence and, at present, do not give rise to risks or opportunities that exceed the materiality threshold.

G1-1 - Business conduct policies and corporate culture

The governance system defined by Interpump Group S.p.A., comprising a set of rules, policies, and organizational structures, seeks to ensure effective and efficient corporate governance, consistent with the characteristics and strategic objectives of the Group, while pursuing the sustainability of its activities over the medium-long term.

The Board of Directors of Interpump Group S.p.A. has established non-negotiable principles and policies for business conduct that underpin the Group's system of corporate governance and promote a corporate culture based on the principles of transparency and integrity. These principles are shared with clients, suppliers and, more generally, with all third parties that maintain commercial relations with Group companies, regardless of their geographical location.

The Interpump Group has adopted a Global Compliance Program (GCP) in order to promote a business culture founded on the principles of ethics, integrity and corporate social responsibility in the conduct of Group activities. This program comprises a coordinated series of instruments, including the Code of Ethics, the Organization, Management and Control Model pursuant to Decree 231/2001, and the guidelines on combating corruption, occupational health and safety, environmental protection and human rights. These instruments are intended to ensure that employees and all those who interact with the Group, even if only occasionally or on a temporary basis, respect the values and rules of conduct adopted, while also complying with the principle of legality in the conduct of business.

In order to identify, assess, and manage in a structured manner the impacts, risks, and opportunities associated with business conduct and culture, the Interpump Group has established the following Guidelines:

Anti-corruption Guidelines
The Anti-corruption Guidelines, approved by the Board of Directors of Interpump Group S.p.A. in March 2019, comprise a structured set of rules and procedures designed to eliminate the risk of corrupt conduct by employees, collaborators and all persons who, for any reason and regardless of their contractual status, work on behalf of Group companies.

The Anti-corruption Guidelines confirm the principle of zero tolerance for all forms of corruption, and promote full compliance with the domestic and international laws and standards on combating corruption. Special attention is dedicated to selecting commercial partners, managing contracts and verifying the satisfaction of ethical requirements, as well as to the governance of gifts, hospitality and presents, institutional relations, political contributions and donations to charities. Adoption and implementation of the Anti-corruption Guidelines is mandatory for all Group companies. They bind the conduct of all employees, collaborators and, where applicable, advisors, suppliers and other third parties, including customers, involved in Group activities. The Group's Internal Audit, Risk & Compliance function is responsible for monitoring proper application of the Anti-corruption Guidelines and for planning and delivering specific training, especially to those roles most exposed to corruption risks, including the functions responsible for commercial relationships with customers and suppliers.

The Anti-corruption Guidelines are published on the Group’s institutional website at the following link: https://www.interpumpgroup.it/it/governance/documenti-societari.

Management of reports and complaints
The Interpump Group ensures that all stakeholders are able to express their concerns, suggestions or complaints about any potential or actual negative impacts deriving from Group activities, including those associated with corruption and the protection of human rights. This commitment is formalized in the Code of Ethics and reiterated in the Global Compliance Program. Events with a negative impact attributable, directly or indirectly, to the activities of the Group may be reported to the competent contact points in the companies involved, who are obliged to initiate promptly the remedial actions considered necessary or appropriate to prevent, mitigate and make good the adverse consequences reported. The corporate and control bodies of the companies concerned must be informed promptly by the contact points about developments and the measures adopted. Depending on the severity of the impacts, the responsible bodies and the Board of Directors of Interpump Group S.p.A. must be involved.

Whistleblowing Procedure
The Interpump Group has defined clear, structured procedures for managing reports about alleged irregularities, violations or non-compliant business conduct, as detailed in the Whistleblowing Procedure. This procedure governs the reporting process, giving the whistleblower clear, precise instructions about the purpose of reports, their content and their recipients, as well as about how to submit them. The confidentiality of the identity of the reporter is guaranteed from the moment the report is received, together with an absolute ban, in compliance with current regulations, on any form of direct or indirect reprisals and/or discrimination. The procedure also governs how to check the truth of the reports, so that the necessary corrective and disciplinary actions are taken on a timely basis.

Reports may be submitted to the Report Managers via three preferential channels - web platform, dedicated telephone contact, or regular mail - in addition, if desired, to verbal communication. The Report Managers evaluate every report received, checking the basis for their justification and the need for any further investigation. Without prejudice to the requirement to report significant events, the Report Managers guarantee to provide, each year or more frequently, a flow of summary information to top management and the Board of Directors. The Interpump Group does not tolerate reprisals or discrimination of any kind against the whistleblower. Such behavior comprises conduct, acts, or omissions, even if only threatened, associated with the report that could cause unjust harm. The above protections apply not only during the working relationship, but also during the selection process or other pre-contractual phases, during the probationary period, and even after termination of the relationship, if the information about the violations was obtained in those contexts.

Interpump Group employees and collaborators are informed and trained to respect the rules contained in the Anti-Corruption Guidelines, as well as on how to manage reports. Each Group company is responsible for disseminating the relevant information and for training its employees and collaborators. The "Whistleblowing Procedure" is available on the corporate intranet, posted on internal noticeboards, and distributed to all employees. In addition, the whistleblowing channels and the contact details of the Report Managers are available on the corporate websites. The Group Internal Audit, Risk & Compliance function, in collaboration with the Supervisory Bodies established pursuant to Decree 231/2001, organizes training sessions on the principles and measures contained in the "Whistleblowing Procedure", as part of the training delivered on the 231 Model.

As part of the actions planned for the next three years, Group expects to equip all Italian companies with an Organization, Management, and Control Model pursuant to Decree 231/2001, in order to strengthen the culture of ethics and legality. The stakeholders were not involved in the definition of this objective, since it represents an area that involves all stakeholder categories.

Given that the Group has not yet defined a timeline for addressing material sustainability matters, the goal described above is not fully aligned with ESRS requirements. The Internal Audit, Risk & Compliance function constantly monitors the progress of the project and the effectiveness of the actions taken.

G1-2 - Management of relationships with suppliers

The sharing of values, commitments, and responsibilities is a prerequisite for establishing the relations that the Interpump Group maintains with the suppliers of goods and services. To ensure a structured and systematic approach to management of the supply chain, the Interpump Group has embarked on a journey focused on the continuous improvement and sustainable development of its suppliers, taking into account their diversity and specific operational characteristics.

The main supply chain initiatives already implemented in an ESG context include:

- **updating the Code of Ethics (2023)** to include the principles and commitments accepted by the Interpump Group on approval of the 2023-2025 ESG Plan. The updated version of the Code of Ethics, adopted by all Group companies, places particular emphasis on sustainable development, the protection of human and workers' rights, energy efficiency, the reduction of environmental impacts, the training of employees, and the promotion of transparency and corporate responsibility in the dialog with its stakeholders, including partners in the supply chain;
- **Implementation of a structured process of supplier assessment** based on their ESG maturity, as measured using a specific questionnaire that evaluates their practices with regard to such matters as environmental protection, social aspects, occupational health and safety, safeguarding of human and workers' rights, and the prevention and combating of corruption. For each topic,the score assigned to their responses contributes to determination of the overall rating. For priority matters, certain responses may trigger specific investigations, even including on-site audits or, in the most critical cases, exclusion of the supplier from the qualification process. This process has been developed first by the Group's Italian companies;
- **Promotion of the best sustainability practices**, helping suppliers to understand and implement the various ESG requirements, even by sharing the principles and guidelines contained in the Code of Ethics and in the policies adopted by the Interpump Group.

The Interpump Group believes that the management of supply chain risks, particularly those related to environmental protection, social and economic growth and development, as well as ethical and reputational matters, is an integral part of its strategy to mitigate potential supply chain disruptions and other issues.

To this end, Interpump Group companies adopt structured supplier qualification processes to verify *inter alia* the ESG reliability of their counterparts. The sharing of sustainability principles and commitments, via express supplier acceptance of the Code of Ethics, is a key element of these processes, being an essential condition for commencing and maintaining the collaboration. Also, for suppliers classified as "critical", the Group applies additional ESG assessment criteria prior to accepting offers of supply. This privileges the commitment shown by partners to achievement of the sustainability goals described in the 2023-2025 ESG Plan. The competent business functions carry out risk-based audits to assess the adequacy of the ESG criteria adopted with respect to the Group's targets.

The Interpump Group is committed to maintaining cooperative, stable relations with all suppliers, regardless of their size and/or geographical location. With a view to safeguarding small- and medium-sized businesses, the Interpump Group adopts payment policies intended to avoid exposing them to economic-financial tensions. In particular, payment terms are agreed before contracts are signed and can only be changed after approval by the competent business functions and confirmation by the supplier.

Preliminary analyses now in progress will soon lead to the preparation of a supplier code of conduct promoting sustainability practices for dissemination throughout the supply chain. The Group's stakeholders, particularly its suppliers, were not involved in the definition of this goal.

Given that the Group has not yet defined a timeline for addressing material sustainability matters, the goal is not fully aligned with ESRS requirements. Once the Suppliers' Code of Conduct has been implemented, the Internal Audit, Risk & Compliance Function will monitor its adoption and dissemination by all Group companies.

Metrics and targets

G1-6 - Payment practices

Within the broader context of sustainable practices applicable throughout the supply chain, the Interpump Group is committed to respecting the payment terms agreed with suppliers. Although a specific policy for the management of delays in payments to small- and medium-sized enterprises (SMEs) has not yet been formalized, consolidated Group practice - adopted systematically - is to make payments on the contractually-agreed terms. See the previous chapter for further information about actions related to these aspects.

In order to process this metric, data has been collected from the Group's largest manufacturing companies, with particular reference to the procurement costs directly associated with their production process:

- raw materials, semi-finished and finished products;
- outsourced processing;
- tooling expenses;
- consumable materials.

In value terms, the companies included in this data collection process make about 28% of consolidated purchases relating to these supply categories (24% in 2024). In future, the Group expects to expand further the scope of this analysis, in order to make the results even more representative, while also ensuring greater consistency in the data provided by the various Group companies, given that they often have different management systems and operational specifics.

Since the sample is weighted by purchase invoice amount, the values reported in the table therefore reflect the most significant standard and actual payment terms in terms of economic value. No other adjustments were made in order to determine the consolidated averages for the Group.

Payment practices	Standard payment terms (average days)		Average payment time (days)		% payments made on standard terms		% payments not made on standard terms	
	2025	2024	2025	2024	2025	2024	2025	2024
Micro	68	83	69	84	72%	78%	28%	22%
Small	67	82	68	81	76%	83%	24%	17%
Medium	63	91	64	88	75%	83%	25%	17%
Large	67	79	68	76	75%	62%	25%	38%
Total	**66**	**84**	**67**	**82**	**75%**	**78%**	**25%**	**22%**

The data shown in the table reflects operations carried out in multiple international jurisdictions. Accordingly, the payment and commercial practices adopted are influenced by specific regulations and customs in the various countries in which the Group operates; these differences can give rise to considerable variability in the average contractual terms found in different geographical areas.

Compared with 2024, the scope of the reference sample has changed due to the inclusion of new companies with different payment practices. This has affected the comparability of average payment times between the two years concerned. An analysis of these two years has established that the difference between actual and standard terms is stable. This marginal gap is often attributable to technical or logistical factors, such as national holidays or reasons of an administrative nature that are not always directly controllable by the Group.

Despite this difference, an overall analysis confirms that the Group strives to respect rigorously the commitments made to its supply chain. This approach is consistent with the Group's strategic vision, which sees suppliers as a fundamental driver in the process of creating long-term value. In fact, the maintenance of fair, transparent and precise relations underpins the operational sustainability and resilience of the Group’s business as a whole.

An analysis at consolidated level of average settlement times for trade payables shows no substantial differences in the payment procedures applied to the various categories of supplier (micro, small, medium and large); this consistency reflects the Group’s commitment to guarantee fair and equal treatment, recognizing the strategic role and operational importance of SMEs, in particular, within the value chain.

In 2025, no legal action was taken by suppliers against Group companies due to payment delays.

Sant’Ilario d’Enza (RE), 20 March 2026

For the Board of Directors

Fulvio Montipò

Executive Chairman

B.

CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS €/000	Notes	31/12/2025	31/12/2024
Current assets			
Cash and cash equivalents	2.6.1	415,704	392,637
Trade receivables	2.6.2	397,253	385,963
Inventories	2.6.3	678,984	700,614
Tax receivables	2.6.4	41,208	56,381
Other current assets	2.6.4	28,182	34,647
Total current assets		**1,561,331**	**1,570,242**
Non-current assets			
Property, plant and equipment	2.6.5	844,608	853,747
Goodwill	2.6.6	865,841	837,798
Other intangible fixed assets	2.6.7	74,060	76,896
Other financial assets	2.6.8	5,539	3,948
Tax receivables		2,963	2,635
Deferred tax assets	2.6.9	41,612	43,640
Other non-current assets		2,684	2,866
Total non-current assets		**1,837,307**	**1,821,530**
Assets held for sale	2.6.10	-	-
Total assets		**3,398,638**	**3,391,772**

LIABILITIES AND SHAREHOLDERS' EQUITY €/000	Notes	31/12/2025	31/12/2024
Current liabilities			
Trade payables	2.6.12	233,564	237,371
Bank debts	2.6.11	33,688	33,236
Interest-bearing financial debts (current portion)	2.6.11	232,031	241,919
Tax liabilities	2.6.12	36,447	28,360
Other current liabilities	2.6.12	158,278	148,792
Provisions for risks and charges	2.6.13	8,862	8,858
Total current liabilities		**702,870**	**698,536**
Non-current liabilities			
Interest-bearing financial debts	2.6.11	441,084	526,526
Liabilities for employee benefits	2.6.14	21,995	21,292
Deferred tax liabilities	2.6.9	31,968	32,753
Tax liabilities		120	164
Other non-current liabilities	2.6.15	77,640	80,028
Provisions for risks and charges	2.6.13	12,860	13,136
Total non-current liabilities		**585,667**	**673,899**
Total liabilities		**1,288,537**	**1,372,435**
SHAREHOLDERS' EQUITY			
Share capital	2.6.16	55,320	55,505
Legal reserve	2.6.17	11,323	11,323
Share premium reserve	2.6.17	37,673	42,564
Remeasurement reserve for defined benefit plans	2.6.17	(5,241)	(5,923)
Translation reserve	2.6.17	(40,217)	38,108
Other reserves	2.6.17	2,039,750	1,866,775
Group shareholders' equity		**2,098,608**	**2,008,352**
Non-controlling interests	2.6.18	11,493	10,985
Total shareholders' equity		**2,110,101**	**2,019,337**
Total shareholders' equity and liabilities		**3,398,638**	**3,391,772**

CONSOLIDATED INCOME STATEMENT

€/000	Notes	31/12/2025	31/12/2024
Revenues	2.7.1	**2,070,684**	**2,078,399**
Cost of sales	2.7.2	(1,339,909)	(1,364,753)
Gross profit		**730,775**	**713,646**
Other net revenues	2.7.1	41,871	36,714
Distribution expenses	2.7.2	(185,174)	(173,890)
General and administrative expenses	2.7.2	(241,005)	(227,118)
Other operating costs	2.7.2	(9,903)	(11,538)
EBIT		**336,564**	**337,814**
Financial income	2.7.4	27,271	35,296
Financial expenses	2.7.4	(65,326)	(62,380)
Equity method		339	302
contribution			
Profit for the year before taxes		**298,848**	**311,032**
Income taxes	2.7.5	(89,139)	(82,562)
Consolidated profit for the year		**209,709**	**228,470**
Attributable to:			
Shareholders of Parent		208,122	227,051
Minority shareholders of subsidiaries		1,587	1,419
Consolidated profit for the year		**209,709**	**228,470**
Basic earnings per share	2.8	1.955	2.124
Diluted earnings per share	2.8	1.950	2.120

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

€/000	Notes	2025	2024
Consolidated profit for the year (A)		**209,709**	**228,470**
Gains (losses) on translating the financial statements of foreign companies		(78,378)	26,317
Gains (losses) from companies accounted for using the equity method		(141)	(132)
Applicable taxes		-	-
Total other comprehensive income (loss) which will subsequently be reclassified to consolidated profit, net of tax effect (B)	2.6.17	**(78,519)**	**26,185**
Other comprehensive income (loss) which will not subsequently be reclassified to consolidated profit			
Gains (losses) deriving from the remeasurement of defined benefit plans		900	(1)
Applicable taxes		(216)	-
Total other comprehensive income (loss) which will not subsequently be reclassified to consolidated profit, net of tax effect (B)	2.6.17	**684**	**(1)**
Consolidated comprehensive profit for the year (A) + (B) + (C)		**131,874**	**254,654**
Attributable to:			
Shareholders of Parent		130,479	253,308
Minority shareholders of subsidiaries		1,395	1,346
Comprehensive consolidated profit for the year		**131,874**	**254,654**

CONSOLIDATED CASH FLOW STATEMENT

€/000	Notes	2025	2024
Cash flows from operating activities			
Profit before taxes		298,848	311,032
Adjustments for non-cash items:			
Losses (gains) on the sale of fixed assets		(6,074)	(5,582)
Amortization and depreciation	2.7.2	121,250	113,870
Costs recognized in the income statement relative to stock options that do not involve monetary outflows for the Group	2.7.2	6,764	5,262
Losses (profits) from equity investments		(339)	(302)
Net change in risk provisions and allocations to employee benefit provisions	2.6.13, 2.6.14	(2,860)	(2,260)
Expenditures for tangible fixed assets to be leased	2.6.5	(13,563)	(11,250)
Proceeds from the disposal of leased tangible fixed assets	2.6.5	9,993	10,967
Net financial expenses (income)	2.7.4	38,055	27,084
Other		296	(26)
		452,370	**448,795**
(Increase) decrease in trade receivables and other current assets	2.6.2, 2.6.4	(7,222)	44,108
(Increase) decrease in inventories	2.6.3	(694)	21,406
Increase (decrease) in trade payables and other current liabilities	2.6.12	(5,580)	(15,634)
Interest paid	2.7.4	(29,746)	(41,881)
Realized exchange differences	2.7.4	(4,007)	3,902
Taxes paid	2.7.5	(71,168)	(103,618)
Net cash from operating activities		**333,953**	**357,078**
Cash flows from investing activities			
Payments for the purchase of investments, net of cash received and excluding treasury shares granted		(38,465)	(89,211)
Capital expenditure on property, plant and equipment	2.6.5	(91,774)	(129,186)
Proceeds from the sale of tangible fixed assets	2.6.5	2,686	2,980
Increase in intangible fixed assets	2.6.7	(9,664)	(9,044)
Financial income received	2.7.4	6,831	7,435
Other		778	1,459
Net cash (used in) investing activities		**(129,608)**	**(215,567)**

€/000	Notes	2025	2024
Cash flows from financing activities			
Disbursals (repayments) of loans	2.6.11	(102,949)	925
Dividends paid	2.6.17	(36,198)	(34,986)
Disbursements for purchase of treasury shares		(16,594)	(10,337)
Proceeds from the sale of treasury shares to stock option beneficiaries	2.6.16	4,754	581
Disbursements (repayments) of shareholder loans		-	(567)
Loans granted to (repayments from) non-consolidated subsidiaries		(241)	-
Change in other financial assets		(349)	(526)
Payment of finance lease installments (principal)	2.6.11	(20,375)	(19,749)
Net cash generated by (used in) financing activities		**(171,952)**	**(64,659)**
Net increase (decrease) in cash and cash equivalents		**32,393**	**76,852**
Exchange differences on translating the liquidity of foreign companies		(9,778)	535
Opening cash and equivalents of companies consolidated for the first time using the line-by-line method		-	-
Cash and cash equivalents at the beginning of the year	2.10	359,401	282,014
Cash and cash equivalents at the end of the year	2.10	**382,016**	**359,401**

See Note 2.10.2 for the reconciliation of cash and cash equivalents.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

€/000	Share capital	Legal reserve	Share premium reserve	Remeasurement reserve for defined benefit plans	Translation reserve	Other reserves	Group shareholders' equity	Non-controlling interests	Total shareholders' equity
At 1 January 2024	***55,625***	***11,323***	***46,938***	***(5,922)***	***11,850***	***1,673,764***	***1,793,578***	***9,326***	***1,802,904***
Recognition in the income statement of the fair value of stock options	-	-	5,262	-	-	-	5,262	-	5,262
Purchase of treasury shares	(130)	-	(10,207)	-	-	-	(10,337)	-	(10,337)
Sale of treasury shares to stock option beneficiaries	10	-	571	-	-	-	581	-	581
Purchase of residual interests in subsidiaries	-	-	-	-	-	191	191	1,090	1,281
Dividends paid	-	-	-	-	-	(34,231)	(34,231)	(777)	(35,008)
Comprehensive profit (loss) for 2024	-	-	-	(1)	26,258	227,051	253,308	1,346	254,654
At 31 December 2024	***55,505***	***11,323***	***42,564***	***(5,923)***	***38,108***	***1,866,775***	***2,008,352***	***10,985***	***2,019,337***
Recognition in the income statement of the fair value of stock options	-	-	6,764	-	-	-	6,764	-	6,764
Purchase of treasury shares	(260)	-	(16,334)	-	-	-	(16,594)	-	(16,594)
Sale of treasury shares to stock option beneficiaries	75	-	4,679	-	-	-	4,754	-	4,754
Change in consolidation perimeter	-	-	-	-	-	-	-	167	167
Purchase of residual interests in subsidiaries	-	-	-	-	-	-	-	(3)	(3)
Dividends paid	-	-	-	-	-	(35,147)	(35,147)	(1,051)	(36,198)
Comprehensive profit (loss) for 2025	-	-	-	682	(78,325)	208,122	130,479	1,395	131,874
At 31 December 2025	***55,320***	***11,323***	***37,673***	***(5,241)***	***(40,217)***	***2,039,750***	***2,098,608***	***11,493***	***2,110,101***

2. EXPLANATORY NOTES

2.1 General information

Interpump Group S.p.A. is an Italian company domiciled in Sant'Ilario d'Enza (RE). The company is listed on the Milan stock exchange in the Euronext Star Milan segment.

The Group manufactures and markets high and very high pressure plunger pumps, very high pressure systems, machines for the food processing industry, chemicals, cosmetics, pharmaceuticals, mechanical sifters and automated milking systems (Water-Jetting sector), power take-offs, gear pumps, hydraulic cylinders, directional controls, valves, gears and dispersion devices, hydraulic hoses and fittings, orbital motors, steering systems (hydroguide) and other hydraulic components (Hydraulic sector). The Group has production facilities in Italy, the US, Germany, China, India, France, Portugal, Spain, Brazil, Poland, Bulgaria, Romania, Canada, New Zealand and South Korea.

The consolidated financial statements include Interpump Group S.p.A. and its directly or indirectly controlled subsidiaries (hereinafter "the Group").

This consolidated Annual Financial Report at 31 December 2025, prepared on a going concern basis, was approved at the meeting of the Board of Directors held on 20 March 2026 (today).

2.2 Consolidation perimeter

The 2025 consolidation perimeter includes the Parent Company and the following subsidiaries consolidated on a line-by-line basis (with the information required on the basis of Consob communication DEM/6064293 of 28/07/2006):

Company	Location	Share capital €/000	Sector	Percentage held at 31/12/2025
Alfa Valvole S.r.l.	Casorezzo (MI)	1,560	Water-Jetting	100.00%
Alfa OBL America Inc. (2)	Austin (USA)	88	Water-Jetting	85.00%
GP Companies Inc.	Minneapolis (USA)	1,854	Water-Jetting	100.00%
Hammelmann Australia Pty Ltd (1)	Melbourne (Australia)	472	Water-Jetting	100.00%
Hammelmann Corporation Inc (1)	Miamisburg (USA)	39	Water-Jetting	100.00%
Hammelmann France S.a.r.l. (1)	Etrichè (France)	50	Water-Jetting	100.00%
Hammelmann GmbH	Oelde (Germany)	25	Water-Jetting	100.00%
Hammelmann Endüstri Pompalari A.Ş. (1)	Istanbul (Türkiye)	75	Water-Jetting	100.00%
Hammelmann Pumps Systems Co Ltd (1)	Tianjin (China)	871	Water-Jetting	90.00%
Hammelmann S. L. (1)	Zaragoza (Spain)	500	Water-Jetting	100.00%
Hammelmann Swiss GmbH (1)	Dudingen (Switzerland)	89	Water-Jetting	100.00%

Company	Location	Share capital €/000	Sector	Percentage held at 31/12/2025
Hi-Tech Enviro Solution Limited (NZ) (dormant) (17)	Auckland (New Zealand)	-	Water-Jetting	100.00%
I.mec S.r.l.	Reggio Emilia	100	Water-Jetting	70.00%
Improved Solutions Portugal Unipessoal Ltda (Portugal) (3)	Vale de Cambra (Portugal)	760	Water-Jetting	100.00%
Inoxihp S.r.l.	Nova Milanese (MI)	119	Water-Jetting	52.72%
Inoxpa (UK) Ltd (3)	Eastbourne (UK)	1,942	Water-Jetting	100.00%
Inoxpa Colombia SAS (3)	Bogotá (Colombia)	133	Water-Jetting	100.00%
Shanghai PuPeng Flow Technology Co. Ltd. (3)	Shanghai (China)	1,170	Water-Jetting	60.00%
Inoxpa China Flow Technology Co. Ltd. (3)	Shanghai (China)	1,536	Water-Jetting	60.00%
Inoxpa India Private Ltd (3)	Pune (India)	6,779	Water-Jetting	100.00%
Inoxpa Italia S.r.l. (3)	Mirano (VE)	100	Water-Jetting	100.00%
INOXPA LTD (Russia) (3)	Podolsk (Russia)	1,435	Water-Jetting	70.00%
Inoxpa Mexico S.A. de C.V. (3)	Mexico City (Mexico)	309	Water-Jetting	100.00%
Inoxpa S.A.U.	Banyoles (Spain)	23,000	Water-Jetting	100.00%
Inoxpa Skandinavien A/S (3)	Erritsø (Denmark)	134	Water-Jetting	100.00%
Inoxpa France SaS (3)	Chambly (France)	2,071	Water-Jetting	100.00%
Inoxpa Solutions Moldova (3)	Chisinau (Moldova)	317	Water-Jetting	66.67%
Inoxpa South Africa Proprietary Ltd (3)	Gauteng (South Africa)	104	Water-Jetting	100.00%
Inoxpa Special Processing Equipment Co. Ltd (3)	Jianxing (China)	1,647	Water-Jetting	100.00%
Inoxpa Ukraine (3)	Kiev (Ukraine)	113	Water-Jetting	100.00%
Inoxpa USA Inc. (3)	Santa Rosa (USA)	1,426	Water-Jetting	100.00%
NLB Corporation Inc.	Detroit (USA)	12	Water-Jetting	100.00%
Pioli S.r.l.	Reggio Emilia (RE)	10	Water-Jetting	100.00%
Servizi Industriali S.r.l.	Ozzano Emilia (BO)	100	Water-Jetting	90.00%
SIT S.p.A.	S.Ilario d'Enza (RE)	105	Water-Jetting	88.00%
Waikato Milking Systems Limited	Hamilton (New Zealand)	27,591	Water-Jetting	100.00%
Waikato Milking Systems Ireland Limited (17)	Dublin (Ireland)	1	Water-Jetting	100.00%
Waikato Milking Systems L.P. (NZ) (17)	Auckland (New Zealand)	46,803	Water-Jetting	100.00%
Waikato Milking Systems Lease Limited (NZ) (17)	Auckland (New Zealand)	-	Water-Jetting	100.00%

Company	Location	Share capital €/000	Sector	Percentage held at 31/12/2025
Waikato Milking Systems UK Limited (17)	Shrewsbury (United Kingdom)	-	Water-Jetting	100.00%
Waikato Milking Systems USA LLC (18)	Verona (USA)	-	Water-Jetting	100.00%
WMS GP Limited (NZ) (17) (dormant)	Hamilton (New Zealand)	-	Water-Jetting	100.00%
AllTube Engineering Ltd (dormant) (6)	Daventry (United Kingdom)	351	Hydraulic	100.00%
Bristol Hose Ltd (dormant) (6)	Bristol (United Kingdom)	-	Hydraulic	100.00%
Borghi Assali S.r.l. (12)	Bomporto (MO)	100	Hydraulic	70.00%
Contarini Leopoldo S.r.l. (4)	Lugo (RA)	47	Hydraulic	100.00%
Copa Hydrosystem Ood (5)	Troyan (Bulgaria)	3	Hydraulic	100.00%
Eurofluid Hydraulic S.r.l. (4)	Albinea (RE)	100	Hydraulic	80.00%
FGA S.r.l. (8)	Fossacesia (CH)	10	Hydraulic	100.00%
F.A.R.M.A. S.r.l. (4)	Fossatone di Medicina (BO)	2,022	Hydraulic	100.00%
F.A.R.M.A. USA Inc. (21)	Birmingham - USA	43	Hydraulic	100.00%
GS Hydro Denmark AS (10)	Kolding (Denmark)	67	Hydraulic	100.00%
GS- Hydro UK Ltd (10)	Aberdeen (United Kingdom)	5,095	Hydraulic	100.00%
GS-Hydro Ab (Sweden) (10)	Kista (Sweden)	120	Hydraulic	100.00%
GS-Hydro Austria GmbH (10)	Pashing (Austria)	40	Hydraulic	100.00%
GS-Hydro Benelux B.V. (10)	Hendrik Ido Ambacht (Netherlands)	18	Hydraulic	100.00%
GS-Hydro do Brasil Sistemas Hidráulicos Ltda (10)	Rio de Janeiro (Brazil)	252	Hydraulic	100.00%
GS-Hydro Hong Kong Ltd (1)	Hong Kong	1	Hydraulic	100.00%
GS-Hydro Korea Ltd. (10)	Busan (South Korea)	1,892	Hydraulic	100.00%
GS-Hydro Piping Systems (Shanghai) Co. Ltd. (11)	Shanghai (China)	2,760	Hydraulic	100.00%
GS-Hydro S.A.U (Spain) (10)	Las Rozas (Spain)	90	Hydraulic	100.00%
GS-Hydro Singapore Pte Ltd (10)	Singapore	624	Hydraulic	100.00%
GS-Hydro Sp. z o.o. (Poland) (10)	Gdynia (Poland)	1,095	Hydraulic	100.00%
GS-Hydro System GmbH (Germany) (10) (dormant)	Witten (Germany)	179	Hydraulic	100.00%
GS-Hydro U.S. Inc. (7)	Houston (USA)	9,903	Hydraulic	100.00%
Hangzhou Interpump Power Transmissions Co. Ltd (13)	Hangzhou (China)	575	Hydraulic	100.00%
H.S. S.r.l. (19)	Sulbiate (MB)	99	Hydraulic	100.00%
Hidrover Equipamentos Hidráulicos Ltda. (15)	Flores da Cunha (Brazil)	10,107	Hydraulic	59.00%
Hydra Dyne Tech Inc (7)	Ingersoll (Canada)	80	Hydraulic	89.99%
Hydrocar Chile S.A. (4)	Santiago (Chile)	129	Hydraulic	90.00%
Hydroven S.r.l. (4)	Tezze sul Brenta (VI)	200	Hydraulic	100.00%
IFS France S.a.r.l. (8)	Strasbourg (France)	162	Hydraulic	100.00%
IMM Hydraulics Ltd (dormant) (6)	Kidderminster (United Kingdom)	-	Hydraulic	100.00%
IMM Hydraulics S.p.A. (4)	Atessa (Switzerland)	520	Hydraulic	100.00%
IMM Hydro Est (8)	Catcau Cluj Napoca (Romania)	3,155	Hydraulic	100.00%
Interpump Fluid Solutions Germany GmbH (8)	Meinerzhagen (Germany)	52	Hydraulic	100.00%
Interpump Hydraulics (UK) Ltd. (4)	Kidderminster (United Kingdom)	13	Hydraulic	100.00%
Interpump Hydraulics Brasil Ltda (4)	Caxias do Sul (Brazil)	15,126	Hydraulic	100.00%
Interpump Hydraulics France S.a.r.l. (4)	Ennery (France)	76	Hydraulic	100.00%

Company	Location	Share capital €/000	Sector	Percentage held at 31/12/2025
Interpump Hydraulics India Private Ltd (4)	Hosur (India)	682	Hydraulic	100.00%
Interpump Hydraulics Middle East FZE (4) (dormant)	Dubai (UAE)	1,226	Hydraulic	100.00%
Interpump Hydraulics S.p.A.	Sala Bolognese (BO)	2,632	Hydraulic	100.00%
Interpump Piping GS S.r.l.	Reggio Emilia	10	Hydraulic	100.00%
Interpump South Africa Pty Ltd (4)	Johannesburg (South Africa)	-	Hydraulic	100.00%
IPG Mouldtech India Pvt Ltd	Coimbatore (India)	298	Hydraulic	85.00%
MA Transtecno S.A.P.I. de C.V. (13)	Apodaca (Mexico)	124	Hydraulic	70.00%
Mega Pacific NZ Pty Ltd (6)	Mount Maunganui (New Zealand)	557	Hydraulic	100.00%
Mega Pacific Pty Ltd (6)	Newcastle (Australia)	335	Hydraulic	100.00%
Muncie Power Prod. Inc. (4)	Muncie (USA)	784	Hydraulic	100.00%
Oleodinamica Panni S.r.l. (4)	Tezze sul Brenta (VI)	2,000	Hydraulic	100.00%
Reggiana Riduttori S.r.l.	S.Polo d'Enza (RE)	6,000	Hydraulic	100.00%
RR Canada Inc. (12)	Vaughan (Canada)	1	Hydraulic	100.00%
RR France S.a.r.l. (12)	Thouare sur Loire (France)	400	Hydraulic	95.00%
RR Holland BV (12)	Oosterhout (Netherlands)	19	Hydraulic	100.00%
RR Pacific Pty Ltd (12)	Victoria (Australia)	249	Hydraulic	100.00%
RR Slovakia A.S. (12)	Zvolen (Slovakia)	340	Hydraulic	100.00%
RR USA Inc. (12)	Boothwyn (USA)	1	Hydraulic	100.00%
Padoan Srl (4)	Olmi di S. Biagio di Callalta (TV)	100	Hydraulic	65.00%
Padoan Swiss SA (20)	San Vittore (Switzerland)	107	Hydraulic	100.00%
Padoan Deutschland GmbH (20)	Mönchengladbach (Germany)	100	Hydraulic	70.00%
Padoan Chile Ltda (dormant) (20)	Santiago (Chile)	32	Hydraulic	100.00%
Suministros Franquesa S.A. (16)	Lleida (Spain)	160	Hydraulic	100.00%
Tekno Tubi S.r.l. (8)	Terre del Reno (FE)	100	Hydraulic	100.00%
Transtecno Aandrijftechniek (Netherlands) (14)	Amersfoort (Netherlands)	-	Hydraulic	51.00%
Tutto Hidráulicos Ltda (22)	Caxias do Sul - Brazil	2,529	Hydraulic	100.00%
Transtecno BV (13)	Amersfoort (Netherlands)	18	Hydraulic	51.00%
Transtecno Iberica the Modular Gearmotor S.A. (13)	Gava (Spain)	203	Hydraulic	70.00%
Transtecno S.r.l.	Anzola dell'Emilia (BO)	100	Hydraulic	100.00%
Tubiflex S.p.A.	Orbassano (TO)	515	Hydraulic	100.00%
Unidro Contarini S.a.s. (5)	Barby (France)	8	Hydraulic	100.00%
Walvoil Canada Inc. (9)	Terrebonne, Quebec (Canada)	76	Hydraulic	100.00%
Walvoil Fluid Power (Dongguan) Co., Ltd (9)	Dongguan (China)	3,720	Hydraulic	100.00%
Walvoil Fluid Power (India) Pvt. Ltd. (9)	Bangalore (India)	4,803	Hydraulic	100.00%
Walvoil Fluid Power Australasia (9)	Melbourne (Australia)	7	Hydraulic	100.00%
Walvoil Fluid Power Corp. (9)	Tulsa (USA)	137	Hydraulic	100.00%
Walvoil Fluid Power France S.a.r.l. (9)	Vritz (France)	10	Hydraulic	100.00%
Walvoil Fluid Power Korea Llc. (9)	Pyeongtaek (South Korea)	453	Hydraulic	100.00%
Walvoil S.p.A.	Reggio Emilia	7,692	Hydraulic	100.00%
White Drive Motors and Steering Sp. z o.o.	Wroclaw (Poland)	33,254	Hydraulic	100.00%
White Drive Motors and Steering GmbH (dormant)	Parchim (Germany)	25	Hydraulic	100.00%
White Drive Motors and Steering, LLC	Hopkinsville (USA)	86,070	Hydraulic	100.00%

Company	Location	Share capital €/000	Sector	Percentage held at 31/12/2025
Wuxi Interpump Weifu Hydraulics Company Ltd (4)	Wuxi (China)	2,095	Hydraulic	65.00%

(1) = controlled by Hammelmann GmbH
(2) = controlled by Alfa Valvole S.r.l.
(3) = controlled by Inoxpa Group S.A.
(4) = controlled by Interpump Hydraulics S.p.A.
(5) = controlled by Contarini Leopoldo S.r.l.
(6) = controlled by Interpump Hydraulics (UK) Ltd.
(7) = controlled by Muncie Power Prod. Inc.
(8) = controlled by IMM Hydraulics S.p.A.
(9) = controlled by Walvoil S.p.A.
(10) = controlled by Interpump Piping GS S.r.l.
(11) = controlled by GS Hydro Hong Kong Ltd
(12) = controlled by Reggiana Riduttori S.r.l.
(13) = controlled by Transtecno S.r.l.
(14) = controlled by Transtecno B.V.
(15) = controlled by Interpump Hydraulics Brasil Ltda
(16) = controlled by GS Hydro S.A.U
(17) = controlled by Waikato Milking Systems Limited
(18) = controlled by Waikato Milking Systems Lease LTD
(19) = controlled by Inoxihp S.r.l.
(20) = controlled by Padoan S.r.l.
(21) = controlled by F.A.R.M.A. S.r.l.
(22) = controlled by Hidrover Equipmentos Hidráulicos Ltda

The other companies are controlled by Interpump Group S.p.A.

Compared with 2024, in 2025 the consolidation perimeter of the Hydraulic sector changed as follows:

- North American Manufacturing Inc. was absorbed by Muncie Inc. with effect from 1 January 2025;
- Innovativ Gummi Tech Srl was absorbed by I.M.M. Hydraulics Spa with effect from 1 January 2025;
- Interpump Hydraulics Middle East FZE was put into liquidation on 14 April 2025;
- During Q2 2025 the Group acquired the final 0.23% minority interest in Interpump Hydraulics France S.a.r.L and now holds the entire equity interest in that company;
- The Padoan group, acquired during the year through its subsidiary Interpump Hydraulics Spa, has been consolidated with effect from 1 July 2025;
- Tutto Hidráulicos Ltda, acquired during the year through its subsidiary Hidrover Ltda, has been consolidated with effect from 1 November 2025;
- Borghi Assali S.r.l., acquired during the year through its subsidiary Reggiana Riduttori Srl, has also been consolidated with effect from 1 November 2025;
- The F.A.R.M.A. group, acquired during the year through its subsidiary Interpump Hydraulics Spa, has been consolidated with effect from 31 December 2025. The balance sheet of the group has been consolidated at year end, while the economic effects of the acquisition will be recognized with effect from 1 January 2026;
- Lastly, the liquidation of RR India Pvt.Ltd. was completed during Q4 2025.

Additionally, the consolidation perimeter of the Water-Jetting sector has changed as follows:

- Hammelmann Endüstri Pompalari A.Ş., a newly-formed company, was consolidated for the first time from 1 January 2025;
- Alfa OBL America Inc., a newly-formed company, was consolidated for the first time from 1 May 2025;
- During Q2 2025, the Group acquired Nuova S.M. S.r.l. which has been consolidated using the equity method from June 2025;
- During Q2 2025 the Group exercised the option to purchase 10% of Servizi Industriali S.r.l. from the minority quotaholders, raising the percentage ownership from 80% to 90%;

- Lastly, following a reorganization within the Waikato group, the business activities of Waikato Milking Systems LP were transferred to Waikato Milking System Limited (previously known as "Waikato Holding Limited") with effect from 31 December 2025.

Alltube Engineering Ltd was consolidated in the Hydraulic sector for the whole of 2025, having been consolidated for 8 months in 2024, as were H.S. S.r.l., which was consolidated for 6 months in 2024, and Hidrover Equipamentos Hidráulicos Ltda, which was consolidated for 1 month in 2024.

Lastly, Shanghai PuPeng Flow Technology Co. Ltd and Inoxpa China Flow Technology Co. Ltd were consolidated in the Water-Jetting sector for the whole of 2025, having each been consolidated for 9 months in 2024, as was Alfa Valvole S.r.l., which was consolidated for 7 months in 2024.

2.2.1 Rights of minorities to dispose of their holdings (put options)

The minority quotaholder of Inoxihp S.r.l. is entitled to dispose of its holdings starting from the approval of the 2025 financial statements up to the 2035 financial statements, on the basis of the average results of the company in the last two financial statements for the years ended before the exercise of the option.

The minority shareholder of Inoxpa Solution Moldova is entitled to dispose of its holdings from October 2020, based on the most recent statement of financial position of that company.

2.2.2 Rights and obligations of minorities to dispose of their holdings (put & call options)

The minority shareholder of Hydra Dyne has the right and obligation to dispose of its holdings starting from approval of the 2028 financial statements based on the average of the results for the two years prior to exercise of the option.

The minority quotaholder of Eurofluid Hydraulic S.r.l. has the right and obligation to dispose of its holdings on the approval date of the financial statements at 31 December 2025. The price of this option has been fixed by contractual agreement.

The minority shareholder of IPG Mouldtech India Pvt Ltd has the right and obligation to dispose of its holdings by 30 June 2027, based on the results for the financial year prior to exercise of the option.

The minority quotaholder of I.mec S.r.l. has the right and obligation to dispose of its holdings in two tranches, the first starting sixty days after approval of the 2025 financial statements, and the second starting from approval of the 2027 financial statements.

The minority shareholders of Hidrover Equipamentos Hidráulicos Ltda have the right and obligation to dispose of their residual 41% equity interest in four tranches, based on the results for the financial year prior to exercise of the option. The first two tranches, corresponding to a 16% interest, will be exercisable following approval of the 2025 financial statements. The other two tranches, corresponding to the remaining 25% interest, will be exercisable following approval of the 2029 financial statements.

The minority quotaholder of Padoan S.r.l. has the right and obligation to sell the residual quotas from July 2030 and for a subsequent period of six months. The option exercise price will be determined with reference to the latest approved financial statements at the calculation date.

The minority quotaholder of Borghi Assali S.r.l. has the right and obligation to sell the residual quotas from May 2030 until 31 December of that year. The option exercise price for 30% of the quota capital will be determined with reference to the latest approved financial statements at the calculation date.

2.2.3 Obligations of the Group to purchase minority holdings

Interpump Group S.p.A. is required to purchase the residual 10% interest in Servizi Industriali S.r.l., commencing from approval of its 2026 financial statements.

In compliance with the requirements of IFRS 10 and IFRS 3, Inoxihp S.r.l., Inoxpa Solution Moldova, Hydra Dyne Tech Inc., Servizi Industriali S.r.l., Eurofluid Hydraulic S.r.l., IPG Mouldtech India Pvt Ltd, I.mec S.r.l., Hidrover Equipamentos Hidráulicos Ltda, Padoan S.r.l. and Borghi Assali S.r.l. have been consolidated in full, recording a payable representing an estimate of the present value of the exercise price of the options determined with reference to the business plans of the companies and/or on the basis of specific contractual agreements. Any changes in the above payable identified within 12 months of the date of acquisition, as a result of additional or better information, will be recorded as an adjustment of goodwill, while any changes emerging more than 12 months after the date of acquisition will be recognized in the income statement.

Equity investments in other companies, including subsidiaries, that have not been consolidated due to their insignificance are measured at fair value.

2.3 Accounting policies adopted

2.3.1 Reference accounting standards

The annual financial report as of 31 December 2025 has been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and adopted by the European Union, as well as with the enabling measures for art. 9 of Law 38 dated 28 February 2005. “IFRS” also means the International Accounting Standards (“IAS”) currently in force and all the interpretative documents issued by the IFRS Interpretation Committee, previously denominated International Financial Reporting Interpretations Committee (“IFRIC”) and still earlier known as the Standing Interpretations Committee (“SIC”).

The consolidated financial statements are presented in thousands of euro. The financial statements are prepared using the cost method, with the exception of financial instruments and the obligations deriving from options to acquire minority interests in certain subsidiaries, which are measured at fair value.

Preparation of financial statements in compliance with IFRS (International Financial Reporting Standards) calls for judgments, estimates, and assumptions that have an effect on assets, liabilities, costs and revenues. The final results may differ from the results obtained using estimates of this type. The captions of the financial statements that call for more subjective appraisal by the directors when preparing estimates and for which a change in the conditions underlying the assumptions utilized could have a significant effect on the financial statements are: goodwill, amortization and depreciation of fixed assets, deferred tax assets and liabilities, the allowance for doubtful accounts and the allowance for inventories, provisions for risks and charges, defined benefit plans for employees, and liabilities for the acquisition of investments included under other liabilities.

Notably, discretionary measurements and significant accounting estimates concern the recoverable value of non-financial assets calculated as the greater amount between the fair value minus the cost of sale and the value in use. The value-in-use calculation is based on a discounted cash flow model. The recoverable value is highly dependent on the discount rate used in the model, as well as on the expected future cash flows and the growth rate applied. The key assumptions used to determine the recoverable value for the two cash flow generating units, including a sensitivity analysis, are described in Note 2.6.6 to the Consolidated Financial Statements at 31 December 2025.

Moreover, the use of accounting estimates and significant assumptions concerns also the determination of the fair values of the assets and liabilities acquired in the framework of business combinations. In fact, at the acquisition date the Group must record, separately from the associated fair value, assets, liabilities and potential liabilities identifiable and acquired or assumed in the context of the business combination, and also determine the current value of the exercise price of any purchase options on minority interests. This process calls for the preparation of estimates, based on measurement techniques that involve making judgments about future cash flows and other hypotheses about the long-term growth rates and discount rates used in models developed with, in some cases, assistance from external experts. The accounting impacts of determination of the fair value of acquired assets and assumed liabilities, and of the options to purchase minority interests for operations of business combinations that occurred during the year, are provided in Note 2.5 “Business combinations” of the Consolidated financial statements at 31 December 2025.

The reporting formats and related classification criteria adopted by the Group are indicated below.

In the context of the options envisaged in IAS 1 - Presentation of financial statements, the consolidated statement of financial position classifies assets and liabilities in accordance with the "current/non-current" criterion.

The consolidated income statement classifies operating costs by the purpose for which they were incurred; in compliance with IFRS requirements, the consolidated statement of comprehensive income includes, in addition to the results for the year, income and costs not recognized in the income statement for the year, as required by the IFRS issued by the International Accounting Standards Board and adopted by the European Union.

The consolidated cash flow statement presents the cash flows from operating activities using the "indirect method".

2.3.2 Accounting standards, amendments and interpretations in force from 1 January 2025 and adopted by the Group

As from 2025 the Group has applied the following new accounting standards, amendments and interpretations, reviewed by IASB:

- *Amendments to IAS 21 - The effects of changes in foreign exchange rates: lack of exchangeability.* The IASB published an amendment on 15 August 2023 that contains guidelines to clarify when one currency is exchangeable into another currency and how to determine the exchange rate when, by contrast, it is not exchangeable. The amendment applies to reporting periods beginning on or after 1 January 2025. Early application was allowed.

The adoption of these standards had no significant effects on the financial statements of the Group.

2.3.3 Accounting standards, amendments and interpretations taking effect as from 1 January 2025 but not relevant for the Group

All accounting standards that took effect from 1 January 2025 are relevant for the Group.

2.3.4 New accounting standards and amendments not yet applicable and not adopted early by the Group

- *IFRS 18 - Presentation and Disclosure in Financial Statements.* On 9 April 2024, the IASB published a new standard that introduces certain important disclosures to be made in the explanatory notes to the financial statements when performance indicators are used that, as per the new standard, fall within so-called Management-defined Performance Measures. This ensures more transparent and comparable information for investors on the financial results of companies. All companies that adopt IFRS will apply this standard.

  During 2025, the Group began work to analyze and assess the potential impacts of applying IFRS 18.

  The effects of applying this standard are still being assessed and, at this time, its impacts on the consolidated financial statements have not yet been determined. The standard will apply to reporting periods beginning on or after 1 January 2027. Early application is allowed.

- *IFRS 19 - Subsidiaries without Public Accountability: Disclosures.* On 9 May 2024, the IASB published a new standard for subsidiaries without public accountability, which allows qualifying subsidiaries to apply IFRS with limited disclosures. The application of IFRS 19 will reduce the cost of preparing the financial statements of subsidiaries, while retaining the usefulness of the information provided to the users of their accounts.

The standard will apply to reporting periods beginning on or after 1 January 2027. Early application is allowed.

- *Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments.* On 30 May 2024, the IASB published an Exposure Draft that amends in particular IFRS 9 (Financial Instruments) and IFRS 7 (Financial Instruments: Disclosures), proposing amendments to ensure *inter alia* that the financial statements reflect more fairly the effects that contracts for renewable electricity have on a company.

The standard will apply to reporting periods beginning on or after 1 January 2026. Early application is allowed.

- *Annual improvements to IFRS – Volume 11.* On 19 July 2024, the IASB published the Annual Improvements to IFRS Accounting Standards - Volume 11, which contains clarifications, simplifications, corrections and amendments to the IFRS that improve their internal consistency. The following accounting standards were modified: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows.

The amendments are applicable from 1 January 2026. Early adoption is allowed.

- *"Amendments to IFRS 9 and IFRS 7, Amendments to the Contracts Referencing Nature-dependent Electricity".* On 18 December 2024, the IASB published amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, to help entities report better the financial effects of contracts structured as Power Purchase Agreements (PPAs), so that investors receive clearer information about their financial performance and expected cash flows.

The standard will apply to reporting periods beginning on or after 1 January 2026. Early application is allowed.

  - *Amendments to IFRS 19 - Subsidiaries without Public Accountability: Disclosures.* The IASB published these amendments to IFRS 19 on 21 August 2025. The newly-issued amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024. Specifically:

    - *IFRS 18 - Presentation and Disclosure in Financial Statements.*
    - *Supplier Finance Arrangements* (Amendments to IAS 7 and IFRS 7).
    - *International Tax Reform—Pillar Two Model Rules* (Amendments to IAS 12).
    - *Lack of Exchangeability* (Amendments to IAS 21).
    - *Amendments to the Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 and IFRS 7).

    With these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable.

  - *Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates.* The IASB published an amendment to IAS 21 on 13 November 2025 that clarifies how entities should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. The objective is to improve the usefulness and comparability of the resulting information.
    The standard will apply to reporting periods beginning on or after 1 January 2027. Early application is allowed.

The Group is currently assessing the possible impacts of the new standards included in this section.

2.3.5 Consolidation principles

(i) Subsidiaries

Companies are subsidiaries when the Parent Company is exposed to or is entitled to variable returns deriving from its investment relationship and, at the same time, is able to influence such returns by exercising its power over the entity concerned.

Specifically, the Group controls an investment if, and only if, the Group has:

- power over the entity in which the investment is held (i.e. holds valid rights granting the real ability to direct the significant activities of that entity);
- exposure to or rights to variable returns deriving from its investment relationship with the entity concerned;
- the ability to exercise its power over the entity concerned in order to influence the amounts of its returns.

Generally, ownership of the majority of voting rights is presumed to result in control. In support of this presumption and when the Group holds less than the majority of voting rights (or similar), the Group considers all significant facts and circumstances in order to determine whether or not it controls the entity concerned, including:

- contractual agreements with other owners of voting rights;
- rights deriving from contractual agreements;
- voting rights and potential voting rights held by the Group that are not freely exercisable or convertible.

The Group reviews whether or not it controls an entity, if the facts and circumstances indicate changes in one or more of the three elements that are significant for the definition of control. Such potential voting rights are not considered for consolidation purposes at the time of allocation to non-controlling interests of their portion of the economic results and shareholders' equity. The financial statements of several subsidiaries have not been consolidated in consideration of their limited significance; these investments are carried in accordance with the principles illustrated in Note 2.3.12.

The financial statements of subsidiaries are consolidated starting from the date on which the Group acquires control, and deconsolidated from the date on which control is relinquished. They are prepared with reference to the same accounting period and using the same accounting standards as the Parent Company.

Acquisitions of stakes in subsidiaries are recorded in accordance with the purchase account method. The acquisition cost corresponds to the current value of the acquired assets, shares issued, or liabilities assumed at the date of acquisition. Ancillary expenses associated with the acquisition are generally recognized in the income statement when they are incurred. The excess of acquisition cost over the Group interest in the current value of the net assets acquired is recognized in the statement of financial position as goodwill. For all business combinations, the Group decides whether to measure the non-controlling interest in the acquired entity at fair value, or in proportion to the minority equity interest acquired. Any negative goodwill is recorded in the income statement at the date of acquisition.

If the business combination is achieved in several phases, the equity interest previously held is remeasured at fair value at the acquisition date and any profits or losses are recognized in the income statement.

The fair value of any contingent consideration payable is recognized by the purchaser at the acquisition date. Changes in the fair value of contingent consideration classified as an asset or a liability, as a financial instrument governed by IFRS 9 Financial instruments: recognition and measurement, are recognized in the income statement or in the statement of other comprehensive income. Any contingent consideration not falling within the scope of IFRS 9 is measured at fair value and the changes in fair value are recognized in the income statement. If the contingent consideration is classified in equity, its value is not remeasured and the effect of subsequent settlement is also recognized in equity.

After the Group has obtained control of an entity, subsequent acquisitions of interests in said entity that result in an increase or decrease in acquisition cost with respect to the amount attributable to the Group are recognized as equity transactions.

Subsidiaries are consolidated on a line-by-line basis, which combines the entire amount of their assets and liabilities and all their costs and revenues, irrespective of the percentage of control. The accounting value of consolidated equity investments is therefore eliminated against the related interest in their shareholders' equity. The portions of shareholders' equity and profits of non-controlling interests are shown respectively in a specific caption under shareholders' equity and on a separate line of the consolidated income statement. The Group is required to allocate the total statement of comprehensive income to the owners of the parent and to the non-controlling interests, even if this means that the latter have a negative balance.

If the Group losses control over a subsidiary, the related assets (including goodwill), liabilities, non-controlling interests and other components of equity are deconsolidated, while any profits or losses are recognized in the income statement. Any equity interest retained is recognized at fair value.

(ii) Associates

Associates are companies over which the Group has significant influence, without exercising control over their operations. The considerations made in order to determine the existence of significant interest or joint control are similar to those made to determine the existence of control over subsidiaries. The Group's investments in associates are measured using the equity method.

Under the equity method, the investment in an associate is initially measured at cost. The carrying amount of the investment is increased or decreased to recognize the interest of the investor in the profits and losses earned by the entity subsequent to the acquisition date. Any goodwill for an associate is included in its carrying amount and is not subject to separate impairment testing.

The income statement reflects the Group's interest in the results for the year of the associate. All changes in the other comprehensive income reported by associates are recognized as part of the other comprehensive income of the Group. In addition, if an associate recognizes a change directly in equity, the Group also recognizes its share of that change, where applicable, in the statement of changes in shareholders' equity. Any unrealized profits and losses deriving from transactions between the Group and associates are eliminated in proportion to the interests held in them.

The total interest of the Group in the results for the year of associates is classified in the income statement below the operating results line. This interest represents their results after taxation and the portion attributable to the other owners of the associate. The financial statements of associates are prepared at the same reporting date as that used by the Group. Where necessary, they are adjusted to reflect the accounting policies adopted by the Group.

Subsequent to application of the equity method, the Group considers if it is necessary to recognize any impairment in the value of its interests in associates. On each reporting date, the Group determines if there is any objective evidence that the carrying amount of associates might be impaired. If so, the

Group calculates the loss as the difference between the recoverable value of the associate and its carrying amount, and charges it to the "interest in the results of associates" caption of the income statement.

When significant interest over an associate is lost, the Group measures and recognizes the residual investment at its fair value. The difference between the carrying amount of an investment on the date when significant influence is lost, and the fair value of the residual investment plus the consideration received, is recognized in the income statement.

(iii) Equity investments in other companies

Information about the investments in other companies that represent financial assets is provided in Note 2.3.14 Financial assets (Trade receivables, Other financial assets and Other assets).

(iv) Transactions eliminated in the consolidation process

Intercompany balances and gains and losses arising from intercompany transactions are omitted in the consolidated financial statements. Intercompany gains deriving from transactions with associated companies are omitted in the valuation of the investment with the net equity method. Intercompany losses are only omitted in the presence of evidence that they have not been incurred in relation to third parties.

2.3.6 Business sector information

Based on the definition provided by standard IFRS 8 an operating segment is a component of an entity:

- that undertakes business activity that generates costs and revenues;
- the operating results of which are periodically reviewed at the highest decisional/operating level of the entity in order to make decisions concerning the resources to allocate to the segment and the measurement of the results;
- for which separate accounting information is available.

The business sectors in which the Group operates are determined on the basis of the reporting utilized by Group top management to make decisions, and they have been identified as the water-Jetting sector and the Hydraulic sector:

- the Water-Jetting sector essentially comprises high and very high-pressure pumps and very high-pressure pumping systems used in a wide range of industrial sectors for the conveyance of fluids. The sector also includes high pressure homogenizers, mixers, agitators, piston pumps, valves, mechanical sifters, automated milking systems and other machines mainly used in the food processing, chemicals, cosmetics and pharmaceuticals industries;
- the Hydraulic sector includes power take-offs, hydraulic cylinders and pumps, directional controls and hydraulic valves, rotary unions, hydraulic hoses and fittings, gears, orbital motors, steering systems (hydroguide) and other hydraulic components. This sector also includes piping systems used in the industrial, naval and offshore sectors.

Information is also provided for the geographical areas in which the Group operates, namely Italy, Europe (including non-EU European countries and excluding Italy), North America, Far East and Pacific Area, and the Rest of the World.

2.3.7 Treatment of foreign currency transactions

(i) Foreign currency transactions

The functional and presentation currency adopted by the Interpump Group is the euro. Foreign currency transactions are translated to euro using the exchange rates in force on the date of the transaction. Monetary assets and liabilities are translated at the exchange rate in force on the reporting date. Foreign exchange differences arising from the translation are recognized in the income statement. Non-monetary assets and liabilities measured at historical cost are translated at the exchange rates in force on the date of the related transactions. Monetary assets and liabilities stated at fair value are translated to euro at the exchange rate in force on the reporting date in respect of which their fair value was determined.

(ii) Translation to euro of financial statements in foreign currencies

The assets and liabilities of companies not residing in the European Union (EU) and whose functional currency is not the Euro, including the goodwill adjustments deriving from the consolidation process and the fair-value adjustments generated by the acquisition of a foreign company outside the EU, are translated at the exchange rates in force on the reporting date. Revenues and costs of the same companies are translated at the average exchange rate for the year, which approximates the exchange rates in force on the dates on which the individual transactions were carried out. Foreign exchange differences arising from translation are allocated to a specific equity reserve designated Translation Reserve. At the time of disposal of a foreign economic entity, accumulated exchange differences reported in the Translation Reserve will be recognized in the income statement. The exchange rates used for the translation to euro of the amounts booked to the income statements and statements of financial position of companies with functional currency other than the euro are as follows:

Currency	2025 averages	At 31 December 2025	2024 averages	At 31 December 2024
Danish Krone	7.463	7.469	7.459	7.458
Swedish Krona	11.066	10.822	11.432	11.459
UAE Dirham	4.150	4.315	3.975	3.815
Australian Dollar	1.752	1.758	1.640	1.677
Canadian Dollar	1.579	1.609	1.482	1.495
Hong Kong Dollar	8.810	9.146	8.445	8.069
New Zealand Dollar	1.942	2.038	1.788	1.853
Singapore Dollar	1.476	1.511	1.446	1.416
US Dollar	1.130	1.175	1.082	1.039
Swiss Franc	0.937	0.931	0.953	0.941
Ukrainian Hryvnia	47.110	49.795	43.490	43.685
Moldovan Leu	19.546	19.632	19.196	19.088
Romanian Leu	5.042	5.097	4.975	4.974
Bulgarian Lev	1.956	1.956	1.956	1.956

Currency	2025 averages	At 31 December 2025	2024 averages	At 31 December 2024
New Peruvian Sol	4.026	3.952	4.062	3.905
Chilean Peso	1,074.608	1,058.13	1,020.658	1,033.760
Columbian Peso	4,573.21	4,435.19	4,407.144	4,577.550
South African Rand	20.179	19.444	19.830	19.619
Mexican Peso	21.670	21.118	19.831	21.550
Brazilian Real	6.307	6.436	5.828	6.425
Russian Ruble	94.052	92.094	100.280	106.103
Indian Rupee	98.524	105.597	90.556	88.933
UK Pound	0.857	0.873	0.847	0.829
South Korean Won	1,605.452	1,696.94	1,475.404	1,532.150
Chinese Yuan	8.119	8.226	7.787	7.583
Polish Zloty	4.24	4.221	4.306	4.275
Turkish Lira	44.816	50.484	35.573	36.737

The economic values of companies that entered the consolidation perimeter during the year were translated using the average exchange rate for the period in which they contributed to the Group results.

2.3.8 Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at the historical cost and stated net of accumulated depreciation (see next point *iii*) and impairment losses (see Note 2.3.11). The cost of goods produced internally includes the cost of raw materials, directly related labor costs, and a portion of indirect production costs. The cost of assets, whether purchased externally or produced internally, includes the ancillary costs that are directly attributable and necessary for use of the asset and, when they are significant and in the presence of contractual obligations, the current value of the cost estimated for the dismantling and removal of the related assets.

Financial expenses relative to loans utilized for the purchase of tangible fixed assets are recorded in the income statement on an accruals basis if they are not specifically allocated to the purchase or construction of the asset, otherwise they are capitalized.

Assets held for sale are measured at the lower of the fair value net of selling-related costs and their book value.

(ii) Subsequent costs

The replacement costs of certain parts of assets are capitalized when it is expected that said costs will result in future economic benefits and they can be measured in a reliable manner. All other costs, including maintenance and repair costs, are recognized in the income statement when they are incurred.

(iii) Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated residual useful lives of the related capitalized assets. Land is not depreciated. The estimated useful lives of assets are as follows:

Property	20-30 years
Plant and machinery	10-12.5 years
Industrial and commercial equipment	3-6 years
Other assets	3-8 years

The estimated useful lives of assets are reviewed on an annual basis, and any changes in the rates of depreciation are applied, where necessary, on a prospective basis.

For assets purchased and/or that became operational in the year, depreciation is calculated utilizing annual rates reduced by 50%. Historically, this method has been representative of the effective utilization of the assets concerned.

Any profits/losses emerging on the derecognition of assets, i.e. on disposal (from the date on which the purchaser obtains control over them) or when no further economic benefits are expected from their use or disposal, (being the difference between their carrying amount and the net consideration obtained) are recognized in the income statement at that time.

(iv) Leasing

Right-of-use assets are measured at cost and stated net of accumulated depreciation and impairment. They are also adjusted following remeasurement of the related lease liabilities. The cost of right-of-use assets comprises the amount of the lease liabilities recognized, the initial direct costs incurred and the lease payments made at the start date or in advance, net of any and all incentives received. Right-of-use assets are depreciated on a straight-line basis from the start date until the end of the useful life of the asset, being the end of the usage right (duration of the lease contract). The corresponding liability to the lessor is classified among the financial debts.

(v) Leasehold improvements

Any leasehold improvements with the same characteristics as fixed assets are capitalized in the asset category to which they relate and depreciated over their useful lives or, if shorter, over the residual life of the lease.

2.3.9 Goodwill

As stated in Note 2.3.5 Consolidation principles, goodwill represents the excess amount of the purchase cost with respect to the Group portion of the fair value of current and potential assets and liabilities at the date of purchase.

Goodwill is recorded at cost, net of impairment losses.

Goodwill is allocated to the cash-generating units identified with reference to the organization, management and control structure of the Group, which coincide with the two operational sectors identified by the Group. The book value is measured in order to assess the absence of impairment (see Note 2.3.11). Goodwill related to non-consolidated subsidiaries and associates is included in the value of the investment.

Any negative goodwill originating from acquisitions is entered directly in the income statement.

If the goodwill was allocated to a cash generating unit and the entity retires part of that unit's activities, the goodwill associated with the retired assets is added to their carrying amount when determining the profit or loss on retirement. The goodwill associated with the retired activity is determined with reference to the value of the retired assets with respect to those retained by the cash generating unit.

2.3.10 Other intangible fixed assets

(i) Research and development costs

Research costs for the acquisition of new technical know-how are charged to the income statement as incurred.

Development costs relating to the creation of new products/accessories or new production processes are capitalized if the Group's companies can prove:

- the technical feasibility and intention of completing the intangible asset in such a way that it is available for use or for sale;
- their ability to use or sell the asset;
- the forecast volumes and realization values indicate that the costs incurred for development activities will generate future economic benefits;
- that the costs are measurable in a reliable manner;
- that resources exist to complete the development project.

The capitalized cost includes the cost of raw materials, directly related labor costs and a portion of indirect costs. Capitalized development costs are valued at cost, net of accumulated amortization, (see next point *v*) and impairment (see Note 2.3.11). Other development costs are ascribed to the income statement when they arise.

(ii) Loan ancillary costs

Loan ancillary costs are treated as outlined in Note 2.3.14. Ancillary costs relating to loans not yet received are recorded as current assets and reclassified as a deduction from the loans on their receipt.

(iii) Other intangible assets

Other intangible assets, all having a defined useful life, are measured at cost and recorded net of accumulated amortization (see next point *v*) and impairment (see Note 2.3.11).

Trademarks and patents, which constitute almost the entirety of this caption, are amortized as follows: the Hammelmann trademark, the NLB trademark and patents, the Inoxpa, American Mobile, Waikato, Alfa Valvole and I.mec trademarks are amortized over 15 years, being the period considered representative of their useful lives, given their leadership positions in their respective niche markets. The Walvoil, Reggiana Riduttori, Transtecno, White Drive, Berma, Eurofluid, Hidrover and Tutto

Hidráulicos Ltda trademarks are amortized over 10 years, given their leadership positions in highly competitive markets.

Software licenses are amortized over their period of utilization (3-5 years).

The costs incurred internally for the creation of trademarks or goodwill are recognized in the income statement when they are incurred.

(iv) Subsequent costs

Costs incurred subsequently relative to intangible fixed assets are capitalized only if they increase the future economic benefits of the specific capitalized asset, otherwise they are entered in the income statement when they are sustained.

(v) Amortization

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of the related capitalized assets. The estimated useful lives of assets are as follows:

Patents and trademarks	5-18 years
Development costs	5 years
Granting of software and other licenses	3-5 years

Useful lives are reviewed on an annual basis and any changes in the rates are applied, where necessary, on a prospective basis.

2.3.11 Impairment of assets

The book values of assets, with the exception of inventories (see Note 2.3.15), financial assets regulated by IFRS 9, deferred tax assets (see Note 2.3.19), and non-current assets held for sale regulated by IFRS 5, are subject to measurement at the reporting date in order to identify the existence of possible indicators of impairment. If the valuation process identifies the presence of such indicators, the presumed recoverable value of the asset is calculated using the methods indicated in the following point (*i*).

The recoverable value of goodwill and intangible assets not yet in use is estimated at least annually, or more frequently if specific events provide evidence of possible impairment.

If the estimated recoverable value of the asset or its cash generating unit is lower than its net book value, the asset to which it refers is consequently adjusted for impairment loss with entry into the income statement.

Adjustments for impairment losses made in relation to the cash generating units are allocated initially to goodwill, and, for the remainder, to other assets on a proportional basis.

Goodwill is tested for impairment on a yearly basis even if there are no indicators of potential impairment.

(i) Calculation of estimated recoverable value

The estimated recoverable value of other assets is equal to their fair value less selling costs or, if greater, their value in use. The value in use is equivalent to the projected future cash flows, discounted to present value at a rate, including tax, that takes account of the market value, of interest rates and specific risks of the asset to which the presumed realization value refers. For assets that do not give rise to independent cash flows the presumed realization value is determined with reference to the cash generating unit to which the asset belongs.

(ii) Reinstatement of impairment losses

An impairment relating to other assets is reinstated if a change has occurred in their estimated recoverable value.

Impairment is reinstated to the extent of the corresponding book value that would have been determined, net of depreciation/amortization, had no impairment loss ever been recognized.

Impairment related to goodwill is never reinstated.

2.3.12 Equity investments

Investments in associates are measured using the equity method, as envisaged in IAS 28 (see Note 2.3.5 (ii) Associates).

Information about the investments in equity instruments (investments in other companies) is provided in Note 2.3.14 Financial assets (Trade receivables, Other financial assets and Other assets).

2.3.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank and post office deposits, and securities having original maturity date of less than three months. Current account overdrafts and advances with recourse are deducted from cash only for the purposes of the cash-flow statement.

2.3.14 Financial assets (Trade receivables, Other financial assets and Other assets)

On initial recognition, the classification of financial assets depends on how they will be measured subsequently: at amortized cost, at fair value through other components of comprehensive income or at fair value through profit or loss. Again at the time of initial recognition, financial assets are classified with reference to the characteristics of the related contractual cash flows and the business model used by the Group for their management. With the exclusion of trade receivables that do not contain a significant financing component, the Group initially measures financial assets at their fair value, including transaction costs in the case of those not measured at fair value through profit and loss. Trade receivables that do not have a significant financial component are measured at their transaction price, as defined in accordance with IFRS 15.

Financial assets are measured at amortized cost if they are held in order to collect contractual cash flows (*Held to Collect*), represented solely by the payment of principal and interest on the amount of principal still be repaid. All receivables are included in this category. These assets are measured at amortized cost, in accordance with the effective interest criterion, and stated net of impairment losses. Interest income, exchange gains and losses, and impairment losses are recognized in the profit (loss) for the year, as are derecognition gains and losses.

Financial assets are measured at fair value through other comprehensive income if they are held by the Group both to collect contractual cash flows, represented solely by the payment of principal and interest on the amount of principal to be repaid, and to sell them *(Held to Collect and Sell).*

If a financial asset is not measured in one of the two ways described above, it must be measured at fair value through profit or loss. Accordingly, this category includes the assets held for trading and the assets designated on initial recognition as financial assets at fair value through profit or loss, as well as the financial assets whose measurement at fair value is mandatory. The fair value of the financial assets held for trading is determined with reference to market prices on the relevant annual or interim reporting date, or using financial valuation techniques and models.

In accordance with IFRS 9, commencing on 1 January 2018 the Group adopted a new impairment model for financial assets measured at amortized cost or at fair value through other components of comprehensive income, with the exception of equity securities and assets deriving from customer contracts. This new model is based on determining the expected credit loss (ECL), which replaced the incurred loss model envisaged previously. The new standard envisages adoption of the following methodologies: the General deterioration method and the Simplified approach. With regard to the simplified approach adopted by the Group, the standard does not specify how to segment customers, leaving each entity free to select the sample subsets in a manner consistent with its own circumstances. Within the simplified model, an analytical approach has been applied in relation to trade receivables deemed by management to be individually significant, and for which more detailed information is available about the significant increase in credit risk.

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the statement of financial position) when:

- the right to receive cash flows deriving from the asset has expired, or
- the Company has transferred the right to receive cash flows deriving from the asset to a third party, or has accepted a contractual obligation to pay them over in full and without delay and (a) has transferred substantially all the risks and benefits of ownership of the financial asset, or (b) has not transferred or retained substantially all the risks and benefits of ownership of the financial asset, but has transferred control over it.

The profit (loss) on a financial asset that is measured at amortized cost and is not included in a hedging relationship must be recognized in profit (loss) in the year in which it is derecognized or reclassified, or via the amortization process or when impairment adjustments are recorded.

2.3.15 Inventories

Inventories are measured at the lower of purchase cost or their estimated realizable value. Cost is determined on a weighted-average basis and includes all costs incurred to purchase the materials and transform them into their state and condition at the reporting date. The cost of semi-finished goods and finished products includes a portion of indirect costs determined on the basis of normal production capacity. Write down provisions are calculated for materials, semi-finished goods and finished products considered to be obsolete or slow moving, taking account of their expected future usefulness and their realizable value. Net realizable value is estimated with reference to market price in the ordinary course of business, less any completion and selling costs to be incurred.

2.3.16 Share capital and treasury shares

The price paid to purchase of treasury shares, inclusive of any directly-attributable ancillary charges, is deducted from share capital for the portion concerning the nominal value of shares and from other shareholders' equity for the remainder. When treasury shares are resold or reissued, the price collected, net of any directly-attributable ancillary charges and the related tax effect, is recorded as share capital for the portion concerning the nominal value of shares and as other shareholders' equity for the remainder.

2.3.17 Financial liabilities (Trade payables, Bank debts, Interest-bearing financial debts and Other liabilities)

On initial recognition, financial liabilities are measured at fair value through profit and loss and classified either as loans or as derivatives designated as hedging instruments. All financial liabilities are initially recognized at fair value, including directly-attributable transaction costs in the case of loans and payables. Following initial recognition, loans are measured at amortized cost using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated collections over the expected life of the financial instrument or the future payments to the gross carrying amount of the financial asset or the amortized cost of the financial liability. Profits and losses are recognized in the income statement when liabilities are settled, as well as via the amortization process. Amortization using the effective interest rate is classified among the financial expenses in the income statement.

A financial liability is derecognized when the underlying obligation expires or when the obligation specified in the contract is settled, canceled or expires.

Trade payables and other debts, the relative due date of which is within normal commercial terms, are not discounted to present value and are entered at the amortized cost representative of their discharge value.

Current financial liabilities include the short-term portions of the interest-bearing financial debts, bank and lease payables and other financial liabilities.

2.3.18 Liabilities for employee benefits

(i) Defined contribution plans

The Group participates in defined pension plans with public administration or private plans on a compulsory, contractual, or voluntary basis. The payment of contributions fulfills the Group's obligations towards its employees. The contributions therefore constitute costs of the period in which they are due.

(ii) Defined benefit plans

Defined benefits for employees disbursed on termination of their employment with the Group or thereafter, and which include severance indemnity of Italian companies, are calculated separately for each plan, using actuarial techniques to estimate the amount employees have accrued in the year and in previous years. The resulting benefit is discounted to present value and recorded net of the fair value of any related assets.

The defined benefit obligation is calculated on an annual basis by an independent actuary using the projected unit credit method.

If the plan benefits increase, the prior-service portion of the increase is charged to the income statement on a straight-line basis over the period in which the related rights will be acquired. If the rights are acquired immediately, the increase is recognized immediately in the income statement.

Actuarial profits and losses are recognized in a specific equity reserve on an accrual basis.

Until 31 December 2006 the severance indemnity provision (TFR) of Italian companies was considered to be a defined benefits plan. The rules governing the provision were amended by Law no. 296 of 27 December 2006 ("2007 Finance Act") and by subsequent Decrees and Regulations enacted in the initial months of 2007. In the light of these changes, and in particular with reference to companies with at least 50 employees, the TFR severance indemnity should now be classified as a defined benefits plan exclusively for the portions accrued prior to 1 January 2007 (and not yet paid out at the date of the financial statements), while after that date TFR should be considered as a defined contributions plan.

(iii) Stock options

On the basis of the stock option plans currently in existence, certain employees and directors are entitled to purchase treasury shares from Interpump Group S.p.A. The options are measured at their fair value, which is charged to the income statement as an increase in the cost of personnel and directors, with a matching entry to the share premium reserve for share-based payment transactions. Fair value is measured at the grant date of the option and recorded in the income statement in the period that runs between said date and the date on which the options become exercisable (vesting period), after the conditions relating to the achievement of objectives and/or the provision of services have been met.

The cumulative costs recognized in relation to these operations at each reporting date until the vesting date are determined with reference to the length of the vesting periods and the best estimate of the number of participating instruments that will actually vest. The cost or income reported in the income statement reflects the change in the accumulated costs between the start and the end of the year.

No costs are recognized for rights that do not vest, except in the case of rights whose assignment is dependent on market conditions or a non-vesting condition. These are treated as if vested, regardless of whether or not the market conditions or other non-vesting conditions have been satisfied, without prejudice to the fact that all other performance and/or service conditions must still be satisfied. If the plan conditions are amended, the minimum cost recognized is that which would have been incurred without the plan amendment. A cost is also recognized for each amendment that increases the total fair value of the payment plan, or that is in any case favorable for employees; this cost is measured with reference to the amendment date.

The diluting effect of unexercised options is reflected in the calculation of diluted earnings per share.

The fair value of the option is determined using the applicable options measurement method (specifically, the trinomial lattice model), taking account the terms and conditions at which the options were granted.

2.3.19 Income taxes

Income taxes disclosed in the income statement include current and deferred taxes. Income taxes are generally disclosed in the income statement, except when they refer to types of items that are recorded directly under shareholders' equity. In this case, the income taxes are also recognized directly in equity.

Current taxes are taxes that are expected to be due, calculated by applying to the taxable income the tax rate in force at the reporting date and the adjustments to taxes of prior years.

Deferred taxes are calculated using the liability method on the timing differences between the amount of assets and liabilities in the consolidated financial statements and the corresponding values recognized for tax purposes. Deferred tax liabilities are recognized in relation to all taxable temporary differences, except for:

- the deferred tax liabilities deriving from the initial recognition of goodwill or an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect the reported results or taxable income;
- reversals of taxable temporary differences, associated with investments in subsidiaries, associates and joint ventures, that can be controlled and that are unlikely to occur in the foreseeable future.

Deferred tax assets are recognized in relation to all deductible temporary differences, tax credits and unused tax losses carried forward, to the extent that future taxable income is likely to be sufficient to allow the recovery of the deductible temporary differences, tax credits and tax losses carried forward, except for:

- the deferred tax assets linked to deductible temporary differences that derive from the initial recognition of an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect the reported results or taxable income;
- the deferred tax assets linked to deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, which are only recognized if they are likely to reverse in the foreseeable future and there will be sufficient taxable income from them to recover such temporary differences.

Deferred taxes are calculated in accordance with the envisaged method of transfer of timing differences, using the tax rate in force at the reference date of years in which the timing differences arose.

Deferred tax assets are recognized exclusively in the event that it is probable that in future years sufficient taxable incomes will be generated for the realization of said deferred taxes. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that future taxable income is no longer likely to be sufficient to allow the recovery of such assets, in whole or in part. Any unrecognized deferred tax assets are reviewed at each reporting date and recognized to the extent that it has become probable that future taxable income will be sufficient to allow their recovery.

2.3.20 Provisions for risks and charges

In cases where the Group has a legal or substantial obligation resulting from a past event, and when it is probable that the loss of economic benefits must be sustained in order to fulfill such an obligation, a specific provision for risks and charges is created. If the temporal factor of the envisaged loss of benefits is significant, the amount of the future cash outflows is discounted to present values at a rate, gross of taxes, that takes account of the market interest rates and the specific risk of the liability referred to.

(i) Product warranty provision

Liabilities for warranty repairs are allocated to the specific product warranty provision at the time of sale of the products. The provision is determined on the basis of historic data describing the cost of warranty repairs.

(ii) Restructuring provision

A restructuring provision is formed exclusively in the event that the Group has approved a formal and detailed restructuring plan and has started to implement it or has published it before the reporting date. In other cases, the future costs are not set aside.

(iii) Onerous contracts

When the forecast future benefits of a contract are less than the non-eliminable costs relating to it, a specific provision is created equivalent to the difference.

2.3.21 Revenues

(i) Revenues from the sale of goods and services

Revenues deriving from contracts with customers are recognized on the basis of the following 5 steps: (i) identification of the contract with the customer; (ii) identification of the contractual performance obligations to be transferred to the customer in exchange for the transaction price; (iii) determination of the transaction price; (iv) allocation of the transaction price to the individual performance obligations; (v) recognition of the revenue when the associated performance obligation is fulfilled. Revenues are recognized at the amount of the consideration to which the Group considers it is entitled on satisfaction of the obligation, when the customer acquires control over the goods or services transferred. The Group has identified a single revenue stream from the sale of products and spare parts representing the obligations satisfied at a given point in time. Revenues from the sale of products are recognized when the significant risks and benefits associated with control over the goods are transferred to the purchaser. The change of control coincides with the transfer of ownership or possession of the goods to the purchaser and, therefore, generally occurs on shipment or on completion of the service.

(ii) State grants

State grants are recorded as deferred revenue under other liabilities when it becomes reasonably certain that they will be disbursed and when the Group has fulfilled all the necessary conditions to obtain them. Grants received against costs sustained are recorded in the income statement systematically in the same periods in which the relative costs are incurred.

2.3.22 Costs

(ii) Lease installments

The principal portion of lease installments is deducted from the financial payable, while the interest portion is charged to the income statement.

(ii) Financial income and expenses

Financial income and expenses are recorded on an accruals basis with reference to the interest matured on the net value of the financial assets and liabilities concerned, using the effective interest rate. Financial income and expenses include currency exchange gains and losses and gains and losses on derivative instruments to be charged to the income statement (see Note 2.3.14).

The other cost captions are described in the previous sections of Note 2.3.

2.4 Business sector information

Business sector information is supplied with reference to the operating sectors. The information by geographical area required under the IFRS issued by the International Accounting Standards Board and adopted by the European Union is also provided. The information provided about business sectors reflects the Group's internal reporting structure, used by top management for decision-making purposes, and does not derive from the aggregation of several operating sectors.

The value of components and products transferred between sectors is generally the effective sales price between Group companies and corresponds to the best customer sale prices.

Sector information includes directly attributable costs and costs allocated on the basis of reasonable estimates. Holding company costs, i.e. remuneration of directors, statutory auditors and functions of the Group's financial management, control and internal auditing, and also consultancy costs and other related costs, are allocated to each sector on the basis of their revenues.

The Group comprises the following business sectors:

Water-Jetting sector. This sector is mainly composed of high and very high-pressure pumps and pumping systems used in a wide range of industrial sectors for the conveyance of fluids. High pressure plunger pumps are the main component of professional pressure washers. These pumps are also utilized for a broad range of industrial applications including car wash installations, forced lubrication systems for machine tools, and inverse osmosis systems for water desalination plants. Very high-pressure pumps and systems are used for cleaning surfaces, ships, various types of pipes, and also for removing machining burr, cutting and removing cement, asphalt, and paint coatings from stone, cement and metal surfaces, and for cutting solid materials. The sector also includes high pressure homogenizers, mixers, agitators, piston pumps, valves, mechanical sifters, automated milking systems and other machinery produced mainly for the food processing industry, but also used in the chemicals, cosmetics and pharmaceuticals sectors.

Hydraulic sector. This sector includes the production and sale of power take-offs, hydraulic cylinders and pumps, directional controls, valves, rotary unions, hydraulic hoses and fittings, gears, orbital motors, steering systems (hydroguide) and other hydraulic components. Power take-offs are mechanical units used to transmit energy from the engine or gearbox of an industrial vehicle in order to drive, via hydraulic components, its various applications. These products, combined with other hydraulic components (spool valves, controls, etc.) allow the execution of special functions such as lifting tipping bodies, operating truck-mounted cranes and operating mixer trucks. Hydraulic cylinders are components of the hydraulic system of various vehicle types employed in a wide range of applications depending on the type. Front-end and underbody cylinders (single acting) are fitted mainly on industrial vehicles in the building construction sector, while double acting cylinders are employed in a range of applications: earthmoving machinery, agricultural machinery, cranes and truck cranes, waste compactors, etc. The hydraulic hoses and fittings are designed for use in a broad range of hydraulic systems and also for very high pressure water systems. Gears facilitate the mechanical transmission of energy, with applications in various industrial sectors including agriculture, materials handling, mining, heavy industry, marine & offshore, aerial platforms, forestry and sugar production. Orbital motors are used on industrial vehicles, in the construction sector, in earth-moving equipment and in agricultural equipment. The Group also designs and makes piping systems for the industrial, naval and offshore sectors.

Interpump Group business sector information	Hydraulic		Water-Jetting		Elimination entries		Interpump Group	
€/000	2025	2024	2025	2024	2025	2024	2025	2024
Revenues outside the Group	1,354,953	1,407,494	715,731	670,905	-	-	2,070,684	2,078,399
Inter-sector revenues	2,613	2,656	5,135	4,301	(7,748)	(6,957)	-	-
Total revenues	**1,357,566**	**1,410,150**	**720,866**	**675,206**	**(7,748)**	**(6,957)**	**2,070,684**	**2,078,399**
Cost of sales	(954,415)	(996,640)	(393,321)	(375,121)	7,827	7,008	(1,339,909)	(1,364,753)
Gross profit	**403,151**	**413,510**	**327,545**	**300,085**	**79**	**51**	**730,775**	**713,646**
% of revenues	29.7%	29.3%	45.4%	44.4%			35.3%	34.3%
Other net revenues	29,498	28,747	13,618	8,922	(1,245)	(955)	41,871	36,714
Distribution expenses	(98,892)	(99,618)	(86,652)	(74,603)	370	331	(185,174)	(173,890)
General and administrative expenses	(151,722)	(143,508)	(90,079)	(84,183)	796	573	(241,005)	(227,118)
Other operating costs	(8,459)	(8,040)	(1,444)	(3,498)	-	-	(9,903)	(11,538)
EBIT	**173,576**	**191,091**	**162,988**	**146,723**	**-**	**-**	**336,564**	**337,814**
% of revenues	12.8%	13.6%	22.6%	21.7%			16.3%	16.3%
Financial income	19,993	20,324	8,833	17,584	(1,555)	(2,612)	27,271	35,296
Financial expenses	(31,921)	(25,972)	(34,960)	(39,020)	1,555	2,612	(65,326)	(62,380)
Dividends	-	-	69,857	55,386	(69,857)	(55,386)	-	-
Equity method contribution	256	338	(7,897)	(1,547)	7,980	1,511	339	302
Profit for the year before taxes	**161,904**	**185,781**	**198,821**	**179,126**	**(61,877)**	**(53,875)**	**298,848**	**311,032**
Income taxes	(50,842)	(48,514)	(38,297)	(34,048)	-	-	(89,139)	(82,562)
Consolidated profit for the year	**111,062**	**137,267**	**160,524**	**145,078**	**(61,877)**	**(53,875)**	**209,709**	**228,470**
Attributable to:								
Shareholders of Parent	110,355	136,575	159,644	144,351	(61,877)	(53,875)	208,122	227,051
Minority shareholders of subsidiaries	707	692	880	727	-	-	1,587	1,419
Consolidated profit for the year	**111,062**	**137,267**	**160,524**	**145,078**	**(61,877)**	**(53,875)**	**209,709**	**228,470**
Further information required by IFRS 8								
Amortization, depreciation and write-downs	90,248	85,079	31,002	28,898	-	-	121,250	113,977
Other non-monetary costs	10,054	8,043	14,147	8,995	(7,980)	(1,511)	16,221	15,527

Financial position	Hydraulic		Water-Jetting		Elimination entries		Interpump Group	
€/000	2025	2024	2025	2024	2025	2024	2025	2024
Assets of the sector	2,127,181	2,109,648	916,767	950,754	(61,014)	(61,267)	2,982,934	2,999,135
Assets held for sale	-	-	-	-	-	-	-	-
Assets of the sector (A)	**2,127,181**	**2,109,648**	**916,767**	**950,754**	**(61,014)**	**(61,267)**	**2,982,934**	**2,999,135**
Cash and cash equivalents							415,704	392,637
Total assets							**3,398,638**	**3,391,772**
Liabilities of the sector (B)	**367,851**	**357,197**	**189,881**	**207,753**	**(61,014)**	**(61,267)**	**496,718**	**503,683**
Debts for the acquisition of equity investments							85,016	67,071
Bank debts							33,688	33,236
Interest-bearing financial debts							673,115	768,445
Total liabilities							**1,288,537**	**1,372,435**
Total assets, net (A-B)	**1,759,330**	**1,752,451**	**726,886**	**743,001**			**2,486,216**	**2,495,452**
Further information required by IFRS 8								
Investments measured using the equity method	1,701	1,402	1,410	580			3,111	1,982
Non-current assets other than financial assets and deferred tax assets	1,303,169	1,278,703	486,987	495,239			1,790,156	1,773,942

At constant perimeter, the Hydraulic sector is compared as follows:

€/000	2025	2024
Revenues outside the Group	1,321,627	1,407,494
Inter-sector revenues	2,508	2,656
Total revenues	**1,324,135**	**1,410,150**
Cost of sales	(930,013)	(996,640)
Gross profit	**394,122**	**413,510**
% of revenues	*29.8%*	*29.3%*
Other net revenues	29,194	28,747
Distribution expenses	(97,834)	(99,618)
General and administrative expenses	(148,193)	(143,508)
Other operating costs	(8,421)	(8,040)
EBIT	**168,868**	**191,091**
% of revenues	*12.8%*	*13.6%*
Financial income	18,774	20,324
Financial expenses	(29,969)	(25,972)
Dividends	-	-
Equity method contribution	205	338
Profit before taxes	**157,878**	**185,781**
Income taxes	(49,322)	(48,514)
Consolidated profit for the year	**108,556**	**137,267**
Attributable to:		
Shareholders of Parent	107,853	136,575
Minority shareholders of subsidiaries	703	692
Consolidated profit for the year	**108,556**	**137,267**

The Water Jetting sector is compared as follows, at constant perimeter:

€/000	2025	2024
Revenues outside the Group	699,898	670,905
Inter-sector revenues	5,126	4,301
Total revenues	**705,024**	**675,206**
Cost of sales	(385,214)	(375,121)
Gross profit	**319,810**	**300,085**
% of revenues	45.4%	44.4%
Other net revenues	13,555	8,922
Distribution expenses	(84,669)	(74,603)
General and administrative expenses	(88,044)	(84,183)
Other operating costs	(1,374)	(3,498)
EBIT	**159,278**	**146,723**
% of revenues	22.6%	21.7%
Financial income	8,497	17,584
Financial expenses	(34,563)	(39,020)
Dividends	69,857	55,386
Equity method contribution	(7,931)	(1,547)
Profit before taxes	**195,138**	**179,126**
Income taxes	(37,181)	(34,048)
Consolidated profit for the year	**157,957**	**145,078**
Attributable to:		
Shareholders of Parent	157,085	144,351
Minority shareholders of subsidiaries	872	727
Consolidated profit for the year	**157,957**	**145,078**

Cash flows for the year by business sector are as follows:

	Hydraulic		Water-Jetting		Total	
€/000	2025	2024	2025	2024	2025	2024
Operating activities	209,179	259,065	124,774	98,013	333,953	357,078
Investing activities	(103,897)	(109,700)	(25,711)	(105,867)	(129,608)	(215,567)
Financing activities	(89,125)	(92,639)	(82,827)	27,980	(171,952)	(64,659)
Total	**16,157**	**56,726**	**16,236**	**20,126**	**32,393**	**76,852**

Investing activities in the Hydraulic sector included € 37,644 thousand associated with the acquisition of equity investments (€ 14,887 thousand in 2024) and expenditure on property, plant and equipment totaling € 65,546 thousand (€ 95,857 thousand in 2024).

Investing activities in the Water-Jetting sector included net outflows of € 821 thousand associated with the acquisition of equity investments (€ 74,324 thousand in 2024) and expenditure on property, plant and equipment totaling € 26,228 thousand (€ 33,329 thousand in 2024).

The cash flows deriving from the financing activities of the Water-Jetting sector principally comprise the payment of dividends of € 35,504 thousand (€ 34,379 thousand in 2024), outlays for the purchase of treasury shares amounting to € 16,594 thousand (€ 10,337 thousand in 2024), and proceeds from the sale of treasury shares to the beneficiaries of stock options totaling € 4,754 thousand (€ 581 thousand in 2024).

The cash flows deriving from the financing activities of the Hydraulic sector include the payment of dividends to Water-Jetting Sector companies totaling € 69,857 thousand (€ 55,386 thousand in 2024).

Geographical areas

Revenues are analyzed below by the five geographical areas identified:

€/000	2025	%	2024	%	Change
Italy	322,599	16	310,453	15	3.9%
Europe (Italy excluded)	728,353	35	720,058	35	1.2%
North America	519,355	25	576,076	28	-9.8%
Far East and Pacific Area	271,012	13	261,309	13	3.7%
Rest of the World	229,365	11	210,503	10	9.0%
Total	**2,070,684**	**100**	**2,078,399**	**100**	**-0.4%**

See Note 2.9.5 Credit risk for information about the concentration of revenues.

Non-current assets other than financial assets and deferred tax assets are analyzed by geographical area below, based on their location:

€/000	31/12/2025	31/12/2024
Italy	986,463	939,351
Europe (Italy excluded)	442,840	436,710
North America	232,170	265,125
Far East and Pacific Area	39,942	46,311
Rest of the World	88,741	86,444
Total	**1,790,156**	**1,773,941**

The geographical areas to which operations are assigned depend on the nationality of the company performing them. No companies have operations in more than one area.

2.5 Business combinations

Inoxpa China Flow Technology Co., Ltd

On 9 April 2024 Interpump Group announced the acquisition, through its subsidiary Inoxpa SAU, of a 60%[28] equity interest in YRP (Shanghai) Flow Technology Co., Ltd. (now Inoxpa China Flow Technology Co., Ltd.). With support from the Inoxpa group, the company was formed in 2016 to distribute components, valves, pumps and actuators in China, as the exclusive distributor for the Inoxpa group in the region. The total value of the transaction was set at about € 1.5 million.

The definitive purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	945	-	945
Trade receivables	798	-	798
Inventories	802	-	802
Other current assets	399	-	399
Property, plant and equipment	1,573	-	1,573
Deferred tax assets	109	-	109
Other non-current assets	47	-	47
Trade payables	(1,364)	-	(1,364)
Leasing payables (current portion)	(115)	-	(115)
Tax liabilities	(6)	-	(6)
Other current liabilities	(114)	-	(114)
Leasing payables (non-current portion)	(1,264)	-	(1,264)
Non-controlling interests	(854)	-	(854)
Net assets acquired	**956**	**-**	**956**
Goodwill related to the acquisition			688
Total net assets acquired			**1,644**
Total amount paid in cash			1,544
10% interest already held by Inoxpa SAU			100
Total acquisition cost (A)			**1,644**
Net financial position acquired (B)			434
Total amount paid in cash			1,544
10% interest already held by Inoxpa SAU			100
Total change in net financial position			**2,078**
Capital employed (A) + (B)			**2,078**

The amounts for the company were translated using the exchange rates at 31 March 2024.
The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Water-Jetting CGU and is not relevant for tax purposes.

[28] Through Inoxpa SAU, the Group already held 10% of Inoxpa China Flow Technology Co., Ltd.

Shanghai PuPeng Flow Technology Co., Ltd

On 9 April 2024 Interpump Group announced the acquisition, through its subsidiary Inoxpa SAU, of a 60% equity interest in Process Partner China Co., Ltd., now Shanghai PuPeng Flow Technology Co., Ltd. This company was founded in 2015 and specializes in the production and sale of plant and complete solutions for the food processing industry, especially dairy. The total value of the transaction was set at about € 1.4 million.

The definitive purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	1,494	-	1,494
Trade receivables	2,217	-	2,217
Inventories	134	-	134
Other current assets	662	-	662
Property, plant and equipment	129	-	129
Other non-current assets	2	-	2
Trade payables	(1,940)	-	(1,940)
Financial debts to banks - loans (current portion)	(384)	-	(384)
Tax liabilities	(46)		(46)
Other current liabilities	(520)	-	(520)
Non-controlling interests	(699)	-	(699)
Net assets acquired	**1,049**	**-**	**1,049**
Goodwill related to the acquisition			351
Total net assets acquired			**1,400**
Total amount paid in cash			1,400
Total acquisition cost (A)			**1,400**
Net financial position acquired (B)			(1,110)
Total amount paid in cash			1,400
Total change in net financial position			**290**
Capital employed (A) + (B)			**290**

The amounts for the company were translated using the exchange rates at 31 March 2024.
The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Water-Jetting CGU and is not relevant for tax purposes.

Alltube Engineering Ltd

On 22 April 2024, Interpump Group announced the acquisition, through Interpump Hydraulics Ltd., a British subsidiary, of the entire share capital of Alltube Engineering Ltd. Founded in 1986 and backed by decades of design and manufacturing experience, this company specializes in the processing of rigid and flexible hydraulic hoses. In the previous financial year, the company generated turnover of about € 5 million, with an EBITDA margin of about 15%. The total consideration paid for the transaction was € 2.3 million.

The definitive purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	1,399	-	1,399
Trade receivables	817	-	817
Inventories	507	-	507
Other current assets	41	-	41
Property, plant and equipment	382	-	382
Trade payables	(397)	-	(397)
Tax liabilities	(378)		(378)
Other current liabilities	(58)	-	(58)
Deferred tax liabilities	(54)	-	(54)
Net assets acquired	**2,259**	**-**	**2,259**
Goodwill related to the acquisition			377
Total net assets acquired			**2,636**
Total amount paid in cash			2,636
Total acquisition cost (A)			**2,636**
Net financial position acquired (B)			(1,399)
Total amount paid in cash			2,636
Total change in net financial position			**1,237**
Capital employed (A) + (B)			**1,237**

The amounts for the company were translated using the exchange rates at 30 April 2024.
The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Hydraulic CGU and is not relevant for tax purposes.

Alfa Valvole S.r.l.

On 3 June 2024 Interpump Group announced the acquisition of 100% of the capital of Alfa Valvole S.r.l. from IDEX Corporation, a US company.

The company is positioned in the high-end segment of the valves sector, given the quality and services offered to customers. Following the absorption of OBL (specialist in the design and production of volumetric pumps) in 2021, the company became a provider of integrated solutions for the movement and management of industrial fluids. In 2023, the company generated turnover of about € 28 million, with an EBITDA margin of about 26%. The total price agreed for the transaction was € 55.2 million.

The definitive purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	13,375	-	13,375
Trade receivables	7,992	-	7,992
Inventories	6,675	-	6,675
Tax receivables	384	-	384
Other current assets	301	-	301
Property, plant and equipment	2,841	7,273	10,114
Other intangible fixed assets	100	4,971	5,071
Deferred tax assets	654	-	654
Other non-current assets	22	-	22
Trade payables	(3,274)	-	(3,274)
Leasing payables (current portion)	(100)	-	(100)
Tax liabilities	(750)		(750)
Other current liabilities	(2,146)	-	(2,146)
Provisions for risks and charges (current portion)	(60)	-	(60)
Leasing payables (non-current portion)	(178)	-	(178)
Employee benefits (severance indemnity provision)	(941)	-	(941)
Deferred tax liabilities	(15)	(3,416)	(3,431)
Non-controlling interests	(502)	-	(502)
Net assets acquired	**24,378**	**8,828**	**33,206**
Goodwill related to the acquisition			21,740
Total net assets acquired			**54,946**
Total amount paid in cash			54,946
Total acquisition cost (A)			**54,946**
Net financial position acquired (B)			(13,097)
Total amount paid in cash			54,946
Total change in net financial position			**41,849**
Capital employed (A) + (B)			**41,849**

The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Water-Jetting CGU and is not relevant for tax purposes.

H.S. S.r.l.

On 11 July 2024, Interpump Group indirectly acquired 100% of H.S. S.r.l. through its subsidiary Inoxihp S.r.l..
This company, active in the hydraulic sector, specializes in the design and production of hydraulic systems and circuits known for their high qualitative and manufacturing standards. In 2023, the company generated turnover of about € 4 million. The total price agreed for the transaction was € 0.1 million.

The definitive purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	88	-	88
Trade receivables	2,311	-	2,311
Inventories	1,078	-	1,078
Tax receivables	44	-	44
Other current assets	8	-	8
Property, plant and equipment	385	-	385
Other intangible fixed assets	10	-	10
Deferred tax assets	228	-	228
Other non-current assets	50	-	50
Trade payables	(1,549)	-	(1,549)
Bank debts	(569)	-	(569)
Financial debts to banks - loans (current portion)	(216)	-	(216)
Leasing payables (current portion)	(124)	-	(124)
Tax liabilities	(71)	-	(71)
Other current liabilities	(284)	-	(284)
Financial debts to banks – loans (non-current portion)	(256)	-	(256)
Leasing payables (non-current portion)	(194)	-	(194)
Employee benefits (severance indemnity provision)	(652)	-	(652)
Deferred tax liabilities	(8)		(8)
Net assets acquired	**279**	**-**	**279**
Negative goodwill related to the acquisition			(179)
Total net assets acquired			**100**
Total amount paid in cash			100
Total acquisition cost (A)			**100**
Net financial position acquired (B)			1,271
Total amount paid in cash			100
Total change in net financial position			**1,371**
Capital employed (A) + (B)			**1,371**

The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Water-Jetting CGU and is not relevant for tax purposes.

Hidrover Equipamentos Hidráulicos Ltda

On 24 October 2024, the Interpump Group signed a binding agreement to purchase, through its subsidiary Interpump Hydraulics Brasil Ltda., 59% of the capital of Hidrover Equipamentos Hidráulicos Ltda., which operates in the hydraulic cylinders sector.

This company specializes in the production of hydraulic cylinders, covering the entire production process and focusing on the construction and agricultural markets. The price paid for operation was approximately € 17.5 million and "put&call" mechanisms have already been defined, through which the Group may acquire the residual 41% equity interest in four tranches. The first two (corresponding to a 16% interest) will be exercisable following approval of the 2025 financial statements, while the other two (corresponding to the remaining 25% interest) will be exercisable following approval of the 2029 financial statements.

The definitive purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	3,626	-	3,626
Trade receivables	2,990	-	2,990
Inventories	5,083	-	5,083
Tax receivables	291	-	291
Other current assets	63	-	63
Property, plant and equipment	4,023	5,848	9,939
Other intangible fixed assets	29	3,018	3,047
Deferred tax assets	628	-	628
Other non-current assets	10	-	10
Trade payables	(1,931)	-	(1,931)
Financial debts to banks - loans (current portion)	(2)	-	(2)
Leasing payables (current portion)	(24)	-	(24)
Tax liabilities	(210)	-	(210)
Other current liabilities	(1,065)	-	(1,065)
Financial debts to banks – loans (non-current portion)	(138)	-	(138)
Leasing payables (non-current portion)	(44)	-	(44)
Provisions for risks and charges (current portion)	(24)	-	(24)
Provision for risks and charges (non-current portion)	(691)	-	(691)
Deferred tax liabilities	-	(3,014)	(3,014)
Net assets acquired	**12,682**	**5,852**	**18,534**
Goodwill related to the acquisition			17,210
Total net assets acquired			**35,744**
Total amount paid in cash			13,541
Payables related to the acquisition of investments			22,203
Total acquisition cost (A)			**35,744**
Net financial position acquired (B)			(3,418)
Total amount paid in cash			13,541
Amount payable			22,203
Total change in net financial position			**32,326**
Capital employed (A) + (B)			**32,326**

The amounts for the company were translated using the exchange rates at 30 November 2024.
The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Hydraulic CGU and is not relevant for tax purposes.

Padoan group

On 16 June 2025, Interpump Group signed a binding contract to acquire, through its subsidiary Interpump Hydraulics S.p.A., 65% of the quota capital of Padoan S.r.l., a company specialized in the supply of tanks for industrial vehicles and machinery, with effect from 1 July 2025.

Founded in 1937 and based in Olmi di S. Biagio di Callalta (TV) with over 50 employees, the company closed 2024 with turnover of about € 15 million and an EBITDA margin in excess of 17%. The total enterprise value of Padoan was set at about € 16 million and "put & call" mechanisms have been defined so that Interpump Group can acquire the residual quotas from July 2030.

The provisional purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	2,112	-	2,112
Trade receivables	2,997	-	2,997
Inventories	3,201	-	3,201
Tax receivables	228	-	228
Other current assets	342	-	342
Property, plant and equipment	7,546	-	7,546
Other intangible fixed assets	614	-	614
Other financial fixed assets	134	-	134
Deferred tax assets	79	-	79
Other non-current assets	89	-	89
Trade payables	(2,604)	-	(2,604)
Bank debts	(1,409)	-	(1,409)
Financial debts to banks - loans (current portion)	(1,310)	-	(1,310)
Leasing payables (current portion)	(10)	-	(10)
Tax liabilities	(904)	-	(904)
Other current liabilities	(841)	-	(841)
Financial debts to banks – loans (non-current portion)	(3,498)	-	(3,498)
Provisions for risks and charges (current portion)	(15)	-	(15)
Leasing payables (non-current portion)	(1,428)	-	(1,428)
Provision for risks and charges (non-current portion)	(128)	-	(128)
Employee benefits (severance indemnity provision)	(631)	-	(631)
Deferred tax liabilities	(4)	-	(4)
Other non-current liabilities	(1)	-	(1)
Non-controlling interests	(154)	-	(154)
Net assets acquired	**4,405**	**-**	**4,405**
Goodwill related to the acquisition			14,426
Total net assets acquired			**18,831**
Total amount paid in cash			6,600
Payables related to the acquisition of investments			12,231
Total acquisition cost (A)			**18,831**
Net financial position acquired (B)			5,543
Total amount paid in cash			6,600
Amount payable			12,231
Total change in net financial position			**24,374**
Capital employed (A) + (B)			**24,374**

The transaction was accounted for using the acquisition method.

The goodwill was allocated in full to the Hydraulic CGU and is not relevant for tax purposes.
The company has been consolidated on a line-by-line basis from 1 July 2025.

Since the acquisition date, the company has contributed about € 9 million to the revenues of the Group, with an insignificant effect on net profit. Had the business combination taken place at the start of 2025, the contribution to Group revenues would have been € 18 million, with an effect on net profit of € 0.5 million.

Tutto Hidráulicos Ltda

On 24 October 2025 Interpump Group acquired, through its subsidiary Hidrover Ltda, the entire share capital of Tutto Hidráulicos Ltda, a specialist company active in the hydraulic cylinders sector.

Established in 2008, the company is based in Caxias do Sul (Brazil) and employs more than 110 persons.

The provisional purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	819	-	819
Trade receivables	2,539	-	2,539
Inventories	1,132	-	1,132
Tax receivables	37	-	37
Other current assets	26	-	26
Property, plant and equipment	1,518	-	1,518
Other intangible fixed assets	15	1,441	1,456
Deferred tax assets	80	-	80
Other non-current assets	14	-	14
Trade payables	(806)	-	(806)
Financial debts to banks - loans (current portion)	(12)	-	(12)
Leasing payables (current portion)	(183)	-	(183)
Tax liabilities	(557)	-	(557)
Other current liabilities	(298)	-	(298)
Provisions for risks and charges (current portion)	(14)	-	(14)
Leasing payables (non-current portion)	(290)	-	(290)
Provision for risks and charges (non-current portion)	(965)	-	(965)
Deferred tax liabilities	-	(490)	(490)
Net assets acquired	**3,055**	**951**	**4,006**
Goodwill related to the acquisition			8,444
Total net assets acquired			**12,450**
Total amount paid in cash			6,848
Payables related to the acquisition of investments			5,602
Total acquisition cost (A)			**12,450**
Net financial position acquired (B)			(334)
Total amount paid in cash			6,848
Amount payable			5,602
Total change in net financial position			**12,116**
Capital employed (A) + (B)			**12,116**

The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Hydraulic CGU and is not relevant for tax purposes.
The company has been consolidated on a line-by-line basis from 1 November 2025.

Since the acquisition date, the company has contributed € 1.3 million to the revenues of the Group, with an insignificant effect on net profit. Had the business combination taken place at the start of 2025, the contribution to Group revenues would have been € 11.6 million, with an effect on net profit of € 1.3 million.

Borghi Assali S.r.l.

On 4 November 2025 Interpump Group acquired, through its subsidiary Reggiana Riduttori S.r.l., 70% of the quota capital of Borghi Assali S.r.l., a specialist company active in the design and production of hydraulic and electric steering axles for industrial vehicles.

Founded in 1971 and based in Bomporto (MO, Italy), the company closed 2024 with turnover in excess of € 12 million and an EBITDA margin of about 15%. Borghi Assali was valued at about € 8 million (for 100%) and "put & call" mechanisms have been defined so that Interpump Group can acquire the residual quotas from October 2030.

The provisional purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	3,180	-	3,180
Trade receivables	970	-	970
Inventories	4,913	-	4,913
Tax receivables	492	-	492
Other current assets	1,027	-	1,027
Property, plant and equipment	5,957	-	5,957
Other intangible fixed assets	84	-	84
Deferred tax assets	449	-	449
Trade payables	(1,791)	-	(1,791)
Bank debts	(19)	-	(19)
Financial debts to banks - loans (current portion)	(693)	-	(693)
Tax liabilities	(1,734)	-	(1,734)
Other current liabilities	(688)	-	(688)
Financial debts to banks – loans (non-current portion)	(281)	-	(281)
Provisions for risks and charges (current portion)	(364)	-	(364)
Leasing payables (non-current portion)	(2,957)	-	(2,957)
Employee benefits (severance indemnity provision)	(383)	-	(383)
Deferred tax liabilities	(16)	-	(16)
Net assets acquired	**8,146**	**-**	**8,146**
Negative goodwill related to the acquisition			(400)
Total net assets acquired			**7,746**
Total amount paid in cash			5,170
Payables related to the acquisition of investments			2,576
Total acquisition cost (A)			**7,746**
Net financial position acquired (B)			770
Total amount paid in cash			5,170
Amount payable			2,576
Total change in net financial position			**8,516**
Capital employed (A) + (B)			**8,516**

The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Hydraulic CGU and is not relevant for tax purposes.
The company has been consolidated on a line-by-line basis from 1 November 2025.

Since the acquisition date, the company has contributed € 1.2 million to the revenues of the Group, with an insignificant effect on net profit. Had the business combination taken place at the start of 2025, the contribution to Group revenues would have been € 8.5 million, with an insignificant effect on net profit.

F.A.R.M.A. group

On 18 December 2025 Interpump Group acquired, through its subsidiary Interpump Hydraulics Spa, the entire share capital of F.A.R.M.A. Srl, a specialist company active in the design and production of component parts for storage tanks.

Established in 1975 and based in Medicina (BO, Italy), the company was valued at about € 22 million.

The provisional purchase price allocation is presented below:

€/000	Amounts acquired	Adjustments to fair value	Carrying amounts in the acquiring company
Cash and cash equivalents	5,612	-	5,612
Trade receivables	3,841	-	3,841
Inventories	2,119	-	2,119
Tax receivables	136	-	136
Other current assets	150	-	150
Property, plant and equipment	2,465	-	2,465
Other intangible fixed assets	29	-	29
Deferred tax assets	51	-	51
Other non-current assets	70	-	70
Non-current tax receivables	15	-	15
Trade payables	(1,791)	-	(1,791)
Bank debts	(5)	-	(5)
Financial debts to banks - loans (current portion)	(1,412)	-	(1,412)
Tax liabilities	(194)	-	(194)
Other current liabilities	(507)	-	(507)
Financial debts to banks – loans (non-current portion)	(361)	-	(361)
Provisions for risks and charges (current portion)	(250)	-	(250)
Leasing payables (non-current portion)	(1,535)	-	(1,535)
Employee benefits (severance indemnity provision)	(1,329)	-	(1,329)
Net assets acquired	**7,104**	**-**	**7,104**
Goodwill related to the acquisition			19,668
Total net assets acquired			**26,772**
Total amount paid in cash			25,102
Payables related to the acquisition of investments			1,670
Total acquisition cost (A)			**26,772**
Net financial position acquired (B)			(2,299)
Total amount paid in cash			25,102
Amount payable			1,670
Total change in net financial position			**24,473**
Capital employed (A) + (B)			**24,473**

The transaction was accounted for using the acquisition method.
The goodwill was allocated in full to the Hydraulic CGU and is not relevant for tax purposes.
The company has been consolidated on a line-by-line basis from 31 December 2025.

The F.A.R.M.A. group did not contributed to the 2025 revenues of the Group, as only the balance sheet has been consolidated at year end. The economic effects of the acquisition will be recognized with effect from 1 January 2026.

2.6 Notes to the principal captions in the statement of financial position

2.6.1 Cash and cash equivalents

€/000	31/12/2025	31/12/2024
Cash	122	91
Bank deposits	411,610	380,117
Other liquid funds	3,972	12,429
Total	**415,704**	**392,637**

Cash and cash equivalents at 31 December 2025 include amounts denominated in foreign currencies, as shown below:

/000	Amounts in €	Amount in original currency
Euro	295,799	295,799
US Dollar	34,723	40,797
Chinese Renminbi	28,301	232,797
Brazilian Real	15,025	96,704
Indian Rupee	12,069	1,274,328
UK Pound	5,307	4,630
Korean Won	4,392	7,452,822
New Zealand Dollar	3,983	8,117
Canadian Dollar	2,999	4,823
Australian Dollar	2,024	3,557
Danish Krone	1,569	11,719
Columbian Peso	1,564	6,933,417
Turkish Lira	1,557	78,617
South African Rand	1,492	29,018
Polish Zloty	1,266	5,346
Russian Ruble	1,058	97,462
Bulgarian Lev	753	1,472
Swedish Krona	503	5,439
Ukrainian Hryvnia	340	16,942
Mexican Peso	248	5,234
Swiss Franc	244	227
Chilean Peso	212	224,927
Singapore Dollar	108	163
Romanian Leu	84	427
Moldovan Leu	79	1,565
Other minor currencies	5	n.a.
Total	**415,704**	

At 31 December 2025, bank deposits include deposits and restricted accounts with a total notional balance of € 32.9 million at an average fixed interest rate of 3.15%.

Investment of the Group's liquidity made it possible to achieve an average yield of 1.62% in 2025 (1.86% in 2024).

2.6.2 Trade receivables

€/000	31/12/2025	31/12/2024
Trade receivables, gross	410,817	400,994
Bad debt provision	(13,564)	(15,031)
Trade receivables, net	**397,253**	**385,963**

Changes in the bad debt provision were as follows:

€/000	2025	2024
Opening balances	**15,031**	**13,992**
Exchange difference	(460)	170
Change in consolidation perimeter	278	431
Reclassifications	-	-
Provisions for the year	1,694	2,994
Reversal in the year due to surpluses	(1,982)	(1,248)
Utilizations in the year	(997)	(1,308)
Closing balance	**13,564**	**15,031**

Provisions in the year are booked under other operating costs. At 31 December 2025, trade receivables due beyond 12 months total € 554 thousand, while there are no trade payables due beyond 12 months. Further information is provided in Note 2.9 - *Information on risks*.

2.6.3 Inventories

€/000	31/12/2025	31/12/2024
Raw materials and components	237,715	266,682
Semi-finished products	201,038	187,291
Finished products	240,231	246,641
Total inventories	**678,984**	**700,614**

Inventories are stated net of an allowance that has changed as indicated below:

€/000	2025	2024
Opening balances	**56,468**	**48,971**
Exchange difference	(2,361)	739
Change in consolidation perimeter	1,301	3,315
Provisions for the year	11,207	6,994
Utilizations in the year	(3,648)	(2,326)
Reversal in the year due to surpluses	(1,429)	(1,225)
Closing balance	**61,538**	**56,468**

2.6.4 Tax receivables and Other current assets

Tax receivables are analyzed below:

€/000	31/12/2025	31/12/2024
Current taxes	15,392	25,468
VAT recoverable	16,910	18,588
Withholding taxes	1,275	1,757
Other tax receivables	7,631	10,568
Total tax receivables	**41,208**	**56,381**

Other tax receivables principally include other indirect tax credits (including flat tax credits) and tax credits.

Other current assets are analyzed below:

€/000	31/12/2025	31/12/2024
Accrued income and prepaid expenses	13,143	11,701
Price adjustments receivable	-	1,894
Other receivables	12,603	17,918
Other current assets	2,436	3,134
Total other current assets	**28,182**	**34,647**

The Other receivables and Other current assets section includes all receivables and assets not classified elsewhere, such as advances to suppliers, grants receivable, amounts due from employees and social security institutions, and guarantee deposits paid, recoverable within twelve months.

2.6.5 Property, plant and equipment

€/000	Land and buildings	Plant and machinery	Equipment	Other assets	Total
At 1 January 2024					
Cost	482,226	724,681	186,700	146,889	1,540,496
Accumulated depreciation	(110,866)	(403,166)	(149,548)	(91,005)	(754,585)
Net carrying amount	***371,360***	***321,515***	***37,152***	***55,884***	***785,911***
Changes in 2024					
Opening net carrying amount	***371,360***	***321,515***	***37,152***	***55,884***	***785,911***
Exchange differences	5,175	4,061	818	2,257	12,311
Change in consolidation perimeter	11,778	3,981	182	658	16,599
Additions	44,296	63,497	11,310	19,974	139,077
Recognition of right-to-use assets	8,557	242	103	4,632	13,534
Disposals	(729)	(2,889)	-	(4,812)	(8,430)
Early close-out of right-to-use assets	(3,670)	(21)	(21)	(275)	(3,987)
Remeasurement of right-to-use assets	140	1	-	24	165
Reclassifications	49	(3,540)	3,068	172	(251)
Capitalized depreciation	(72)	(9)	(5)	(1)	(87)
Revaluations	-	107	-	-	107
Write-downs	-	(203)	(68)	-	(271)
Depreciation	(26,736)	(49,447)	(11,262)	(13,486)	(100,931)
Closing net carrying amount	***410,148***	***337,295***	***41,277***	***65,027***	***853,747***
At 31 December 2024					
Cost	538,804	789,440	200,917	164,319	1,693,480
Accumulated depreciation	(128,656)	(452,145)	(159,640)	(99,292)	(839,733)
Net carrying amount	***410,148***	***337,295***	***41,277***	***65,027***	***853,747***
Changes in 2025					
Opening net carrying amount	***410,148***	***337,295***	***41,277***	***65,027***	***853,747***
Exchange differences	(13,780)	(10,547)	(2,179)	(5,218)	(31,724)
Change in consolidation perimeter	9,733	6,327	866	560	17,486
Additions	34,993	40,070	11,775	17,557	104,395
Recognition of right-to-use assets	7,880	97	793	6,012	14,782
Disposals	(1,325)	(2,313)	(411)	(2,720)	(6,769)
Early close-out of right-to-use assets	(1,064)	(1)	(183)	(120)	(1,368)
Remeasurement of right-to-use assets	2,464	(4)	-	(1)	2,459
Reclassifications	(224)	680	(84)	(639)	(267)
Capitalized depreciation	(81)	(24)	(5)	(1)	(111)
Revaluations	-	-	-	-	-
Write-downs	(241)	(1,486)	(2)	-	(1,729)
Depreciation	(28,694)	(49,892)	(12,923)	(14,784)	(106,293)
Closing net carrying amount	***419,809***	***320,202***	***38,924***	***65,673***	***844,608***
At 31 December 2025					
Cost	561,149	805,917	214,246	163,573	1,744,885
Accumulated depreciation	(141,340)	(485,715)	(175,322)	(97,900)	(900,277)
Net carrying amount	***419,809***	***320,202***	***38,924***	***65,673***	***844,608***

The cost of assets under construction, included in the net carrying amounts disclosed in the previous table, is as follows:

€/000	Land and buildings	Plant and machinery	Equipment	Other assets	Total
At 1 January 2024	32,631	40,130	457	195	73,413
At 31 December 2024	24,521	45,689	620	462	71,292
At 31 December 2025	13,857	17,348	527	374	32,106

The net carrying amount of leased assets at 31 December is analyzed below:

€/000	Land and buildings	Plant and machinery	Equipment	Other assets	Total
At 31 December 2024	81,330	1,643	1,262	8,786	93,021
At 31 December 2025	76,429	4,652	1,488	9,749	92,318

Depreciation of € 88,086 thousand was charged to the cost of sales (€ 83,779 thousand in 2024), € 8,609 thousand to distribution costs (€ 7,581 thousand in 2024) and € 9,598 thousand to general and administrative expenses (€ 9,571 thousand in 2024).

At 31 December 2025 the Group has contractual commitments for the purchase of property, plant and equipment totaling € 5,935 thousand (€ 9,601 thousand at 31 December 2024).

At 31 December 2025 property, plant and equipment are not burdened by mortgages and/or specific guarantees.

Further information is provided in Notes 2.10 - *Notes to the cash flow statement* and 2.11 - *Commitments*.

2.6.6 Goodwill

Changes in goodwill were as follows in 2025:

€/000	Balance at 31/12/2024	Increases in the year	Decreases in the year	Changes due to exchange-rate differences	Balance at 31/12/2025
Water Jetting	256,172	-	-	(5,361)	250811
Hydraulic	581,626	42,538	(7,571)	(1,563)	615,030
Total goodwill	**837,798**	**42,538**	**(7,571)**	**(6,924)**	**865,841**

The increase during the year, entirely in the Hydraulic sector, reflects acquisition of the Padoan group, Tutto Hidráulicos Ltda, and the F.A.R.M.A. group.

The decrease during the year, also entirely in the Hydraulic sector, reflects adjustment of the PPA determined for Hidrover Equipamentos Hidráulicos Ltda.

The changes due to foreign exchange differences relate to the goodwill denominated in foreign currencies.

The goodwill acquired through business combinations was allocated, for impairment testing purposes, to the Water-Jetting and Hydraulic CGUs, which correspond to the two operating sectors about which specific information has been disclosed.

The Group carried out an impairment test on 31 December 2025. When reviewing its impairment indicators, among other factors the Group also takes into consideration its stock market capitalization, which exceeded the shareholders' equity of the Group throughout 2025 and in early 2026. The recoverable value identified from the impairment test was determined from the value-in-use calculation carried out using the Discounted Cash Flow (DCF) method, net of current taxes. Expected cash flows utilized in the calculation of DCF were determined on the basis of 5-year business plans (2026-2030) that take account of the various reference scenarios, and of growth forecasts in the various markets.

With regard to preparation of the five-year business plans, the Group recognizes some exposure, not quantifiable at this time, to the impacts of future, more restrictive laws and regulations governing energy efficiency and climate change, as well as of other changes in the applicable legal and regulatory framework that might affect the activities of the Group. The five-year business plans that support the impairment test of goodwill do not contain specific risk provisions in this regard but, nevertheless, were prepared in a prudent manner that contain the expected level of future cash flows.

In particular, the Group considers that the sales policies adopted in prior years, aimed at improving the integration of its production and distribution networks and consolidating the growth of several important outlet markets for the Group, will make it possible to increase revenues in the period 2026-2030 by around 3.1% for the “Water Jetting” CGU and about 6.9% for the “Hydraulic” CGU, with stable margins overall.

A prudential perpetual growth rate of 1% was applied for periods after 2030 for the “Hydraulic” CGU, while a perpetual growth rate of 1.5% was applied for the “Water Jetting Sector” CGU due to the sustainability over time of the competitive advantages of the individual CGUs.

The projected cash flows determined in this manner were reduced by a discount factor in order to take account of the risk that future plans could become impracticable. The weighted average cost of capital (WACC) after tax was measured for the various CGUs as follows:

CGU	WACC
Water Jetting	8.85%
Hydraulics	9.28%
Weighted average cost of capital	**9.12%**

The WACC utilized in 2024 was 8.62%.

The sensitivity analysis required in the joint Bank of Italy, Consob, ISVAP document dated 3 March 2010 was also carried out. No impairment losses on goodwill were identified on reducing the expected cash flows of each CGU by 10%, or on increasing by 0.5% the cost of capital used to discount those expected cash flows.

2.6.7 Other intangible fixed assets

€/000	Product development expenses	Patents, trademarks and related rights, and industrial rights	Other intangible assets	Total
At 1 January 2024				
Cost	47,408	116,261	32,508	196,177
Accumulated amortization	(34,425)	(68,211)	(22,768)	(125,404)
Net carrying amount	**12,983**	**48,050**	**9,740**	**70,773**
Changes in 2024				
Opening net carrying amount	***12,983***	***48,050***	***9,740***	***70,773***
Exchange differences	(161)	(457)	118	(500)
Change in consolidation perimeter	-	10,215	199	10,414
Increases	2,977	446	5,693	9,116
Decreases	(28)	-	-	(28)
Reclassifications	(1,442)	82	1,256	(104)
Write-downs	(88)	(8)	-	(96)
Capitalized amortization	-	-	-	-
Amortization	(1,718)	(7,819)	(3,142)	(12,679)
Closing net carrying amount	***12,523***	***50,509***	***13,864***	***76,896***
At 31 December 2024				
Cost	48,530	126,835	40,464	215,829
Accumulated amortization	(36,007)	(76,326)	(26,600)	(138,933)
Net carrying amount	**12,523**	**50,509**	**13,864**	**76,896**
Changes in 2025				
Opening net carrying amount	**12,523**	**50,509**	**13,864**	**76,896**
Exchange differences	(142)	(984)	(698)	(1,824)
Change in consolidation perimeter	-	1,936	247	2,183
Increases	2,814	1,791	5,176	9,781
Decreases	(8)	(5)	0	(13)
Reclassifications	(2,661)	70	2,856	265
Write-downs	(215)	(69)	-	(284)
Capitalized amortization	-	-	-	-
Amortization	(1,873)	(6,869)	(4,202)	(12,944)
Closing net carrying amount	***10,438***	***46,379***	***17,243***	***74,060***
At 31 December 2025				
Cost	47,370	127,210	48,903	223,483
Accumulated amortization	(36,932)	(80,831)	(31,660)	(149,423)
Net carrying amount	***10,438***	***46,379***	***17,243***	***74,060***

The cost of assets in progress, included in the net carrying amounts reported above, is as follows:

€/000	Product development expenses	Patents, trademarks and related rights, and industrial rights	Other intangible fixed assets	Total
At 1 January 2024	10,361	16	3,733	14,110
At 31 December 2024	8,141	16	5,461	13,618
At 31 December 2025	5,752	596	2,820	9,168

The Group has assessed the recoverability of assets in progress without identifying any evidence of impairment.

Amortization was charged in full to general and administrative costs. Product development costs consist mainly of capitalized internal costs.

2.6.8 Other financial assets

This item comprises:

€/000	31/12/2025	31/12/2024
Investments in non-consolidated subsidiaries	3,111	1,982
Assets servicing employee benefits	1,745	1,652
Loans to non-consolidated subsidiaries	250	-
Other financial assets	433	314
Total	**5,539**	**3,948**

The following changes were recorded:

€/000	2025	2024
Opening balance	3,948	3,293
Exchange differences	(92)	(225)
Change in consolidation perimeter	923	196
Reclassifications	(140)	(28)
Increases in the year	1,171	741
Change in fair value	38	32
Decreases in the year	(309)	(61)
Closing balance	**5,539**	**3,948**

Breakdown of the value of investments in non-consolidated subsidiaries:

€/000	31/12/2025	% held	31/12/2024	% held
Interpump Hydraulics RUS	1,532	100%	1,170	100%
General Pump China	587	100%	580	100%
Interpump Antriebstechnik GmbH	55	100%	36	100%
Walvoil Fluid Power Mexico S.A. DE C.V.	86	100%	196	100%
Nuova S.M. S.r.l.	823	100%	-	100%
Interpump Hydraulics Perù S.a.c.	28	90%	-	90%
Hammelmann Vostok	-	100%	-	100%
Total non-consolidated subsidiaries	**3,111**		**1,982**	

General Pump China, Interpump Hydraulics RUS, Interpump Hydraulics Perù, Hammelmann Vostok, Interpump Antriebstechnik, Walvoil Mexico and Nuova S.M. S.r.l. are subsidiaries, but they have not been consolidated due to their limited size.

The value of the investment in Interpump Hydraulics Perù, a distribution company based in Lima that was incorporated at the end of 2015 to strengthen the Group's direct presence in South America, was written off in 2024 and a provision for risks of € 140 thousand was recorded to cover losses, which were mainly incurred by the company during the start-up phase. This investment was revalued in 2025 as a consequence of the positive results obtained by the company during the year.

Hammelmann Vostok was established at the end of 2021 in order to support the sales of Hammelmann in Russia and ensure an increased presence in that market. The value of this investment has been written off, in view of the ongoing Russia-Ukraine conflict.

Walvoil Fluid Power Mexico was established during 2024 in order to develop, over the coming years, the sales of hydraulic and electronic products in the local market. The value of this investment, still in the start-up phase, was written down during 2025 in view of its performance during the year.

Nuova S.M. S.r.l. was acquired in 2025 thorugh Pioli S.r.l., a subsidiary. The company specializes in the processing of metals for third parties.

In relation to financial instruments recorded at fair value in the statement of financial position (assets servicing employee benefits and other financial assets), international accounting standards require that said values be classified on the basis of a hierarchy of levels that reflects the significance of the inputs utilized to establish the fair value and subdivided on the basis of the recurrence in their measurement. International accounting standards identify the following levels:

- Level 1 quotations recorded on an active market for assets and liabilities subject to measurement;
- Level 2 inputs other than the price quotations mentioned in the above point, which are directly (prices) or indirectly (price derivatives) observable in the market;
- Level 3 inputs that are not based on empirical market data.

The following table shows the financial instruments measured at fair value at 31 December 2025, broken down by level:

€/000	Level 1	Level 2	Level 3	Total
Other financial assets	1,911	-	139	2,050
Total assets	**1,911**	**-**	**139**	**2,050**

No transfers between levels were carried out in 2025.

All fair value measurements shown in the above table are to be considered as recurring; the Group did not perform any non-recurring fair value measurements in 2025.

2.6.9 Deferred tax assets and liabilities

The changes in the year of deferred tax assets and liabilities are listed below:

	Deferred tax assets		Deferred tax liabilities	
€/000	2025	2024	2025	2024
At 31 December of the previous year	**43,640**	**72,509**	**32,753**	**54,524**
Exchange differences	(1,335)	148	(3,292)	993
Change in consolidation perimeter	659	2,196	2,498	8,203
Recognized in the income statement	(830)	(6,371)	39	(2,248)
Reclassifications	(339)	(24,855)	(66)	(28,732)
Recognized directly in equity	(183)	13	36	13
At 31 December of the current year	**41,612**	**43,640**	**31,968**	**32,753**

The deferred taxes recognized directly in equity arise from remeasurement of defined benefit plans.

Deferred tax assets and liabilities refer to the following items in the statement of financial position:

	Deferred tax assets		Deferred tax liabilities	
€/000	2025	2024	2025	2024
Property, plant and equipment	12,608	14,938	27,940	29,312
Rights of use	-	-	22,461	21,978
Intangible fixed assets	12,874	14,010	23,194	24,030
Equity investments	555	506	30	29
Inventories	25,822	25,566	14	0
Receivables	1,138	1,331	86	5
Liabilities for employee benefits	1,239	1,037	169	99
Leasing liabilities	16,433	17,505	-	-
Provisions for risks and charges	3,717	4,255	33	-
Tax losses carried forward	3,203	3,212	-	-
Cost of stock option plans	909	-	-	-
Other	8,432	7,480	3,359	3,500
Offset of deferred taxes	(45,318)	(46,200)	(45,318)	(46,200)
Total	**41,612**	**43,640**	**31,968**	**32,753**

No deferred tax liabilities have been recorded for reserves qualifying for tax relief as they are not expected to be distributed (see Note 2.6.17).

2.6.10 Assets and liabilities held for sale

The Group did not have any assets classified as held for sale at 31 December 2025.

2.6.11 Interest-bearing financial debts and Bank debts

The main loans are all subject to the following financial covenants, calculated on the consolidated values:

- Net indebtedness / Shareholders' equity;
- Net indebtedness / EBITDA;
- EBITDA / Financial expenses.

At 31 December 2025 all financial covenants are amply respected.

€/000	31/12/2025	31/12/2024
Current		
Bank loans	33,688	33,236
Bank debts	212,384	223,029
Leases	19,539	18,795
Other financial debts	108	95
Total current, interest-bearing financial debts	**232,031**	**241,919**
Non-current		
Bank loans	283,780	368,174
Bonds	99,517	99,424
Leases	57,538	58,630
Shareholder loans	-	-
Other financial debts	249	298
Total non-current, interest-bearing financial debts	**441,084**	**526,526**

At 31 December 2025, fixed-rate, interest-bearing loans amount to € 104,200 thousand, while the remainder are at floating rates.

Bank debts and interest-bearing loans include € 27,596 thousand in currencies other than the euro, mainly comprising US dollars, Chinese renminbi, UK pounds, New Zealand dollars, Australian dollars, Romanian lei, Canadian dollars, Chilean pesos, Brazilian reals, Swiss francs and Indian rupees relating to foreign subsidiaries. Amounts in currencies other than the euro are as follows:

€/000	Bank debts	Current, interest-bearing financial debts	Non-current, interest-bearing financial debts	Total
US Dollar	-	2,598	2,738	**5,336**
Chinese Renminbi	4	1,876	1,464	**3,344**
UK Pound	2	1,127	3,331	**4,460**
New Zealand Dollar	-	596	1,465	**2,061**
Indian Rupee	3	708	909	**1,620**
Australian Dollar	-	466	1,041	**1,507**
Romanian Leu	2,699	7	4	**2,710**
Canadian Dollar	118	335	455	**908**
Chilean Peso	-	184	969	**953**
Brazilian Real	5	482	897	**1,384**
South African Rand	-	220	167	**387**
Mexican Peso	3	124	199	**326**
Danish Krone	-	140	312	**452**
Swedish Krona	-	102	127	**229**
Korean Won	-	70	231	**301**
Polish Zloty	-	127	169	**296**
Swiss Franc	129	293	466	**888**
Russian Ruble	-	54	77	**131**
Singapore Dollar	-	13	-	**13**
Bulgarian Lev	-	10	24	**34**
Columbian Peso	-	64	66	**130**
Turkish Lira	-	65	53	**118**
Total	**2,963**	**9,669**	**14,964**	**27,596**

The following rates were charged on the interest-bearing financial debts:

%	31/12/2025	31/12/2024
Bank debts	Euribor + 0.91 (average spread)	Euribor + 0.82 (average spread)
Bonds	4.17	4.17
Finance leases	6.17	6.01

No outstanding loans are backed by guarantees at 31 December 2025 or were backed by guarantees during the year.

Breakdown of lease payables at 31 December:

	31 December 2025				31 December 2024			
€/000	Within 1 year	Between 1 and 5 years	Beyond 5 years	Total	Within 1 year	Between 1 and 5 years	Beyond 5 years	Total
Payment of lease installments	22,623	44,304	22,171	**89,098**	22,633	46,800	23,791	**93,224**
Interest	(3,084)	(6,262)	(2,675)	**(12,021)**	(3,838)	(9,548)	(2,413)	**(15,799)**
Present value of lease payables	**19,539**	**38,042**	**19,496**	**77,077**	**18,795**	**37,252**	**21,378**	**77,425**

At 31 December 2025 the Group is party to several leasing contracts for industrial buildings, plant and machinery, the carrying amount of which, totaling € 92,318 thousand (€ 93,021 thousand at 31 December 2024), is classified under Property, plant and equipment (Note 2.6.5).

Non-current interest-bearing financial debts fall due as follows:

€/000	31/12/2025	31/12/2024
Within 2 years	158,317	200,357
Between 2 and 5 years	182,085	220,284
Beyond 5 years	100,682	105,885
Total	**441,084**	**526,526**

The Group has the following unused lines of credit at year-end:

€/000	31/12/2025	31/12/2024
Export advances and Italian portfolio	161,929	165,248
Medium/long-term loans	81,186	-
Medium/long-term bonds	162,349	183,617
Total	**405,464**	**348,865**

Further information about liquidity and interest-rate risks is provided in Note 2.9 - Information on risks.

Net indebtedness, including payables and commitments, determined in accordance with ESMA guidance 32-382-1138 and included in Consob notice no. 5/21, comprises:

€/000	31/12/2025	31/12/2024	31/12/2023
Cash and cash equivalents	415,704	392,637	334,483
Bank debts (advances and STC amounts)	(33,688)	(33,236)	(52,469)
Interest-bearing financial debts (current portion)	(232,031)	(241,919)	(264,911)
Interest-bearing financial debts (non-current portion)	(441,084)	(526,526)	(503,600)
Net financial position	***(291,099)***	***(409,044)***	***(486,497)***
Commitments for the purchase of equity investments (current portion)	(25,277)	(5,725)	(38,354)
Commitments for the purchase of equity investments (non-current portion)	(59,739)	(61,346)	(42,810)
Total net indebtedness	***(376,115)***	***(476,115)***	***(567,661)***

2.6.12 Trade payables and Other current liabilities

Trade payables total € 233,564 thousand (€ 237,371 thousand in 2024) and principally comprise amounts payable to suppliers for goods and services.

Tax payables are analyzed below:

€/000	31/12/2025	31/12/2024
Current taxes	22,516	15,101
VAT payable	4,731	5,642
Other tax payables	9,200	7,617
Total tax payables	**36,447**	**28,360**

Other tax payables principally comprise withholding taxes.

Other current liabilities are analyzed below:

€/000	31/12/2025	31/12/2024
Payables related to the acquisition of investments	25,277	5,725
Other short-term payables	123,739	132,199
Government grants	-	444
Other	9,262	10,424
Total	**158,278**	**148,792**

The increase in payables related to the acquisition of investments principally reflects the reclassification to short term, from other non-current liabilities, of put and call options on the minority interests in subsidiaries (see Note 2.6.15).

Other short-term payables are mainly due to personnel, directors, statutory auditors and social security institutions.

2.6.13 Provisions for risks and charges

Changes were as follows:

€/000	Product warranty provision	Directors' termination indemnity provision	Agents' termination indemnity provision	Provision for returns on sales	Provision for risks on equity investments	Other	Total
Balance at 31/12/2024	**7,508**	**8,193**	**1,360**	**543**	**140**	**4,250**	**21,994**
Exchange difference	(272)	-	-	(6)	-	(144)	**(422)**
Increase in the year	2,626	-	54	65	-	1,045	**4,150**
Surplus released to the income statement	(1,681)	(1,050)	(111)	-	-	(212)	**(3,054)**
Change in consolidation perimeter	-	-	-	-	-	1,736	**1,736**
Reclassifications	-	-	-	-	(140)	309	**169**
Utilizations in the year	(1,857)	-	(38)	-	-	(956)	**(2,851)**
Balance at 31/12/2025	**6,324**	**7,143**	**1,265**	**602**	**-**	**6,388**	**21,722**

The balance of other provisions at 31 December 2025 refers to various disputes or estimated liabilities in group companies. The increase during the year mainly relates to the product warranty provision. The Directors' termination indemnity provision was recognized in favor of Fulvio Montipò, founder of the Group, by decision of the Board of Directors on 16 March 2020.

The closing balance is classified as follows in the statement of financial position:

€/000	31/12/2025	31/12/2024
Current portion	8,862	8,858
Non-current portion	12,860	13,136
Total	**21,722**	**21,994**

The Parent company and some of its subsidiaries are directly involved in lawsuits for limited amounts. The settlement of said lawsuits is not expected to generate any significant liabilities for the Group that are not covered by the risk provisions already made.

2.6.14 Liabilities for employee benefits

Liabilities for defined benefit plans

The changes in these liabilities were as follows:

€/000	2025	2024
Liabilities at 1 January	***21,292***	***21,061***
Amount charged to the income statement in the year	1,466	1,722
Reclassifications to other current liabilities	(78)	(75)
Recognition in equity of actuarial results	(900)	(6)
Change in consolidation perimeter	2,341	1,593
Payments	(2,126)	(3,003)
Liabilities at 31 December	***21,995***	***21,292***

The following items were recognized in the income statement:

€/000	2025	2024
Current service cost	914	972
Financial expenses (Income)	552	750
Total recognized in the income statement	**1,466**	**1,722**

The income statement effects were booked as follows:

€/000	2025	2024
Cost of sales	499	538
Distribution expenses	198	211
General and administrative expenses	217	223
Financial expenses (Income)	552	750
Total	**1,466**	**1,722**

Liabilities for defined benefit plans (termination indemnity - TFR) were established using the following actuarial assumptions:

	Unit of measure	2025	2024
Discount rate	%	3.63	3.24
Expected rate of increase in remuneration*	%	2.50	2.50
Percentage of employees expected to resign (turnover) **	%	5.86	5.84
Annual cost-of-living increase	%	1.90	2.00
Average period of employment	Years	13.41	13.46

* = arithmetic average of the rates of increase in remuneration by category, used in the actuarial valuation, weighted by the remuneration of each category.

** = average annual turnover rate for all causes, in the first ten years following the valuation.

The following table summarizes the sensitivity analysis carried out on the discount rate, showing the effects (absolute amount) of reasonable changes in the rate at 31 December 2025.

Sensitivity analysis		TFR €/000
Change in discount rate	+ 0.5%	21,219
Change in discount rate	- 0.5%	22,975

The discount rate on the reporting date is calculated as required by IAS 19 with reference to the market yield of high quality corporate bonds. Only the securities of corporate issuers with an "AA" rating are considered, on the assumption that this class identifies a high rating level in the context of "Investment Grade" securities, with the exclusion, therefore, of higher risk securities. Given that IAS 19 does not make explicit reference to a specific business category, the Group has opted for a “Composite” market yield curve that, accordingly, summarizes market conditions on the measurement date for the securities issued by companies active in various sectors, including utilities, telecommunication, finance, banking and industrials.

2.6.15 Other non-current liabilities

€/000	2025	2024
Payables related to the acquisition of investments	59,739	61,346
Long-term employee benefits	2,448	2,649
Other	15,453	16,033
Total	**77,640**	**80,028**

The changes in other non-current liabilities were as follows:

€/000	2025	2024
Liabilities at 1 January	**80,028**	**60,990**
Exchange difference	(631)	(173)
Change in consolidation perimeter	1	502
Amount charged to the income statement in the year	3,313	1,938
Reclassifications to other current liabilities	(19,082)	(2,156)
Change in fair value	3,609	(6,698)
Increase in non-current payables	13,607	29,708
Payments	(3,205)	(4,083)
Liabilities at 31 December	**77,640**	**80,028**

The portion of other non-current liabilities charged to the income statement mainly relates to the interest expense on put options, while the changes in fair value reflect positive and negative adjustments to the non-current portion of the estimated payables for the acquisition of equity investments.

2.6.16 Share capital

Share capital comprises 108,879,294 ordinary shares with a unit nominal value of € 0.52 totaling € 56,617,232.88. However, the share capital reported in the financial statements amounts to € 55,320 thousand, since the nominal value of purchased treasury shares, net of those sold, has been deducted from share capital in compliance with the reference accounting standards. At 31 December 2025 Interpump S.p.A. holds 2,494,087 treasury shares in the portfolio, corresponding to 2.291% of share capital, acquired at an average unit cost of € 37.96064.

The changes in treasury shares over the past two years were as follows:

	Number
Balance at 1 January 2024	**1,908,863**
2024 purchases	250,000
Sale of shares on the exercise of stock options	(20,500)
Balance at 31 December 2024	**2,138,363**
2025 purchases	500,000
Sale of shares on the exercise of stock options	(144,276)
Balance at 31 December 2025	**2,494,087**

Taking treasury shares into consideration, the following changes were recorded in the number of shares in circulation:

	Number of shares	
	2025	2024
Ordinary shares in existence at 1 January	**108,879,294**	**108,879,294**
Treasury shares held	(2,138,363)	(1,908,863)
Shares in circulation at 1 January	106,740,931	106,970,431
Treasury shares purchased	(500,000)	(250,000)
Treasury shares sold	144,276	20,500
Total shares in circulation at 31 December	**106,385,207**	**106,740,931**

The aims identified by the Group in the management of capital are the creation of value for all shareholders and supporting development of the group, both through internal means and by means of targeted acquisitions. The Group therefore intends to maintain an adequate level of capitalization, which simultaneously makes it possible to generate a satisfactory economic return for shareholders and to guarantee economically effective access to external sources of borrowing. The Group constantly monitors the evolution of the debt-to-equity ratio and the generation of cash through its industrial operations. In order to attain the aforementioned goals, the Group constantly monitors the cash flows generated by the business sectors in which it operates, both through improvement or maintenance of profitability, and careful management of working capital and of other expenditure.

Capital is construed as both the value contributed by Interpump Group shareholders (share capital and share premium reserve, totaling € 92,993 thousand at 31 December 2025 and € 98,069 thousand at 31 December 2024), and the value generated by Group operations (other reserves and legal reserve, including profit for the year, totaling € 2,051,073 thousand at 31 December 2025 and € 1,878,098 thousand at 31 December 2024, excluding the translation reserve and the remeasurement reserve for defined benefit plans).

Treasury shares purchased
The amount of the treasury shares held by Interpump Group S.p.A. is recorded in an equity reserve. Interpump Group purchased 500,000 treasury shares for € 16,594 thousand in 2025 (250,000 treasury shares for € 10,337 thousand in 2024).

Treasury shares sold
In the framework of the exercise of stock options, a total of 144,276 options were exercised, resulting in proceeds of € 4,754 thousand (20,500 options were exercised for € 581 thousand in 2024). As in 2024, no treasury shares were divested during 2025 in payment for equity investments.

Stock options
The fair value of the 2022-2024 and 2025-2027 stock option plans (the latter approved at the Shareholders' Meeting held on 29 April 2025) was recorded in the 2025 and 2024 financial statements in compliance with IFRS 2.

Costs of € 6,764 thousand (€ 5,262 thousand in 2024) relating to the stock option plans were therefore recognized in the 2025 income statement, with a matching entry to the share premium reserve. Said costs represent the portion for the year of the value of the options granted to employees and directors, established at the allocation date, corresponding to the value of the services rendered by the latter in addition to normal remuneration.

The income statement effects were booked as follows:

€/000	2025	2024
Cost of sales	11	-
Distribution expenses	71	56
General and administrative expenses	6,682	5,206
Total	**6,764**	**5,262**

Changes in the share premium reserve were as follows:

€/000	2025	2024
Share premium reserve at 1 January	**42,564**	**46,938**
Increase in the year due to recognizing in the income statement the fair value of stock options assigned	6,764	5,262
Increases on assignment of treasury shares as payment for subsidiaries acquired	-	-
Increases on assignment of treasury shares following exercise of stock options	4,679	571
Utilization to cover purchase of treasury shares	(16,334)	(10,207)
Share premium reserve at 31 December	**37,673**	**42,564**

The Shareholders' Meeting held on 30 April 2019 approved a stock option plan, known as the "*Interpump Incentive Plan 2019-2021*", which envisages granting a maximum of 2,500,000 options at an exercise price of Euro 28.4952 each and, for options granted after 30 April 2020, at the official price quoted on the Italian Stock Exchange on the day prior to the grant date. The meeting of the Board of Directors held on 27 June 2019 decided that 2,500,000 options would be granted, determined the total number of options in each tranche (750,000 for the first tranche, 875,000 for the second tranche and 875,000 for the third tranche) and established conditions for exercising the options that are linked to the achievement of specific financial statement parameters; in addition, 1,800,000 options were granted to Fulvio Montipò, the Executive Chairman, and 418,500 options were granted to other beneficiaries. A further 20,000 options were granted to other beneficiaries on 3 June 2020. Overall, a total of 2,238,500 options have therefore been granted (of which 144,500 were subsequently canceled). The options can be exercised from 30 June 2022 to 31 December 2025.

On 18 March 2024, the Board of Directors deemed it appropriate to identify the persons in certain key roles within the Group as “Key Management Personnel”, recalling that, pursuant to the Consob Regulation on Related-Party Transactions, adopted by Resolution no. 17221 dated 12 March 2010, such persons are those who “have the power and responsibility, directly or indirectly, to plan, manage, and control activities in the company”. The options granted to the executives concerned were initially classified among the “other beneficiaries”.

The changes in options in 2025 and 2024 were as follows:

	Number of options	
	2025	2024
Options granted at 1 January	**80,776**	**101,276**
Options granted in the year	-	-
Options exercised in the year	(80,776)	(20,500)
Options canceled in the year	-	-
Total options granted at 31 December	**-**	**80,776**

The fair value of the stock options and the actuarial assumptions utilized in the trinomial lattice model are as follows:

2019-2021 Plan

First grant	Unit of measure	
Number of options granted	no.	2,218,500
Grant date		28 June 2019
Exercise price		28.4952
Vesting date		30 June 2022
Fair value per option at the grant date	€	4.562
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	30
Expected average duration of the plan	years	4.76
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Euro swap rates at 28 July 2019)	%	-0.0182

Second grant	Unit of measure	
Number of options granted	no.	20,000
Grant date		3 June 2020
Exercise price		27.9868
Vesting date		30 June 2022
Fair value per option at the grant date	€	5.226
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	30
Expected average duration of the plan	years	3.83
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Euro swap rates at 3 July 2020)	%	0.1557

The Shareholders' Meeting held on 29 April 2022 approved a new stock option plan, the "Interpump Incentive Plan 2022/2024", that envisages the grant of up to 2,250,000 options at an exercise price of € 38.6496 and, for options granted after 29 April 2023, at the official price determined by Borsa Italiana on the trading day prior to their grant.

At the meeting held on 29 April 2022, the Board of Directors granted 1,620,000 options to Executive Chairman Fulvio Montipò, while on 23 May 2022, 20 October 2022 and 28 April 2023, respectively 288,000 (of which 45,000 to Chief Executive Officer Fabio Marasi), 6,000 and 35,000 (including 15,000 to Chief Executive Officer Fabio Marasi) options were granted to other beneficiaries (including those granted to the Key Management Personnel identified at the Board meeting held on 18 March 2024, see above). Overall, a total of 1,949,000 options have therefore been granted. The options can be exercised between 30 June 2025 and 31 December 2028.

A total of 2,000 options were canceled in 2025 (21,200 in 2024 and 2,000 in 2023) and 63,500 options were exercised (none in 2024).

The changes in options in 2025 and 2024 were as follows:

	Number of options	
	2025	2024
Options granted at 1 January	**1,918,800**	**1,940,000**
Options granted in the year	-	-
Options exercised in the year	(63,500)	-
Options canceled in the year	(2,000)	(21,200)
Total options granted at 31 December	**1,853,300**	**1,918,800**

2022-2024 Plan

First grant	Unit of measure	
Number of options granted	no.	1,620,000
Grant date		29 April 2022
Exercise price		38.6496
Vesting date		30 June 2025
Fair value per option at the grant date	€	8.4601
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	31
Expected average duration of the plan	years	4.93
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 29 July 2022)	%	1.5540

Second grant	Unit of measure	
Number of options granted	no.	288,000
Grant date		23 May 2022
Exercise price		38.6496
Vesting date		30 June 2025
Fair value per option at the grant date	€	8.804
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	31
Expected average duration of the plan	years	4.86
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 23 May 2022)	%	1.6911

Third grant	Unit of measure	
Number of options granted	no.	6,000
Grant date		20 October 2022
Exercise price		38.6496
Vesting date		30 June 2025
Fair value per option at the grant date	€	8.7606
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	34
Expected average duration of the plan	years	4.45
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 20 October 2022)	%	3.5668

Fourth grant	Unit of measure	
Number of options granted	no.	35,000
Grant date		28 April 2023
Exercise price		38.6496
Vesting date		30 June 2025
Fair value per option at the grant date	€	16.011
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	34
Expected average duration of the plan	years	3.93
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 28 April 2023)	%	3.5748

The Shareholders' Meeting held on 29 April 2025 approved a new stock option plan, the "Interpump Incentive Plan 2025/2027", that envisages the grant of up to 2,450,000 options, at an exercise price of € 30.4397. These may be exercised on one or more occasions between 30 June 2028 and 31 December 2031, for amounts each time of not less than 0.25% of the options granted to the beneficiary.

On 15 May 2025, the Board of Directors made the first grant of 1,530,000 options, of which 1,140,000 to Executive Chairman Montipò, 160,000 to Chief Executive Officer Marasi and 230,000 to the Key Management Personnel.
A further 204,000 options were granted to other beneficiaries on 26 May 2025.

The fair value of the stock options and the actuarial assumptions utilized in the trinomial lattice model are as follows:

2025-2027 Plan

First grant	Unit of measure	
Number of options granted	no.	1,530,000
Grant date		15 May 2025
Exercise price		30.4397
Vesting date		30 June 2028
Fair value per option at the grant date	€	12.0381
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	32
Expected average duration of the plan	years	4.88
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 29 July 2022)	%	2.8263

Second grant	Unit of measure	
Number of options granted	no.	204,000
Grant date		26 May 2025
Exercise price		30.4397
Vesting date		30 June 2028
Fair value per option at the grant date	€	11.0226
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	32
Expected average duration of the plan	years	4.85
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 29 July 2022)	%	2.7572

The expected volatility of the underlying variable (Interpump Group share) is a measure of the prospect of price fluctuations in a specific period. The indicator that measures volatility in the model utilized to evaluate the options is the mean square annualized deviation of compound returns of the Interpump Group share through time.

2.6.17 Reserves

Translation reserve
This comprises the exchange differences deriving from translation of the financial statements of foreign consolidated companies resident outside of the EU area, as well as fluctuations in the goodwill attributable to those companies due to exchange-rate fluctuations.

Reserve from remeasurement of defined benefit plans
Includes the actuarial component of defined benefit plans (TFR).

Classification of net equity depending on possibility of utilization

€/000	Amount	Possibility of utilization	Available portion	Tax payable in the event of distribution	Summary of utilizations over the past 3 years	
					to cover losses	for other reasons
Share capital	**56,617**	**B**	**-**	**-**	**-**	**-**
Nominal value of treasury stock in the portfolio	(1,297)					
Total share capital	**55,320**					
Capital reserves						
From Parent Company's financial statements:						
Legal reserve	6,860	B	-	-	-	-
Share premium reserve	44	A, B, C	44	-	-	-
Total from Parent Company's financial statements	6,904		44			
Consolidation entries	36					
Total from consolidated financial statements	***6,940***					
Profit reserves						
From Parent Company's financial statements:						
Legal reserve	4,463	B	-	-	-	-
Share premium reserve	37,269	A, B, C	33,081	1,232	-	1,820
Extraordinary reserve	574,841	A, B, C	572,745	7,164	-	101,452
Reserve for share capital reduction	1,297	-	-	-	-	-
First Time Adoption Reserve	(86)		-	-	-	-
Merger surplus	863	A, B, C	698	-	-	-
Remeasurement reserve for defined benefit plans	(2,010)	-	-	-	-	-
Profit for the year	124,714	A, B, C	124,714	-	-	-
Total from Parent Company's financial statements	741,351		731,238			
Consolidation entries	1,294,997					
Total from consolidated financial statements	***2,036,348***					
Reserve for treasury shares held	94,677	-	-	-	-	26,931
Treasury shares	(94,677)					
Non-distributable portion*			(3,237)			
Remaining distributable portion			***728,045***			

A: for capital increase B: for coverage of losses C: for distribution to shareholders

*= represents the non-distributable portion destined to cover deferred costs that have not yet been amortized.

Utilizations principally refer to the payment of dividends, purchases of treasury shares and reductions of reserves for other causes, excluding transfers between reserves. In particular, the changes in the past three years reflect the purchases of treasury shares and use of the share premium reserve on the sale of treasury shares for less than their carrying amount, following the exercise of stock options.

On the basis of Italian tax legislation the reserves and profits are freely distributable and do not attract tax even in the case of distribution, on the condition that the reserves and residual profits exceed the negative components of income ascribed exclusively in the tax return; otherwise, distributed reserves and profits would be subject to tax in the measure in which the residual reserves and profits were lower than the negative components of income that have been ascribed exclusively to the tax return. At 31 December 2025, this condition has been complied with in full, hence no taxes were payable in the event of distribution of the Parent company's entire profits for the year and the entirety of available reserves, beyond the taxes already indicated in the prior statement.

Breakdown of components recorded directly in equity

	2025			2024		
€/000	Pre-tax amount	Taxation	Amount net of taxes	Pre-tax amount	Taxation	Amount net of taxes
Gains (losses) on translating the financial statements of foreign companies	(78,378)	-	(78,378)	26,317	-	26,317
Profits (Losses) of companies measured using the equity method	(141)	-	(141)	(132)	-	(132)
Actuarial Profits (Losses) deriving from the remeasurement of defined benefit plans	900	(216)	684	(1)	-	(1)
Total	**(77,619)**	**(216)**	**(77,835)**	**26,184**	**-**	**26,184**

2.6.18 Non-controlling interests

This is the portion of consolidated shareholders' equity attributable to the minority shareholders of consolidated subsidiaries. The subsidiaries with minority shareholders are not individually or cumulatively significant to the Interpump Group.

2.6.19 *Information on financial assets and liabilities*

Financial assets and liabilities, broken down by the categories identified by IFRS 7, are summarized in the following table:

€/000	Financial assets at 31 December 2025				Financial liabilities at 31 December 2025	
	At fair value through profit and loss		Measured at amortized cost	At fair value through other comprehensive income	Measured at amortized cost	Total
	Initially	Subsequently				
Trade receivables	-	-	397,253	-	-	**397,253**
Other current assets	-	-	15,039	-	-	**15,039**
Other financial assets	5,539	-	-	-	-	**5,539**
Trade payables	-	-	-	-	(233,564)	**(233,564)**
Bank debts	-	-	-	-	(33,688)	**(33,688)**
Current, interest-bearing financial debts	-	-	-	-	(232,031)	**(232,031)**
Other current liabilities	-	-	-	-	(149,016)	**(149,016)**
Non-current, interest-bearing financial debts	-	-	-	-	(441,084)	**(441,084)**
Other non-current liabilities	-	-	-	-	(77,640)	**(77,640)**
Total	**5,539**	**-**	**412,292**	**-**	**(1,167,023)**	**(749,192)**

€/000	Financial assets at 31 December 2024				Financial liabilities at 31 December 2024	
	At fair value through profit and loss		Measured at amortized cost	At fair value through other comprehensive income	Measured at amortized cost	Total
	Initially	Subsequently				
Trade receivables	-	-	385,963	-	-	**385,963**
Other current assets	-	-	22,946	-	-	**22,946**
Other financial assets	3,948	-	-	-	-	**3,948**
Trade payables	-	-	-	-	(237,371)	**(237,371)**
Bank debts	-	-	-	-	(33,236)	**(33,236)**
Current, interest-bearing financial debts	-	-	-	-	(241,919)	**(241,919)**
Other current liabilities	-	-	-	-	(138,368)	**(138,368)**
Non-current, interest-bearing financial debts	-	-	-	-	(526,526)	**(526,526)**
Other non-current liabilities	-	-	-	-	(80,028)	**(80,028)**
Total	**3,948**	**-**	**408,909**	**-**	**(1,257,448)**	**(844,591)**

The financial assets measured at amortized cost generated revenues and costs. Revenues comprise exchange gains of € 6,532 thousand (€ 9,542 thousand in 2024). Costs, on the other hand, comprise losses on receivables of € 2,285 thousand (€ 3,121 thousand in 2024), classified in the income statement as other operating costs, and exchange losses of € 11,423 thousand (€ 7,005 thousand in 2024).

The financial liabilities measured at amortized cost also generated costs and revenues in the income statement. Revenues comprise exchange gains of € 3,431 thousand (€ 4,122 thousand in 2024), while costs refer to exchange losses of € 7,695 thousand (€ 5,896 thousand in 2024) and the portion of ancillary charges initially incurred to obtain the loans and subsequently expensed over the duration of the loan in accordance with the financial method. The amount charged to the 2025 income statement was € 280 thousand (€ 302 thousand in 2024).

Financial assets and liabilities measured at amortized cost generated respectively interest income of € 3,052 thousand (€ 7,297 thousand in 2024) and interest expense of € 36,854 thousand (€ 43,724 thousand in 2024); in addition, general and administrative expenses include commission amounts and bank charges of € 2,456 thousand (€ 2,350 thousand in 2024).

2.7 Notes to the principal income statement captions

2.7.1 Revenues and Other operating income

Revenues amounted to € 2,070.7 million in 2025 (€ 2,078.4 million in 2024). Revenues are analyzed by business sector and geographical area in the Directors' Report on Operations in 2025.

Other operating income is analyzed as follows:

€/000	2025	2024
Reimbursement of expenses	16,225	11,458
Income from the sale of waste and scrap	5,598	5,906
Release of surplus provisions and allocations	4,094	2,330
Capital gains from the sale of property, plant and equipment	963	1,456
Gains on the disposal of intangible fixed assets	-	2
Income from rent/royalties	424	405
Refunds from insurance	186	2,029
Gains from early termination of right-of-use assets	231	83
Other	14,150	13,045
Total	**41,871**	**36,714**

The increase in the "Reimbursement of expenses" compared with 2024 was principally due to the recharge of customs duties to customers by a number of Group companies in the United States.

Other operating income also includes reimbursements linked to the purchase of investments, as envisaged in the related contracts.

Additionally, this caption includes the operating grants received by the Group.

The grants, subsidies, contributions and aid (in cash and/or in kind), not of a general nature and not representing consideration, remuneration or compensation for losses, received by the Group from Public Administrations during 2025, pursuant to subsection 125-*(2)* of art. 1 of Law 124/2017, were not significant.

See the National Register of State Aid, kept pursuant to art. 52 of Law 234 dated 24 December 2012, for information about any State aid not mentioned in this disclosure (www.rna.gov.it).

2.7.2 Costs by nature

€/000	2025	2024
Consumption of raw materials and components	770,961	808,304
Personnel and temporary staff	514,626	498,498
Services	236,741	224,739
Depreciation and amortization of tangible and intangible fixed assets (Notes 2.7.1 and 2.6.7)	119,237	113,610
Directors' and statutory auditors' remuneration	13,201	11,035
Hire purchase and leasing charges	6,463	6,101
Provisions and impairment of tangible and intangible fixed assets (Notes 2.7.1, 2.6.7 and 2.6.13)	6,163	5,198
Other operating costs	108,599	109,814
Total cost of sales, distribution costs, general and administrative expenses, other operating costs and impairment losses on tangible and intangible fixed assets	**1,775,991**	**1,777,299**

In accordance with the requirements of article 149-*(12)* of the Issuers' Regulation as amended by Consob Resolution no. 15915 of 3 May 2007 published in the Official Journal of the Italian Republic no. 111 of 15 May 2007 (S.O. no. 115), the remuneration amounts for 2025 are listed below for services rendered to the Group by the independent auditors and the entities belonging to the network of the independent auditors:

- audit engagements - Parent Company, € 98 thousand;
- audit engagements - subsidiaries, € 711 thousand;
- limited assurance of the Parent Company's Non-Financial Statements, € 80 thousand;
- attestation services - Parent Company and subsidiaries, € 15 thousand.

The above amounts are included under Other costs within general and administrative expenses.

2.7.3 Directors' and statutory auditors' remuneration

The emoluments of the Directors and Statutory Auditors of Interpump Group S.p.A., for their functions performed at the Parent Company and at other consolidated companies, are summarized below:

€/000	2025	2024
Parent Company	9,297	7,446
Statutory auditors	156	121
Total remuneration	**9,453**	**7,567**

The amounts include the emoluments authorized at the Shareholders' Meeting and those established by the Board of Directors for directors with special duties, including bonuses, fringe benefits, payments to cover the cost of personal security, adjustment of the termination indemnities of the Executive Chairman, and the components of remuneration deriving from salaries and stock option plans. The last mentioned are represented by the period portion of the fair value of the options calculated at the grant date. Further details about the compensation due to persons with power and strategic responsibilities at Interpump Group S.p.A. are provided in the Report on Remuneration Policy and Compensation Paid.

2.7.4 Financial income and expenses

€/000	2025	2024
Financial income		
Interest income from liquid funds	6,947	7,440
Interest income from other assets	151	179
Exchange gains	16,731	20,302
Financial income to adjust estimated debt for commitment to purchase residual interests in subsidiaries	2,901	7,118
Other financial income	541	257
Total financial income	**27,271**	**35,296**
Financial expenses		
Interest expense on bank debt	20,050	31,710
Interest expense on bond	4,263	3,912
Lease interest expense	4,591	4,873
Interest expense on put options	4,321	2,587
Financial expenses for adjustment of estimated debt for commitment to purchase residual interests in subsidiaries	4,712	594
TFR financial expenses	552	752
Foreign exchange losses	26,474	17,642
Other financial expenses	363	310
Total financial expenses	**65,326**	**62,380**
Total financial expenses (income), net	**38,055**	**27,084**

The interest expense on put options relates to the release of the discounting effect on payables for the purchase of equity investments. Adjustments of the estimated liability for the purchase of residual interests in subsidiaries may result in financial expenses due to an increase in the liability, if the actual performance of the companies concerned is better than initially expected, or if the related put options are exercised later than initially expected. Conversely, financial income is recognized if actual performance is worse than initially expected, or if the put options are exercised earlier than initially expected.

The decrease in interest expense on bank debt during 2025 was due to the steady decline in interest rates from the high levels experienced in 2024.

2.7.5 Income taxes

The tax rate for the year was 29.8% (26.5% in 2024); notably in this regard, certain subsidiaries enjoyed non-repeatable tax benefits in the prior year.

Taxes recognized in the income statement can be broken down as follows:

€/000	2025	2024
Current taxes	(88,417)	(75,193)
Current taxes for prior financial years	144	(3,247)
Deferred taxes	(866)	(4,122)
Total taxes	**(89,139)**	**(82,562)**

The deferred taxes recognized in the income statement are analyzed as follows:

€/000	2025	2024
Deferred tax assets generated in the year	8,062	7,001
Deferred tax liabilities generated in the year	(4,398)	(3,654)
Deferred tax assets reversed to the income statement	(9,175)	(13,365)
Deferred tax liabilities reversed to the income statement	4,643	5,902
Deferred taxes not calculated in previous years	2	(6)
Total deferred taxes	**(866)**	**(4,122)**

The reconciliation of taxes calculated on the basis of the nominal rates in force in the different countries and the effective tax burden is as follows:

€/000	2025	2024
IRES/National tax		
Profit before taxes from the income statement	298,848	311,033
Theoretical taxes at the Italian rate (24.0%)	71,724	74,648
Effect of different rates applicable to foreign subsidiaries	(4,002)	(3,547)
Tax on dividends from consolidated companies	6,720	4,210
Higher (Lower) taxes resulting from the measurement of investments at equity	(81)	(72)
Higher tax for non-deductible stock option costs	126	70
Lower taxes due to IRAP deduction relating to expenses for employees and similar in the year	(249)	(137)
Lower taxes due to IRAP deduction on interest expenses in the year	(24)	(82)
Lower taxes due to super- and hyper-depreciation	(3,065)	(2,668)
Lower taxes due to non-taxability of income deriving from badwill	(96)	-
Higher taxes due to not recognizing deferred tax assets on tax losses	-	14
Lower taxes due to not recognizing deferred tax assets on prior year tax losses	-	(504)
Taxes relating to previous years (current plus deferred)	1282	(2,500)
Higher (Lower) taxes on financial expenses related to discounting of debts for the acquisition of equity investments and related adjustments	1,061	(990)
Higher (Lower) taxes for non-taxable revenues and non-deductible costs	937	(1,504)
Total IRES / National tax	**74,333**	**66,938**

€/000	2025	2024
IRAP / Local income taxes		
Profit before taxes from the income statement	298,848	311,033
Theoretical taxes at the Italian rate (3.9%)	11,655	12,130
Effect of different rates applicable to foreign subsidiaries and for holding companies	3,014	3,715
Higher taxes for non-deductible payroll costs	193	160
Higher taxes for non-deductible directors' emoluments	424	386
Higher (Lower) taxes due to non-deductible financial expense and non-taxable financial income	499	143
Higher taxes due to measuring investments at equity	(13)	(14)
Lower taxes due to non-taxability of income deriving from badwill	(16)	-
Taxes relating to previous years (current plus deferred)	(1,138)	(727)
Tax effect of not recognizing deferred tax assets on tax losses	-	2
Higher (Lower) taxes for non-taxable revenues and non-deductible costs	188	(171)
Total IRAP / Local income taxes	**14,806**	**15,624**
Total income taxes recognized in the income statement	**89,139**	**82,562**

During 2025, Interpump Group S.p.A. confirmed once again the domestic tax group established together with Interpump Piping GS S.r.l. and Walvoil S.p.A.

Pillar Two - Global minimum tax

On 8 October 2021 over 135 member countries of the Inclusive Framework agreed to a two-Pillar solution intended to reform the international tax system, ensuring that multinational companies pay a reasonable rate of tax wherever they operate and generate profits.

On 15 December 2022, the Council of the European Union formally approved Directive (EU) 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union, with a view to guaranteeing a minimum level of taxation (effective tax rate) in each jurisdiction of 15%, consistent with the rules defined by the Organisation for Economic Cooperation and Development (OECD), the so-called “GloBE Rules”.

Commission Regulation (EU) 2023/2468 was issued on 8 November 2023, amending Regulation (EU) 2023/1803 as regards IAS 12 - Income taxes.

On 28 December 2023, Italy transposed Directive (EU) 2022/2523 on ensuring a global minimum level of taxation by publishing Decree 209/2023 in the Italian Official Gazette, effective for reporting periods beginning after 31 December 2023.

In this regard, the OECD has published technical guidance and an overview of the potential impacts of applying the “Pillar Two” regulation in accordance with IAS 12 - Income taxes.

Furthermore, on 20 May 2024, the Decree of the Deputy Minister for the economy and finance was published with regard to the regulation of transitional safe harbors (the “TSH” regulation), based on which - for the three-year period 2024/2026 - the additional taxation due in a given jurisdiction is deemed to be zero if the companies resident there pass at least one of the three tests specified in the regulation.

At 31 December 2023, the Interpump Group had already applied the exemption concerning the identification and disclosure of deferred tax assets and liabilities arising in relation to income taxes, as envisaged in the amendment to IAS 12 published in April 2023. As stated in the Annual Financial Report at 31 December 2023, to which reference is made for additional information, the Interpump Group had already made a preliminary assessment of the data relating to the 2022 tax year, which was used by the Ultimate Parent Entity to prepare the Country-by-Country Report (CbCR), in order to check the applicability of the Transitional CbCR Safe Harbor. The same assessment was also made with reference to the data for the 2023 tax year. These analyses did not identify any material impacts for the Interpump Group, had the regulation concerned already been applicable from 2023.

As stated in the Annual Financial Report at 31 December 2024, the Group has analyzed the applicability of the so-called “Transitional CbCR Safe Harbors” (TSH). This work identified that at least one of the three Transitional CbCR Safe Harbor tests was passed for each jurisdiction in which the Group operates. Accordingly, there was no exposure to additional taxation deriving from the Pillar Two regulation.

The above analyses have been updated and, in particular, the TSH regulation was applied using the information available at 31 December 2025, considering the “aggregated data” of the Interpump Group entities in each jurisdiction where the Group operates (jurisdictional approach).
This work identified that at least one of the Transitional CbCR Safe Harbor tests was passed for each jurisdiction in which the Group operates. Accordingly, once again, there is no current-year exposure to additional taxation deriving from the Pillar Two regulation.

In future, the Group will continue to monitor and assess any impacts of this regulation with reference to the latest data, considering the increase in the reference ETR (effective tax rate) to 17% in 2026, from 16% in 2025.

Lastly, it is confirmed - as required by the amendment to IAS 12 published in April 2023 - that the entry into force of the Pillar Two rules from 1 January 2024 has not had any effect on the deferred taxation recognized by the Group.

2.8 Earnings per share

Basic earnings per share
Basic earnings per share are calculated as the consolidated net profit attributable to the owners of the Parent Company divided by the weighted average number of ordinary shares, as follows:

	2025	2024
Consolidated profit for the year attributable to parent company shareholders (€/000)	208,122	227,051
Average number of shares in circulation	106,445,453	106,916,468
Basic earnings per share (€)	**1.955**	**2.124**

Diluted earnings per share
Diluted earnings per share are calculated on the basis of diluted consolidated profit for the period attributable to the Parent company's shareholders, divided by the weighted average number of ordinary shares in circulation adjusted by the number of potentially dilutive ordinary shares. The calculation is as follows:

	2025	2024
Consolidated profit for the year attributable to parent company shareholders (€/000)	208,122	227,051
Average number of shares in circulation	106,445,453	106,916,468
Number of potential shares for stock option plans (*)	262,675	192,369
Average number of shares (diluted)	106,708,128	107,108,837
Diluted earnings per share (€)	**1.950**	**2.120**

(*) calculated as the number of shares granted for in-the-money stock option plans multiplied by the ratio between the difference of the average value of the share in the year and the exercise price at the numerator, and the average value of the share in the year at the denominator.

A dividend for 2025 of € 0.35 (€ 0.33 in 2024) was allocated to each outstanding share.

2.9 Information on risks

The Group is exposed to financial risks associated with its activities:

- market risk (mainly related to currency exchange rates and interest rates) since the Group does business internationally and is exposed to the exchange risk;
- credit risk connected with business relations with customers;
- liquidity risk, with special reference to the availability of financial resources and access to the lending market and financial instruments in general;
- price risk in relation to metal price fluctuations that constitute a significant portion of the raw materials purchase price.

The Group is not exposed to significant risk concentrations.

As described in the Board of Directors’ Report, the Interpump Group constantly monitors the financial risks to which it is exposed so that the potential negative effects can be evaluated in advance and appropriate actions can be taken to mitigate them.

With specific reference to the direct and indirect risks deriving from the macroeconomic environment and the Russia-Ukraine conflict, the exposure of the Group remains limited - as already stated in the Board of Directors’ Report and confirmed by the economic results achieved in recent years.

The following section provides reference qualitative and quantitative indications concerning the uncertainty of such risks for the Interpump Group.

The quantitative data given below are not to be construed as forecasts; specifically, the sensitivity analyses concerning market risks are unable to reflect the complexity and correlated relations of markets that may derive from each prospected change.

2.9.1 Exchange-rate risk

The Group is exposed to risks deriving from fluctuations in currency exchange rates that can impact on the economic result and shareholders' equity value. Specifically, it clarifies that:

- Some of the Group's subsidiaries are located in countries outside the Eurozone, notably in the USA, Mexico, Canada, Brazil, Chile, Peru, Australia, New Zealand, China, Hong Kong, Singapore, India, South Korea, Denmark, Sweden, Poland, Romania, Moldova, Bulgaria, Ukraine, UK, UAE, Russia, Colombia, Türkiye and South Africa. Since the Group's functional currency is the euro, the income statements of these companies are translated into euro at the average exchange rate of the year. Changes in exchange rates can impact on the corresponding value of revenues, costs and economic result in euro.
- The assets and liabilities of consolidated companies whose account currency is different from the euro can assume different equivalent euro values depending on the rates of exchange. As provided for by the reference accounting standards, the effects of changes in the exchange rate are recognized directly in equity in the Translation reserve. The Group monitors the main exposures to translation risk; at the date of the financial statements no hedges have been arranged in relation to these exposures.
- Wherever Group companies generate revenues in currencies other than the currencies in which the respective costs are denominated, exchange rate fluctuations can impact on the relative companies' operating profit.

In 2025 the total amount of cash flows directly exposed to exchange risks corresponded to approximately 16% of Group revenues (approximately 15% in 2024). The main exchange rates to which the Group is exposed are:

- Euro/USD in relation to dollar sales of high pressure pumps, very high pressure systems, directional controls, gears and valves in North America and Mexico through the Group's distribution companies and, to a lesser degree, to customers external to the Group;
- Euro/CAD in relation to sales in Canadian dollars of valves and directional controls on the Canadian market to customers external to the Group;
- Euro/AUD in relation to sales in Australian dollars of very high pressure systems in Australia through one of the Group's distribution companies;
- USD/Euro in relation to euro sales of high pressure pumps, directional controls and valves in North America by the Group's distribution companies;
- RON/Euro in relation to euro sales of hoses and fittings made in Romania for the Italian market;
- Indian rupee/USD, Renminbi/Euro, Indian rupee/Euro, in relation to dollar and euro sales of components for food processing machines, hydraulic components, directional controls, gears and valves in North America, Korea and Italy;
- Mexican Peso/USD in relation to sales in US dollars of gears in North America through the Group's distribution companies;
- Polish Zloty/Euro in relation to euro sales of hydroguides and orbital motors in the European market to customers external to the Group;
- Polish Zloty/USD in relation to sales in US dollars of hydroguides and orbital motors in North America through the Group's distribution companies;
- CAD/USD in relation to sales in US dollars of cylinders and hydraulic fittings in North America;
- CAD/Euro in relation to euro sales of cylinders and hydraulic fittings in the Canadian market.

When it is not possible to establish macro hedges between revenues and costs in foreign currency, current Group policy is to hedge exchange risks solely for commercial transactions that are unusual, either in terms of their amount or the frequency with which they occur. To proceed in this manner, the Interpump Group has set up a hedging procedure for commercial transactions in foreign currency, in the framework of which the most effective derivative instruments for the achievement of the preset goals have been identified and the associated responsibilities, duties and system of delegations have been attributed.

Whenever Group companies sustain costs denominated in foreign currencies other than the currencies of denomination of the relative revenues, fluctuations in the exchange rates can affect the operating profit of the companies concerned.
In 2025 the commercial cash flows directly exposed to exchange risks were equivalent to approximately 31% of Group purchases (30% in 2024) and mainly related to intercompany transactions and the USD/Euro, Renminbi/Euro, Zloty/USD, Indian Rupee/Euro, AUD/Euro, Euro/USD, Brazilian Real/Euro, GBP/Euro and Zloty/Euro exchange rates and, to a lesser extent, the Romanian Leu/Euro, CAD/Euro, Korean Won/Euro, USD/Renminbi, Russian Ruble/Renminbi and CAD/USD exchange rates. Current Group policy regarding purchases in currencies other than those used locally does not envisage systematic hedges. The decision to refrain from systematic hedging is due to the large number of transactions, usually between Group companies, that occur constantly throughout the year and that can therefore be considered to be recurrent in terms of amount and also of the frequency with which they take place. However, the Group monitors this phenomenon constantly both in relation to exchange rate trends and also the evolution of business.

Again, in relation to commercial activities, Group companies may be obliged to hold trade receivables or payables denominated in currencies other than the account currency of the holding entity. Fluctuations in exchange rates can therefore result in the realization or assessment of positive or negative exchange differences.

In relation to financial exposure, wherever the monetary outflows/inflows are denominated in a currency other than the account currency utilized by the creditor/debtor company, fluctuation of the exchange rates can impact negatively on the net profits of said companies. During 2025, € 11.8 million of intercompany loans were disbursed and € 6.3 million were collected in currencies other than those utilized by the debtor or creditor companies. From a financial standpoint, these exposures are eliminated on consolidation of the financial statements, since they derive from relations with subsidiaries. At 31 December 2025 loans granted in currencies other than those used by the debtor or creditor companies totaled € 61.0 million, down by € 3.0 million since 31 December 2024. Once again in 2025, the Group made the strategic decision not to hedge these exposures.
The nature and structure of the exposure to exchange risk and the related hedging policies adopted by the Group were substantially unchanged in 2025 and 2024.

2.9.2 Exchange risk sensitivity analysis

The potential loss deriving from the change in the fair value of financial assets and liabilities caused by a hypothetical and sudden increase in the value of the euro of 10% with respect to the main foreign currencies would be approximately € 6,003 thousand at 31 December 2025 (€ 7,081 thousand at 31 December 2024).

The sensitivity analysis does not take account of any changes in hedged receivables and payables. It is reasonable, in fact, to assume that the fluctuation in exchange rates could produce an opposite economic effect on the derivative financial instruments of an amount that is identical to the change in the underlying hedged transactions, thereby effectively offsetting the fluctuation.

2.9.3 Interest-rate risk

Group companies use external financial resources in the form of debt and employ cash on hand available in bank deposits. Changes in the market interest rate influence the cost and return of various forms of financing and investment, thus impacting on the Group's level of financial expenses.

It is Group policy not to arrange hedges, in view of the short average duration of the existing bank loans (around 3.5 years). As more fully described in Note 2.6.11, loans bearing interest at fixed rates total € 104,200 thousand at 31 December 2025.

At 31 December 2025, liquidity of € 33.0 million is held in the form of unrestricted deposits at fixed interest rates, while the remainder is held at floating rates consistent with the Group's financial and bank debt.

2.9.4 Sensitivity analysis related to interest-rate risk

The effects on the Group of a hypothetical and immediate upward variation in interest rates of 50 basis points would be higher financial expenses of € 794 thousand (€ 1,694 thousand in 2024). It is reasonable to assume that a 50 basis points decrease in interest rates would produce an equivalent effect, although this time in terms of lower financial expenses. The sensitivity analysis does not take account of fixed-rate loans or liquidity invested at fixed rates; additionally, hedged loans are also excluded from the analysis. It is reasonable, in fact, to assume that the fluctuation in interest rates could produce an opposite economic effect on the derivative financial instruments of an amount that is identical to the change in the underlying hedged transactions, thereby effectively offsetting the fluctuation.

2.9.5 Credit risk

The maximum theoretical credit risk exposure of the Group at 31 December 2025 and 2024 is represented by the carrying value of the financial assets recorded in the financial statements.

Historically, the Group has not suffered significant bad debts (incidence of direct losses charged to the income statement and bad debt provisions of 0.1% of revenues in both 2025 and 2024). This is because Group companies generally grant extended payment terms only to their long-term customers of known solvency and reliability. In contrast, after having passed an initial credit rating analysis, new customers are required to make payments in advance or to open a letter of credit for amounts due.

Individual write-downs are applied in relation to positions, if of significant magnitude, in relation to which an objective condition of uncollectability is present for all or part of the outstanding amount. The amount of the write-down takes account of an estimate of the recoverable flows and the associated collection date, and the expenses and costs for future debt recovery. Collective provisions are allocated in relation to receivables that are not subject to individual write-downs, taking account of the historic exposure and statistical data.

At 31 December 2025 the Loans and Receivables booked under financial assets for the purposes of IFRS 7 total € 412,291 thousand (€ 408,909 thousand at 31 December 2024), and include € 13,564 thousand related to written down receivables (€ 15,031 thousand at 31 December 2024); on the residual amount, payments overdue by less than three months total € 63,191 thousand (€ 68,168 thousand at 31 December 2024), while those overdue beyond three months total € 20,721 thousand (€ 25,387 thousand at 31 December 2024).

The Group is not exposed to any significant concentrations of revenues. In fact, in 2025 the top customer in terms of revenues accounted for about 1% of revenues (2% in 2024), while the top 15 customers accounted for about 13% of revenues (about 12% in 2024). At sector level, the top customer accounted for around 3% of revenues in the Water-Jetting Sector and around 2% in the Hydraulic Sector, while the top 15 customers accounted for around 15% of revenues in the Water-Jetting sector and 18% in the Hydraulic sector.

2.9.6 Liquidity risk

The liquidity risk can arise if it becomes impossible to obtain, on acceptable economic conditions, the financial resources needed for the Group's business operations.

The two main factors that define the Group's liquidity situation are the resources generated by or used in operating and spending activities, and the characteristics of expiry and renewal of debt or liquidity of financial investments and the relative market conditions.

The Group has adopted a series of policies and processes aimed at optimizing the management of resources in order to reduce the liquidity risk:

- retention of an appropriate level of cash on hand;
- diversification of the banks with which the Group operates;
- access to adequate lines of credit;
- negotiation of covenants at a consolidated level;
- monitoring of the prospective conditions of liquidity in relation to the corporate process.

The maturity characteristics of interest bearing financial debts and bank debts are described in Note 2.6.11.

Together with the resources generated by operating and financing activities, management considers that the funds and lines of credit currently available will enable the Group to meet the requirements deriving from investing activities, the management of working capital and the settlement of payables as they fall due, while also supporting the pursuit of a growth strategy that includes targeted acquisitions capable of creating value for the shareholders. Liquid funds at 31 December 2025 total € 415.7 million. These funds, combined with the significant cash generation from operations that the Group has proved able to achieve in 2025 and in prior years, are definitely factors that make it possible to reduce the Group's exposure to liquidity risk. The decision to maintain a high level of liquidity was taken in order to pick up on any acquisition opportunities that may arise and to minimize the liquidity risk due to possible periods of uncertainty of the macroeconomic context that may emerge in the future.

2.9.7 Price risk

The Group is exposed to risks deriving from fluctuations in the prices of metals that can impact on economic results and profit margins. Specifically, the incidence of costs for the purchase of metals was 32% of total Group purchase costs of raw materials, semi-finished products and finished products in 2025 (29% in 2024). The main metals utilized by the Group include steel, cast iron, stainless steel, mild steel, aluminum, brass, bronze and, to a lesser extent, non-ferrous metals, sheet metal and copper.

The volatility of raw material prices during 2025 differed depending on the sector. The prices charged for steel (both stainless and for reinforcement and restoration purposes) and cast iron remained stable overall. Aluminum prices followed an irregular pattern, with a fall in the summer months that was followed by marked recovery at year end. The situation regarding copper, brass and cobalt was more critical, with marked rises during the final quarter given the tensions affecting global demand and supply chains. During the year, the Group sometimes decided to purchase larger quantities in order to guarantee the availability of the materials needed for production purposes.

Considerable uncertainty is expected in 2026, principally due to the recent tariffs and entry in force of the Carbon Border Adjustment Mechanism (CBAM), which will impact the cost of non-EU imports and make it harder to define stable pricing policies.

Further, the Group constantly monitors the price trend of these raw materials, seeking to adopt the most effective policies that minimize the exposure to this risk. The Group sectors feature differing levels of propensity towards the risk of fluctuations in the prices of metals, notably:

- in the Water-Jetting sector the cost of metals constituted approximately 24% of costs for the purchase of raw materials, semi-finished products and finished products in 2025 (19% in 2024). The metals utilized are primarily stainless steel, brass, aluminum, steel and cast iron. Agreements in place at 31 December 2025 covered about 29% of projected brass consumption and about 32% of projected aluminum consumption in 2026 (at 31 December 2024: about 76% of projected brass consumption and about 47% of projected aluminum consumption in 2025). Projected brass and aluminum consumption in 2026 is further covered if, in addition to the agreements signed, the inventories held at 31 December 2025 are considered (about 69% of projected brass consumption and about 48% of projected aluminum consumption);

- the cost of metals in the Hydraulic sector represented about 36% of purchase costs for raw materials, semi-finished products and finished products in 2025 (34% in 2024). The metals utilized are primarily steel, cast iron, mild steel and aluminum. The prices of these commodities, with the exception of aluminum, are not historically subject to significant fluctuations; accordingly, the Group has always considered the careful analysis of price trends to be sufficient to mitigate price risk. Agreements in place at 31 December 2025 covered about 21% of projected aluminum consumption in 2026; this consumption is further covered if, in addition to these signed agreements, the stocks on hand at 31 December 2025 are also considered (coverage of about 48%).

The various Group companies usually revise their selling prices every year, in the absence of exceptional dynamics that require action to be taken during the year as well.

The Group is also monitoring developments carefully with regard to the import tariffs imposed on countries by the United States, and the counter-measures taken by them, analyzing the potential impacts on the business and studying the actions to be taken to mitigate their potential adverse effects.

2.9.8 Climate change risk

With regard to climate change, the Interpump Group does not fall with the scope of Directive 2003/87/EC (as amended most recently by Directive (EU) 2018/410), which introduced and governs the European Union Emissions Trading System (EU ETS). The ETS is the principal tool adopted by the European Union to reach the CO_2 reduction targets established for the principal industrial sectors and aviation. Although the Interpump Group is not included in the industrial sectors covered by the ETS, the Group is nevertheless committed to combat climate change. The 2023-2025 ESG Plan, approved by the Board of Directors on 5 October 2022, includes actions in support of the ESG strategy that are intended to have a significant, concrete impact on the development of the business. In particular, the Plan not only adopts environmental protection and social inclusion objectives, but also strengthens the correlation between achievement of the ESG Plan objectives and the remuneration of top management.

In particular, the actions completed in 2025 were designed to help the Group reach its decarbonization targets for 2030 and 2050. Group strategy envisages the reduction of emissions via increased recourse to certified green electricity, the installation of new renewable energy plants and the optimization of energy consumption within the organization.

The path of sustainable growth and environmental protection taken by the Interpump Group also means devising processes that support the circular economy of products, the more efficient management of water resources and the development of technical solutions for the eco-design of products. The entire process will be achieved *inter alia* by leveraging throughout the organization the best practices developed in specific areas by each component part of the Group.

Given the above analyses and, in particular, the assessments made of the physical risks (acute and chronic) at Group locations, the resulting potential impacts on assets and revenues were not considered significant and, accordingly, no specific provisions or asset writedowns were recorded at 31 December 2025.

Again in view of the above, the forecasts reflected in the 2026-2030 business plans used for the impairment tests were not significantly affected by the above physical, climate-related risks but, nevertheless, were prepared in a prudent manner that contains the expected level of future cash flows.

The Group is also potentially exposed to risks deriving from the impacts of future, more restrictive laws and regulations governing energy efficiency and climate change, that might result in increased operating costs.

2.9.9 Geo-political risk

The international macroeconomic environment continues to reflect a high level of uncertainty, caused by the geo-political tensions and conflicts in various areas of the world, not least the Middle East.

These tensions intensified during 2025 following episodes of instability in the Gulf area and growing friction between Iran, the USA, Israel and other international players. As a consequence, the energy markets became more volatile and fears for global inflation increased. The geo-political situation has escalated further in early 2026, with the outbreak of conflict involving Iran and other regional and international powers. These dynamics could indirectly impact global market trends and the industrial sectors in which the Group operates, with possible adverse effects on the availability and cost of raw materials, supply chain efficiencies, international logistics and, not least, energy prices and exchange rates.

The Group continues to monitor geo-political and macroeconomic developments with care, assessing the potential direct and indirect effects should current conflicts escalate further, even though these are difficult to quantify at present. Where appropriate, the Group takes steps to mitigate the potential adverse impacts, including via geographical diversification of the sources of supply, stronger relations with alternate suppliers and careful management of operating and financial risks.

2.10 Notes to the cash flow statement

2.10.1 Property, plant and equipment

In 2025, the Group purchased property, plant and machinery totaling € 104,395 thousand (€ 139,077 thousand in 2024). This investment involved payments of € 105,337 thousand, including the purchase of assets for subsequent rental and considering the dynamics of the payables incurred for this reason (€ 140,436 thousand in 2024).

2.10.2 Cash and cash equivalents

This item can be broken down as follows:

€/000	31/12/2025	31/12/2024
Cash and cash equivalents as per the consolidated statement of financial position	415,704	392,637
Bank debts (overdrafts and subject-to-collection advances)	(33,688)	(33,236)
Cash and cash equivalents as per the consolidated cash flow statement	**382,016**	**359,401**

2.10.3 Net financial position and cash flow statement

See the "Cash Flow" chapter in the Report on operations more information about the main components of the net financial position and the changes that occurred in 2025 and 2024.

2.11 Commitments

At 31 December 2025 the Group has commitments to purchase raw materials totaling € 26 thousand (€ 90 thousand at 31 December 2024).

Furthermore, the Group has commitments to purchase property, plant and equipment totaling € 5,934 thousand (€ 10,208 thousand at 31 December 2024), and intangible fixed assets totaling € 1,436 thousand (€ 148 thousand at 31 December 2024).

The Group has also received guarantees for the purchase of equity investments totaling € 1,808 thousand (€ 4,538 thousand at 31 December 2024) and has given secured guarantees to third parties totaling € 4,916 thousand (€ 1,768 thousand at 31 December 2024).

2.12 Transactions with related parties

The Group has non-significant business relations with unconsolidated subsidiaries, associates and other related parties at arm's length conditions considered to be normal in the relevant reference markets, taking account of the characteristics of the goods and services rendered. The transactions between Interpump Group S.p.A. and its consolidated subsidiaries, which are related parties of the company, have been eliminated from the consolidated financial statements and are not detailed in these notes.

The effects on the Group's consolidated income statements for 2025 and 2024 are shown below:

	2025					
€/000	Consolidated total	Non-consolidated subsidiaries	Associates	Other related parties	Total related parties	% incidence on F.S. caption
Revenues	2,070,684	735	-	976	1,711	0.1%
Cost of sales	1,339,909	648	-	5,086	5,734	0.4%
Other operating income	41,871	45	-	6	51	0.1%
Distribution expenses	185,174	442	-	329	771	0.4%
General and administrative expenses	241,005	-	-	970	970	0.4%
Financial expenses	65,326	-	-	513	513	0.8%

	2024					
€/000	Consolidated total	Non-consolidated subsidiaries	Associates	Other related parties	Total related parties	% incidence on F.S. caption
Revenues	2,078,399	927	-	2,075	3,002	0.1%
Cost of sales	1,364,753	572	-	4,865	5,437	0.4%
Other operating income	36,714	23	-	-	23	0.1%
Distribution expenses	173,890	374	-	588	962	0.6%
General and administrative expenses	227,118	-	-	653	653	0.3%
Financial expenses	62,380	-	-	691	691	1.1%

The effects on the consolidated statement of financial position at 31 December 2025 and 2024 are described below:

€/000	31 December 2025					
	Consolidated total	Non-consolidated subsidiaries	Associates	Other related parties	Total related parties	% incidence on F.S. caption
Trade receivables	397,253	1,207	-	232	1,439	0.4%
Trade payables	233,564	251	-	1,399	1,650	0.7%
Interest-bearing financial debts (current and non-current portion)	673,115	-	-	9,873	9,873	1.5%

€/000	31 December 2024					
	Consolidated total	Non-consolidated subsidiaries	Associates	Other related parties	Total related parties	% incidence on F.S. caption
Trade receivables	385,963	1,568	-	505	2,073	0.5%
Trade payables	237,371	120	-	650	770	0.3%
Interest-bearing financial debts (current and non-current portion)	768,445	-	-	12,914	12,914	1.7%

2.12.1 Relations with non-consolidated subsidiaries

Relations with non-consolidated subsidiaries are as follows:

€/000	Receivables		Revenues	
	2025	2024	2025	2024
General Pump China Inc.	133	41	292	274
Interpump Hydraulics Perù	1,048	1,473	441	663
Interpump Antriebstechnik GmbH	2	2	-	-
Walvoil Mexico	24	52	44	13
Nuova SM S.r.l.	-	-	3	-
Total subsidiaries	**1,207**	**1,568**	**780**	**950**

	Payables		Costs	
€/000	2025	2024	2025	2024
General Pump China Inc.	108	83	571	683
Interpump Hydraulics Perù	-	-	44	13
Interpump Antriebstechnik GmbH	82	37	405	250
Nuova SM S.r.l.	61	-	70	-
Total subsidiaries	**251**	**120**	**1,090**	**946**

2.12.2 Relations with associates

The Group does not hold any associated companies.

2.12.3 Transactions with other related parties

The 2025 income statement includes consultancy provided by entities associated with Group directors and statutory auditors totaling € 122 thousand (€ 45 thousand in 2024). The consultancy costs were charged in full to general and administrative expenses in both 2025 and 2024. Revenues in 2025 included revenues from sales to companies held by Group shareholders or directors totaling € 976 thousand (€ 2,075 thousand in 2024). In addition, the cost of sales includes purchases from companies controlled by minority shareholders or Group company directors totaling € 5,060 thousand (€ 4,844 thousand in 2024).

2.13 Events occurring after the close of the year

On 17 February 2026, in the context of the plan to purchase treasury shares authorized at the Shareholders' Meeting held on 29 April 2025 pursuant to art. 144-(2) of Consob Regulation 11971/1999, Interpump Group S.p.A. launched a program to purchase a total of 500,000 treasury shares on the MTA, organized and managed by Borsa Italiana S.p.A., between 17 February and 16 May 2026, at a maximum price of € 60.00 per share and, therefore, with a maximum outlay of € 30 million. For the purposes of implementing this buy-back program, on 16 February 2026 the Company granted a specific mandate to Banca Akros S.p.A. that terminated on 11 March: on that date, Interpump Group S.p.A. held 2,985,087 shares in its portfolio, equal to 2.742% of the share capital, purchased at an average cost of € 37.97442.

With reference to the latest international conflict involving Iran, the United States and Israel, which broke out as a consequence of the military operations carried out on 28 February 2026, the Group is monitoring developments and their effects - which are hard to quantify given the recent start of the conflict - on its economic and financial position.

No other significant events worthy of mention have taken place subsequent to 31 December 2025.

Annex 1: Certification of the consolidated financial statements pursuant to art. 81-*(3)* of Consob regulation no. 11971 of 14 May 1999, as amended

1. The undersigned, Fulvio Montipò and Mauro Barani, respectively Executive Chairman and Manager responsible for drafting the accounting documents of Interpump Group S.p.A., taking account also of the provisions of art. 154-*(2)*, subsections 3 and 4 of Decree 58 dated 24 February 1998, attest to:
   - the adequacy in relation to the characteristics of the business and
   - the effective application of the administrative and accounting procedures for the formation of the consolidated financial statements during 2025.

2. It is further attested that the consolidated financial statements of Interpump Group S.p.A. and its subsidiaries for the year ended 31 December 2025, which report consolidated total assets of € 3,398,638 thousand, consolidated net profit of € 209,709 thousand and consolidated shareholders' equity of € 2,110,101 thousand:

a) correspond to the results of the company books and accounting entries;
b) were prepared in compliance with the international accounting standards approved by the European Commission pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002, and the enabling measures for art. 9 of Decree 38/2005, and are capable of providing a true and fair representation of the economic and financial position of the Parent Company and the group of companies included within the consolidation perimeter;
c) include the report on operations, which contains a reliable analysis of performance and results and the situation of the issuer and the companies included in the consolidation together with a description of the main risks and uncertainties to which they are exposed.

Sant’Ilario d’Enza (RE), 20 March 2026

Fulvio Montipò

Executive Chairman

Mauro Barani

Manager responsible for drafting the company’s accounting documents

Annex 2: Attestation of the sustainability report pursuant to art. 81-*(3)*, sub-section 1, of Consob Regulation no. 11971 of 14 May 1999, as amended

The undersigned, Fulvio Montipò and Mauro Barani, respectively Executive Chairman and Manager responsible for drafting the accounting documents of Interpump Group S.p.A., attest, pursuant to art. 154-*(2)*, sub-section 5-*(3)* of Decree 58 dated 24 February 1998, that the sustainability report included in the report on operations was prepared:

a) in conformity with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, and Decree 125 dated 6 September 2024;
b) applying the specifications adopted pursuant to art. 8, sub-section 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Sant'Ilario d'Enza (RE), 20 March 2026

Fulvio Montipò

Executive Chairman

Mauro Barani

Manager responsible for drafting the company's accounting documents

Report of the Board of Statutory Auditors

Statutory Auditors' Report to the Shareholders' Meeting of
"Interpump Group S.p.A.",
pursuant to art. 153 of Decree 58/1998
and article 2429, subsection 2 of the Italian civil code

To the Shareholders' Meeting of Interpump Group S.p.A.

Introduction

The Board of Statutory Auditors of Interpump Group S.p.A. (hereinafter also referred to as "IPG" or the "Company") is required, pursuant to art. 153 of Decree no. 58/1998 (hereinafter also referred to as the "TUF") and art. 2429, subsection 2 of the Italian Civil Code, and in compliance with the recommendations provided by CO.N.SO.B. ("CONSOB") with Communication no. DEM/1025564 of 6 April 2001 and amendments, to report to the Shareholders' Meeting, called to approve the financial statements for the year ended 31 December 2025, on the supervisory activities carried out during the year in the fulfillment of our duties, in part in our role as the Audit Committee, as well as on any omissions or inappropriate conduct that we identified, and on the results of the year. We are also required to make proposals regarding the financial statements, their approval and other matters for which we are responsible.

In the year ended 31 December 2025, and subsequently to date, the Board of Statutory Auditors has carried out the supervisory activities required by law, taking account of the Rules of conduct for Boards of Statutory Auditors of listed companies (hereinafter also the Rules) issued by the Italian Accounting Profession and updated on 27 December 2024, the CONSOB instructions on company audits, and the provisions of art. 19 of Decree no. 39/2010.

The separate and consolidated financial statements of IPG were prepared in accordance with IAS/IFRS international accounting and financial reporting standards issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and with the CONSOB instructions implementing art. 9, subsection 3 of Decree no. 38/2005.

The financial statements were prepared in compliance with the law and are accompanied by the documents specified by the Italian civil code and the TUF. Moreover, in accordance with legal requirements, the Company has also presented consolidated financial statements and the related Directors' Report inclusive of the Consolidated Sustainability Report required by Decree no. 125/2024.

We obtained the information needed to carry out our assigned supervisory activities by attending the meetings of the Board of Directors and the established Board Committees, as well as by interviewing the management of the Company and the Group, gathering information from the competent corporate functions, and performing additional monitoring activities.

1

Composition, operation and Independence of the Board of Statutory Auditors

The Board of Statutory Auditors in office at the date of this Report was appointed by the Shareholders' Meeting of 28 April 2023: its members are Anna Maria Allievi (Chairman), Mario Tagliaferri (Statutory Auditor), Mirco Zucca (Statutory Auditor), plus Roberta Senni and Andrea Romersa (Alternate Auditors). The Board will remain in office for three years until the date of approval of the financial statements at 31 December 2025.

The appointments were made from the two lists submitted, one by the majority shareholder and one by a number of institutional investors representing non-controlling interests, in compliance with the law, applicable regulations and the corporate bylaws. The Chairman of the Board of Statutory Auditors and Alternate Auditor Roberta Senni were drawn from the minority list. The composition of the Board of Statutory Auditors complies with the gender balance criterion specified in art. 148, subsection 1--*bis* of Decree no. 58/1998 (TUF), as amended by art. 1, subsection 303, of Law no. 160 of 27 December 2019 and taking account of the clarifications contained in CONSOB Communication no. 1/2020 of 30 January 2020.

Pursuant to art. 144-*quinquesdecies* of the Issuers' Code, the list of offices covered by members of the Board of Statutory Auditors at the companies as at Book V, Title V, chapters V, VI and VII of the Italian civil code, is published by CONSOB on its own website (www.CONSOB.it). Note that art. 144-*quaterdecies* of the Issuers' Code (CONSOB disclosure obligations) requires that whosoever takes office as a member of the board of statutory auditors of a single issuer is not subject to the disclosure obligations set down in the mentioned article, and in that case is not present in the lists published by CONSOB. In the Report on Corporate Governance and the Ownership Structure the Company discloses the main offices covered by members of the Board of Statutory Auditors. The Board of Statutory Auditors acknowledges herewith that it has checked compliance, by all its members, of the mentioned regulatory provisions of CONSOB concerning the "cumulative limit of offices held".

The Board of Statutory Auditors checked its satisfaction of the independence requirements upon appointment and in each subsequent year. Most recently, the Board performed this check on 9 February 2026, applying the criteria envisaged in art. 148, sub-section 3, TUF and those recommended in the Corporate Governance Code adopted, as well as in compliance with the Rules published by the Italian Accounting Profession on 26 April 2018, as amended in May 2019 and updated on 27 December 2024. The result of these checks and that of the self-assessment were communicated – pursuant to art. 144-*novies* subsection 1-*ter* of CONSOB Regulation no. 11971 and Recommendation 10 of the Corporate Governance Code – to the Board of Directors, as acknowledged by the Board at the meeting held on 13 February 2026.

In addition, having regard for the outcome of the self-assessment, guidance for the quali-quantitative composition of the new Board of Statutory Auditors to be elected for the three-year period 2026-2028 was approved at the meeting held on 9 February 2026. This guidance has been published on the website of the Issuer and made available to the shareholders.

Supervisory and control activities of the Board of Statutory Auditors

Supervision of compliance with the law and the bylaws

In the performance of its duties, the Board of Statutory Auditors has carried out the supervisory activities required by art. 2403 of the Italian Civil Code, art. 149 of Decree no. 58/1998, art. 19 of Decree no. 39/2010, and the CONSOB recommendations on company audits and the activities of the Board of Statutory Auditors, while also making reference to the provisions of the Corporate Governance Code and the Standards of Conduct for Boards of Statutory Auditors issued by the Italian Accounting Profession and updated on 27 December 2024. The Board has also taken account of the new requirements deriving from adoption of the Corporate Sustainability Reporting Directive (CSRD), transposed into Italian law by Decree no. 125/2024 and in force from 25 September 2024.

In the context of those duties, the Board of Statutory Auditors therefore:

- attended the meetings of the Shareholders and the Board of Directors, supervising their compliance with the bylaws, current legislation and the regulations governing the operation of corporate bodies, as well as with the principles of proper administration;
- monitored, to the extent of its responsibilities, the adequacy of the organizational structure of the Company and compliance with the principles of proper administration, by means of direct observation, collection of information from the managers of certain business functions, and meetings with the Independent Auditors as part of the reciprocal exchange of data and significant information;
- assessed and monitored the adequacy of the internal control system and the administrative and accounting system, and the reliability of the latter in terms of representing operating events correctly, by means of the information provided by the managers of the respective functions, examination of the corporate documents and analysis of the results of the work carried out by the Independent Auditors;
- held 10 meetings in total, attended by all members, with an average duration of about 2 hours and 30 minutes each. The Board also attended all 6 meetings of the Board of Directors, as well as the meetings the Board Committees with all or one of its members (Control and Risks Committee, Sustainability Committee, Related-Party Transactions Committee, Remuneration Committee and Nomination Committee);

- supervised the adequacy of the reciprocal flow of information between IPG and its subsidiaries pursuant to art. 114, subsection 2, of Decree no. 58/1998, which complies with the instructions issued by the management of the Company to the various Group companies;
- monitored compliance with the “Market abuse”, “Investor protection” and “Internal dealing” rules, with special reference to the treatment of inside information and the procedures for the dissemination of communications and information to the public and monitored the changes made to the procedure adopted by the Company for the management of inside and significant information, having regard for CONSOB Guidelines no. 1/2017;

Moreover, the Board of Statutory Auditors:

- obtained adequate information from the Directors about the activities undertaken and the operations of greatest economic, financial and capital significance performed by the Company and its subsidiaries pursuant to art. 150, subsection 1, TUF. In this regard, both jointly and individually, the Board of Statutory Auditors paid special attention to ensuring that the operations authorized and carried out were performed in compliance with the law and with the bylaws, and were not imprudent or subject to undue risk, in contrast with resolutions adopted at the Shareholders’ Meeting, in potential conflict of interest, or capable of jeopardizing the integrity of net equity;
- held meetings with the representatives of the Independent Auditors pursuant to art. 150, subsection 3, TUF, from which no significant data and/or information emerged that should be mentioned in this Report;
- exchanged information with the boards of statutory auditors of the companies directly or indirectly controlled by IPG pursuant to art. 151, paras. 1 and 2, TUF;
- The Board of Statutory Auditors has also constantly monitored, by reference to the reports of the Chief Administration & Financial Officer, the company's administrative and accountancy structure and, in particular, adequacy of the personnel in charge, the duties, responsibilities and the controls pursuant to the new crisis and insolvency code.
- supervised the practical implementation of the rules of corporate governance set down in the Corporate Governance Code to which the Company has adhered, as adequately described in the Report on Corporate Governance and the Ownership Structure, in compliance with art. 124-*ter* TUF and art. 89-*bis* of the Issuers’ Code;
- checked, in relation to the periodic assessment required pursuant to the Corporate Governance Code, in the framework of our supervision of the practical implementation of the corporate governance rules, the proper application of the appraisal criteria and procedures adopted by the Board of Directors to confirm the Directors’ independence.

The Board of Statutory Auditors has issued opinions or expressed observations required by statutory legislation in relation to the remuneration policies contained in the 2026 Policy Report concerning remuneration and compensation paid, with reference to the Executive Director and the Chief Executive.
The Board of Statutory Auditors agreed with the positive evaluation expressed by the Nomination Committee and adopted by the Board of Directors at its meeting of 13 February 2026, as required by the Corporate Governance Code, concerning the size and composition of the administrative body and its operation, and the size, composition and operation of the board committees. The assessment was carried out using specific measurement criteria, based on the results of a self-assessment questionnaire completed by all members of the Board of Directors.
The Board of Statutory Auditors also issued its opinion pursuant to art. 2389, subsection 3, of the Italian Civil Code, having regard for the conclusions of the Remuneration Committee concerning the proposal made for the remuneration of the Directors with special duties.
In addition, the Board of Statutory Auditors expressed an opinion in favor of the increase in fees requested by PwC S.p.A. and believes that, in all cases, the independence requirement for the Independent Auditors is satisfied.

Supervision of the adequacy of the administrative-accounting system and the legal audit of the accounts

Pursuant to art. 19 of Decree no. 39/2010 (consolidated legal auditing law), in its role as the "Internal Control and Audit Committee" the Board of Statutory Auditors is required to supervise:

- the financial reporting process;
- the efficacy of the internal control and risk management system;
- the legal audit of the annual and consolidated financial statements;
- the independence of the Independent Auditors, particularly with regard to the provision of non-auditing services.

The Board of Statutory Auditors performed this work in collaboration with the current Control and Risks Committee in order to coordinate the respective duties and avoid overlapping of activities.

Financial reporting process

The Board of Statutory Auditors checked on the existence of rules and procedures governing the preparation and dissemination of financial information. In this regard, the Report on corporate governance and the ownership structure illustrates the ways in which the Group has defined its Internal Control and Risks Management System in relation to the financial reporting process at a consolidated level. On 28 April 2023, the Board of Directors appointed Mauro Barani as the Chief Reporting Officer responsible for drafting the company's accounting documents, pursuant to art. 154-*bis* TUF and, on 14 February 2024, also resolved to extend his powers to

cover the requirements of Decree no. 125/2024, which made significant changes to the TUF in terms of coordination, including the addition of sub-section 5-*ter* to art. 154-*bis* on the attestation of the Sustainability Report included in the Report on Operations prepared in accordance with the European Sustainability Reporting Standards (ESRS), again after receiving the opinion of this Board.
The Chief Reporting Officer makes use of support from the Internal Audit function to check the operation of the administrative and accounting procedures via the testing of controls. The Board of Statutory Auditors confirms the receipt of adequate information about the monitoring of corporate processes with an administrative-accounting impact that was carried out, within the framework of the internal control system, both during the year in relation to the interim financial reports, and at the time of closing the accounts for preparation of the financial statements, in compliance with the monitoring and attestation obligations to which IPG is subject pursuant to Law no. 262/2005. In particular, the Board of Statutory Auditors took due account of the Risk Assessment and the half-yearly update of test activities pursuant to Law no. 262/2005.
The adequacy of the administrative-reporting system was also assessed via the acquisition of information from the managers of the respective functions and analysis of the results of the work carried out by the Independent Auditors.

No particular issues or impediments emerged to prevent the release of an attestation by the Chief Reporting Officer and the Chief Executive Officer concerning the adequacy of the administrative and accounting procedures for the preparation of the separate financial statements of IPG and the consolidated financial statements for 2025.

With regard to the formation of the annual financial statements and consolidated financial statements for the year ending 31 December 2025, the Board of Statutory Auditors acknowledges that the Board of Directors, independently and in advance with respect to approval of the financial statements at 31 December 2025 (see Joint document of Banca d'Italia, CONSOB and Isvap of 3 March 2010), approved compliance of the impairment test procedure with the prescriptions of international accounting standard IAS 36, further to an examination of the same with the Control and Risks Committee and with the Board of Statutory Auditors.

The Chief Reporting Officer has not identified any problems with the preparation of the Consolidated Sustainability Report that would impede issue of the attestation.

The Board of Statutory Auditors supervised compliance with the rules concerning the preparation and publication of the Interim Financial Report and the Interim Board of Directors' Reports, their format and the proper application of accounting standards, partly by reference to information obtained from the Independent Auditors.

Furthermore, it is acknowledged that:

- the Independent Auditors responsible for the legal audit of the accounts explained their work to the Board of Statutory during the periodic meetings held, without raising any significant matters;
- the Board of Statutory Auditors supervised the audit of the annual and consolidated financial statements, obtaining information from and holding discussions with the Independent Auditors, which also covered the innovations introduced with regard to their auditors' report with special reference to key audit matters.

With regard to the above, the Board of Statutory Auditors was informed of all the main stages of the auditing activity, including identification of the areas of risk, with a description of the related procedures adopted, and the main accounting policies applied by IPG. The Board of Statutory Auditors also acknowledges that PwC S.p.A., the Independent Auditors, has issued its opinions on the separate and consolidated financial statements today (31 March 2026).

Also, the Board of Statutory Auditors will report to the Board of Directors concerning the significant matters indicated in the Report of the Independent Auditors pursuant to the provisions of articles 14 and 16 of Decree no. 39/2010, as amended by Decree no. 135/2016, without deeming it necessary to add its remarks to the report. The required and constant attention of the Board of Statutory Auditors is assured for continuous improvement of the financial reporting process; the additional report, already brought to the attention of the administrative body, is construed as a synthesis of elements already shared in time.
We draw your attention to the fact that the report in question also includes the Audit firm's independence declaration required by art. 6, sub-section 2(a) of Regulation (EU) 537/2014. During its mandate, the Board of Statutory Auditors monitored the independence of PwC S.p.A., the Independent Auditors, checking the nature and extent of any services rendered other than the audit of IPG and subsidiaries, and has also obtained explicit confirmation from the Independent Auditors that their independence requirements have been met.
Finally, the Board of Statutory Auditors acknowledged the Transparency Report prepared by the Independent Auditors, published on its website pursuant to art. 18 of Decree 39/2010.

In accordance with the requirements of article 149-*duodecies* of the Issuers' Regulation as amended by Consob Resolution no. 15915 of 3 May 2007 published in the Official Journal of the Italian Republic no. 111 of 15 May 2007 (S.O. no. 115), the remuneration amounts for 2025 are listed below for services rendered to the Group by the independent auditors and the entities belonging to the network of the independent auditors:

- audits of the Parent Company, € 98 thousand;
- audit engagements - subsidiaries, € 711 thousand;
- limited assurance of the Parent Company's Non-Financial Statements, € 80 thousand;

- attestation services - Parent Company and subsidiaries, € 15 thousand.

The above amounts are included under Other costs within general and administrative expenses.

In view of the regulatory changes and consequent expansion of the required audit work, it was necessary to increase the consideration specified in the Letter of Appointment. As indicated in Assonime Circular no. 21 dated 7 November 2024 and in view of the principle of avoiding additional economic and procedural costs for entities already required to publish Non-Financial Statements, changes to the original contractual conditions are considered to within the responsibility of the Board of Directors; despite this, on 21 March 2025, the Board resolved to inform the Shareholders' Meeting called for 29 April 2025 about the following consideration agreed for the financial years from 2024 to 2031:

- total fees of € 105,000 for the limited assurance work performed on the Consolidated Sustainability Report for the year ended 31 December 2024;
- total fees of € 80,000 for the limited assurance work performed on the Consolidated Sustainability Report from the year ended 31 December 2025 to that ended on 31 December 2031.

In the light of the matters presented above and as already mentioned, the Board of Statutory Auditors has expressed an opinion in favor of the above increase in fees and believes that the independence requirement for PwC S.p.A., the Independent Auditors, is satisfied.

Supervision of the adequacy of the system of internal control and the organizational structure

The Board of Statutory Auditors has assessed and supervised the adequacy of the internal controls and the efficacy of the internal control and risk management system. We confirm that we have checked the most significant activities performed by the internal control and risk management system, taken as a whole, by attending the meetings of the Control and Risks Committee and the Related-Party Transactions Committee together with:

- the Director in charge of the internal control and risk management system;
- the Internal Audit, Risk & Compliance function;
- the Chief Reporting Officer;
- the Supervisory Body;
- the Information Systems Manager;
- the Investor Relations Officer.

In the framework of this activity, in particular, the Board of Statutory Auditors confirms receipt and examination of:

- the periodic work reports prepared by the Control and Risks Committee and by the Internal Audit, Risk & Compliance function;
- the reports prepared by the Internal Audit, Risk & Compliance function on completion of its checking and monitoring activities, including the results obtained, the actions recommended and the checks carried out on their implementation;
- periodic updates on the changes in the risk management process, the results of the monitoring and assessment activities performed by the Internal Audit, Risk & Compliance function and the Group Risk Management & Corporate Finance function, and the objectives reached.

The Board of Statutory Auditors acknowledges and agrees with the update of the risk management policy adopted by the IPG Group. The Board of Statutory Auditors examined, on a half-yearly basis, the periodic reports on the activities carried out by the Supervisory Body, and also examined the related plan of activities and the 2026 budget. Similarly, the Board of Statutory Auditors acknowledges the work performed on compliance with Decree no. 231/2001 and the plan of activities for 2026, examining and agreeing the proposed update to the Organization and Management Model pursuant to Decree no. 231/2001.

The Board of Statutory Auditors has also checked the development and implementation by the Interpump Group of an "internal control model for non-financial information" that defines how to identify, measure, monitor and control the risks associated with the reporting of non-financial information, within the more general system of internal control over non-financial information, designed to ensure the credibility, accuracy, reliability and timeliness of the Group's non-financial data and information.

The Chief Reporting Officer ensures the maintenance and adequacy of the System of Internal Control over financial and other reporting, and is assisted by the Internal Audit, Risk and Compliance function, which monitors constantly its efficacy.

Further to our activity during the year, as illustrated in detail above, we agreed with the positive assessment expressed by the Control and Risks Committee regarding the adequacy of the Internal control and risks management system.

Supervision of compliance with the principles of proper administration

Based on the information obtained and the analyses performed as part of the above supervisory work, this Board confirms that the transactions of greatest economic and financial significance carried out by the Company, or via directly-held subsidiaries, are those described below and illustrated in detail in the Board of Directors' Report.

In particular, as in prior years, the operations of Interpump Group S.p.A. consisted in ordinary industrial activities, the strategic and operational coordination of the

Group, the drive to optimize the Group's cash flows, and the search for and selection of new equity investments that can help to accelerate the growth of the Group.
In 2025 the Company completed the following significant transactions (acquisitions and extraordinary transactions):

- Hammelmann Endüstri Pompalari A.Ş., a newly-formed company, was consolidated for the first time from 1 January 2025;
- Alfa OBL America Inc., a newly-formed company, was consolidated for the first time from 1 May 2025;
- During Q2 2025, the Group acquired Nuova S.M. S.r.l., a company active in the processing and finishing of metals that has been consolidated using the equity method from June 2025;
- During Q2 2025 the Group exercised the option to purchase 10% of Servizi Industriali S.r.l. from the minority quotaholders, raising the percentage ownership from 80% to 90%;
- Following a reorganization within the Waikato group, the business activities of Waikato Milking Systems LP were transferred to Waikato Milking Systems Limited (previously known as "Waikato Holding Limited") with effect from 31 December 2025;
- North American Manufacturing Inc. was absorbed by Muncie Inc. with effect from 1 January 2025;
- Innovativ Gummi Tech Srl was absorbed by I.M.M. Hydraulics Spa with effect from 1 January 2025;
- Interpump Hydraulics Middle East FZE was put into liquidation on 14 April 2025;
- During Q2 2025 the Group acquired the final 0.23% minority interest in Interpump Hydraulics France S.a.r.L and now holds the entire equity interest in that company;
- On 16 June 2025, Interpump Group announced the signature of a binding agreement to acquire, through its subsidiary Interpump Hydraulics S.p.A., 65% of the quota capital of Padoan S.r.l., a specialist company active in the supply of storage tanks for industrial vehicles and machinery, with effect from 1 July 2025;
- On 24 October 2025 Interpump Group announced the acquisition, through its subsidiary Hidrover Ltda, of the entire share capital of Tutto Hidráulicos Ltda, a specialist company active in the hydraulic cylinders sector. The company has been consolidated on a line-by-line basis from 1 November 2025, thus contributing to the consolidated results for two months;
- On 4 November 2025 Interpump Group announced the acquisition, through its subsidiary Reggiana Riduttori S.r.l., of 70% of the quota capital of Borghi Assali S.r.l., a specialist company active in the design and production of hydraulic and electric steering axles for industrial vehicles. The company has been consolidated on a line-by-line basis from 1 November 2025, thus contributing to the consolidated results for two months;
- On 18 December 2025, Interpump Group announced the acquisition, through its subsidiary Interpump Hydraulics S.p.a., of the entire quota

capital of F.A.R.M.A. S.r.l., a specialist company active in the design and manufacturing of components parts for tanks;

- Lastly, the liquidation of RR India Pvt. Ltd. was completed during Q4 2025.

Within the ordinary industrial activities of the Group, efforts continue to tackle sustainability issues, consistent with the guidelines for strategic development of the Group.

Further to the activity of supervision and control performed in the year, the Board of Statutory Auditors attests that:

- the activities performed did not reveal any omissions, irregularities, inappropriate conduct or significant violations that should be reported to the supervisory authorities or mentioned in this Report;
- we have not received any complaints pursuant to art. 2408 of the Italian Civil Code, nor have we received petitions from third parties;
- no transactions with third parties, within the Group and/or with related parties were found to be atypical or unusual in terms of their content, type, size, or timing.
- we have made any recommendations to the administrative body pursuant to article 25-*octies* of Decree 14/2019, we have received no reports from qualified public creditors, pursuant to art. 25-*novies* of Decree 14/2019, and we have received no reports from financial intermediaries further to notifications to the Company of changes, revisions, or revocations of credit lines, pursuant to art. 25-*decies* of Decree 14/2019.

Supervision of the implementation of corporate governance rules

The Board of Statutory Auditors assessed application of the rules of corporate governance set down in the Corporate Governance Code adopted by IPG, principally by analyzing the Report on Corporate Governance and the Ownership Structure and comparing its contents with the results of the general supervisory activities carried out. In particular, the degree of compliance by IPG with the requirement to inform the market, in the report on corporate governance, about its application of the Code, having regard for the provisions of art. 123-*bis* TUF, was assessed.

The Shareholders' Meeting held on 28 April 2023 appointed a Board of Directors composed of ten members to remain in office until the date of approval of the Financial statements at 31 December 2025, headed by Executive chairman Fulvio Montipò. For composition of the Company's Board of Directors an adequate level of diversity was achieved considering not only gender, but also such aspects such as age, training, and professional experience.

The Board of Directors meeting of 28 April 2023 appointed Fabio Marasi – executive director as per the Corporate Governance Code in the previous mandate

– as IPG Chief Executive, with company representation and signing powers as per the second section of art. 17 in the current bylaws.

The Board of Statutory Auditors believes that the Report on Corporate Governance has been prepared in accordance with the instructions accompanying the Regulations for Markets Organized and Managed by Borsa Italiana.

Supervision of the Consolidated Sustainability Report

Directive (EU) 2022/2464, the "Corporate Sustainability Reporting Directive" (CSRD or Directive), transposed into Italian law by Decree no. 125/2024, entered into force on 25 September 2024 and requires certain companies, including IPG, to prepare a new Sustainability Report in place of the NFS from the 2024 financial year. The new Report, prepared on the basis of the new European Sustainability Reporting Standards (ESRS) and the disclosures required by art. 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the Taxonomy Regulation), is included in a specific section of the Consolidated Report on Operations. The principal regulatory changes consisted of:

- abrogation of Decree no. 254/2016, which governed the NFS;
- preparation of the new Report on the basis of the new European Sustainability Reporting Standards (ESRS) and the disclosures required by art. 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the Taxonomy Regulation);
- inclusion of the Report in a specific section of the Consolidated Report on Operations;
- addition of art. 14-*bis* of Decree no. 39/2010 governing the legal audit of the accounts, which requires the auditor of the Report to express, in a separate attestation, considerations about the conformity of the Report with the provisions of the Decree and the Taxonomy Regulation;
- maintenance of the appointment to attest to the conformity of the NFS, previously granted to the legal auditors pursuant to Decree no. 254/2016 until the agreed expiry date, for the purpose of attesting to the conformity of the new Report without need to make a new appointment.

In particular, art. 10, subsection 1, of Decree no. 125/2024, which transposed the CSRD, envisages that, «*in the performance of the functions assigned by the Civil Code, the control body supervises compliance with the instructions contained in this Decree and makes reference to that activity in its annual report to the Shareholders' Meeting*» (this requirement was already contained in Decree no. 254/2016 on the Non-Financial Statement, which was abrogated).

As a consequence, the Board of Statutory Auditors checked that the Consolidated Sustainability Report was prepared and published in conformity with the provisions specified in Decree no. 125/2024, and supervised the adequacy of the organizational, administrative, reporting and control system adopted to present in the Report, in a proper and complete manner, the work performed, the results and the impacts on non-financial topics.

For this purpose, the Board checked the adequacy of that presentation in terms of its clarity, completeness and consistency with the economic and financial data presented. The internal control systems and processes for the collection, processing and disclosure of non-financial information were checked in accordance with the European Sustainability Reporting Standards (ESRS).

Article. 14-*bis* of Decree 39/2010 requires the auditor of the Report to express, in a separate attestation, considerations about the conformity of the Report with the provisions of the Decree and the Taxonomy Regulation; accordingly, in the performance of its supervisory activities, the Board met on several occasions with the Independent Auditors and the advisors assigned to prepare the "Consolidated Sustainability Report" at Group level, in order to check the progress of the project work performed to implement in full the Regulatory Framework pursuant to the CSRD. The Report is subject to limited assurance work performed by the Independent Auditors, which are required to attest to the absence of elements indicating that the Consolidated Sustainability Report and the EU Taxonomy disclosures made therein, were not prepared, in all material respects, in conformity with - respectively - the reporting standards adopted by the European Commission pursuant to Directive 2013/34/EU and art. 8 of Regulation (EU) 852 of 18 June 2020. The Board of Statutory Auditors has obtained the attestation issued by PwC S.p.A., the designated auditor, on 31 March 2026. This activity did not reveal any matters that should be mentioned in this report.

Additional supervisory activity in relation to the separate financial statements, the consolidated financial statements and the related Directors' Report, inclusive of the Consolidated Sustainability Report required by Decree no. 125/2024

With regard to the financial statements of the Parent Company at 31 December 2025, the consolidated financial statements at that date and the related Board of Directors' Report, your attention is drawn to the following matters:

- by both direct checks and information obtained from the Independent Auditors, the Board of Statutory Auditors has ascertained compliance with the laws governing the preparation and content of the separate financial statements, the consolidated financial statements and the Board of Directors' Report, as well as the formats adopted for the accounting schedules, confirming proper application of the accounting standards and policies described in the notes to the financial statements and in the Board of Directors' Report;
- in application of CONSOB Resolution no. 15519/2006, the effects of transactions with related parties are expressly indicated in the accounting

schedules;

- We also note that, in application of Commission Delegated Regulation (EU) 2019/815 (ESEF Regulation) implementing Directive 2013/50/EU which, from 1 January 2021, requires listed issuers to prepare their Annual Financial Reports (AFR) in the European Single Electronic Format (ESEF), the Company completed the project to implement the requirements of the ESEF Regulation in 2021. The Consolidated Annual Financial Report of Interpump Group S.p.A. at 31 December 2025 was therefore prepared in XHTML format, marking certain information in the IFRS consolidated statements and related explanatory notes with *Inline* XBRL specifications;
- the financial statements reflect the events and information that came to the attention of the Board of Statutory Auditors when performing the required supervisory, monitoring and inspection activities;
- based on the information available to us, in drafting the financial statements the Directors made no exceptions to law in relation to the provisions of art. 2423, subsection 5, of the Italian Civil Code;
- the Chief Executive Officer and the Chief Reporting Officer have issued the statement required by art. 81-*ter* of CONSOB Regulation no. 11971/1999 as amended, and by art. 154-*bis* of Decree no. 58/1998 (TUF);
- the Board of Directors' Report complies with the relevant legal requirements and is consistent with the data and results reflected in the financial statements; it makes the necessary disclosures about the significant activities and transactions that were drawn to the attention of the Board of Statutory Auditors during the year, about the principal risks faced by the Company and its subsidiaries, about intercompany and related-party transactions, and about the alignment of the organization with the principles of corporate governance, consistent with the Corporate Governance Code for listed companies;
- pursuant to art. 123-*ter* of Decree no. 58/1998 (TUF), the Shareholders' Meeting will receive the Remuneration report, the format for which was examined and agreed by the Board of Statutory Auditors at a joint meeting held with the Remuneration Committee.

Current scenario micro and macroeconomic impact assessment

The global economy was afflicted by persistent instability during 2025 and future prospects remain clouded by uncertainty caused, not least, by persistent geopolitical tensions linked to the many conflicts in progress. The situation has been compounded by the increases in trade tariffs, even though these have been mitigated in part by the agreements signed in recent months. In this context, the Interpump Group still managed to generate results that were broadly in line with those achieved in 2024, remaining positive in terms of revenues, margins and cash generation. The limited exposure of the Interpump Group in countries involved in the military conflict in Ukraine is confirmed.

In relation to the procedures for conducting the Shareholders' Meeting called to approve the financial statements, the matter was again deferred in order to facilitate

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the holding of virtual meetings, even as an exception to various provisions of the corporate by-laws. In fact, the 2026 "One Thousand Extensions" Decree, approved by the Council of Ministers on 11 December 2025, enacted by Law no. 200/2025, and published in the Italian Official Gazette on 27 February 2026, extended to 30 September 2026 the simplifications introduced during the pandemic period by art. 160 of Decree no. 18/2020. Authorization is granted for ordinary and extraordinary meetings to be held "behind closed doors", enabling companies to include in their notices of calling, as exceptions to the requirements of their bylaws, recourse to instruments - such as voting by correspondence, electronic voting, meeting attendance via remote communications, appointment of a designated representative - that allow participation and the exercise of voting rights without need for the physical presence of the shareholders in a single location.
In this regard, the Board of Statutory Auditors will work closely with the Board of Directors, so that the Shareholders' Meeting can be held in an orderly manner, with the proper exercise of shareholder rights in compliance with the above instructions.

Proposals to the Shareholders' Meeting regarding the separate financial statements for the year ended 31 December 2025 and allocation of the results for the year

Considering the specific duties assigned to the Independent Auditors in terms of checking the accounting records and verifying reliability of the separate financial statements for the year ended 31 December 2025, the Board of Statutory Auditors takes due note and has no objections to their approval or to the resolution proposed by the Board of Directors to make a partial distribution of the profit for the year to the shareholders by declaring a dividend of € 0.35 for each share in circulation, including the right as per art. 2357-*ter*, subsection 2 of the Italian Civil Code, and to allocate the remaining profit for the year to the Extraordinary Reserve (since the Legal Reserve has already reached the limit of one-fifth of the subscribed and paid-up share capital).

Lastly, noting that its mandate terminates naturally at the annual Shareholders' Meeting, the Board expresses gratitude for the confidence shown.

S. Ilario d'Enza (RE), 31 March 2026

Board of Statutory Auditors

Anna Maria Allievi, Chairman	________________
Mirco Zucca	________________
Mario Tagliaferri	________________

Independent Auditors' Report on the consolidated financial statements

Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Interpump Group SpA

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Interpump group (the "Group" or the "Interpump Group"), which comprise the consolidated statement of financial position as of 31 December 2025, the consolidated income statement, comprehensive consolidated income statement, consolidated statement of changes in shareholders' equity, consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

PricewaterhouseCoopers SpA

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Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of this report. We are independent of the company Interpump Group SpA (the "Company") pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Auditing procedures performed in response to key audit matters
Recoverability of goodwill	
Sections 2.3.9 "Goodwill" and 2.3.11 "Impairment of assets", Note 2.6.6 "Goodwill" of the notes to the consolidated financial statements As of 31 December 2025, the carrying amount of goodwill in the Group's consolidated financial statements totalled Euro 866 million, accounting for 25 per cent of total assets. Goodwill is allocated to the two cash generating units ("CGUs"), "Water-Jetting" for Euro 251 million	We understood and evaluated the procedures adopted by the Group to verify the recoverability of goodwill. We examined the methodology adopted by the Group to prepare the impairment test, approved by the Company's board of directors on 13 February 2026. As part of our audit we performed, among other things, the following main procedures:

and Hydraulics" for Euro 615 million.

The CGUs were identified using criteria consistent with those applied in the previous year and coincide with the two business segments identified by the Group.

Under IAS 36 "Impairment of assets", the Company is required to verify the recoverability of goodwill at least annually.

The recoverable amounts of the CGUs to which the goodwill amounts have been allocated are determined through the calculation of value in use, which is equal to the estimated future cash flows discounted to present value at a rate that takes into account market interest rates and the risks specific to the asset to which the estimated realisable value refers.

The valuation models underlying the calculation of the recoverable amounts of the above-mentioned CGUs were prepared taking into consideration the cash flows derived from the 2026-2030 business plans and are based on complex evaluations and estimates performed by management. Specifically, the assumptions in the models are affected by future market conditions with regard to the estimated future cash flows, the perpetual growth rate and the discount rate.

The recoverability of the goodwill amounts was considered a key matter in our statutory audit of the consolidated financial statements in

- We verified the reasonableness of the key assumptions reflected in the valuation models (Discounted Cash Flow Method) prepared by the Company, specifically the discount rate and the perpetual growth rate, against valuation practice normally adopted for entities in the industry in which the Interpump Group operates;
- We verified the accuracy of the allocation of the carrying amounts of assets to the individual CGUs;
- We verified the consistency of the cash flows included in the valuation models with those included in the financial projections in the 2026-2030 business plans mentioned above;
- We verified the mathematical accuracy of the valuation models prepared by the Company.

In the performance of our procedures we used the support of PwC network experts in the industry in which the Interpump Group operates, to analyse the reasonableness of the above-mentioned financial projections, and of business valuation experts from the PwC network, who performed an independent recalculation and carried out sensitivity analyses of the key assumptions to determine the changes in those assumptions that could have a significant impact on the measurement of the recoverable amounts of the CGUs.

consideration of the significant impact of these items on the Group's financial position, in light of the complexity of the assumptions used to determine the recoverable amounts of the CGUs to which the goodwill amounts were allocated, which are related to future, uncertain events.

Finally, we verified the adequacy and completeness of disclosures provided in the notes to the consolidated financial statements in relation to the method adopted to determine the recoverable amounts of the CGUs to which goodwill has been allocated, the results of valuations performed and the sensitivity analyses performed by the Company.

Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Interpump Group SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 30 April 2021, the shareholders of Interpump Group SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2023 to 31 December 2031.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Interpump Group SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Due to certain technical limitations, some information included in the illustrative notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Interpump Group SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Interpump Group as of 31 December 2025, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of Interpump Group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

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Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Parma, 31 March 2026

PricewaterhouseCoopers SpA

Signed by

Nicola Madureri

(Partner)

As disclosed by the directors on page 1, the accompanying consolidated financial statements of Interpump Group SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 815/2019. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Independent Auditors' Report on the limited examination of the consolidated sustainability report

Independent auditor's limited assurance report on the consolidated sustainability report in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of

Interpump Group SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability report of the Interpump group (the "Group" or the "Interpump Group") for the year ended 31 December 2025 (hereinafter also the "CSR") prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the CSR of the Interpump Group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE ("European Sustainability Reporting Standards", also the "ESRS");
- the information set out in paragraph *Disclosure under the taxonomy regulation* of the CSR is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) 852/2020 (the "Taxonomy Regulation").

PricewaterhouseCoopers SpA

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Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this standard are further described in the "Auditor's responsibilities for the limited assurance conclusion on the CSR" section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on CSR under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of Interpump Group SpA for the consolidated sustainability report

The directors are responsible for developing and implementing the procedures adopted to identify the information included in the CSR in accordance with the provisions of the ESRS (the "materiality assessment process") and for describing those procedures in the paragraph "Management of Impacts, Risks, and Opportunity" of the CSR.

The directors are also responsible for preparing the consolidated sustainability report, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

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- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph *Disclosure under the taxonomy regulation*.

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability report in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability report

For the purpose of reporting forward-looking information in accordance with ESRS, the directors are required to prepare such information on the basis of assumptions, described in the CSR, about future events and possible future actions by the Group. Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

The disclosure about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability report

Our objectives are to plan and perform procedures to obtain limited assurance about whether the CSR is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the CSR.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- Performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise.
- Designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Directing, supervising and performing a limited assurance engagement on the CSR and assuming full responsibility for the conclusion on the CSR.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Interpump Group SpA responsible for the preparation of the information presented in the CSR, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues.
- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the CSR.

- We understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process.

- We identified the disclosures where a material misstatement is likely to arise.

- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified.

- We understood the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the CSR.

- We reconciled the information reported in the CSR with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the CSR, or with management accounting information.

- We verified the structure and presentation of disclosures included in the CSR in accordance with the ESRS.

- We obtained management's representation letter.

Parma, 31 March 2026

PricewaterhouseCoopers SpA

Signed by

Nicola Madureri

(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

C.

SEPARATE FINANCIAL STATEMENTS

REPORT
ON
OPERATIONS

INTERPUMP GROUP

1. SIGNIFICANT EVENTS DURING THE YEAR

The global economy was unstable throughout 2025.

The geopolitical tensions, caused by a multitude of ongoing conflicts and compounded by the trade tariff hikes (albeit mitigated by recent agreements), have further heightened concerns about the prospects for growth.

The revised IMF estimates indicate a 3.3% rise in global GDP in 2025, 3.3% in 2026, and 3.2% in 2027. These statistics are influenced by the worldwide slowdown in trade, mainly due to the imposition of customs barriers, as offset by increasing investment in the technological sector, principally linked to AI.

These estimates may be further constrained by the direct and indirect effects of evolving trade policies, which could dampen the prospects for the global economy over the medium term.

Inflation is easing in the world's leading economies, except in the United States, where the new tariffs have raised the cost of imports. Worldwide, the rate of inflation is expected to fall to 4.1% in 2025 and to 3.8% in 2026 (source: IMF).

Given the stabilization of inflation and the forecasts for growth, the principal central banks held interest rates steady during Q4 2025. The United States again provided the exception, with the Fed making three consecutive rate cuts (25 basis points each) in September, October and December, to a range between 3.50% and 3.75%, amid concerns about both the rate of inflation and a slowdown in the jobs market.

The OECD forecasts for 2026 indicate a slight slowdown in global growth, given the risks associated with heightened trade and geopolitical tensions, with possible corrections in the financial markets linked to the technological sectors.

The macroeconomic parameters available for the leading economies indicate as follows:

- the Euro area economy has demonstrated resilience, despite the challenging international environment.
  GDP grew by 0.3% in real terms during Q3 2025, outpacing forecasts after the volatility experienced in the first half of the year. This instability was mainly due to the surge in trade ahead of the US tariff increases, and to the resulting uncertainty.
  The Euro area economy grew by 0.3 percentage points more in Q4 than in Q3, consistent with the results achieved in the third quarter. Domestic demand is likely to remain the principal driver of growth there, sustained by increases in real wages and employment, given the stability of the jobs market with unemployment rates at historical lows. External demand is also expected to increase, now that trade policies are less uncertain, despite gradual emergence of the effects of the tariff increases.
  Inflation should remain stable at around 2.1%, before easing to 1.9% in 2026 and 1.8% in 2027, and rising again to 2.0% in 2028. Based on the latest macroeconomic projections, GDP growth forecasts have been revised up to 1.4% in 2025, 1.2% in 2026 and 1.4% in 2027, which should be maintained in 2028 (source: European Central Bank).

- In the United States, economic activity slowed during 2025 (with forecast growth of 2%), after three years of robust expansion.

US imports spiked strongly at the start of the year, since purchases from abroad were brought forward to avoid the expected tariff increases (which subsequently came into force on 2 April). The resulting acceleration in international trade was, however, just a transitory phenomenon.
The subsequent slowdown came in combination with less dynamic employment growth rate and the impact on prices of the tariff increases.
Inflation was stable through December 2025 at an annual rate of 2.7%, which remains above the stated objective of 2%.
Given signs of stagnation in the jobs market and, to date, the modest impact of the tariff hikes on prices, the Federal Reserve continued to relax monetary policy during 2025, with three consecutive rate cuts to 3.50%-3.75% by the end of December. The latest estimates indicate a decline in GDP growth from 2.8% in 2024 to 2.1% in 2025, followed by 2.4% in 2026 (source: Bank of Italy - OECD - Fed).

- In China, growth was essentially stable during 2025, hampered by the weakness of domestic demand and the crisis of investment in the real estate market and in industrial activity.
  In order to tackle the weakness of domestic demand, the Chinese authorities introduced a trade-in program during the year that included automobiles and consumer electronics.
  Exports weakened during Q2, especially to the United States, in view of the escalation in tariff-related trade tensions. The announced hikes were later suspended until November 2026, after the United States and China reached agreement on multiple trade topics, including tariff reductions.
  Despite the smaller contribution from exports to the USA, the increased exports to Asia, Latin America and Europe resulted in annualized economic growth of 5.2% in the first 3 quarters of 2025, with a forecast of 5.0% for 2025 overall and 4.5% in 2026 (source: ISTAT/OECD/IMF).

In early July, the US government threat to raise the tariff on imports from Europe to 30% on 1 August caused consternation.

The US administration had already announced on 2 April 2025 a drastic increase in tariffs on imports from almost every country, based on the size of their trade surpluses with the United States.

Additionally, the depreciation of the dollar against the euro (losing about 13% of its value since the start of 2025), has acted as an extra implicit tariff and made operating conditions more complex for European exporters.

On 27 July 2025, the European Commission reached a framework agreement with the US government that fixes the standard tariff at 15%, as a replacement for those set earlier. Nevertheless, this is 13 percentage points higher than the effective rate in force at the end of 2024.

In turn, the European Union scrapped the retaliatory measures already approved, agreeing to eliminate the tariffs on intermediate goods imported from the USA, facilitate access to certain US agricultural exports that meet EU standards, and acquire US energy products totaling about USD 750 billion during the period through 2028.

Implementation of this agreement is partially clouded by uncertainties linked both to the need for approval from the European institutions, still not given at this time, and to the risk of differences in interpretation.

The tightening of customs policies during 2025 has resulted in higher tariffs for certain categories of goods sold by the Company into the North America area. In this regard, the Company took certain countermeasures during 2025 to absorb these increases, while continuing to assess the developments arising from any new trade agreements.

The exposure of the Company to the countries involved in the Russia-Ukraine conflict remains limited. Specifically, revenues of € 0.2 million were invoiced to customers in Russia, Belarus and Ukraine during 2025 (also € 0.2 million in 2024), with no outstanding receivables at 31 December 2025 (no outstanding receivables also at the end of 2024).

As in previous years, the operations of Interpump Group S.p.A. have, in addition to ordinary industrial activities, concentrated on the strategic and managerial coordination of the Group, on the optimization of its financial flows, and on the search for and selection of equity investments to acquire, with the aim of accelerating the growth of the Group. The acquisitions of Padoan S.r.l., Tutto Hidráulicos Ltda, Borghi Assali S.r.l., F.A.R.M.A. S.r.l. and Nuova S.M. S.r.l. during 2025 were consistent with this external growth strategy. A more complete discussion of these operations is given in the “Report on operations” accompanying the Consolidated Annual Financial Report at 31 December 2025.

Against this complex and uncertain macro and microeconomic background, the Company continues to demonstrate an ability to manage its manufacturing capacity efficiently.

2. PERFORMANCE AND RESULTS OF THE PARENT COMPANY

2.1 ALTERNATE PERFORMANCE MEASURES

The Company monitors its operations using several alternative performance measures that are not identified as accounting parameters in the IFRS issued by the International Accounting Standards Board and adopted by the European Union, to allow better evaluation of the trend of economic operations and the Company's financial position; such measures are also tools that can assist the directors in identifying operating trends and in making decisions on investments, resource allocation and other business matters. The measurement criterion applied by the Company may therefore differ from the criterion adopted by other companies and hence the Company may not be comparable with such other companies. Such alternative performance measures are constituted exclusively starting from the Company's historic data and measured in compliance with the matters established by the Guidelines on Alternative Performance Measures issued by ESMA/2015/1415 and adopted by Consob with communication no. 92543 of 3 December 2015. The measures in question refer only to performance in the accounting period illustrated in this Annual Financial Report and the periods placed in comparison with it, and not to the expected performance and they must not be considered to replace the indicators provided by the reference accounting standards (IFRS). Finally, the alternate measures are processed consistently and with uniformity of definition and representation for all periods for which financial information is included in this Annual Financial Report.

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

- **Earnings/(Losses) before interest and tax (EBIT)**: Revenues 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, Writedowns and Provisions;

- **Net Financial Position**: the sum of Financial and Bank debts less Cash and cash equivalents;

- **Capital expenditure (CAPEX)**: the sum of investment in tangible and intangible fixed assets, net of divestments;

- **Free Cash Flow**: the cash flow available for the Company, defined as the difference between the Cash flow from operating activities and the Cash flow absorbed by 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.

The income statement of Interpump Group S.p.A. is prepared by functional area (also called the "cost of sales" method). This format is deemed to be more representative than its “type of expense” counterpart, which is nevertheless included in the Explanatory notes to the Annual Financial Report. The chosen format is consistent with internal reporting and the business management processes adopted. The cash flow statement is prepared using the indirect method.

2.2 INCOME STATEMENT FOR THE YEAR

Euro	2025	2024
Revenues	**117,496,687**	**115,520,783**
Cost of sales	(73,736,586)	(72,778,100)
Gross profit	**43,760,101**	**42,742,683**
Other net revenues	6,457,404	7,695,496
Distribution expenses	(6,495,124)	(6,499,664)
General and administrative expenses	(26,179,326)	(23,055,002)
Impairment losses on assets	(8,285,166)	(1,707,505)
Other operating costs	(224,516)	(1,633,751)
Dividends	135,489,745	108,297,476
EBIT	**144,523,118**	**125,839,733**
Financial income	3,574,000	6,232,311
Financial expenses	(22,414,455)	(31,133,398)
Profit for the year before taxes	**125,682,663**	**100,938,646**
Income taxes	(968,208)	403,094
Net profit for the year	***124,714,455***	***101,341,740***
Basic earnings per share	1.172	0.948
Diluted earnings per share	1.169	0.946

2.2.1 Revenues

Interpump Group S.p.A. booked net revenues of € 117.5 million in 2025 (€ 115.5 million in 2024). The analysis by geographical area of the revenues from sales and services is presented below:

€/000	2025	2024
Italy	25,562	23,391
Europe (Italy excluded)	35,822	33,073
Rest of the World	56,113	59,057
Total	***117,497***	***115,521***

2.2.2 Profitability

The cost of sales accounted for 62.8% of revenues (63.0% in 2024). Production costs, which totaled € 37.4 million (€ 35.7 million in 2024), accounted for 31.8% of revenues in 2025 (30.9% in 2024). The purchase cost of raw materials and components sourced on the market, including changes in inventories, totaled € 36.4 million equivalent to 31.0% of revenues (€ 37.1 million in 2024).

Distribution costs totaled € 6.5 million (also € 6.5 million in 2024), reflecting a decrease in their incidence on revenues by 0.1 percentage point compared to 2024.

General and administrative expenses amounted to € 26.2 million (€ 23.1 million in 2024) and their incidence on revenues rose by 2.3 percentage points compared to 2024.

Payroll costs totaled € 30.3 million (€ 29.1 million in 2024) with an average of 444 employees (449 employees in 2024). The per capita cost was higher than in the prior year (+5.3%). In addition, the Company employed an average of 15 temporary workers during the year (11 temporary workers in 2024) at a cost of € 0.8 million (€ 0.6 million in 2024).

The reconciliation of the income statement to obtain sub-totals is shown below:

€/000	2025	% of revenues	2024	% of revenues
Ordinary profit before financial expenses	144,523		125,840	
Dividends	(135,490)		(108,297)	
Impairment losses on investments	8,068		1,620	
Operating profit (EBIT)	***17,101***	***14.6%***	***19,163***	***16.6%***
Amortization, depreciation and write-downs	6,471		6,062	
Gross operating profit (EBITDA)	***23,572***	***20.1%***	***25,225***	***21.8%***

EBIT amounted to € 17.1 million (14.6% of revenues) compared with € 19.2 million in 2024 (16.6% of revenues).

EBITDA totaled € 23.6 million or 20.1% of revenues, compared with € 25.2 million in 2024 or 21.8% of revenues.

The year ended 31 December 2025 closed with a net profit of € 124.7 million (€ 101.3 million in 2024). Dividends from subsidiaries recognized in the income statement totaled € 135.5 million in 2025 and € 108.3 million in 2024.

2.3 STATEMENT OF FINANCIAL POSITION

The following statement of financial position is classified in terms of the sources and applications of funds.

€/000	31/12/2025	%	31/12/2024	%
Trade receivables	19,415		16,005	
Net inventories	30,429		29,890	
Other current assets	44,872		36,610	
Trade payables	(23,000)		(17,594)	
Current taxes payable	(650)		(470)	
Other current liabilities	(9,373)		(7,813)	
Net working capital	**61,693**	**4.9**	**56,628**	**4.5**
Net intangible and tangible fixed assets	38,781		39,062	
Goodwill	44,537		44,537	
Equity investments	1,103,290		1,103,475	
Other financial fixed assets	5,600		17,177	
Other non-current assets	8,471		7,417	
Liabilities for employee benefits	(3,257)		(3,373)	
Non-current portion of provisions for risks and charges	(7,186)		(8,233)	
Other non-current liabilities	(3,316)		(3,126)	
Total net fixed assets	**1,186,920**	**95.1**	**1,196,936**	**95.5**
Total capital employed	***1,248,613***	***100***	***1,253,564***	***100***
Financed by:				
Total shareholders' equity	**803,575**	**64.4**	**719,020**	**57.4**
Cash and cash equivalents	(108,857)		(109,558)	
Bank debts	3,655		4,588	
Interest-bearing financial debts (current portion)	194,968		209,448	
Total current financial debts (liquid funds)	**89,766**	**7.2**	**104,478**	**8.3**
Total non-current financial debts	**355,272**	**28.4**	**430,066**	**34.3**
Total sources of financing	***1,248,613***	***100***	***1,253,564***	***100***

The format of the reclassified statement of financial position makes it possible to appreciate the financial strength of the Company, highlighting its ability to maintain financial equilibrium over the long term.

2.3.1 Capital expenditure

Capital expenditure on tangible fixed assets was € 5.5 million (€ 4.0 million in 2024) and related to the normal renewal and modernization of plant and equipment. The difference with respect to the expenditure recorded in the cash flow statement is due to the dynamics of payments.

Increases in intangible assets amounted to € 0.8 million (also € 0.8 million in 2024), mostly due to the capitalization of product development costs.

2.3.2 Cash flow

The net financial position at 31 December 2025 is € 445.0 million (€ 534.5 million at 31 December 2024). The changes during the year are analyzed in the table below:

€/000	2025	2024
Opening net financial position	**(534,544)**	**(550,152)**
Cash flow from operations	7,116	195
Principal portion of lease installments paid	(913)	(813)
Liquidity generated (absorbed) by operating capital	682	3,301
Liquidity generated (absorbed) by other current assets and liabilities	2,785	236
Net investment in tangible and intangible fixed assets	(6,504)	(4,229)
Financial income received	3,680	5,819
Other	1,295	1,629
Free cash flow	**8,141**	**6,138**
Proceeds (payments) from the disposal (purchase) of investments	(5,465)	(82,553)
Purchase of treasury shares	(16,594)	(10,337)
Proceeds from sales of treasury shares for stock options	4,754	581
Principal portion of lease installments paid	913	813
Principal portion of new leasing contracts arranged	(131)	(265)
Restatement and early redemption of leasing contracts	(33)	24
Dividends received from subsidiaries	135,495	108,285
Dividends paid	(35,147)	(34,231)
Change in other financial assets	(364)	(178)
Reimbursement (Disbursement) of loans from (to) subsidiaries	(2,063)	27,331
Net cash generated (used)	***89,506***	***15,608***
Net financial position at end of year	**(445,038)**	**(534,544)**

Net indebtedness, including payables and commitments, determined in accordance with ESMA guidance 32-382-1138 and included in Consob notice no. 5/21, comprises:

€/000	31/12/2025	31/12/2024	01/01/2024
Cash and cash equivalents	108,857	109,558	88,280
Current financial debts (excluding the current portion of non-current financial debts)	(4,565)	(5,447)	(6,042)
Current portion of non-current financial debts	(194,058)	(208,589)	(232,543)
Current net indebtedness	***(89,766)***	***(104,478)***	***(150,305)***
Non-current financial debts	(355,272)	(430,066)	(399,847)
Net financial position	***(445,038)***	***(534,544)***	***(550,152)***
Commitments for the acquisition of investments	-	-	-
Total net indebtedness	**(445,038)**	**(534,544)**	**(550,152)**

Had current and non-current financial assets (comprising loans granted to Group companies totaling € 37,377 thousand and € 5,600 thousand respectively) also been considered, total net indebtedness would have been € 402,061 thousand at 31 December 2025 (€ 493,630 thousand at 31 December 2024).

At 31 December 2025 all financial covenants are amply respected.

3. RISK FACTORS

The Company is exposed to the normal risks and uncertainties of any business activity. The markets in which the Company operates are world niche markets of moderate size and with few competitors. These market characteristics constitute a high barrier to the entry of new competitors, due to significant economy of scale effects against the backdrop of uncertain economic returns for potential new entrants. The Company retains world leadership positions that mitigate the risks and uncertainties of the business activity.

The business of the Company is exposed to various financial risks: market risk (including the exchange rate risk and interest rate risk), credit risk and liquidity risk. The financial risks management program is based on the unpredictability of financial markets and it is aimed at minimizing any negative impact on the Company's financial performance. Interpump Group S.p.A. can use derivative financial instruments to hedge against exchange and interest rate risks. The Company does not hold derivative financial instruments of a speculative nature, in compliance with the rulings established by the procedure approved by the Board of Directors.

3.1 Market risks

a) Exchange rate risk

The Company does business internationally and is principally exposed to the exchange risk related to business conducted in US dollars. In this context, the Company invoices its US subsidiaries and a major US customer in dollars. The Company's current policy is to refrain from hedging recurring transactions and instead to hedge only exposures that are non-recurring in terms of amount or frequency of occurrence.

(b) Interest-rate risk

Interest-rate risk derives from medium/long-term loans granted at floating rates. It is currently Company policy not to arrange hedges, in view of the short average duration of the existing bank debts (around 3.5 years).

3.2 Credit risk

The Company does not have any significant concentrations of receivables. It is Company policy to make sales to customers following a careful assessment of their credit rating and therefore within preset credit limits. Historically, the Company has not had to support any significant losses on receivables.

3.3 Liquidity risk

Prudent management of liquidity risk involves the retention of an appropriate level of cash on hand and sufficient access to lines of credit. Because of the dynamic nature of the business, which includes frequent acquisitions, it is Company policy to have access to stand-by lines of credit that can be utilized at short notice.

3.4 Price and cash flow risk

The Company is subject to constant changes in metal prices, especially brass, aluminum, stainless steel and steel. It is Company policy to hedge this risk where possible by way of medium-term commitments with suppliers or stockpiling policies when prices are at the low point of their cycle. The volatility of raw material prices during 2025 differed depending on the sector. The prices charged for steel (both stainless and for reinforcement and restoration purposes) and cast iron remained stable overall, as did electricity and gas costs, which were in line with the prior year. The price of aluminum, on the other hand, followed an irregular pattern, with a fall in the summer months that was followed by marked recovery at year end. The situation regarding copper, brass and cobalt was more critical, with marked rises during the final quarter given the tensions affecting global demand and supply chains. During the year, the Company sometimes decided to purchase larger quantities in order to guarantee the availability of the materials needed for production purposes. The Company constantly monitors the price trend of these raw materials in the attempt to adopt the most effective policies to minimize potential exposure to this risk.

The income and cash flow from the Company's operating activities are not influenced much by changes in interest generating assets.

The Company is monitoring developments carefully with regard to the import tariffs imposed on countries by the United States, and the counter-measures taken by them, analyzing the potential impacts on the business and studying the actions to be taken to mitigate their potential adverse effects.

3.5 Climate change risk

With regard to climate change, the Company does not fall with the scope of Directive 2003/87/EC (as amended most recently by Directive (EU) 2018/410), which introduced and governs the European Union Emissions Trading System (EU ETS). The ETS is the principal tool adopted by the European Union to reach the CO_2 reduction targets established for the principal industrial sectors and aviation. Although the Company is not included in the industrial sectors covered by the ETS, it is nevertheless committed to combat climate change.

Commencing from 2024, in accordance with Directive (EU) 2022/2426 (Corporate Sustainability Reporting Directive - CSRD), adopted in Italy by Decree 125/2024, the Interpump Group reports the material impacts, risks, opportunities, policies, actions, objectives, business model and performance metrics in section 2.1 - *ESRS E1 - Climate change* of the CSRD chapter in the Consolidated Annual Financial Report.

Based on a scenario analysis of corporate locations, the impacts of physical risks (acute and chronic) on assets and revenues were not considered significant and, accordingly, no specific provisions or asset writedowns have been recorded at 31 December 2025.

Again in view of the above, the forecasts reflected in the five-year business plan used for the impairment test of goodwill were not significantly affected by the above physical, climate-related risks but, nevertheless, were prepared in a prudent manner that contains the expected level of future cash flows.

The Company is also potentially exposed to risks deriving from the impacts of future, more restrictive laws and regulations governing energy efficiency and climate change, that may result in increased operating costs.

3.6 Geo-political risk

The international macroeconomic environment continues to reflect a high level of uncertainty, caused by the geo-political tensions and conflicts in various areas of the world, not least the Middle East.

These tensions intensified during 2025 following episodes of instability in the Gulf area and growing friction between Iran, the USA, Israel and other international players. As a consequence, the energy markets became more volatile and fears for global inflation increased. The geo-political situation has escalated further in early 2026, with the outbreak of conflict involving Iran and other regional and international powers. These dynamics could indirectly impact global market trends and the industrial sectors in which the Company operates, with possible adverse effects on the availability and cost of raw materials, supply chain efficiencies, international logistics and, not least, energy prices and exchange rates.

The Company continues to monitor geo-political and macroeconomic developments with care, assessing the potential direct and indirect effects should current conflicts escalate further, even though these are difficult to quantify at present. Where appropriate, the Company takes steps to mitigate the potential adverse impacts, including via geographical diversification of the sources of supply, stronger relations with alternate suppliers and careful management of operating and financial risks.

4. OTHER INFORMATION

4.1 Corporate Governance

At 31 December 2025, the Company holds 2,494,087 treasury shares corresponding to 2.291% of share capital, acquired at an average unit cost of € 37.96064.

With regard to stock option plans and the shares in the Company and in subsidiaries held by directors, statutory auditors and general managers, you are invited to consult the "Board of Directors' Report", which is attached to the Consolidated Annual Financial Report.

The Company is not subject to management and coordination activities. Leila Montipò e Sorelle S.A.p.A., formed on 6 November 2020, holds a controlling interest pursuant to art. 2359, subsection 2, of the Italian Civil Code in Gruppo IPG Holding S.p.A. and, accordingly, is the company required to prepare the consolidated financial statements of the largest group, given the exemption clauses envisaged in art. 27 of Decree 127 dated 9 April 1991: the financial statements that include the data of Interpump Group S.p.A. and its subsidiaries are prepared in accordance with the IFRS issued by the International Accounting Standards Board and adopted by the European Union, and are available from the Milan Companies Register.

Leila Montipò e Sorelle S.A.p.A. does not carry out management and coordination activities in relation to Gruppo IPG Holding S.p.A. and is also not subject to any management and coordination activities.

In turn, Gruppo IPG Holding S.p.A. prepares consolidated financial statements on a voluntary basis, although this is no longer required from FY 2021, since that requirement is now placed on its parent company, "Leila Montipò e Sorelle S.A.p.A.".

Gruppo IPG Holding S.p.A. does not carry out any management or coordination activities in relation to Interpump Group S.p.A. and is also not subject to any management and coordination activities.

4.2 Relations with subsidiaries

The Company also operates through subsidiaries with which it maintains commercial and financial relations. These relations are detailed in the table below.

€/000	Trade receivables		Revenues	
Subsidiaries	31/12/2025	31/12/2024	2025	2024
GP Companies Inc.	4,818	3,382	28,043	26,061
NLB Corporation Inc.	130	699	2,429	5,534
Interpump Hydraulics India Ltd	840	268	1,470	1,166
Interpump Hydraulics Brasil	154	57	592	151
Muncie Power Inc.	15	86	398	460
IMM Hydraulics S.p.A.	160	131	311	350
General Pump China Inc.	133	41	253	231
Hammelmann S. L.	16	19	228	131
Inoxpa South Africa	149	27	224	115
Inoxpa S.A.	79	25	202	132
Inoxihp S.r.l.	62	42	182	116

€/000	Trade receivables		Revenues	
Subsidiaries	31/12/2025	31/12/2024	2025	2024
GS-Hydro UK Ltd	44	41	157	137
Inoxpa Colombia Sas	139	3	153	30
Inoxpa Skandinavien A/S	-	-	133	1
Alfa Valvole S.r.l.	34	33	104	52
Pioli S.r.l.	-	-	96	89
Hammelmann GmbH	19	94	95	361
Inoxpa China Flow Technology Co., Ltd	2	1	80	33
Inoxpa Solutions France Sas	15	18	75	114
Interpump Hydraulics France S.a.r.l.	10	6	71	35
Inoxpa Italia S.r.l.	3	-	70	4
GS-Hydro Austria GmbH	18	16	68	55
GS-Hydro Korea Ltd	18	13	60	53
Interpump Hydraulics (UK) Ltd	-	-	55	30
GS-Hydro S.A.U	21	13	54	39
GS-Hydro Denmark AS	20	9	53	30
GS-Hydro Piping Systems Co. Ltd	15	12	52	48
GS-Hydro Benelux B.V.	11	11	51	37
Hydrocar Chile S.A.	-	-	49	9
GS-Hydro Sp. z o.o.	10	10	38	32
Shanghai PuPeng Flow Technology Co., Ltd	-	-	36	-
Inoxpa Solutions Moldova	-	3	32	3
Hammelmann Australia Pty Ltd	5	69	29	78
SIT S.p.A.	-	-	28	26
Improved Solutions Unipessoal Ltda	1	-	20	17
Interpump Hydraulics S.p.A.	63	24	16	11
Walvoil S.p.A.	23	22	13	12
Mega Pacific Pty Ltd	1	-	12	-
Inoxpa Ukraine	-	-	10	15
Interpump Piping GS S.r.l.	6	6	10	10
Eurofluid Hydraulic S.r.l.	1	1	9	9
GS-Hydro Ab	2	3	9	10
Interpump South Africa Pty Ltd	5	-	8	-
Hydroven S.r.l.	3	4	7	12
GS-Hydro U.S. Inc.	2	2	7	7
H.S. S.r.l.	-	-	6	-
Tubiflex S.p.A.	-	1	6	6
GS-Hydro Singapore Pte Ltd	2	1	6	5
Unidrò Contarini Sarl	-	2	5	7
Mega Pacific NZ Pty Ltd	5	-	5	6
GS-Hydro do Brasil Sistemas Hidráulicos Ltda	1	1	5	4
Servizi Industriali S.r.l.	-	-	5	5
Oleodinamica Panni S.r.l.	2	2	3	-
Tekno Tubi S.r.l.	1	1	3	3
Nuova S.M. S.r.l.	-	-	3	-
Transtecno BV	-	-	3	13
Reggiana Riduttori S.r.l.	19	17	2	2

€/000	Trade receivables		Revenues	
Subsidiaries	31/12/2025	31/12/2024	2025	2024
Transtecno S.r.l.	3	3	2	2
I.mec S.r.l.	-	-	-	1
Hammelmann Corporation Inc.	9	-	-	-
Contarini Leopoldo S.r.l.	2	2	-	-
Waikato Milking Systems LP	1	1	-	-
White Drive Motors and Steering LLC	-	8	-	-
White Drive Motors and Steering Sp. z o.o.	-	6	-	-
Hydra Dyne Technology Inc.	-	3	-	-
American Mobile Power Inc.	-	1	-	-
Total	***7,092***	***5,240***	***36,146***	***35,900***

The Company also has a receivable from Interpump Piping GS S.r.l. of € 6 thousand (receivable of € 52 thousand in 2024) following membership of the domestic tax group from 2018, as subsequently renewed.

€/000	Trade payables		Costs	
Subsidiaries	31/12/2025	31/12/2024	2025	2024
Pioli S.r.l.	287	119	1,014	945
IMM Hydraulics S.p.A.	195	56	638	223
Interpump Hydraulics S.p.A.	143	162	343	373
I.mec S.r.l.	27	1	244	8
SIT S.p.A.	48	52	152	160
Inoxpa Italia S.r.l.	57	-	125	52
Walvoil S.p.A.	41	17	114	66
General Pump China Inc.	40	25	91	79
Hammelmann GmbH	29	1	84	252
Transtecno S.r.l.	10	9	66	32
GP Companies Inc.	14	16	41	50
Inoxihp S.r.l.	8	28	36	91
Inoxpa India Pvt Ltd	5	-	31	-
Walvoil Fluid Power Pvt Ltd.	4	-	27	-
Hydroven S.r.l.	5	12	24	35
Hammelmann S. L.	15	-	15	-
Inoxpa Colombia Sas	3	-	3	-
White Drive Motors and Steering Sp. z o.o.	2	-	2	-
Contarini Leopoldo S.r.l.	1	-	1	-
Improved Solutions Unipessoal Ltda	-	-	-	138
Reggiana Riduttori S.r.l.	-	-	-	10
Hydrocar Chile S.A.	-	-	-	2
Inoxpa S.A.	-	-	-	1
Total	***934***	***498***	***3,051***	***2,517***

The Company also has a payable to Walvoil S.p.A. of € 2,950 thousand (payable of € 1,895 thousand in 2024) following membership of the domestic tax group from the 2024 tax year.

Financial relations are outlined below:

€/000	Loans granted		Interest income	
Subsidiaries	**31/12/2025**	**31/12/2024**	**2025**	**2024**
Interpump Hydraulics S.p.A.	23,000	8,000	424	339
IMM Hydraulics S.p.A.	8,000	15,000	407	927
Tubiflex S.p.A.	5,000	7,500	268	402
GS-Hydro UK Ltd	2,800	160	113	15
Hydra Dyne Technology Inc.	2,077	4,154	75	130
GS-Hydro Korea Ltd	2,100	2,100	63	63
White Drive Motors and Steering GmbH	-	4,000	13	230
Muncie Power Inc.	-	-	-	326
Interpump Piping GS S.r.l.	-	-	-	18
Tekno Tubi S.r.l.	-	-	-	7
Inoxihp S.r.l.	-	-	-	5
Total	***42,977***	***40,914***	***1,363***	***2,462***

The intercompany loans outstanding at 31 December 2025 earn interest at 3-month Euribor uplifted by a spread that fluctuated between 100 and 150 basis points, except for certain fixed-rate loans granted in a range between 1.95% and 3.50%. At 31 December 2025, interest receivable amounts to € 267 thousand (€ 402 thousand at 31 December 2024), as analyzed below:

€/000	Interest receivable	
Subsidiaries	**31/12/2025**	**31/12/2024**
Interpump Hydraulics S.p.A.	89	44
IMM Hydraulics S.p.A.	70	182
Tubiflex S.p.A.	49	79
GS-Hydro UK	28	2
GS-Hydro Korea Ltd	16	16
Hydra Dyne Technology Inc.	15	25
White Drive Motors and Steering GmbH	-	54
Total	***267***	***402***

The following dividends have been credited to the income statement:

€/000	Dividends receivable		Dividends	
Subsidiaries	**31/12/2025**	**31/12/2024**	**2025**	**2024**
Hammelmann GmbH	-	-	40,000	30,000
Walvoil S.p.A.	-	-	22,750	22,750
Reggiana Riduttori S.r.l.	-	-	20,000	20,000
Transtecno S.r.l.	-	-	13,500	8,000
Inoxpa S.A.	-	-	10,000	10,000
Interpump Hydraulics S.p.A.	-	-	8,000	-
NLB Corporation Inc.	-	-	5,153	3,730
Interpump Piping GS S.r.l.	-	-	5,000	4,000
GP Companies Inc.	-	-	4,313	6,545
Alfa Valvole S.r.l.	-	-	4,000	-
I.mec S.r.l.	-	-	1,610	1,540
Servizi Industriali S.r.l.	-	-	630	1,200

€/000	Dividends receivable		Dividends	
Subsidiaries	31/12/2025	31/12/2024	2025	2024
Inoxihp S.r.l.	-	-	527	527
Walvoil Fluid Power Pvt Ltd.	-	-	7	5
Tubiflex S.p.A.	1,280	1,280	-	-
Total	***1,280***	***1,280***	***135,490***	***108,297***

4.3 Transactions with related parties

In accordance with IFRS 16, the financial statements report interest-bearing financial debts of € 751 thousand (€ 1,445 thousand at 31 December 2024) and financial expenses due to discounting the rentals payable to related parties of € 39 thousand (€ 84 thousand at 31 December 2024). Other costs totaling € 19 thousand (€ 12 thousand in 2024) have also been charged to the income statement.

The above transactions were carried out on arm's-length conditions.

4.4 Research, development and design work

2025 saw the completion of 2 projects for the development of new pumps, as well as the start of 8 new projects.

The positive outcome of these innovations should generate good results in terms of revenues, with a beneficial effect on the performance of the business.

It is Company policy to continue to invest heavily in research and development in future years in order to add further impetus to organic growth. Product development costs totaling € 569 thousand were capitalized in 2025, since they will benefit future years, while an amount of € 154 thousand was charged to the income statement.

4.5 Environment, health and safety

The Company is engaged exclusively in mechanical engineering and components assembly activities that are not accompanied by the emission of pollutants into the environment. The production process is performed in compliance with statutory legislation. The Company is exposed to risks associated with occupational health and safety and the environment, typical of a company that performs manufacturing and sales activities in different geographical contexts.

In relation to occupational health and safety and the environment the Company applies international standards ISO 9001, ISO 14001 and OHSAS 18001.

5. EVENTS OCCURRING AFTER THE CLOSE OF THE YEAR AND BUSINESS OUTLOOK

No atypical or unusual transactions have been carried out subsequent to 31 December 2025 that would call for changes to these separate financial statements.

On 17 February 2026, in the context of the plan to purchase treasury shares authorized at the Shareholders' Meeting held on 29 April 2025 pursuant to art. 144-(2) of Consob Regulation 11971/1999, Interpump Group S.p.A. launched a program to purchase a total of 500,000 treasury shares on the MTA, organized and managed by Borsa Italiana S.p.A., between 17 February and 16 May 2026, at a maximum price of € 60.00 per share and, therefore, with a maximum outlay of € 30 million. For the purposes of implementing this buy-back program, on 16 February 2026 the Company granted a specific mandate to Banca Akros S.p.A. that terminated on 11 March: on that date, Interpump Group S.p.A. held 2,985,087 shares in its portfolio, equal to 2.742% of the share capital, purchased at an average cost of € 37.97442.

With specific reference to the latest international conflict involving Iran, the United States and Israel, which broke out consequent to the military operations carried out on 28 February 2026, the Company is monitoring developments and their effects - which are hard to quantify given the recent start of the conflict - on its economic and financial position.

The scenarios that marked FY2025 have not changed significantly in the first few weeks of 2026. The environment therefore remains complex and difficult to read, with the early months of 2026 expected to be the most challenging period of the entire year. In this highly complex international context, the Company will continue to implement all countermeasures designed to protect and consolidate its margins, with the further objective of maintaining and ideally increasing the level of cash generation.

6. PROPOSAL TO THE SHAREHOLDERS' MEETING

The profit for the year was € 124,714,455. We propose:

- - partial distribution of the profit for the year to the shareholders by declaring a dividend of EUR 0.35 for each share in circulation, including the right as per art. 2357-(3) subsection 2 of the Italian Civil Code.

- allocation of the remaining profit for the year to the Extraordinary Reserve (since the legal reserve has already reached the limit of one-fifth of the subscribed and paid-up share capital).

Sant'Ilario d'Enza (RE), 20 March 2026

For the Board of Directors

Fulvio Montipò

Executive Chairman

FINANCIAL STATEMENTS OF THE PARENT COMPANY

INTERPUMP GROUP S.p.A.
Registered Office: S. Ilario d'Enza (RE)
Via E. Fermi 25
Share Capital: € 56,617,232.88
Tax Code and Companies Register number 11666900151
VAT number 01682900350

1. FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

ASSETS Euro	Notes	31/12/2025	31/12/2024
Current assets			
Cash and cash equivalents	2.3.1	108,856,994	109,557,623
Trade receivables	2.3.2, 2.3.18	19,414,698	16,004,542
Dividends receivable	2.3.18	1,279,700	1,279,700
Inventories	2.3.3	30,429,299	29,889,948
Tax receivables		5,353,526	7,492,231
Current financial assets	2.3.9, 2.3.18	37,377,000	23,737,000
Other current assets	2.3.4, 2.3.18	862,284	4,101,539
Total current assets		**203,573,501**	**192,062,583**
Non-current assets			
Property, plant and equipment	2.3.5	35,544,451	35,609,868
Goodwill	2.3.6	44,536,997	44,536,997
Other intangible fixed assets	2.3.7	3,237,176	3,452,030
Investments in subsidiaries	2.3.8	1,103,289,584	1,103,474,536
Other financial assets	2.3.9, 2.3.18	5,600,155	17,177,155
Tax receivables		388,215	235,074
Deferred tax assets	2.3.10	8,070,864	7,170,853
Other non-current assets		11,354	11,551
Total non-current assets		**1,200,678,796**	**1,211,668,064**
Total assets		***1,404,252,297***	***1,403,730,647***

LIABILITIES AND SHAREHOLDERS' EQUITY Euro	Notes	31/12/2025	31/12/2024
Current liabilities			
Trade payables	2.3.12, 2.3.18	23,000,171	17,593,743
Bank debts	2.3.11, 2.3.18	3,655,133	4,588,052
Interest-bearing financial debts (current portion)	2.3.11, 2.3.18	194,968,242	209,448,074
Tax liabilities		650,300	469,738
Other current liabilities	2.3.12, 2.3.18	9,057,373	7,519,543
Accrued expenses and deferred income		315,332	293,981
Total current liabilities		**231,646,551**	**239,913,131**
Non-current liabilities			
Interest-bearing financial debts	2.3.11, 2.3.18	355,272,441	430,066,153
Liabilities for employee benefits	2.3.14	3,256,490	3,372,606
Deferred tax liabilities	2.3.10	687,241	674,287
Other non-current liabilities	2.3.15	2,628,594	2,451,203
Provisions for risks and charges	2.3.13	7,186,096	8,232,784
Total non-current liabilities		**369,030,862**	**444,797,033**
Total liabilities		**600,677,413**	**684,710,164**
SHAREHOLDERS' EQUITY			
Share capital	2.3.16	55,320,308	55,505,284
Legal reserve	2.3.17	11,323,447	11,323,447
Share premium reserve	2.3.16	37,313,548	42,390,099
Reserve from remeasurement of defined benefit plans	2.3.17	(2,010,574)	(2,074,358)
Other reserves	2.3.17	701,628,155	611,876,011
Total shareholders' equity		**803,574,884**	**719,020,483**
Total shareholders' equity and liabilities		***1,404,252,297***	***1,403,730,647***

INCOME STATEMENT

Euro	Notes	2025	2024
Revenues	2.4.1	**117,496,687**	**115,520,783**
Cost of sales	2.4.3	(73,736,586)	(72,778,100)
Gross profit		**43,760,101**	**42,742,683**
Other net revenues	2.4.2	6,457,404	7,695,496
Distribution expenses	2.4.3	(6,495,124)	(6,499,664)
General and administrative expenses	2.4.3	(26,179,326)	(23,055,002)
Impairment losses on assets	2.3.7, 2.3.8	(8,285,166)	(1,707,505)
Other operating costs	2.4.3	(224,516)	(1,633,751)
Dividends	2.3.8	135,489,745	108,297,476
EBIT		**144,523,118**	**125,839,733**
Financial income	2.4.4	3,574,000	6,232,311
Financial expenses	2.4.4	(22,414,455)	(31,133,398)
Profit for the year before taxes		**125,682,663**	**100,938,646**
Income taxes	2.4.5	(968,208)	403,094
Net profit for the year		***124,714,455***	***101,341,740***
Basic earnings per share	2.5	1.172	0.948
Diluted earnings per share	2.5	1.169	0.946

COMPREHENSIVE INCOME STATEMENT

€/000	Notes	2025	2024
Net profit (A)		**124,714**	**101,342**
Profit (loss) that will not subsequently be reclassified to profit			
Profit (Loss) deriving from the restatement of defined benefit plans		84	53
Applicable taxes		(20)	(12)
Total other comprehensive income (loss) that will not subsequently be reclassified to profit, net of tax effect (B)	2.3.17	**64**	**41**
Comprehensive net profit (A) + (B)		**124,778**	**101,383**

CASH FLOW STATEMENT

€/000	Notes	2025	2024
Cash flows from operating activities			
Profit before taxes		125,683	100,939
Adjustments for non-cash items:			
Losses (gains) on the sale of fixed assets		(32)	(17)
Amortization and depreciation of tangible and intangible fixed assets	2.4.3	6,468	6,060
Costs recognized in the income statement relative to stock options that do not involve monetary outflows for the Company	2.4.3	6,240	4,970
Impairment losses (writebacks) on assets	2.3.8	8,068	1,620
Net change in risk provisions and allocations to employee benefit provisions		(1,154)	580
Dividends credited to the income statement	2.3.8	(135,490)	(108,297)
Net financial expenses (income)	2.4.4	18,840	24,901
		28,623	**30,756**
(Increase) decrease in trade receivables and other current assets	2.3.2, 2.3.4	(2,081)	(4,067)
(Increase) decrease in inventories	2.3.3	(540)	1953
Increase (decrease) in trade payables and other current liabilities	2.3.2, 2.3.12	6,088	5,651
Taxes paid	2.4.5	1,522	1,170
Interest paid	2.4.4	(22,401)	(31,988)
Realized exchange differences		(628)	257
Net cash from operating activities		**10,583**	**3,732**
Cash flows from investing activities			
Outlay for the acquisition of equity investments net of treasury shares assigned	2.3.8	(5,465)	(82,553)
Disbursements for purchase of treasury shares		(16,594)	(10,337)
Proceeds from sales of treasury shares for stock options	2.3.16	4,754	581
Capital expenditure on property, plant and equipment	2.3.5	(5,919)	(3,619)
Proceeds from the sale of tangible fixed assets	2.3.5	54	83
Increase in intangible fixed assets	2.3.7	(639)	(693)
Financial income received	2.4.4	3,680	5,819
Other		(364)	(178)
Net liquidity generated (used) by investing activities		**(20,493)**	**(90,897)**

€/000	Notes	2025	2024
Cash flows from financing activities			
Dividends received from subsidiaries	2.3.8	135,495	108,285
Dividends paid	2.3.17	(35,147)	(34,231)
(Disbursal) Repayment of intercompany loans, net of treasury shares assigned	2.3.9	(2,063)	27,331
Disbursals (repayments) of loans and bonds	2.3.11	(87,732)	8,091
Payment of finance lease installments (principal)		(913)	(813)
Other		502	434
Net cash generated by (used in) financing activities		**10,142**	**109,097**
Net increase (decrease) in cash and cash equivalents		**232**	**21,932**
Cash and cash equivalents at the beginning of the year	2.7	104,970	83,038
Cash and cash equivalents at the end of the year	2.7	105,202	104,970

See Note 2.7 for the reconciliation of cash and cash equivalents.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

€/000	Notes	Share capital	Legal reserve	Share premium reserve	Remeasurement reserve for defined benefit plans	Other reserves	Total shareholders' equity
At 1 January 2024		**55,625**	**11,323**	**46,883**	**(2,115)**	**544,646**	**656,362**
Dividends paid		-	-	-	-	(34,231)	(34,231)
Recognition in the income statement of the fair value of stock options granted to and exercisable by Interpump Group S.p.A. employees.		-	-	4,970	-	-	4,970
Fair value measurement of the stock options granted to and exercisable by employees of subsidiaries		-	-	292	-	-	292
Purchase of treasury shares		(130)	-	(10,337)	-	130	(10,337)
Sale of treasury shares to the beneficiaries of stock options		10	-	581	-	(10)	581
Comprehensive net profit for the year 2024		-	-	-	41	101,342	101,383
At 31 December 2024	**2.3.16, 2.3.17**	**55,505**	**11,323**	**42,389**	**(2,074)**	**611,877**	**719,020**
Dividends paid		-	-	-	-	(35,147)	(35,147)
Recognition in the income statement of the fair value of stock options granted to and exercisable by Interpump Group S.p.A. employees.		-	-	6,240	-	-	6,240
Fair value measurement of the stock options granted to and exercisable by employees of subsidiaries		-	-	524	-	-	524
Purchase of treasury shares		(260)	-	(16,594)	-	260	(16,594)
Sale of treasury shares to the beneficiaries of stock options		75	-	4,754	-	(75)	4,754
Comprehensive net profit for the year 2025		-	-	-	64	124,714	124,778
At 31 December 2025	**2.3.16, 2.3.17**	**55,320**	**11,323**	**37,313**	**(2,010)**	**701,629**	**803,575**

2. EXPLANATORY NOTES

2.1 General information

Interpump Group S.p.A. is a company, incorporated under Italian law with registered offices in Sant'Ilario d'Enza (RE), that is listed on the Milan Stock Exchange.

The Company manufactures and markets high and very high pressure plunger pumps, and has direct and indirect controlling interests in 131 companies. Interpump Group S.p.A. has production facilities in Sant'Ilario d'Enza (RE). For information on the Group's operations, refer to the “Board of Directors' Report” attached to the Consolidated Annual Financial Report.

The financial statements at 31 December 2025, prepared on a going concern basis, were approved by the Board of Directors at the meeting held on 20 March 2026.

2.2 Accounting policies adopted

2.2.1 Reference accounting standards

The financial statements at 31 December 2025 have been prepared in compliance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and endorsed by the European Union. “IFRS” also means the International Accounting Standards (“IAS”) currently in force and all the interpretative documents issued by the IFRS Interpretation Committee, previously denominated International Financial Reporting Interpretations Committee (“IFRIC”) and still earlier known as the Standing Interpretations Committee (“SIC”).

The statement of financial position and the income statement are presented in euro, while the other schedules and notes are presented in thousands of euro. The financial statements are prepared using the cost method, with the exception of financial instruments, which are measured at fair value.

Preparation of a report in compliance with IFRS (International Financial Reporting Standards) calls for judgments, estimates, and assumptions that effect assets, liabilities, costs and revenues. The final results may differ from the results obtained using estimates of this type. The captions of the financial statements that call for more subjective appraisal by the directors when preparing estimates and for which a change in the conditions underlying the assumptions utilized could have a significant effect on the financial statements are: goodwill, amortization and depreciation of fixed assets, deferred tax assets and liabilities, the allowance for doubtful accounts and the allowance for inventories, provisions for risks and charges, defined benefit plans for employees, the recoverability of the value of investments and liabilities for the acquisition of investments included under other liabilities.

In particular, discretionary measurements and significant accounting estimates are made to determine the recoverable value of each equity investment. Their purpose is to identify possible evidence of impairment, forecast profitability over the period covered by the Group Business Plan, determine the normalized cash flows needed to estimate terminal value, and establish the long-term growth and discounting rates applied to the forecasts of future profitability. The key assumptions used to measure equity investments, including a sensitivity analysis, are described in Note 2.3.8.

The Company's income statement is prepared by functional areas (or cost of sales), this form being considered more representative than presentation by type of sales, this information being specified in the notes to the financial statements. The chosen format is consistent with internal reporting and the business management processes adopted. For a comprehensive analysis of the Group's economic results, see the “Board of Director's Report” attached to the Consolidated Annual Financial Report.

The reporting formats and related classification criteria adopted by the Company are indicated below.

In the context of the options envisaged in IAS 1 - Presentation of financial statements, the statement of financial position classifies assets and liabilities in accordance with the “current/non-current” criterion.

The income statement classifies operating costs by the purpose for which they were incurred; in compliance with IFRS requirements, the statement of comprehensive income includes, in addition to the results for the year, income and costs not recognized in the income statement for the year, as required by the IFRS issued by the International Accounting Standards Board and adopted by the European Union.

The cash flow statement presents the cash flows from operating activities using the “indirect method”.

2.2.1.1 Accounting standards, amendments and interpretations in force from 1 January 2025 and adopted by the Company

As from 2025 the Company has applied the following new accounting standards, amendments and interpretations, reviewed by IASB:

- *Amendments to IAS 21 - The effects of changes in foreign exchange rates: lack of exchangeability.* The IASB published an amendment on 15 August 2023 that contains guidelines to clarify when one currency is exchangeable into another currency and how to determine the exchange rate when, by contrast, it is not exchangeable. The amendments took effect on 1 January 2025. Early adoption is allowed.

The adoption of this standard had no significant effects on the financial statements of the Company.

2.2.1.2 Accounting standards, amendments and interpretations in force from 1 January 2025 but not relevant for the Company

All accounting standards that took effect from 1 January 2025 are relevant for the Company.

2.2.1.3 Accounting standards and amendments not yet applicable and not adopted early by the Company

- *IFRS 18 - Presentation and Disclosure in Financial Statements.* On 9 April 2024, the IASB published a new standard that introduces certain important disclosures to be made in the explanatory notes to the financial statements when performance indicators are used that, as per the new standard, fall within so-called Management-defined Performance Measures. This ensures more transparent and comparable information for investors on the financial results of companies. This standard will apply to all companies that report under the IFRS issued by the International Accounting Standards Board and adopted by the European Union. The amendments are effective for annual periods beginning on or after 1 January 2027. Early adoption is allowed.

  During 2025, the Company began work to analyze and assess the potential impacts of applying IFRS 18.

  The effects of applying this standard are still being assessed and, at this time, its impacts on the financial statements of the Company have not yet been determined.

- *IFRS 19 - Subsidiaries without Public Accountability: Disclosures.* On 9 May 2024, the IASB published a new standard for subsidiaries without public accountability, which allows qualifying subsidiaries to apply IFRS with limited disclosures. The application of IFRS 19 will reduce the cost of preparing the financial statements of subsidiaries, while retaining the usefulness of the information provided to the users of their accounts. The amendments are effective for annual periods beginning on or after 1 January 2027. Early adoption is allowed.

- *Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments.* On 30 May 2024, the IASB published an Exposure Draft that amends in particular IFRS 9 (Financial Instruments) and IFRS 7 (Financial Instruments: Disclosures), proposing amendments to ensure *inter alia* that the financial statements reflect more fairly the effects that contracts for renewable electricity have on a company. The amendments are effective for annual periods beginning on or after 1 January 2026. Early adoption is allowed.

- *Annual improvements to IFRS - Volume 11*. On 19 July 2024, the IASB published this document containing clarifications, simplifications, corrections and amendments to the IFRS that improve their internal consistency. The following accounting standards were modified: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows. The amendments are effective from 1 January 2026. Early adoption is allowed.

- Amendments to IFRS 9 and IFRS 7, Amendments to the Contracts Referencing Nature-dependent Electricity. On 18 December 2024, the IASB published amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, to help entities report better the financial effects of contracts structured as Power Purchase Agreements (PPAs), so that investors receive clearer information about their financial performance and expected cash flows. The amendments are effective for annual periods beginning on or after 1 January 2026. Early adoption is allowed.

- *Amendments to IFRS 19 - Subsidiaries without Public Accountability: Disclosures*. The IASB published these amendments to IFRS 19 on 21 August 2025. The newly-issued amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024. Specifically:

    - IFRS 18 - Presentation and Disclosure in Financial Statements.
    - Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).
    - International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12).
    - Lack of Exchangeability (Amendments to IAS 21).
    - Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

  With these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable.

- Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates. The IASB published an amendment to IAS 21 on 13 November 2025 that clarifies how entities should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. The objective is to improve the usefulness and comparability of the resulting information. The amendments are effective for annual periods beginning on or after 1 January 2027. Early adoption is allowed.

The Company is currently assessing the possible impacts of the new standards included in this section.

2.2.2 Business sector information

Based on the definition provided by standard IFRS 8 an operating segment is a component of an entity:

- that undertakes a business activity that generates costs and revenues;
- the operating results of which are periodically reviewed at the highest decisional/operating level of the entity in order to make decisions concerning the resources to allocate to the segment and the measurement of the results;
- for which separate accounting information is available.

The operating sectors in the Group is active reflect the organizational structure, were identified from the reports used by top management for decision-making purposes, and do not derive from the aggregation of several operating sectors. More specifically, they comprise the Water-Jetting sector, which basically includes high and very-high pressure pumps, very high pressure systems, high pressure homogenizers, separators, mixers, agitators, piston pumps, valves, mechanical sifters, automated milking systems and other machinery, primarily for the food industry, but also for the chemicals, cosmetics and pharmaceuticals sectors, as well as the Hydraulic sector, which includes power take-offs, gear pumps, hydraulic cylinders, directional controls, valves, gears and dispersion devices used to spread solid biological fertilizers, hoses and fittings, right-angle drives, orbital motors, steering systems (hydroguides) and other hydraulic components. Interpump Group S.p.A. operates entirely in the Water-Jetting sector, so it was not considered necessary to present the associated sector information.

Information is however provided about the geographical areas in which the Company operates, namely Italy, Europe (including non-EU European countries and excluding Italy) and the Rest of the World.

2.2.3 Treatment of foreign currency transactions

The functional and presentation currency adopted by Interpump Group S.p.A. is the euro. Foreign currency transactions are translated to euro using the exchange rates in force on the date of the transaction. Monetary assets and liabilities are translated at the exchange rate in force on the reporting date. Foreign exchange differences arising from the translation are recognized in the income statement. Non-monetary assets and liabilities measured at historical cost are translated at the exchange rates in force on the date of the related transactions. Monetary assets and liabilities stated at fair value are translated to euro at the exchange rate in force on the date in respect of which the relative fair value was determined.

2.2.4 Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are measured at the historical cost and stated net of accumulated depreciation (see next point *iii*) and impairment losses (see Note 2.2.7). The cost of goods produced internally includes the cost of raw materials, directly related labor costs, and a portion of indirect production costs. The cost of assets, whether purchased externally or produced internally, includes the ancillary costs that are directly attributable and necessary for use of the asset and, when they are significant and in the presence of contractual obligations, the current value of the cost estimated for the dismantling and removal of the related assets.

Financial expenses relating to loans utilized for the purchase of tangible fixed assets are recorded in the income statement on an accruals basis if they are not specifically allocated to the purchase or construction of the asset, otherwise they are capitalized.

Assets held for sale are measured at the lower of the fair value net of ancillary charges to the sale and their book value at the time of classification of said captions as held for sale.

ii. Subsequent costs

The replacement costs of certain parts of assets are capitalized when it is expected that said costs will result in future economic benefits and they can be measured in a reliable manner. All other costs, including maintenance and repair costs, are recognized in the income statement when they are incurred.

iii. Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated residual useful lives of the related capitalized assets. Land is not depreciated. The estimated useful lives of assets are as follows:

Property	25 years
Plant and machinery	12.5 years
Industrial and commercial equipment	4 years
Other assets	4-8 years

The estimated useful lives of assets are reviewed on an annual basis, and any changes in the rates of depreciation are applied, where necessary, on a prospective basis.

For assets purchased and/or that became operational in the year, depreciation is calculated utilizing annual rates reduced by 50%. Historically, this method of calculation has been representative of the effective use of the assets in question.

Any profits/losses emerging on the derecognition of assets, on disposal (from the date on which the purchaser obtains control over them) or when no further economic benefits are expected from their use or disposal (being the difference between their carrying amount and the net consideration obtained), are recognized in the income statement at that time.

iv. Leases

Right-of-use assets are measured at cost and stated net of accumulated depreciation and impairment. They are also adjusted following remeasurement of the related lease liabilities. The cost of right-of-use assets comprises the amount of the lease liabilities recognized, the initial direct costs incurred and the lease payments made at or before the start date, net of any and all incentives received. Right-of-use assets are depreciated on a straight-line basis from the start date until the end of the useful life of the asset, being the end of the usage right (duration of the lease contract). The corresponding liability to the lessor is classified among the financial debts.

v. Leasehold improvements

Any leasehold improvements with the same characteristics as fixed assets are capitalized in the asset category to which they relate and depreciated over their useful lives or, if shorter, over the residual life of the lease.

2.2.5 Goodwill

Goodwill is represented by the merger deficit portions paid for this reason and arising from the merger operations.

Goodwill is recorded at cost, net of impairment losses. Goodwill is allocated to a single cash generating unit and is no longer amortized as from 1 January 2004. The book value is measured in order to assess the absence of impairment (see Note 2.2.7).

2.2.6 Other intangible fixed assets

i. Research and development costs

Research costs for the acquisition of new technical know-how are charged to the income statement as incurred.

Development costs relating to the creation of new products/accessories or new production processes are capitalized if the Company can prove:

- the technical feasibility and intention of completing the intangible asset in such a way that it is available for use or for sale;
- its ability to use or sell the asset;
- the forecast volumes and realization values indicate that the costs incurred for development activities will generate future economic benefits;
- those costs are measurable in a reliable manner;
- the resources exist to complete the development project.

The capitalized costs relate to development projects that meet the requirements for deferral. Capitalized development costs are valued at cost, net of accumulated amortization, (see next point *v*) and impairment (see Note 2.2.7).

ii. Loan ancillary costs

Loan ancillary costs are deducted from the nominal amount of the loan and treated as outlined in Note 2.2.13.

iii. Other intangible fixed assets

Other intangible assets, all having a defined useful life, are measured at cost and recorded net of accumulated amortization (see next point *v*) and impairment (see Note 2.2.7).

Software licenses are amortized over their period of utilization (5 years).

The costs incurred internally for the creation of trademarks or goodwill are recognized in the income statement when they are incurred.

iv. Subsequent costs

Costs incurred subsequently relative to intangible fixed assets are capitalized only if they increase the future economic benefits of the specific capitalized asset, otherwise they are entered in the income statement when they are sustained.

v. Amortization

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of the related capitalized assets. The estimated useful lives of assets are as follows:

Patents and trademarks	5-18 years
Development costs	5 years
Granting of software licenses	5 years

The estimated useful life is reviewed on an annual basis and any changes in the rates are made, where necessary, for future amounts.

2.2.7 Impairment of assets

The book values of assets, with the exception of inventories (see Note 2.2.11), financial assets regulated by IFRS 9, deferred tax assets (see Note 2.2.15), and non-current assets held for sale regulated by IFRS 5, are subject to measurement at the reporting date in order to identify the existence of possible indicators of impairment. If the valuation process identifies the presence of such indicators, the presumed recoverable value of the asset is calculated using the methods indicated in the following point (*i*).

The presumed recovery value of goodwill and intangible assets that have not yet been used is estimated at intervals of no longer than once a year or more frequently if specific events occur that point to the possible existence of impairment. If the estimated recoverable value of the asset or its cash generating unit is lower than its net book value, the asset to which it refers is consequently adjusted for impairment loss with entry into the income statement.

Goodwill is systematically measured (impairment test) at least once a year or more as prescribed by IAS 36.

i. Calculation of estimated recoverable value

The estimated recoverable value of other assets is equal to their fair value less selling costs or, if greater, their value in use. The value in use is equivalent to the projected future cash flows, discounted to present value at a rate, including tax, that takes account of the market value, of interest rates and specific risks of the asset to which the presumed realization value refers. For assets that do not give rise to independent cash flows the presumed realization value is determined with reference to the cash generating unit to which the asset belongs.

ii. Reinstatement of impairment losses

An impairment relating to other assets is reinstated if a change has occurred in their estimated recoverable value.

Impairment is reinstated to the extent of the corresponding book value that would have been determined, net of depreciation/amortization, had no impairment loss ever been recognized. Impairment related to goodwill is never reinstated.

2.2.8 Equity investments

Investments in subsidiaries and associates are measured at cost. Should any impairment of value arise at the reporting date in comparison to the value determined according to the above method, the investment in question will be written down.

2.2.9 Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank and post office deposits, and securities having original maturity date of less than three months. Current account overdrafts and advances with recourse are deducted from cash only for the purposes of the cash-flow statement.

2.2.10 Financial assets (Trade receivables, Other financial assets and Other assets)

On initial recognition, the classification of financial assets depends on how they will be measured subsequently: at amortized cost, at fair value through other components of comprehensive income or at fair value through profit or loss. Again at the time of initial recognition, financial assets are classified with reference to the characteristics of the related contractual cash flows and the business model used by the Company for their management. With the exclusion of trade receivables that do not contain a significant financing component, the Company initially measures financial assets at their fair value, including transaction costs in the case of those not measured at fair value through profit and loss. Trade receivables that do not have a significant financial component are measured at their transaction price, as defined in accordance with IFRS 15.

Financial assets are measured at amortized cost if they are held in order to collect contractual cash flows (*Held to Collect*), represented solely by the payment of principal and interest on the amount of principal still be repaid. All receivables are included in this category. These assets are measured at amortized cost, in accordance with the effective interest criterion, and stated net of impairment losses. Interest income, exchange gains and losses, and impairment losses are recognized in the profit (loss) for the year, as are derecognition gains and losses.

Financial assets are measured at fair value through other comprehensive income if they are held by the Company both to collect contractual cash flows, represented solely by the payment of principal and interest on the amount of principal to be repaid, and to sell them *(Held to Collect and Sell).*

If a financial asset is not measured in one of the two ways described above, it must be measured at fair value through profit or loss. Accordingly, this category includes the assets held for trading and the assets designated on initial recognition as financial assets at fair value through profit or loss, as well as the financial assets whose measurement at fair value is mandatory. The fair value of the financial assets held for trading is determined with reference to market prices on the relevant annual or interim reporting date, or using financial valuation techniques and models.

In accordance with IFRS 9, commencing on 1 January 2018 the Company adopted a new impairment model for financial assets measured at amortized cost or at fair value through other components of comprehensive income, with the exception of equity securities and assets deriving from customer contracts. This new model is based on determining the expected credit loss (ECL), which replaced the incurred loss model previously envisaged in IAS 39.

The new standard envisages adoption of the following methodologies: the General deterioration method and the Simplified approach. The standard does not define specific criteria for the segmentation of customers, leaving entities free to select the sampling subsets in a manner that ensures consistency with historical experience.

Within the simplified model, an analytical approach has been applied in relation to trade receivables deemed by management to be individually significant, and for which more detailed information is available about the significant increase in credit risk.

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the statement of financial position) when:

- the right to receive cash flows deriving from the asset has expired, or
- the Company has transferred the right to receive cash flows deriving from the asset to a third party, or has accepted a contractual obligation to pay them over in full and without delay and (a) has transferred substantially all the risks and benefits of ownership of the financial asset, or (b) has not transferred or retained substantially all the risks and benefits of ownership of the financial asset, but has transferred control over it.

The profit (loss) on a financial asset that is measured at amortized cost and is not included in a hedging relationship must be recognized in profit (loss) in the year in which it is derecognized or reclassified, or via the amortization process or to recognize the gains or loss on impairment adjustments.

2.2.11 Inventories

Inventories are measured at the lower of purchase cost or their estimated realizable value. Cost is determined on a weighted-average basis and includes all costs incurred to purchase the materials and transform them into their state and condition at the reporting date. The cost of semi-finished goods and finished products includes a portion of indirect costs determined on the basis of normal production capacity. Write down provisions are calculated for materials, semi-finished goods and finished products considered to be obsolete or slow moving, taking account of their expected future usefulness and their realizable value. Net realizable value is estimated with reference to market price in the ordinary course of business, less any completion and selling costs to be incurred.

2.2.12 Share capital and Treasury shares

The price paid to purchase of treasury shares, inclusive of any directly-attributable ancillary charges, is deducted from share capital for the portion concerning the nominal value of shares and from other shareholders' equity for the remainder. When treasury shares are sold or reissued, the price collected, net of any directly attributable ancillary charges and the associated tax effect, is recorded as share capital for the portion concerning the nominal value of shares and as shareholders' equity for the surplus.

2.2.13 Financial liabilities (Trade payables, Bank debts, Interest-bearing financial debts and Other liabilities)

On initial recognition, financial liabilities are measured at fair value through profit and loss and classified either as loans or as derivatives designated as hedging instruments. All financial liabilities are initially recognized at fair value, including directly-attributable transaction costs in the case of loans and payables. Following initial recognition, loans are measured at amortized cost using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated collections over the expected life of the financial instrument or the future payments to the gross carrying amount of the financial asset or the amortized cost of the financial liability. Profits and losses are recognized in the income statement when liabilities are settled, as well as via the amortization process. Amortization using the effective interest rate is classified among the financial expenses in the income statement.

A financial liability is derecognized when the underlying obligation expires or when the obligation specified in the contract is settled, canceled or expires.

Trade payables and other debts, the relative due date of which is within normal commercial terms, are not discounted to present value and are entered at the amortized cost representative of their discharge value.

Current financial liabilities include the short-term portions of the interest-bearing financial debts, bank and lease payables and other financial liabilities.

2.2.14 Liabilities for employee benefits

i. *Defined contribution plans*

The Company participates in defined pension plans with public administration or private plans on a compulsory, contractual or voluntary basis. The payment of contributions fulfills the Company's obligations towards its employees. The contributions therefore constitute costs of the period in which they are due.

ii. Defined benefit plans

Defined benefit plans for employees - disbursed at the time of termination of the period of employment with the Company or thereafter - that include severance indemnity, are calculated separately for each plan, estimating the amount of the future benefit that the employees have accrued during the year and in previous years by means of actuarial techniques. The resulting benefit is discounted to present value and recorded net of the fair value of any related assets. The discount rate at the reporting date is calculated as required by IAS 19 with reference to the market yields of high quality corporate bonds. Only the securities of corporate issuers with an "AA" rating are considered, on the assumption that this class identifies a high rating level in the context of "Investment Grade" securities, with the exclusion, therefore, of higher risk securities. Given that IAS 19 does not make explicit reference to a specific business category, the Group has opted for a “Composite” market yield curve that, accordingly, summarizes market conditions on the measurement date for the securities issued by companies active in various sectors, including utilities, telephony, finance, banking and industrials.

The defined benefit obligation is calculated on an annual basis by an independent actuary using the projected unit credit method. If the plan benefits increase, the prior-service portion of the increase is charged to the income statement on a straight-line basis over the period in which the related rights will be acquired. If the rights are acquired immediately, the increase is recognized immediately in the income statement.

Actuarial profits and losses are recognized in a specific equity reserve on an accrual basis.

Until 31 December 2006 the severance indemnity provision (TFR) of Italian companies was considered to be a defined benefits plan. The rules governing the provision were amended by Law no. 296 of 27 December 2006 (“2007 Finance Act”) and by subsequent Decrees and Regulations enacted in the initial months of 2007. In the light of these changes, and in particular with reference to companies with at least 50 employees, as is the case of Interpump Group S.p.A., the TFR severance indemnity provision should now be classified as a defined benefits plan exclusively for the portions accrued prior to 1 January 2007 (and not yet paid out at the date of the financial statements), while after that date TFR should be considered as a defined contributions plan.

iii. Stock options

On the basis of the stock option plans currently in existence, certain employees and directors are entitled to purchase treasury shares from Interpump Group S.p.A. The options are measured at fair value, this being booked to the income statement as an addition to the cost of personnel and directors, with a matching entry in the share premium reserve. The fair value is measured at the grant date of the option and recorded in the income statement in the period that runs between said date and the date on which the options become exercisable (vesting period). The fair value of the option is determined using the applicable options measurement method (specifically, the trinomial lattice model), taking account the terms and conditions at which the options were granted.

The remuneration component deriving from stock option plans with Interpump Group S.p.A. shares as the underlying, in accordance with the matters envisaged by interpretation IFRIC 11, is recognized as a capital grant disbursed to subsidiaries wherein the beneficiaries of the stock option plans are employees and consequently recorded as an increase of the relative value of the shareholdings, with a matching entry recorded directly in equity.

2.2.15 Income taxes

Income taxes disclosed in the income statement include current and deferred taxes. Income taxes are generally disclosed in the income statement, except when they refer to types of items that are recorded directly under shareholders' equity. In this case, the income taxes are also recognized directly in equity.

Current taxes are taxes that are expected to be due, calculated by applying to the taxable income the tax rate in force at the reporting date and the adjustments to taxes of prior years.

Deferred taxes are calculated using the liability method on the temporary differences between the amount of assets and liabilities in the financial statements and the corresponding values recognized for tax purposes. Deferred tax liabilities are recognized in relation to all taxable temporary differences, except for:

- the deferred tax liabilities deriving from the initial recognition of goodwill or an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect the reported results or taxable income;
- reversals of taxable temporary differences, associated with investments in subsidiaries, associates and joint ventures, that can be controlled and that are unlikely to occur in the foreseeable future.

Deferred tax assets are recognized in relation to all deductible temporary differences, tax credits and unused tax losses carried forward, to the extent that future taxable income is likely to be sufficient to allow the recovery of the deductible temporary differences, tax credits and tax losses carried forward, except for:

- the deferred tax assets linked to deductible temporary differences that derive from the initial recognition of an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect the reported results or taxable income;
- the deferred tax assets linked to deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, which are only recognized if they are likely to reverse in the foreseeable future and there will be sufficient taxable income for the recovery of such temporary differences. Deferred taxes are calculated in accordance with the envisaged method of transfer of timing differences, using the tax rate in force at the reference date of years in which the timing differences arose.

Deferred taxes are calculated in accordance with the envisaged method of transfer of timing differences, using the tax rate in force at the reference date of years in which the timing differences arose.

Deferred tax assets are recognized exclusively in the event that it is probable that in future years sufficient taxable incomes will be generated for the realization of said deferred taxes. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that future taxable income is no longer likely to be sufficient to allow the recovery of such assets, in whole or in part. Any unrecognized deferred tax assets are reviewed at each reporting date and recognized to the extent that it has become probable that future taxable income will be sufficient to allow their recovery.

2.2.16 Provisions for risks and charges

In cases wherein the Company has a legal or substantial obligation resulting from a past event, and when it is probable that the loss of economic benefits must be sustained in order to fulfill such an obligation, a specific provision for risks and charges is created. If the temporal factor of the envisaged loss of benefits is significant, the amount of the future cash outflows is discounted to present values at a rate, gross of taxes, that takes account of the market interest rates and the specific risk of the liability referred to.

2.2.17 Revenues

i. Revenues from the sale of goods and services

Revenues deriving from contracts with customers are recognized on the basis of the following 5 steps: (i) identification of the contract with the customer; (ii) identification of the contractual performance obligations to be transferred to the customer in exchange for the transaction price; (iii) determination of the transaction price; (iv) allocation of the transaction price to the individual performance obligations; (v) recognition of the revenue when the associated performance obligation is fulfilled. Revenues are recognized at the amount of the consideration to which the Company considers it is entitled on satisfaction of the obligation, when the customer acquires control over the goods or services transferred. The Company has identified a single revenue stream from the sale of products and spare parts representing the obligations satisfied at a given point in time. Revenues from the sale of products are recognized when the significant risks and benefits associated with control over the goods are transferred to the purchaser. The change of control coincides with the transfer of ownership or possession of the goods to the purchaser and, therefore, generally occurs on shipment or on completion of the service.

ii. Dividends

Dividends are recognized in the income statement on the date they became payable, and are classified under ordinary earnings before interest and tax because they are considered to represent the ordinary holding activities performed by the Company.

2.2.18 Costs

i. Lease installments

The principal portion of lease installments is deducted from the financial payable, while the interest portion is charged to the income statement.

ii. Financial income and expenses

Financial income and expenses are recorded on an accrual basis in accordance with the interest matured on the net value of the relative financial assets and liabilities, using the effective interest rate. Financial income and expenses include foreign exchange gains and losses and the gains and losses on derivative instruments booked to the income statement.

2.3 Notes to the principal captions in the statement of financial position

2.3.1 Cash and cash equivalents

€/000	31/12/2025	31/12/2024
Cash	11	11
Bank deposits	108,846	109,547
Total	***108,857***	***109,558***

Bank deposits include € 157 thousand held in US dollars ($ 185 thousand).

The Company continued its strategy of maintaining immediately available liquidity throughout 2025.

2.3.2 Trade receivables

€/000	31/12/2025	31/12/2024
Trade receivables, gross	20,270	16,857
Bad debt provision	(855)	(852)
Trade receivables, net	***19,415***	***16,005***

Changes in the bad debt provision were as follows:

€/000	2025	2024
Opening balance	**852**	**797**
Provisions in the year	98	79
Releases in the year to cover losses	(95)	(24)
Closing balance	***855***	***852***

Provisions in the year are booked under other operating costs.

Receivables denominated in US dollars total € 4,506 thousand ($ 5,295 thousand). At 31 December 2025 no receivables were hedged against the risk of exchange rate fluctuations.

No trade receivables or payables are due beyond twelve months.

Further information is provided in Note 2.6 - *Information on risks*.

2.3.3 Inventories

€/000	31/12/2025	31/12/2024
Raw materials and components	16,602	16,819
Semi-finished products	11,797	11,237
Finished products	2,030	1,834
Total inventories	***30,429***	***29,890***

Inventories are stated net of an allowance that has changed as indicated below:

€/000	2025	2024
Opening balance	**3,108**	**2,920**
Provisions in the year	210	568
Releases in the year to cover losses	(158)	(380)
Closing balance	***3,160***	***3,108***

2.3.4 Other current assets

This item comprises:

€/000	31/12/2025	31/12/2024
Price adjustments receivable	-	1,894
Other current assets	-	1,180
Other receivables	268	207
Accrued income and prepaid expenses	594	820
Total	***862***	***4,101***

2.3.5 Property, plant and equipment

€/000	Land and buildings	Plant and machinery	Equipment	Other assets	Total
At 1 January 2024					
Cost	15,827	63,913	22,605	5,003	107,348
Accumulated depreciation	(6,458)	(39,051)	(20,402)	(4,018)	(69,929)
Allowance for impairment	-	(4)	(171)	-	(175)
Net carrying amount	***9,369***	***24,858***	***2,032***	***985***	***37,244***
Changes in 2024					
Opening net carrying amount	**9,369**	**24,858**	**2,032**	**985**	**37,244**
Additions	131	3,229	283	102	3,745
Recognition of right-to-use assets (IFRS 16)	-	-	-	265	265
Disposals	-	(15)	(4)	(48)	(67)
Early close-out (IFRS 16)	-	-	-	(27)	(27)
Remeasurement (IFRS 16)	(2)	-	-	6	4
Reclassifications	6	-	-	(6)	-
Capitalized depreciation	(72)	(9)	(5)	(1)	(87)
Depreciation	(832)	(3,326)	(925)	(384)	(5,467)
Closing net carrying amount	***8,600***	***24,737***	***1,381***	***892***	***35,610***
At 31 December 2024					
Cost	15,278	66,142	21,982	4,850	108,252
Accumulated depreciation	(6,678)	(41,401)	(20,430)	(3,958)	(72,467)
Allowance for impairment	-	(4)	(171)	-	(175)
Net carrying amount	***8,600***	***24,737***	***1,381***	***892***	***35,610***

€/000	Land and buildings	Plant and machinery	Equipment	Other assets	Total
Changes in 2025					
Opening net carrying amount	**8,600**	**24,737**	**1,381**	**892**	**35,610**
Additions	567	3,565	680	594	5,406
Recognition of right-to-use assets (IFRS 16)	-	-	-	131	131
Disposals	-	(22)	-	-	(22)
Early close-out (IFRS 16)	-	-	-	(1)	(1)
Remeasurement (IFRS 16)	34	-	-	-	34
Reclassifications	83	-	-	(83)	-
Write-downs	-	-	(2)	-	(2)
Capitalized depreciation	(83)	(24)	(5)	(1)	(113)
Depreciation	(867)	(3,455)	(780)	(397)	(5,499)
Closing net carrying amount	***8,334***	***24,801***	***1,274***	***1,135***	***35,544***
At 31 December 2025					
Cost	15,266	66,328	21,991	5,293	108,878
Accumulated depreciation	(6,932)	(41,523)	(20,546)	(4,158)	(73,159)
Allowance for impairment	-	(4)	(171)	-	(175)
Net carrying amount	***8,334***	***24,801***	***1,274***	***1,135***	***35,544***

The cost of assets under construction, included in the net carrying amounts disclosed in the previous table, is as follows:

€/000	Land and buildings	Plant and machinery	Equipment	Other assets	Total
At 1 January 2024	-	970	168	6	1,144
At 31 December 2024	62	2,414	143	26	2,645
At 31 December 2025	41	1,676	309	241	2,267

The net carrying amount of leased assets is analyzed below:

€/000	Land and buildings	Plant and machinery	Equipment	Other assets	Total
At 31 December 2024	1,357	-	-	407	1,764
At 31 December 2025	696	-	-	361	1,057

Depreciation of € 4,926 thousand was charged to the cost of sales (€ 4,906 thousand in 2024), € 37 thousand to distribution costs (€ 34 thousand in 2024) and € 536 thousand for general and administrative costs (€ 527 thousand in 2024).

At 31 December 2025 the Company has contractual commitments for the purchase of property, plant and equipment totaling € 3,253 thousand (€ 1,719 thousand at 31 December 2024).

At 31 December 2025 property, plant and equipment are not burdened by mortgages and/or specific guarantees.

Further information is provided in Notes 2.7 - *Notes to the cash flow statement* and 2.8 - *Commitments*.

2.3.6 Goodwill

Goodwill is represented by the merger deficit portions paid for this reason and arising from the merger operations. Goodwill at 31 December 2025 amounts to € 44,537 thousand (€ 44,537 thousand at 31 December 2024 as well). The value of goodwill is allocated to the sole CGU in which the Company is active.

The Company carried out an impairment test on 31 December 2025. When reviewing its impairment indicators, the Company considered inter alia its stock market capitalization. In fact, the stock market capitalization of Interpump Group S.p.A. was far higher than the net assets of the Company and the Group, inclusive of goodwill, throughout 2025. The recoverable value identified from the impairment test was determined from the value-in-use calculation carried out using the Discounted Cash Flow (DCF) method, net of taxation. The projected cash flows used in the DCF calculation is determined on the basis of a 5-year business plan that takes account of the various reference scenarios and on the basis of growth forecasts in the various markets. A prudential perpetual growth rate of 1.5% was applied for periods after 2030. The projected cash flows determined in this manner were reduced by a discount factor in order to take account of the risk that future plans could become impracticable. *The after tax* weighted average cost of capital (WACC) was measured at 9.15%. The WACC was 8.85% at 31 December 2024. The sensitivity analysis required in the joint Bank of Italy, Consob, ISVAP document dated 3 March 2010 was also carried out. Even reducing the projected cash flows of the CGU by 10% would not have led to any impairment, and nor would an 0.5% increase in the cost of capital used to actualize the projected cash flows.

2.3.7 Other intangible fixed assets

€/000	Product development expenses	Patents trademarks and industrial rights	Other intangible fixed assets	Total
At 1 January 2024				
Cost	23,960	149	3,235	27,344
Accumulated amortization	(19,578)	(146)	(2,986)	(22,710)
Allowance for impairment	(1,369)	-	-	(1,369)
Net carrying amount	***3,013***	***3***	***249***	***3,265***
Changes in 2024				
Opening net carrying amount	**3,013**	**3**	**249**	**3,265**
Increases	507	-	273	780
Write-downs	(88)	-	-	(88)
Amortization	(374)	-	(131)	(505)
Closing net carrying amount	***3,058***	***3***	***391***	***3,452***
At 31 December 2024				
Cost	24,379	149	3,508	28,036
Accumulated amortization	(19,952)	(146)	(3,117)	(23,215)
Allowance for impairment	(1,369)	-	-	(1,369)
Net carrying amount	***3,058***	***3***	***391***	***3,452***

€/000	Product development expenses	Patents trademarks and industrial rights	Other intangible fixed assets	Total
Changes in 2025				
Opening net carrying amount	**3,058**	**3**	**391**	**3,452**
Increases	569	-	183	752
Write-downs	(215)	-	-	(215)
Amortization	(591)	-	(161)	(752)
Closing net carrying amount	***2,821***	***3***	***413***	***3,237***
At 31 December 2025				
Cost	24,733	149	3,691	28,573
Accumulated amortization	(20,543)	(146)	(3,278)	(23,967)
Allowance for impairment	(1,369)	-	-	(1,369)
Net carrying amount	***2,821***	***3***	***413***	***3,237***

Product development costs refer to the cost of developing new products, which is capitalized when the criteria set down in IAS 38 are satisfied. The Company writes down any capitalized project costs that are no longer deemed to be recoverable.

The other intangible assets mainly relate to the cost of purchasing licenses.

The cost of assets under construction, included in the net carrying amounts disclosed in the previous table, is as follows:

€/000	Product development expenses	Other intangible fixed assets	Total
At 1 January 2024	2,133	116	2,249
At 31 December 2024	2,208	105	2,313
At 31 December 2025	1,252	97	1,349

The Company has assessed the recoverability of assets in progress without identifying any evidence of impairment.

Amortization of € 752 thousand (€ 505 thousand in 2024) was booked entirely to general and administrative expenses.

2.3.8 Investments in subsidiaries

€/000	Balance at 31 December 2024	Increases due to grant of stock options	Increases / (Decreases)	Impair-ment	Balance at 31 December 2025
Walvoil S.p.A.	118,172	-	-	-	118,172
Walvoil Fluid Power India Pvt. Ltd.	14	-	-	-	14
NLB Corporation Inc.	62,048	-	-	-	62,048
GP Companies Inc.	8,903	-	-	-	8,903
Interpump Hydraulics S.p.A.	104,258	-	-	-	104,258
Hammelmann GmbH	26,032	-	-	-	26,032
Inoxpa S.A.	93,127	-	-	-	93,127
Reggiana Riduttori S.r.l.	165,226	-	-	-	165,226
Transtecno S.r.l.	89,583	-	-	-	89,583
Inoxihp S.r.l.	8,704	-	-	-	8,704
Interpump Piping GS S.r.l.	310	-	-	-	310
SIT S.p.A.	934	-	-	-	934
Tubiflex S.p.A.	34,485	-		-	34,485
Pioli S.r.l.	3,008	-		-	3,008
Servizi Industriali S.r.l.	4,059	-	644	-	4,703
White Drive Motors and Steering Sp. z o.o.	184,698	-	-		184,698
White Drive Motors and Steering GmbH	28,935	-	-	-	28,935
White Drive Motors and Steering LLC	65,428	-	8,604	(7,800)	66,232
IPG Mouldtech India Pvt Ltd.	7,861	-	-	-	7,861
Waikato Milking Systems Ltd.	30,291	-	(1,889)	(268)	28,134
Hydra Dyne Technology Inc	4,507	-	-	-	4,507
I.mec S.r.l.	14,062	-	-	-	14,062
Alfa Valvole S.r.l.	45,167	-	-	-	45,167
Fair value of the stock options granted to the employees of subsidiaries	3,663	524	-	-	4,187
Total	***1,103,475***	***524***	***7,359***	***(8,068)***	***1,103,290***

During Q2 2025 the Company exercised the option to purchase 10% of Servizi Industriali S.r.l. from the minority quotaholders, raising the percentage ownership from 80% to 90%.

The increase in the investment in White Drive Motors and Steering LLC reflects the capital increase authorized during the year in order to capitalize the company, which is investing heavily in additional production capacity. The impairment was due to aligning the value of the investment with its recoverable amount, as described more fully later.

The decrease in the carrying amount of Waikato Milking Systems Limited was due to partial repayment of the capital employed.

Share-based payment agreements (stock option plans) that make equity instruments of the Parent company available to employees of its subsidiaries are recognized in accordance with IFRIC 11. The fair value of the stock options granted to and exercisable by employees of subsidiaries, € 524 thousand, has been added to the value of the investments, with an increase in the share premium reserve as the matching entry. All the equity investments held by Interpump Group S.p.A., with the exception of the investment in Sit S.p.A., are considered financial fixed assets from the date of acquisition and, therefore, not held-for-sale instruments (as defined in IFRS 9). The dividends credited to the income statement during the year totaled € 135,490 thousand (€ 108,297 thousand in 2024), as analyzed below (amounts shown in €/000):

Subsidiaries	2025	2024
Hammelmann GmbH	40,000	30,000
Walvoil S.p.A.	22,750	22,750
Reggiana Riduttori S.r.l.	20,000	20,000
Transtecno S.r.l.	13,500	8,000
Inoxpa S.A.	10,000	10,000
Interpump Hydraulics S.p.A.	8,000	-
NLB Corporation Inc.	5,153	3,730
Interpump Piping GS S.r.l.	5,000	4,000
GP Companies Inc.	4,313	6,545
Alfa Valvole S.r.l.	4,000	-
I.mec S.r.l.	1,610	1,540
Servizi Industriali S.r.l.	630	1,200
Inoxihp S.r.l.	527	527
Walvoil Fluid Power Pvt Ltd.	7	5
Total	***135,490***	***108,297***

The following breakdown shows the cost of investments in subsidiaries at 31 December 2025, compared with the related portion of the adjusted shareholders' equity (as described better below) pertaining to Interpump Group S.p.A.:

€/000	Share capital	Shareholders' equity	Profit (loss)	% held	Carrying amount	Adjusted shareholders' equity	% Adjusted shareholders' equity	Difference adjusted shareholders' equity
Walvoil S.p.A.	7,692	221,182	24,176	65%	118,172	274,123	178,180	60,008
Walvoil Fluid Power India Pvt. Ltd.	4,803	35,220	7,344	-	14	35,220	42	28
NLB Corporation Inc.	12	117,758	8,300	100%	62,048	150,696	150,696	88,648
GP Companies Inc.	1,854	24,928	5,818	100%	8,903	30,981	30,981	22,078
Interpump Hydraulics S.p.A.	2,632	421,184	49,786	100%	104,258	440,175	440,175	335,917
Hammelmann GmbH	25	175,701	48,786	100%	26,032	236,430	236,430	210,398
Inoxpa S.A.	23,000	71,729	13,729	100%	93,127	116,744	116,744	23,617
Reggiana Riduttori S.r.l.	6,000	104,733	19,532	100%	165,226	188,693	188,693	23,467
Transtecno S.r.l.	100	45,191	15,362	100%	89,583	102,650	102,650	13,067

€/000	Share capital	Shareholders' equity	Profit (loss)	% held	Carrying amount	Adjusted shareholders' equity	% Adjusted shareholders' equity	Difference adjusted shareholders' equity
Inoxihp S.r.l.	119	22,243	3,685	53%	8,704	44,689	23,560	14,856
Interpump Piping GS S.r.l.	10	6,022	5,082	100%	310	6,022	6,022	5,712
SIT S.p.A.	105	1,898	(31)	88%	934	1,898	1,670	736
Tubiflex S.p.A.	515	27,089	3,904	100%	34,485	47,176	47,176	12,691
Pioli S.r.l.	10	4,090	281	100%	3,008	5,826	5,826	2,818
Servizi Industriali S.r.l.	100	3,395	1,199	90%	4,703	6,663	5,997	1,294
White Drive Motors and Steering Sp. z o.o.	33,254	112,114	2,225	100%	184,698	273,471	273,471	88,773
White Drive Motors and Steering GmbH	25	29,256	260	100%	28,935	29,195	29,195	260
White Drive Motors and Steering LLC	86,070	45,349	(8,792)	100%	66,232	47,081	47,081	(19,151)
IPG Mouldtech India Pvt Ltd.	298	5,986	1,569	85%	7,861	11,920	10,132	2,271
Waikato Milking Systems Limited	27,591	23,210	(566)	100%	28,134	25,936	25,936	(2,198)
Hydra Dyne Technology Inc	80	17,874	737	15%	4,507	29,788	4,465	(42)
I.mec S.r.l.	100	10,293	2,402	70%	14,062	25,814	18,070	4,008
Alfa Valvole S.r.l.	1,560	18,752	5,663	100%	45,167	52,004	52,004	6,837

Para. 4 of IAS 36 establishes that financial assets classified as subsidiaries in accordance with IAS 27 must be stated at a value that does not exceed their recoverable amount. An asset is stated at more than its recoverable amount if its carrying amount exceeds the amount obtainable from its use or sale; in that case, IAS 36 requires recognition of the impairment identified.

In order to identify circumstances that might indicate the impairment of equity investments, management carries out the following procedures every year, or more frequently if necessary:

- comparison of the carrying amount of equity investments with the corresponding shareholders' equity, suitably adjusted at the reporting date by the additional value identified at the time of acquisition and included in the Purchase Price Allocation (PPA), as reported in the consolidated financial statements of the Interpump Group;
- in the case of negative differentials, analysis of expected future performance, as reflected in the budgets used for impairment testing purposes when preparing the consolidated financial statements;

- where potential impairment concerns remain, subjects each investment concerned to impairment testing via the Discounted Cash Flow (DCF) method applied net of taxation using the “equity-side” approach, in which its recoverable amount - equal to the Enterprise Value (as determined at a consolidated level via the DCF method using the “asset-side” approach) less the net financial position (usually referred to as the Equity Value) - must be compared with its carrying amount.

The above work did not identify any lasting impairment, except as described below.

Comparison at the reporting date of the carrying amount of each equity investment with its corresponding adjusted equity value, determined as described above, identified negative differences in relation to the investments in White Drive Motors and Steering LLC, Waikato Milking Systems Limited, and Hydra Dyne Technology Inc.

With regard to Waikato Milking Systems Limited and Hydra Dyne Technology Inc., the negative difference is principally attributable to the temporary effect of translating shareholders’ equity not denominated in euro. Accordingly, there have not been any trigger events that would make it necessary to apply the analytical methodology described above, which takes account of the expected future performance reflected in the financial plans.

On the other hand, the expectations for future performance reflected in the 2026-2030 business plan (used for the impairment tests carried out for consolidation purposes) were analyzed for White Drive Motors and Steering LLC, and a specific impairment test was carried out using the methodologies adopted at consolidated level, considering parameters specific to the country concerned (WACC of 8.91% and growth rate in perpetuity of 2.20%). In particular, the Discounted Cash Flow (DCF) method was applied net of taxation using the “equity-side” approach, where the recoverable amount is deemed equal to the Enterprise Value (as determined at a consolidated level via the DCF method using the “asset-side” approach) less the net financial position (usually referred to as the Equity Value). The value calculated in this way was lower than the carrying amount of the investment reported in the financial statements. As a consequence, the Company wrote down the value of the investment for consistency with its recoverable amount.

2.3.9 Other current and non-current financial assets

Other financial assets mostly comprise loans granted to subsidiaries.

The following table shows existing financial relations (amounts expressed in €/000):

€/000	Loans granted		Interest income	
Subsidiaries	31/12/2025	31/12/2024	2025	2024
Interpump Hydraulics S.p.A.	23,000	8,000	424	339
IMM Hydraulics S.p.A.	8,000	15,000	407	927
Tubiflex S.p.A.	5,000	7,500	268	402
GS-Hydro UK Ltd	2,800	160	113	15
Hydra Dyne Technology Inc.	2,077	4,154	75	130
GS-Hydro Korea Ltd	2,100	2,100	63	63
White Drive Motors and Steering GmbH	-	4,000	13	230
Muncie Power Inc.	-	-	-	326
Interpump Piping GS S.r.l.	-	-	-	18
Tekno Tubi S.r.l.	-	-	-	7
Inoxihp S.r.l.	-	-	-	5
Total	***42,977***	***40,914***	***1,363***	***2,462***

The loans to companies within the Interpump Group outstanding at 31 December 2025 earn interest at 3-month Euribor uplifted by a spread that fluctuated between 100 and 150 basis points, except for certain fixed-rate loans granted in a range between 1.95% and 3.50%.

In relation to the loans granted, € 37,377 thousand are current, while the remaining € 5,600 thousand are considered non-current.

2.3.10 Deferred tax assets and liabilities

The changes during the year in deferred tax assets and liabilities are analyzed below:

	Deferred tax assets		Deferred tax liabilities	
€/000	2025	2024	2025	2024
Balance at 1 January	**7,171**	**9,378**	**674**	**680**
Recognized in the income statement	920	(2,194)	13	(6)
Recognized in equity reserves	(20)	(13)	-	-
Other changes	-	-	-	-
Balance as at 31 December	***8,071***	***7,171***	***687***	***674***

Deferred tax assets and liabilities may be classified in the following captions of the statement of financial position:

€/000	Deferred tax assets		Deferred tax liabilities	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Property, plant and equipment	44	52	609	611
Intangible fixed assets	3,518	3,518	-	-
Inventories	906	890	-	-
Receivables	58	58	-	-
Dividends receivable	-	-	15	15
Equity investments	441	441	10	10
Liabilities for employee benefits	(504)	(529)	53	38
Cost of stock option plans	909	-	-	-
Provision for risks	1,716	1,968	-	-
Shareholders' equity:				
- liabilities for employee benefits	635	655	-	-
Other	348	118	-	-
Total	***8,071***	***7,171***	***687***	***674***

Deferred taxes recognized directly in equity are related to remeasurement of liabilities for employee benefits (TFR) connected to the actuarial component. The “Cost of stock option plans” was recorded consequent to recent tax legislation, as updated in the 2025 Budget Law, which only allows their deductibility when the options are exercised.

No deferred tax liabilities were recorded on provisions qualifying for tax relief due to the fact that distribution is not anticipated (see Note 2.3.17).

2.3.11 Interest-bearing financial debts and bank debts

The principal interest-bearing financial debts are all subject to compliance with the following covenants, calculated on the consolidated values:

- Net indebtedness / Shareholders' equity;
- Net indebtedness / EBITDA;
- EBITDA / Financial expenses.

At 31 December 2025 all financial covenants are amply respected.

Interest-bearing financial debts at 31 December 2025 include the bond issued in January 2024 that amounts to € 99,517 thousand.

Interest-bearing financial debts at 31 December 2025 also include lease payables under IFRS 16 of € 1,121 thousand (€ 1,872 thousand in 2024), as analyzed below:

	31 December 2025				31 December 2024			
€/000	Within 1 year	Between 1 and 5 years	Beyond 5 years	Total	Within 1 year	Between 1 and 5 years	Beyond 5 years	Total
Payment of lease installments	937	219	-	1,156	954	1,070	-	2,024
Interest	(27)	(8)	-	(35)	(95)	(57)	-	(152)
Present value of lease payables	***910***	***211***	***-***	***1,121***	***859***	***1,013***	***-***	***1,872***

Non-current, interest-bearing financial debts fall due as follows:

€/000	31/12/2025	31/12/2024
Between 1 and 2 years	125,451	170,184
Between 2 and 5 years	150,304	175,458
Beyond 5 years	79,517	84,424
Total	***355,272***	***430,066***

The following average interest rates were charged on the interest-bearing financial debts:

%	31/12/2025	31/12/2024
Bank debts	3.22	4.62
Bonds	4.17	4.17
Finance leases	3.48	4.47

At 31 December 2025, all bank debts bear interest at floating rates, while the bond bears interest at a fixed rate.

No outstanding loans are backed by guarantees at 31 December 2025 or were backed by guarantees during the year.

The Company has the following lines of credit which were unused at year-end:

€/000	31/12/2025	31/12/2024
Current account overdrafts and export advances	17,100	17,100
Bonds	162,349	183,617
Medium/long-term loans	80,000	-
Total	***259,449***	***200,717***

Further information about liquidity and interest-rate risks is provided in Note 2.6 - *Information on risks*.

Net indebtedness, including payables and commitments, determined in accordance with ESMA guidance 32-382-1138 and included in Consob notice no. 5/21, comprises:

€/000	31/12/2025	31/12/2024	01/01/2024
Cash and cash equivalents	108,857	109,558	88,280
Current financial debts (excluding the current portion of non-current financial debts)	(4,565)	(5,447)	(6,042)
Current portion of non-current financial debts	(194,058)	(208,589)	(232,543)
Current net indebtedness	***(89,766)***	***(104,478)***	***(150,305)***
Non-current financial debts	(355,272)	(430,066)	(399,847)
Net financial position	***(445,038)***	***(534,544)***	***(550,152)***
Commitments for the acquisition of investments	-	-	-
Total net indebtedness	***(445,038)***	***(534,544)***	***(550,152)***

Had current and non-current financial assets (comprising loans granted to Group companies totaling € 37,377 thousand and € 5,600 thousand respectively) also been considered, total net indebtedness would have been € 402,061 thousand at 31 December 2025 (€ 493,630 thousand at 31 December 2024).

2.3.12 Trade payables and Other current liabilities

Trade payables total € 23,000 thousand (€ 17,594 thousand in 2024) and principally comprise amounts payable to suppliers for goods and services.

Other current liabilities are analyzed below:

€/000	31/12/2025	31/12/2024
Payables to personnel	4,091	3,611
Payables to social security institutions	1,884	1,746
Customer advances	1,628	1,401
Customer credit balance	222	145
Customers for credit notes to issue	40	47
Payables for remuneration of directors/auditors	1,097	331
Other	96	238
Total	***9,058***	***7,519***

2.3.13 Provisions for risks and charges

€/000	Directors' termination indemnity provision	Agents' termination indemnity provision	Total
Balance at 1 January	**8,193**	**40**	**8,233**
Increase in the year	-	3	3
Surplus released to the income statement	(1,050)	-	(1,050)
Utilizations in the year	-	-	-
Balance as at 31 December	***7,143***	***43***	***7,186***

The principal item relates to the termination indemnity provision recorded in favor of the Executive Chairman, founder of the Group, by decision of the Board of Directors on 16 March 2020.

2.3.14 Liabilities for employee benefits

Liabilities for defined benefit plans

The changes in these liabilities are analyzed below:

€/000	2025	2024
Liabilities at 1 January	**3,373**	**3,775**
Amount charged to the income statement in the year	89	130
Recognition in equity of actuarial results	(84)	(53)
Reclassifications	(14)	(56)
Payments	(107)	(423)
Liabilities at 31 December	***3,257***	***3,373***

The following items were recognized in the income statement:

€/000	2025	2024
Current service cost	-	-
Financial Income / Expenses	89	130
Past service cost	-	-
Total recognized in the income statement	***89***	***130***

See Note 2.2.2 - *Profitability* in the "Report on operations" for an analysis of payroll costs.

The average number of employees broken down by category is as follows:

	2025	2024
Executives	16	17
Managers	17	14
White collar	124	120
Blue collar	284	294
Fixed-contract personnel	3	4
Total	***444***	***449***

The Company has 441 employees at 31 December 2025.

Liabilities for defined benefit plans (Severance indemnity - TFR) are determined using the following actuarial assumptions:

	Unit of measure	2025	2024
Discount rate	%	3.63	3.24
Percentage of employees expected to resign before retirement age (turnover)*	%	7.12	7.18
Annual cost-of-living increase	%	1.9	2.0
Average period of employment	Years	17.76	17.61

* = average annual turnover rate for all causes, in the first ten years following the valuation.

The following table summarizes the sensitivity analysis carried out on the discount rate, showing the effects (absolute amount) of reasonable changes in the rate at 31 December 2025:

Sensitivity analysis	Sensitivity	TFR €/000
Change in discount rate	+ 0.5%	3,162
Change in discount rate	- 0.5%	3,355

The discount rate on the reporting date is calculated as required by IAS 19 with reference to the market yield of high quality corporate bonds. Only the securities of corporate issuers with an "AA" rating are considered, on the assumption that this class identifies a high rating level in the context of "Investment Grade" securities, with the exclusion, therefore, of higher risk securities. Given that IAS 19 does not make explicit reference to a specific business category, the Group has opted for a “Composite” market yield curve that, accordingly, summarizes market conditions on the measurement date for the securities issued by companies active in various sectors, including utilities, telephony, finance, banking and industrials.

At 31 December 2025, analysis of the yield curve for “AA” securities, described above and used for actuarial valuation purposes, reflects an overall environment characterized by moderate volatility in the bond markets and a differentiated profile along the forward rate curve. In particular, during 2025, bond markets in the euro area underwent a complex process of adjustments to government and corporate yields, influenced by expectations regarding the macroeconomic indicators and by the outlook for the monetary policies of the principal central banks.

The changes in the yields on government and corporate securities in the euro area were not uniform along the forward curve. The yields on European ten-year sovereigns were supported at positive levels, with German Bunds and the government securities of core Euro-zone countries offering high returns, while the yields on investment grade corporate bonds remained attractive given the relatively contained credit spreads.

During 2025, inflation in the euro area converged steadily on the 2% target set by the European Central Bank, finishing the year at levels in line with, or marginally below, that target. This scenario contributed to greater caution when making monetary policy decisions, with the principal central banks - albeit not excluding restrictive measures for certain segments of the market - holding their official rates stable, while waiting and monitoring the inflation dynamics and economic growth trends.

This combination of stable official rates, credit spreads and investment-grade bond yields resulted in market conditions where the credit risk component and the duration continued to play an important role in the evolution of long-term yields. This macro-financial context is consistent with a period of consolidation in the bond markets, in which yields reflect both the positioning of expectations about monetary policy and operator assessments of credit risk in the corporate segments.

2.3.15 Other non-current liabilities

The deferred income classified among the non-current liabilities, € 2,629 thousand at 31 December 2025 (€ 2,452 thousand at 31 December 2024), relates to tax credits for the purchase of Industry 4.0 and 5.0 tangible fixed assets (2020 Budget Law - art. 1 of Law 160/2019, as amended by the 2021 Budget Law - art. 1 of Law 178/2020, and extended by art. 1, subsection 44, of Budget Law 2022 - Law 234/2021), which are deferred as future income and released to the income statement on an accruals basis, to match the depreciation charged on the assisted assets.

2.3.16 Share capital

Share capital comprises 108,879,294 ordinary shares with a unit nominal value of € 0.52 totaling € 56,617,232.88. However, the share capital reported in the financial statements amounts to € 55,320 thousand, since the nominal value of purchased treasury shares, net of those sold, has been deducted from share capital in compliance with the reference accounting standards. At 31 December 2025 Interpump S.p.A. holds 2,494,087 treasury shares in the portfolio, corresponding to 2.291% of share capital, acquired at an average unit cost of € 37.96064.

The changes in treasury shares over the past two years were as follows:

	Number
Balance at 1 January 2024	**1,908,863**
2024 purchases	250,000
Sale of shares on the exercise of stock options	(20,500)
Balance at 31 December 2024	**2,138,363**
2025 purchases	500,000
Sale of shares on the exercise of stock options	(144,276)
Balance at 31 December 2025	***2,494,087***

Taking treasury shares into consideration, the following changes were recorded in the number of shares in circulation:

	Number of shares	
	2025	2024
Ordinary shares in existence at 1 January	**108,879,294**	**108,879,294**
Treasury shares held	(2,138,363)	(1,908,863)
Shares in circulation at 1 January	**106,740,931**	**106,970,431**
Treasury shares purchased	(500,000)	(250,000)
Treasury shares sold	144,276	20,500
Total shares in circulation at 31 December	***106,385,207***	***106,740,931***

The aims identified by the Group in the management of capital are the creation of value for all shareholders and supporting development of the group, both through internal means and by means of targeted acquisitions. The Group therefore intends to maintain an adequate level of capitalization that, at the same time, makes it possible to generate a satisfactory economic return for shareholders and to guarantee economically effective access to external sources of borrowing. The Group constantly monitors the evolution of the debt-to-equity ratio and the generation of cash through its industrial operations. In order to attain the aforementioned goals, the Group constantly monitors the cash flows generated by the business sectors in which it operates, both through improvement or maintenance of profitability, and careful management of working capital and of other expenditure. Capital is construed as both the value contributed by Interpump Group shareholders (share capital and share premium reserve, totaling € 92,633 thousand at 31 December 2025 and € 97,894 thousand at 31 December 2024), and the value generated by Group operations (other reserves and legal reserve, including profit for the year, totaling € 712,952 thousand at 31 December 2025 and € 623,200 thousand at 31 December 2024, excluding the translation reserve and the remeasurement reserve for defined benefit plans).

Treasury shares purchased

The amount of the treasury shares held by Interpump Group S.p.A. is recorded in an equity reserve. The Company acquired 500,000 treasury shares in 2025 for € 16,594 thousand, at an average price of € 33.1881 (250,000 treasury shares were purchased in 2024 for € 10,337 thousand).

Treasury shares sold

In the execution of stock option plans, a total of 144,276 options were exercised during 2025, resulting in the collection of € 4,754 thousand (20,500 options were exercised for € 581 thousand in 2024). No treasury shares were divested during 2025 or 2024 in payment for equity investments.

Stock options

The fair values of the 2022/2024 stock option plan and, in 2025, that of the 2025/2027 stock option plan have been recognized in the 2024 and 2025 financial statements in compliance with IFRS 2. Costs of € 6,240 thousand (€ 4,970 thousand in 2024) relating to this stock option plan were therefore recognized in the 2025 income statement, with a matching entry to the share premium reserve. Said costs represent the portion for the year of the value of the options granted to employees and directors, established at the allocation date, corresponding to the value of the services rendered by the latter in addition to normal remuneration.

The income statement effects were booked as follows:

€/000	2025	2024
Cost of sales	11	-
Distribution expenses	32	25
General and administrative expenses	6,197	4,945
Total	***6,240***	***4,970***

Changes in the share premium reserve were as follows:

€/000	2025	2024
Share premium reserve at 1 January	**42,389**	**46,883**
Increase in the year due to recognizing in the income statement the fair value of stock options granted	6,240	4,970
Increase in the year due to recognizing in equity the fair value of stock options granted to the employees of subsidiaries	524	292
Increases on assignment of treasury shares as payment for subsidiaries acquired	-	-
Increases on assignment of treasury shares following the exercise of stock options	4,754	581
Utilization to cover purchase of treasury shares	(16,594)	(10,337)
Share premium reserve at 31 December	***37,313***	***42,389***

The Shareholders' Meeting held on 30 April 2019 approved a stock option plan, known as the "*Interpump Incentive Plan 2019-2021*", which envisages granting a maximum of 2,500,000 options at an exercise price of Euro 28.4952 each and, for options granted after 30 April 2020, at the official price quoted on the Italian Stock Exchange on the day prior to the grant date. At the meeting held on 27 June 2019, the Board of Directors granted 1,800,000 options to Executive Chairman Fulvio Montipò, while 418,500 options were granted to other beneficiaries during 2019. A further 20,000 options were granted to other beneficiaries on 3 June 2020. Overall, therefore, a total of 2,238,500 options were granted. The options were exercisable from 30 June 2022 to 31 December 2025 and, accordingly, this plan is now closed.

On 18 March 2024, the Board of Directors deemed it appropriate to identify the persons in certain key roles within the Company and the Group as "Key Management Personnel", recalling that, pursuant to the Consob Regulation on Related-Party Transactions, adopted by Resolution no. 17221 dated 12 March 2010, such persons are those who "*have the power and responsibility, directly or indirectly, to plan, manage, and control the activities of the company*".

The options granted to the executives concerned were initially classified among the "other beneficiaries".

The changes in options in 2025 and 2024 were as follows:

	Number of options	
	2025	2024
Options granted at 1 January	**80,776**	**101,276**
Options granted in the year	-	-
Options exercised in the year	(80,776)	(20,500)
Options canceled in the year	-	-
Total options granted at 31 December	***-***	***80,776***

The Shareholders' Meeting held on 29 April 2022 approved a new stock option plan, known as the "*Interpump Incentive Plan 2022-2024*", which envisages granting a maximum of 2,250,000 options at an exercise price of Euro 38.6496 each and, for options granted after 29 April 2023, at the official price quoted on the Italian Stock Exchange on the day prior to the grant date. The meeting of the Board of Directors held on the same date granted 1,620,000 options to Fulvio Montipò, the Executive Chairman.

On, respectively, 23 May 2022, 20 October 2022 and 28 April 2023, a further 288,000 (of which 45,000 to Chief Executive Officer Fabio Marasi), 6,000 and 35,000 options (including 15,000 to Chief Executive Officer Fabio Marasi) were granted to other beneficiaries (including those granted to the Key Management Personnel identified at the above-mentioned Board meeting held on 18 March 2024). Overall, a total of 1,949,000 options have therefore been granted. The options can be exercised between 30 June 2025 and 31 December 2028. A total of 2,000 options were canceled in 2025 (21,200 options canceled in 2024).

The changes in options in 2025 and 2024 were as follows:

	Number of options	
	2025	2024
Options granted at 1 January	**1,918,800**	**1,940,000**
Options granted in the year	-	-
Options exercised in the year	(63,500)	-
Options canceled in the year	(2,000)	(21,200)
Total options granted at 31 December	***1,853,300***	***1,918,800***

The Shareholders' Meeting held on 29 April 2025 approved a new stock option plan, the "*Interpump Incentive Plan 2025/2027*", that envisages the grant of up to 2,450,000 options, at an exercise price of € 30.4397. These may be exercised on one or more occasions between 30 June 2028 and 31 December 2031, for amounts each time of not less than 0.25% of the options granted to each beneficiary. The meeting of the Board of Directors held on 15 May 2025 granted 1,530,000 options, of which 1,140,000 to Fulvio Montipò, the Executive Chairman, 160,000 to Chief Executive Officer Fabio Marasi, and 230,000 to the Key Management Personnel identified at the Board meeting held on 18 March 2024 (see above). A further 204,000 options were granted to other beneficiaries on 26 May 2025. Overall, a total of 1,734,000 options have therefore been granted.

The fair value of the stock options and the actuarial assumptions utilized are as follows:

2019-2021 Plan

First grant	Unit of measure	
Number of options granted	no.	2,218,500
Grant date		28 June 2019
Exercise price		28.4952
Vesting date		1 July 2022
Fair value per option at the grant date	€	4.562
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	30
Expected average duration of the plan	years	4.76
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Euro swap rates at 28 July 2019)	%	-0.0182

Second grant	Unit of measure	
Number of options granted	no.	20,000
Grant date		3 June 2020
Exercise price		27.9868
Vesting date		1 July 2022
Fair value per option at the grant date	€	5.226
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	30
Expected average duration of the plan	years	3.83
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Euro swap rates at 3 July 2020)	%	0.1557

2022-2024 Plan

First grant	Unit of measure	
Number of options granted	no.	1,620,000
Grant date		29 April 2022
Exercise price		38.6496
Vesting date		30 June 2025
Fair value per option at the grant date	€	8.4601
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	31
Expected average duration of the plan	years	4.93
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 29 July 2022)	%	1.5540

Second grant	Unit of measure	
Number of options granted	no.	288,000
Grant date		23 May 2022
Exercise price		38.6496
Vesting date		30 June 2025
Fair value per option at the grant date	€	8.8040
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	31
Expected average duration of the plan	years	4.86
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 23 May 2022)	%	1.6911

Third grant	Unit of measure	
Number of options granted	no.	6,000
Grant date		20 October 2022
Exercise price		38.6496
Vesting date		30 June 2025
Fair value per option at the grant date	€	8.7606
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	34
Expected average duration of the plan	years	4.45
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 20 October 2022)	%	3.5668

Fourth grant	Unit of measure	
Number of options granted	no.	35,000
Grant date		28 April 2023
Exercise price		38.6496
Vesting date		30 June 2025
Fair value per option at the grant date	€	16.011
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	34
Expected average duration of the plan	years	3.93
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 28 April 2023)	%	3.5748

2025-2027 Plan

First grant	Unit of measure	
Number of options granted	no.	1,530,000
Grant date		15 May 2025
Exercise price		30.4397
Vesting date		30 June 2028
Fair value per option at the grant date	€	12.0381
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	32
Expected average duration of the plan	years	4.88
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 15 May 2025)	%	2.8263

Second grant	Unit of measure	
Number of options granted	no.	204,000
Grant date		26 May 2025
Exercise price		30.4397
Vesting date		30 June 2028
Fair value per option at the grant date	€	11.0226
Expected volatility (weighted average of volatility values used to build the trinomial lattice model)	%	32
Expected average duration of the plan	years	4.85
Expected dividends (compared with share value)	%	1.00
Risk-free interest rate (calculated by linear interpolation of Eur Composite AA rates at 26 May 2025)	%	2.7572

The expected volatility of the underlying variable (Interpump Group share) is a measure of the prospect of price fluctuations in a specific period. The indicator that measures volatility in the model utilized to evaluate the options is the mean square annualized deviation of compound returns of the Interpump Group share through time.

2.3.17 Reserves

Reserve from remeasurement of defined benefit plans

Includes the actuarial component of defined benefit plans (TFR).

Classification of net equity depending on possibility of utilization

€/000	Amount	Possibility of utilization	Available portion	Tax payable in the event of distribution	Summary of utilizations over the past three years: to cover losses	Summary of utilizations over the past three years: for other reasons
Share capital						
Subscribed and fully paid-up share capital	56,617	B	-	-	-	-
Nominal value of treasury stock in the portfolio	(1,297)	-	-	-	-	-
Total share capital	***55,320***					
Capital reserves						
Legal reserve	6,860	B	-	-	-	-
Share premium reserve	44	A, B, C	44	-	-	-
Total capital reserves	***6,904***		***44***			
Profit reserves						
Legal reserve	4,463	B	-	-	-	-
Share premium reserve	37,269	A, B, C	33,081	1,232	-	1,820
Extraordinary reserve	574,841	A, B, C	572,745	7,164	-	101,452
Reserve for share capital reduction	1,297	-	-	-	-	-
First Time Adoption Reserve	(86)	-	-	-	-	-
Merger surplus	863	A, B, C	698	-	-	-
Remeasurement reserve for defined benefit plans	(2,010)	-	-	-	-	-
Profit for the year	124,714	A, B, C	124,714	-	-	-
Total profit reserves	***741,351***		***731,238***			
Reserve for treasury shares held	94,677	-	-	-	-	26,931
Treasury shares	(94,677)	-	-	-	-	-
Non-distributable portion*			(3,237)			
Remaining distributable portion			728,045			

A: for capital increase B: for coverage of losses C: for distribution to shareholders

*= represents the non-distributable portion destined to cover deferred costs that have not yet been amortized.

The share premium reserve includes € 12,987 thousand subject to the deferral of taxation since, for tax purposes, it was formed from the revaluation reserves pursuant to Law 342/2000 and Law 266/2005.

The extraordinary reserve includes € 33,089 thousand subject to the deferral of taxation following the recognition for tax purposes of the net carrying amount of the goodwill recorded in the financial statements at 31 December 2019 pursuant to art. 110, subsection 8-*(2)*, of Decree 104/2020, as amended by art. 1, subsection 83, of Law 178 dated 30 December 2020.

Utilizations principally refer to the payment of dividends, purchases of treasury shares and reductions of reserves for other causes, excluding transfers between reserves. In particular, the changes in the past three years reflect the purchases of treasury shares and use of the share premium reserve on the sale of treasury shares for less than their carrying amount, following the exercise of stock options.

On the basis of tax legislation the reserves and profits are freely distributable and do not attract tax even in the case of distribution, on the condition that the reserves and residual profits exceed the negative components of income ascribed exclusively to the tax return; otherwise, distributed reserves and profits are subject to tax in the measure in which the residual reserves and profits are lower than the negative components of income that have been ascribed exclusively to the tax return. This condition is satisfied at 31 December 2025, hence no taxes would be payable in the event of distribution of the Company's entire profit for the year and all available reserves, beyond those already indicated in the prior statement.

Breakdown of components recorded directly in equity

€/000	2025			2024		
	Pre-tax amount	Taxation	Amount net of taxes	Pre-tax amount	Taxation	Amount net of taxes
Remeasurement of defined benefit plans	84	(20)	64	53	(12)	41
Total	***84***	***(20)***	***64***	***53***	***(12)***	***41***

2.3.18 Information on financial assets and liabilities

Financial assets and liabilities, broken down by the categories identified by IFRS 7, are summarized in the following tables:

€/000	Financial assets at 31 December 2025				Financial liabilities at 31 December 2025	
	At fair value through profit and loss		Measured at amortized cost	At fair value through other comprehensive income	Measured at amortized cost	Total
	Initially	Subsequently				
Trade receivables	-	-	19,415	-	-	19,415
Dividends receivable			1,280			1,280
Other current assets	-	-	268	-	-	268
Other current financial assets	-	-	37,377	-	-	37,377
Other non-current financial assets	-	-	5,600	-	-	5,600
Trade payables	-	-	-	-	(23,000)	(23,000)
Current, interest-bearing financial debts	-	-	-	-	(198,623)	(198,623)
Other current liabilities	-	-	-	-	(9,058)	(9,058)
Non-current, interest-bearing financial debts	-	-	-	-	(355,272)	(355,272)
Total	**-**	**-**	***63,940***	**-**	***(585,953)***	***(522,013)***

€/000	Financial assets at 31 December 2024				Financial liabilities at 31 December 2024	
	At fair value through profit and loss		Measured at amortized cost	At fair value through other comprehensive income	Measured at amortized cost	Total
	Initially	Subsequently				
Trade receivables	-	-	16,005	-	-	16,005
Dividends receivable			1,280			1,280
Other current assets	-	-	2,101	-	-	2,101
Other current financial assets	-	-	23,737	-	-	23,737
Other non-current financial assets	-	-	17,177	-	-	17,177
Trade payables	-	-	-	-	(17,594)	(17,594)
Current, interest-bearing financial debts	-	-	-	-	(214,036)	(214,036)
Other current liabilities	-	-	-	-	(7,519)	(7,519)
Non-current, interest-bearing financial debts	-	-	-	-	(430,066)	(430,066)
Total	**-**	**-**	***60,300***	**-**	***(669,215)***	***(608,915)***

The financial assets measured at amortized cost generated revenues and costs. Revenues comprise exchange gains of € 40 thousand (€ 867 thousand in 2024). Costs, on the other hand, refer to exchange losses of € 715 thousand (€ 209 thousand in 2024) and to bad debts for € 98 thousand (€ 79 thousand in 2024) classified under other operating costs.

Financial assets and liabilities measured at amortized cost generated interest income of € 1,363 thousand (€ 2,462 thousand in 2024), interest expense of € 21,266 thousand (€ 30,391 thousand in 2024) and interest expense on lease payables of € 54 thousand (€ 95 thousand in 2024); in addition, general and administrative expenses include commission amounts and bank charges of € 70 thousand (also € 70 thousand in 2024).

2.4 Notes to the principal income statement captions

2.4.1 Revenues

The following table analyzes net revenues by geographical area:

€/000	2025	2024
Italy	25,562	23,391
Europe (Italy excluded)	35,822	33,073
Rest of the World	56,113	59,057
Total	***117,497***	***115,521***

Details of revenues in each invoicing currency are provided below:

€/000	2025	2024
Euro	87,520	83,519
USD	29,977	31,975
GBP	-	27
Total	***117,497***	***115,521***

Revenues in USD refer primarily to invoices issued to GP Companies Inc. and NLB Corporation Inc., both US subsidiaries.

2.4.2 Other net revenues

Other net revenues are analyzed as follows:

€/000	2025	2024
Capital gains on the sale of tangible fixed assets	48	38
Income from rent/royalties	408	410
Revenues from consultancy	10	10
Sale of scrap	140	125
Reimbursement of expenses	1,667	899
Release of excess provisions	1,093	-
Refunds from insurance	2	4
Other	3,089	6,209
Total	***6,457***	***7,695***

Other operating income principally includes reimbursements linked to the purchase of investments, as envisaged in the related contracts.

2.4.3 Costs by nature

€/000	2025	2024
Consumption of raw materials and components	36,374	37,108
Personnel and temporary staff	31,069	29,642
Services	17,530	16,817
Depreciation and amortization of tangible and intangible fixed assets (Notes 2.3.5 and 2.3.7)	6,251	5,972
Directors' and statutory auditors' remuneration	9,101	7,247
Hire purchase and leasing charges	327	301
Provisions and impairment of tangible and intangible fixed assets (Notes 2.3.5, 2.3.7 and 2.3.13)	220	89
Other operating costs	5,981	6,879
Total cost of sales, distribution costs, general and administrative expenses, other operating costs and impairment losses on tangible and intangible fixed assets	***106,853***	***104,055***

The emoluments of the Directors and Statutory Auditors of Interpump Group S.p.A. in 2025 were, respectively, € 8,996 thousand and € 105 thousand and they include remuneration resolved by the Shareholders' Meeting, the remuneration established by the Board of Directors for directors vested with special offices, including bonuses and the remunerative component deriving from stock option plans represented by the fair value of the options calculated at the grant date, for the current portion.

Other operating costs mainly include other industrial costs, such as consumables, small tools and ancillary items, and other general and administrative expenses.

2.4.4 Financial income and expenses

€/000	2025	2024
Financial income		
Interest income from liquid funds	2,170	2,902
Interest income from financial assets (intercompany loans)	1,363	2,462
Other financial income	1	1
Exchange gains	40	867
Total	***3,574***	***6,232***

€/000	2025	2024
Financial expenses		
Interest expense on bank debt	17,250	26,752
Interest expense on bond	4,263	3,912
Interest expense on lease payables (IFRS 16)	54	95
Other financial expenses	132	165
Foreign exchange losses	715	209
Total	***22,414***	***31,133***

The reduction in interest income and expense was mainly attributable to the decline in official interest rates during the year, as well as to lower indebtedness.

2.4.5 Income taxes

The reconciliation of taxes calculated on the basis of the nominal rates in force and the effective tax burden is as follows:

€/000	2025	2024
IRES		
Profit before taxes from the income statement	125,683	100,939
Theoretical taxes at nominal rate (24%)	30,164	24,225
Lower taxes for non-taxable dividends	(30,920)	(24,563)
Higher taxes due to non-deductible adjustments to the value of investments	1,936	376
Lower taxes due to IRAP deduction relating to expenses for employees and similar	(28)	(28)
Lower taxes due to IRAP deduction on interest expenses	(3)	(3)
Lower taxes due to super and hyper depreciation	(438)	(597)
Higher (Lower) taxes due to tax benefit of franking goodwill	(164)	(164)
Taxes for prior financial years	4	-
Other	60	224
Total IRES	***611***	***(530)***

€/000	2025	2024
IRAP (regional tax)		
Profit before taxes from the income statement	125,683	100,939
Theoretical taxes at nominal rate (4.65%)	5,844	4,694
Lower taxes for non-taxable dividends	(6,300)	(5,036)
Higher (Lower) taxes due to tax benefit of franking goodwill	(32)	(32)
Higher taxes for non-deductible payroll costs	34	21
Higher taxes for non-deductible directors' emoluments	354	316
Higher (Lower) taxes due to non-deductible financial expenses	73	34
Taxes for prior financial years	-	1
Higher taxes due to non-deductible adjustments to the value of investments	375	73
Other	10	56
Total IRAP	***358***	***127***
Total income taxes recognized in the income statement	***969***	***(403)***

Taxes recognized in the income statement can be broken down as follows:

€/000	2025	2024
Current taxes	(1,872)	2,592
Current taxes for prior financial years	(4)	(1)
Deferred taxes	907	(2,188)
Total taxes	***(969)***	***403***

The deferred taxes recognized in the income statement are analyzed as follows:

€/000	2025	2024
Deferred tax assets generated in the year	1,597	1,044
Deferred tax liabilities generated in the year	(1,057)	(906)
Deferred tax assets reversed to the income statement	(677)	(3,238)
Deferred tax liabilities reversed to the income statement	1,044	912
Total deferred taxes	***907***	***(2,188)***

During 2025, the Company confirmed once again the domestic tax group election made together with Interpump Piping S.r.l. that, from the 2024 tax year, also includes Walvoil S.p.A. This expansion of the perimeter had a positive effect on the current tax charge for 2024, given the immediate possibility to realize tax assets held by the Company that were only partially recognized in the deferred tax calculation. The difference between the current tax charge and the amount of taxes paid, as reported in the cash flow statement, is attributable to the timing of advances and final payments collected from the companies belonging to the domestic tax group.

Given the size thresholds envisaged in the regulations, the multinational group to which the Company belongs is subject to application of the Global Minimum Tax (Pillar II) regulation from FY2024. In this regard and with specific reference to Italian law, the Group has identified the existence of at least one of the three CbCR Safe Harbors for the year ended 31 December 2025 and, accordingly, the Company has not recorded any national minimum tax charge. See Note 2.7.5 to the consolidated financial statements for a full discussion of the topic at Group level.

2.5 Earnings per share

Basic earnings per share

Earnings per share are calculated on the basis of profit for the year divided by the weighted average number of ordinary shares during the year as follows:

	2025	2024
Profit for the year attributable to shareholders (€/000)	124,714	101,342
Average number of shares in circulation	106,445,453	106,916,468
Basic earnings per share for the year (€)	***1.172***	***0.948***

Diluted earnings per share

Diluted earnings per share are calculated on the basis of diluted profit of the year attributable to the Parent company's shareholders, divided by the weighted average number of ordinary shares in circulation adjusted by the number of potentially dilutive ordinary shares. The calculation is as follows:

	2025	2024
Profit for the year attributable to shareholders (€/000)	124,714	101,342
Average number of shares in circulation	106,445,453	106,916,468
Number of potential shares for stock option plans (*)	262,675	192,369
Average number of shares (diluted)	106,708,128	107,108,837
Earnings per diluted share at 31 December (Euro)	***1.169***	***0.946***

(*) calculated as the number of shares granted for in-the-money stock option plans multiplied by the ratio between the difference of the average value of the share in the year and the exercise price at the numerator, and the average value of the share in the year at the denominator.

A dividend for 2025 of € 0.35 (€ 0.33 in 2024) was allocated to each outstanding share.

2.6 Information on risks

The Company is exposed to financial risks associated with its activities:

- market risks (mainly related to currency exchange rates and interest rates) since the Company does business internationally and is exposed to the exchange risk deriving from exposure to the US dollar;
- credit risk connected with business relations with customers;
- liquidity risk, with special reference to the availability of financial resources and access to the lending market and financial instruments in general;
- price risk in relation to metal price fluctuations that constitute a significant portion of the raw materials purchase price.

The Company is not exposed to significant concentrations of risk.

The Company constantly monitors the financial risks to which it is exposed in such a way as to make an advance assessment of potential negative effects and take appropriate actions to mitigate them.

With specific reference to the direct and indirect risks deriving from the macroeconomic environment and the Russia-Ukraine conflict, the exposure of the Company remains limited - as already stated in the Board of Directors' Report and confirmed by the economic results achieved in recent years.

The following section contains reference qualitative and quantitative indications regarding the uncertainty of these risks for Interpump Group S.p.A.

The quantitative data given below are not to be construed as forecasts; specifically, the sensitivity analyses concerning market risks are unable to reflect the complexity and correlated relations of markets that may derive from each prospected change.

2.6.1 Exchange-rate risk

The Company is exposed to risks arising from fluctuations in currency exchange rates, which may affect economic results. In particular, for revenues denominated in currencies other than those in which the respective costs are denominated, exchange rate fluctuations can impact on the Company's operating profit.

In 2025 the total amount of cash flow exposed directly to exchange risks was approximately 26% of Company revenues (about 28% in 2024), none of which is hedged against the risk of exchange-rate fluctuations.

The principal exchange rates to which the Company is exposed are EUR/USD in relation to sales in dollars of high pressure pumps in North America through GP Companies Inc., which is located in this market, and in direct relation to an important US customer. The Company also bills in USD to its other US subsidiary, NLB Corporation Inc.

The Interpump Group has adopted a policy of hedging commercial transactions denominated in foreign currency in the framework of which the most effective derivative instruments for the achievement of the preset goals have been identified and the relative responsibilities, duties and system of delegations have been defined.

In relation to the dollar exposure on recurring sales in the American market, Company policy is not to hedge those foreign currency transactions, while in relation to non-recurring sales in the US market (in terms of their amount or frequency), it is Company policy to arrange hedges only when deemed appropriate.

Again in relation to commercial activities, the Company may be in a position wherein it holds commercial receivables denominated in currencies other than the account currency. Fluctuations in exchange rates can therefore result in the realization or assessment of positive or negative exchange differences.

In relation to the financial exposures, wherever the monetary outflows are denominated in a currency other than the account currency, fluctuation of the exchange rates can impact the net profits of the Company negatively. No intercompany loans were granted or repaid in currencies other than the Euro during 2025. At 31 December 2025, there are no loans granted in currencies other than the functional currency of the Company.

The nature and structure of the exposure to exchange risk and the related hedging policies were substantially unchanged in 2025 and 2024.

2.6.2 Exchange risk sensitivity analysis

The potential profit deriving from the change in the fair value of financial assets and liabilities caused by a hypothetical and immediate increase in the value of the euro of 10% with respect to the US dollar would be about € 419 thousand (€ 388 thousand in 2024).

2.6.3 Interest-rate risk

It is currently Company policy not to arrange hedges, in view of the short average duration of the existing bank debts (around 3.5 years). At 31 December 2025, financial debts totaling € 99.5 million bear interest at fixed rates, while the remainder bear interest at floating rates.

At 31 December 2025 all liquid funds earn interest at floating rates.

In addition, in 2025 and in prior years the Company granted loans to subsidiaries totaling € 43.0 million (€ 40.9 million at 31 December 2024). As described in Note 2.3.9, these loans were all granted at floating rates, with the exception of those made to GS-Hydro Korea Ltd, Tubiflex S.p.A., and Hydra Dyne Technology Inc.

2.6.4 Sensitivity analysis related to interest-rate risk

The effects of a hypothetical and immediate upward variation in interest rates of 50 basis points would subject Interpump Group S.p.A. to higher financial expenses, net of the increase in financial income, totaling € 1,542 thousand (€ 2,168 thousand in 2024). It is reasonable to assume that a 50 basis points decrease in interest rates would produce an equivalent effect, although this time in terms of lower financial expenses.

2.6.5 Credit risk

The maximum theoretical credit risk exposure of the Company at 31 December 2025 and 2024 is represented by the accounting value of the financial assets recorded in the financial statements.

Historically the Company has not suffered any significant losses on receivables. This is because the Company generally allows extended payments only to its long-term customers, whose solvency and economic stability are known. In contrast, after having passed an initial credit rating analysis, new customers are required to make payments in advance or to open a letter of credit for amounts due.

Individual write-downs are applied in relation to positions, if of significant magnitude, in relation to which an objective condition of uncollectability is present for all or part of the outstanding amount. The amount of the write-down takes account of an estimate of the recoverable flows and the associated collection date, and the expenses and costs for future debt recovery. Collective provisions are allocated in relation to receivables that are not subject to individual write-downs, taking account of the historic exposure and statistical data.

At 31 December 2025, Loans and Receivables from financial activities total € 63,940 thousand (€ 60,300 thousand at 31 December 2024), and include € 855 thousand for written down receivables (€ 852 thousand at 31 December 2024); amounts overdue by less than three months are € 3,497 thousand (€ 2,209 thousand at 31 December 2024), while those overdue beyond three months total € 122 thousand (€ 152 thousand at 31 December 2024).

The Company is not exposed to any significant concentrations of revenues. In fact, the top customer in terms of revenues is part of the Interpump Group and accounted for about 24% of total revenues in 2025 (22% in 2024). The top customer outside the Group accounted for approximately 4% of revenues in 2025 (3% in 2024) while, in total, the top 10 customers after the first intercompany customer accounted for 18% of revenues (21% in 2024).

2.6.6 Liquidity risk

The liquidity risk can arise if it becomes impossible to obtain, at acceptable economic conditions, the financial resources needed for the Company's business operations. The two main factors that define the Company's liquidity situation are the resources generated by or used in business activities and investment, and the characteristics of expiry and renewal of debt or liquidity of financial investments and the relative market conditions.

The Company has adopted a series of policies and processes aimed at optimizing the management of resources in order to reduce the liquidity risk:

- retention of an appropriate level of cash on hand;
- diversification of the banks with which the Company operates;
- access to adequate lines of credit;
- negotiation of covenants at a consolidated level;
- monitoring of the prospective conditions of liquidity in relation to the corporate process.

The maturity characteristics of interest bearing financial debts and bank debts are described in Note 2.3.11. Together with the resources generated by operating and financing activities, as well as from the collection of dividends from affiliates, management considers that the funds and lines of credit currently available, or at an advanced stage of negotiation, will enable the Company to meet the requirements deriving from investing activities, the management of working capital and the settlement of payables as they fall due, while also supporting the pursuit of a growth strategy that includes targeted acquisitions capable of creating value for the shareholders. Liquid funds at 31 December 2025 total € 108.9 million. These funds, together with the cash generated in the manner described above, are definitely factors that reduce the exposure of the Company to liquidity risk. The decision to maintain a high level of cash was adopted in order to minimize the liquidity risk, which is considered important given the current state of uncertainty of the economy, and to pick up on any acquisition opportunities that may arise.

2.6.7 Price risk

Interpump Group S.p.A. is exposed to risks deriving from price fluctuations of metals, which may affect economic results and profitability. Specifically, the purchase cost of metals accounted for about 37% of the purchase cost of the Company’s raw materials, semi-finished products and finished products (25% in 2024). The main metals utilized by the Company include brass, aluminum, stainless steel and steel.

Company policy is to transfer the cost of stocking materials to suppliers; in this scenario the risk is hedged by means of orders for specific periods and quantities agreed at a fixed price; at 31 December 2025 signed commitments cover 65% of forecast stainless steel consumption in 2026 (41% at 31 December 2024), 33% of forecast aluminum consumption in 2026 (48% at 31 December 2024), 32% of forecast brass consumption in 2026 (85% at 31 December 2024) and 31% of forecast steel consumption in 2026 (41% at 31 December 2024). In addition, at 31 December 2025 stocks covered about 39% of forecast brass consumption (31% at 31 December 2024), about 33% of forecast stainless steel consumption (30% at 31 December 2024), about 30% of forecast steel consumption (37% at 31 December 2024) and about 14% of forecast aluminum consumption (17% at 31 December 2024).

The prices for non-energy raw materials have remained high with respect to the pre-Covid period, despite the prolonged global economic slowdown, with fluctuations during the year depending on the commodity concerned. On the one hand, steel prices tended towards stability while, on the other, aluminum and brass prices rose, except in the summer months. Copper prices rose strongly in 2025, once again reaching the peaks recorded in 2022. Considerable uncertainty is expected in 2026, principally due to the recent tariffs and entry in force of the Carbon Border Adjustment Mechanism

(CBAM), which will impact the cost of non-EU imports and make it harder to define stable pricing policies. In order to mitigate the volatility of prices, in this context the Company has maintained focus on the organization of processes, accompanied by the daily monitoring of markets, constant attention to the rapid change in global economic policies, medium-term agreements with suppliers in order to stabilize costs, and stocking up at more favorable moments in the cycle.

The Group is also monitoring developments carefully with regard to the import tariffs imposed on countries by the United States, and the countermeasures taken by them, analyzing the potential impacts on the business and studying the actions to be taken to mitigate their potential adverse effects.

2.6.8 Climate change risk

With regard to climate change, the Company does not fall within the scope of Directive 2003/87/EC (as amended most recently by Directive (EU) 2018/410), which introduced and governs the European Union Emissions Trading System (EU ETS). The ETS is the principal tool adopted by the European Union to reach the CO_2 reduction targets established for the principal industrial sectors and aviation. Although the Company is not included in the industrial sectors covered by the ETS, it is nevertheless committed to combat climate change.

Commencing from 2024, in accordance with Directive (EU) 2022/2426 (Corporate Sustainability Reporting Directive - CSRD), adopted in Italy by Decree 125/2024, the Interpump Group reports the material impacts, risks, opportunities, policies, actions, objectives, business model and performance metrics in section 2.1 - *ESRS E1 - Climate change* of the CSRD chapter in the Consolidated Annual Financial Report.

Based on a scenario analysis of corporate locations, the impacts of physical risks (acute and chronic) on assets and revenues were not considered significant and, accordingly, no specific provisions or asset writedowns have been recorded at 31 December 2025.

Again in view of the above, the forecasts reflected in the five-year business plan used for the impairment test of goodwill were not significantly affected by the above physical, climate-related risks but, nevertheless, were prepared in a prudent manner that contains the expected level of future cash flows.

The Company is also potentially exposed to risks deriving from the impacts of future, more restrictive laws and regulations governing energy efficiency and climate change, that may result in increased operating costs.

2.6.9 Geo-political risk

The international macroeconomic environment continues to reflect a high level of uncertainty, caused by the geo-political tensions and conflicts in various areas of the world, not least the Middle East.

These tensions intensified during 2025 following episodes of instability in the Gulf area and growing friction between Iran, the USA, Israel and other international players. As a consequence, the energy markets became more volatile and fears for global inflation increased. The geo-political situation has escalated further in early 2026, with the outbreak of conflict involving Iran and other regional and international powers. These dynamics could indirectly impact global market trends and the industrial sectors in which the Company operates, with possible adverse effects on the availability and cost of raw materials, supply chain efficiencies, international logistics and, not least, energy prices and exchange rates.

The Company continues to monitor geo-political and macroeconomic developments with care, assessing the potential direct and indirect effects should current conflicts escalate further, even though these are difficult to quantify at present. Where appropriate, the Group takes steps to mitigate the potential adverse impacts, including via geographical diversification of the sources of supply, stronger relations with alternate suppliers and careful management of operating and financial risks.

2.7 Notes to the cash flow statement

2.7.1 Property, plant and equipment

In 2025 the Company purchased property, plant and equipment totaling € 5,406 thousand (€ 3,745 thousand in 2024). This expenditure involved the payment of € 5,919 thousand, inclusive of the payment of past debts for the same purpose and net of payables deferred to the following year (€ 3,619 thousand in 2024).

2.7.2 Cash and cash equivalents

This item can be broken down as follows:

€/000	31/12/2025	31/12/2024	01/01/2024
Cash and cash equivalents as per the statement of financial position	108,857	109,558	88,280
Bank debts (for current account overdrafts, subject-to-collection advances and accrued interest)	(3,655)	(4,588)	(5,242)
Cash and cash equivalents as per the cash flow statement	105,202	104,970	83,038

2.7.3 Net financial position and cash flow statement

For the amount and details of the main components of the net financial position and the changes in 2025 and 2024, see Note 2.3.2 - Cash flow in the "Report on operations" presented together with the separate financial statements at 31 December 2025 of Interpump Group S.p.A.

2.8 Commitments

The Company has commitments to purchase property, plant and equipment totaling € 3,253 thousand (€ 1,719 thousand at 31 December 2024), and intangible fixed assets totaling € 223 thousand (zero at 31 December 2024).

The Company has also received guarantees for the purchase of equity investments totaling € 400 thousand (€ 4,400 thousand at 31 December 2024) and given secured guarantees to third parties totaling € 266 thousand (secured guarantees of € 274 thousand to third parties and of € 350 thousand to consolidated companies at 31 December 2024).

2.9 Transactions with related parties

With regard to transactions with Group companies, please see sections 4.1 and 4.2 of the "Report on operations" accompanying the separate financial statements of Interpump Group S.p.A. at 31 December 2025.

The above transactions were carried out on arm's-length conditions.

2.10 Events occurring after the close of the year

No atypical or unusual transactions have been carried out subsequent to 31 December 2025 that would call for changes to these separate financial statements.

On 17 February 2026, in the context of the plan to purchase treasury shares authorized at the Shareholders' Meeting held on 29 April 2025 pursuant to art. 144-(2) of Consob Regulation 11971/1999, Interpump Group S.p.A. launched a program to purchase a total of 500,000 treasury shares on the MTA, organized and managed by Borsa Italiana S.p.A., between 17 February and 16 May 2026, at a maximum price of € 60.00 per share and, therefore, with a maximum outlay of € 30 million. For the purposes of implementing this buy-back program, on 16 February 2026 the Company granted a specific mandate to Banca Akros S.p.A. that terminated on 11 March: on that date, Interpump Group S.p.A. held 2,985,087 shares in its portfolio, equal to 2.742% of the share capital, purchased at an average cost of € 37.97442.

With specific reference to the latest international conflict involving Iran, the United States and Israel, which broke out as a consequence of the military operations carried out on 28 February 2026, the Company is monitoring developments and their effects - which are hard to quantify given the recent start of the conflict - on its economic and financial position.

See the "Report on operations" accompanying the Consolidated Annual Financial Report at 31 December 2025 for information about subsequent events relating to the Group.

2.11 Proposal to the Shareholders' Meeting

The profit for the year was € 124,714,455. We propose:

- partial distribution of the profit for the year to the shareholders by declaring a dividend of EUR 0.35 for each share in circulation, including the right as per art. 2357-(3) subsection 2 of the Italian Civil Code.

- allocation of the remaining profit for the year to the Extraordinary Reserve (since the legal reserve has already reached the limit of one-fifth of the subscribed and paid-up share capital).

Annex 1: Attestation of the separate financial statements pursuant to art. 81-*(3)* of Consob regulation no. 11971 of 14 May 1999, as amended

1. The undersigned, Fulvio Montipò and Mauro Barani, respectively Executive Chairman and Manager responsible for drafting the accounting documents of Interpump Group S.p.A., taking account also of the provisions of art. 154-*(2)*, subsections 3 and 4 of Decree 58 dated 24 February 1998, attest to:

   - the adequacy in relation to the characteristics of the business and

   - effective application of the administrative and accounting procedures for formation of the financial statements during 2025.

2. We further confirm that the separate financial statements of Interpump Group S.p.A. for the year ended 31 December 2025, reporting total assets of € 1,404,252,297, net profit of € 124,714,455 and shareholders' equity of € 803,574,884:

   a. correspond to the results of the company books and accounting entries;

   b. were prepared in compliance with the international accounting standards approved by the European Commission further to the enforcement of Ruling (CE) no. 1606/2002 of the European Parliament and the European Council of 19 July 2002, and the provisions issued in implementation of art. 9 of Italian legislative decree 38/2005 and the contents are suitable for providing a truthful and fair representation of the equity, economic and financial situation of the Company;

   c. include the Board of Directors' Report, which contains a reliable analysis of performance and results and the situation of the issuer together with a description of the main risks and uncertainties to which it is exposed.

Sant'Ilario d'Enza (RE), 20 March 2026

Fulvio Montipò

Executive Chairman

Mauro Barani

Manager responsible for drafting the company's accounting documents

Independent Auditors' Report on the separate financial statements of Interpump Group S.p.A.

Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Interpump Group SpA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Interpump Group SpA (the "Company"), which comprise the statement of financial position as of 31 December 2025, the income statement, statement of comprehensive income, statement of changes in shareholders' equity, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this report. We are independent of the Company pursuant

PricewaterhouseCoopers SpA

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to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Auditing procedures performed in response to key audit matters
Investments in subsidiaries	
Sections 2.2.7 "Impairment of assets" and 2.2.8 "Equity investments", Note 2.3.8 "Investments in subsidiaries" of the notes to the financial statements As of 31 December 2025, equity investments in subsidiaries reported in the Company's financial statements totalled Euro 1,103 million, accounting for 79 per cent of total assets. On an annual basis the Company verifies if any indicators exist that the investments may have become impaired and, where necessary, tests the investments for *impairment* by comparing the carrying amounts with the estimated recoverable amounts in accordance with the provisions of IAS 36 "Impairment of assets". The recoverable amounts of equity investments	We understood and evaluated the procedures adopted by the Company to verify the carrying amounts of investments in subsidiaries and the existence of possible indicators that they may have become impaired. We examined the method, approved by the Company's board of directors on 13 February 2026, used by the directors to identify and evaluate possible impairment indicators. With reference to the investment in White Drive Motors and Steering, LLC, for which impairment indicators were identified, our audit procedures involved verifying the appropriateness and mathematical accuracy of the valuation model prepared by the Company and the reasonableness of the key assumptions reflected in the model (value in use) prepared by

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are determined as the higher of fair value less costs to sell and value in use, which is equal to the estimated future cash flows from each asset discounted to present value at a rate that takes into account market interest rates and the risks specific to the asset to which the estimated realisable value refers.

We identified the measurement of equity investments as a key audit matter in light of the materiality of the financial statements item and of the complexity of the estimations inherent in the assumptions used by the directors to identify possible impairment indicators and consequently to determine the recoverable amounts of equity investments.

the Company, specifically the discount rate and the perpetual growth rate, against valuation practice normally adopted in the circumstances.

To this end, we also used the support of business valuation experts from the PwC network who, in addition to supporting us in evaluating the above-mentioned valuation model adopted by the Company, carried out sensitivity analyses of the key assumptions to determine the changes in those assumptions that could have a significant impact on the measurement of the recoverable amount of the equity investment.

Furthermore, we analysed the 2026-2030 business plans of the main subsidiaries. In this connection we involved PwC network experts in the industry in which the Company operates, who supported us in analysis of the reasonableness of the forecasts made by the directors in the business plans, also by comparing management's assumptions with historical information and available inputs from external sources.

Finally, we verified the adequacy of disclosures provided in the financial statements against the requirements of international financial reporting standards with reference to the financial and other information obtained during the performance of the audit.

Responsibilities of the directors and the board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

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- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

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We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 30 April 2021, the shareholders of Interpump Group SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2023 to 31 December 2031.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Interpump Group SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the financial statements as of 31 December 2025, to be included in the annual report.

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We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2025 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Interpump Group SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Interpump Group SpA as of 31 December 2025, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the financial statements of Interpump Group SpA as of 31 December 2025.

Moreover, in our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Parma, 31 March 2026

PricewaterhouseCoopers SpA

Signed by

Nicola Madureri

(Partner)

As disclosed by the directors on page 1, the accompanying financial statements of Interpump Group SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 815/2019. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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