



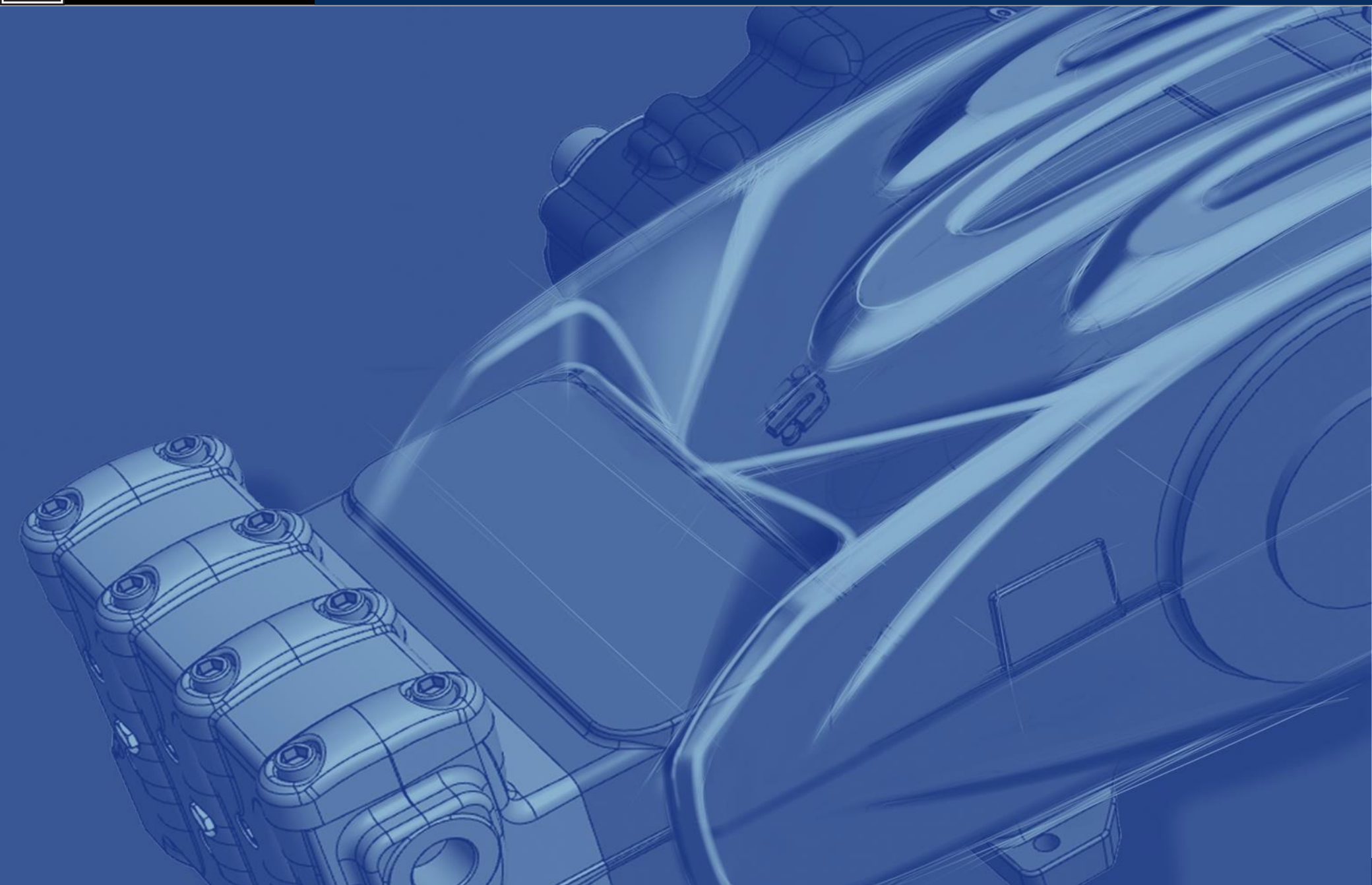
# INTERPUMP GROUP

**4Q2022 & FY2022 FINANCIAL RESULTS**

**15 February 2023**

- **KEY HIGHLIGHTS**
  - **2022 FINANCIAL RESULTS**
  - **GROUP SUSTAINABILITY PATH**
  - **OUTLOOK**
  - **ANNEX**
- 
- A technical line drawing of a mechanical component, possibly a pump or engine part, rendered in a light blue color. The drawing shows various ports, bolts, and internal structures, with a focus on the front and side views. The background is a solid dark blue.



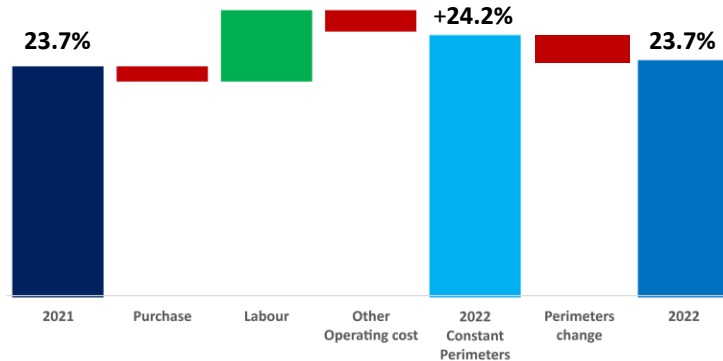


- 2022 commitments and delivery
  - Exceeding € 2 billion of sales: € 2.077m of sales, with almost 14% of organic growth<sup>(1)</sup>
  - “Confirming and protecting profitability excellence”: 23.7% of EBITDA margin<sup>(2)</sup>
  - “Consolidating and aligning Group sustainability activities and processes”: 2023-2025 ESG Journey
  
- 2020-2022 commitments and delivery
  - 33% total sales growth<sup>(3)</sup>: more than 50% achieved
  - 22.0% EBITDA margin including M&A temporary dilution effect: 23.7%
  - Between 1.0x and 1.5x of leverage<sup>(4)</sup>: 1.2x as of 31<sup>st</sup> December 2022
  
- Next commitments
  - 2023: around 5% of organic growth
  - 2023-2025<sup>(5)</sup>
    - Sales: around 25% of total sales growth
    - Profitability: around 22% EBITDA margin including possible M&A temporary dilution effect
    - Leverage: between 1.0x and 1.5x

<sup>(1)</sup> Variation at constant Perimeter and FX - <sup>(2)</sup> Including € 2.4m of one-off gain related to Romania fire - <sup>(3)</sup> From both organic growth and M&A - <sup>(4)</sup> Total debt/EBITDA (“Total Debt” = NFP including commitments for the acquisition of investments) - <sup>(5)</sup> At constant FX

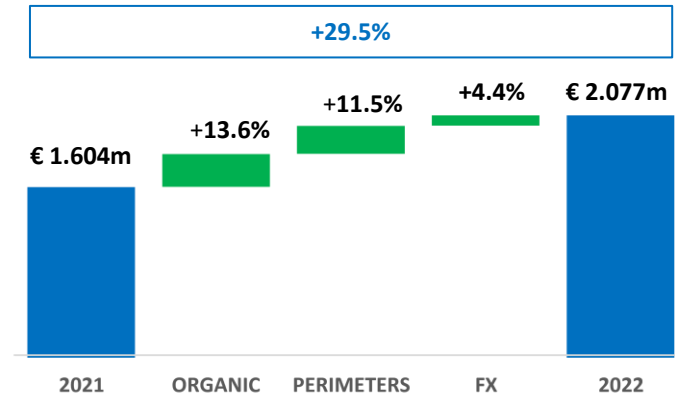
- 2022 sales: € 2.077m, up by almost 30%
  - “Organic growth” the most important driver
    - Production strength in term of continuity, flexibility and ongoing enhancement
    - Pricing policy
  - 4Q2022: another quarter of double digit growth

## 2022 EBITDA EVOLUTION <sup>(1)</sup> (€ m - % on Net Sales)



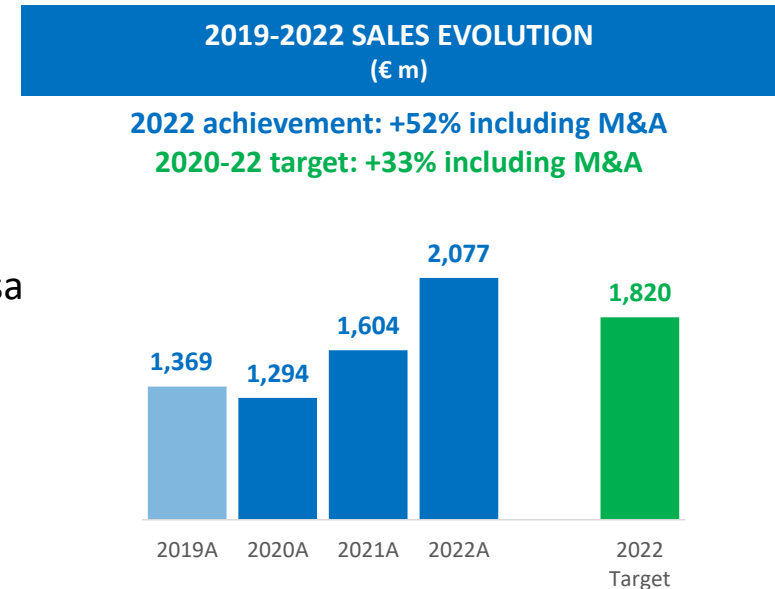
<sup>(1)</sup> Management estimates

## 2022 GROUP SALES EVOLUTION



- 2022 profitability: 23.7%, confirmation of Group historical best results
  - overcoming of inflationary trends and acquisitions dilution impact
  - 4Q2022: 23.9% of EBITDA margin, +210bp compared to 2021 and even better than 23.2% of 2020

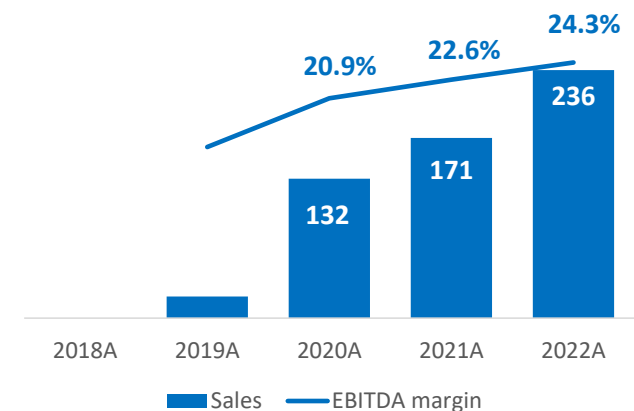
- In February 2020 Group released 2020-22 Guidances and due to the following pandemic outbreak in February 2021 confirmed plan targets with one year of postponement
- With 2022 Results Group delivered 2020-22 Guidances targets according to the original time horizon despite the completely different environment of the period
  - Sales growth: almost +52% compared to a +33% target
  - EBITDA margin: 23.7% compared to a “neighbourhood of 22%”
  - Leverage: 1.2x as of 31<sup>st</sup> December 2022, perfectly within the range 1-1.5x
- Sales growth: almost +52%
  - C.A.G.R. 2020-22: close 15% on total and 10% on organic base
  - Around € 360m of new consolidated sales<sup>(1)</sup>
    - 2020: Pioli, Hydra Dyne, Reggiana Riduttori, Transtecno, Servizi Industriali and Suminisotros Franquesa
    - 2021: DZ Trasmissioni, White Drive and Berma
    - 2022: Draintech and Eurofluid



<sup>(1)</sup> Pioli, Hydra Dyne and Reggiana Riduttori acquired in 2019

- Group acquisition strategy milestone reflected in acquired companies
  - Enhancement Group activity
  - Entrepreneurial approach
  - Good financial performance to be levered on
  - Fair valuation approach
  
- Reggiana Riduttori and White Drive the most important acquisitions
  - Reggiana Riduttori: the driver of Group entrance and development in power transmission business
  - White Drive: the biggest acquisition in Interpump history and moreover the one with the most different managerial approach
  
- Entrance and development in power transmission business
  - October 2019: entrance in power transmission with Reggiana Riduttori acquisition <sup>(1)</sup>
  - December 2022: Group power transmission activities reached € 235m of sales with an EBITDA margin above 24%

#### GROUP EVOLUTION IN POWER TRANSMISSION



<sup>(1)</sup> In 2018 close to € 90m of sales and an EBITDA margin of 20%

- White Drive, the biggest acquisition in Interpump history and moreover the one with the most different managerial approach
  - Integration milestones
    - Alignment to Group managerial and cultural approach
    - Group “Operations” best practices sharing and industrial approach to inventory and CAPEX
  
- 2022, 1<sup>st</sup> year of integration
  - Sales: € 240m, driven by production capability enhancement
    - 4Q2022: sales up by 23% compared to 4Q2021
  - Profitability is closing the gap with the division, 4Q2022 EBITDA margin reached 21% threshold

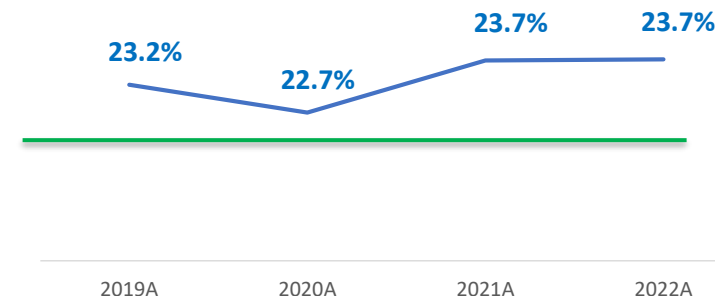
WHITE DRIVE INTEGRATION PLAN		
2021 STEPS	2022 STEPS	2023 STEPS
Carve out finalisation	4 ex-Eaton production lines to be transferred and production capacity increase	Profitability consolidation and improvement (e.g. ongoing focus on US and EU activities reorganisation)
IT-system separation	Best practices sharing (e.g. planning and sales&customer experience)	
Organisation consolidation and finetuning	Exploiting of cross selling opportunities to achieve commercial synergies	



- 2022 EBITDA margin: 23.7% in 2022
  - Almost all acquisitions consolidated in the period had a lower profitability compared to Interpump
  - Group was able to overcome both this dilution effect and impacts of extraordinary exogenous events thanks to its consistent and steady focus on Operations

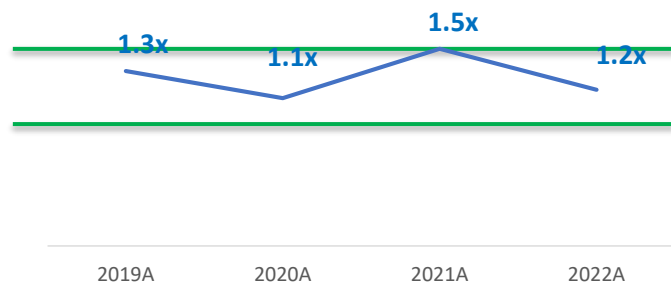
## 2019-2022 EBITDA MARGIN EVOLUTION (% on net sales)

2022 achievement: 23.7%  
2020-22 target: 22%



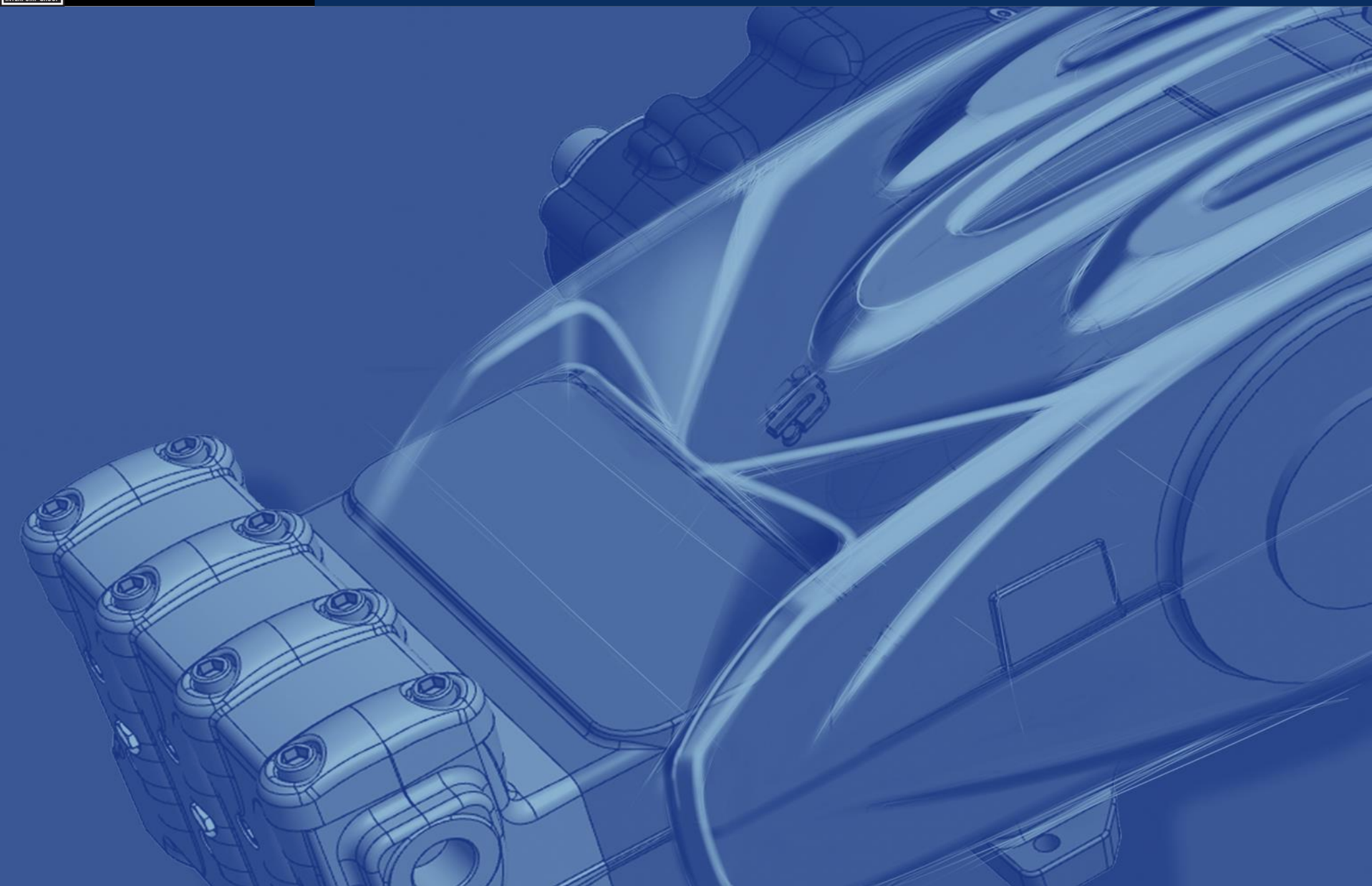
## LEVERAGE RATIO EVOLUTION

2022 achievement: 1.2x  
2020-22 target: between 1-1.5x



- Leverage: 1.2x as of 31<sup>st</sup> December 2022 with capital allocation of the three years driven by Group commitments to both growth and shareholders
  - Acquisitions: close to € 390m
  - CAPEX<sup>(1)</sup>: around € 300m
  - Dividends&buyback<sup>(2)</sup>: almost € 255m

<sup>(1)</sup> Paid CAPEX (Investment in property, plant & equipment – Proceeds from the sales of property plant & equipment + Investment in other intangible assets) - <sup>(2)</sup> Gross buy-back



- 2022: +13.6% organic growth and 23.7% of EBITDA margin <sup>(1)</sup>
  - Sales: organic growth the most important driver
  - Profitability: Group best practices stronger than inflationary trend and acquisition impact
  - Net Profit: +36% compared to 2021 <sup>(3)</sup>
  - NFP: commitments to growth and to shareholders

Million €	4QUARTER		FULL YEAR	
	2021	2022	2021	2022
<b>Group Sales</b> Growth, of which	340.1	533.0 <b>+18.5%</b>	1,604.3	2,077.9 <b>+29.5%</b>
■ Organic		+14.0%		+13.6%
■ Perimeter change <sup>(1)</sup>		+1.1%		+11.5%
■ FX impact		+3.4%		+4.4%
<b>EBITDA</b> Growth	97.8	127.1 <b>+30.0%</b>	379.8	492.3 <b>+29.6%</b>
% on net sales	<b>21.8%</b>	<b>23.9%</b>	<b>23.7%</b>	<b>23.7%</b>
<b>Net Income</b>	19.4	53.8	195.8	266.3
<b>NFP <sup>(3)</sup></b>				541.8

<sup>(1)</sup> 2022 perimeter change: White Drive (consolidated since October 2021), Draintech (consolidated since June 2022) and Eurofluid (consolidated since November 2022) while Berma (acquired in November 2021) merged in Reggiana Riduttori last February - <sup>(2)</sup> Including € 2.3m of net one-off costs related to Romania fire - <sup>(3)</sup> Excluding € 62.8m of subsidiaries purchase commitments

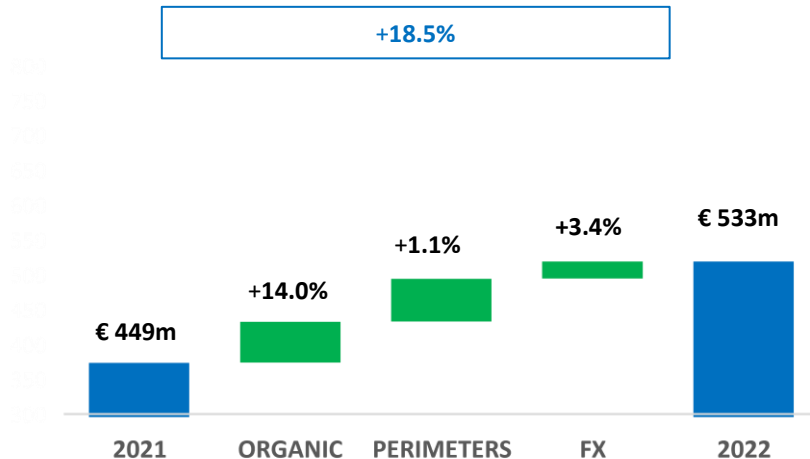
- 2022: the strength of “division” diversification
  - Hydraulics: Group growth driver
  - Water-Jetting: Group profitability excellence
- 4Q2022: up by 210bp to 23.9% of EBITDA margin, driven by the best 4Q of history for both division
  - Hydraulics: overcome of inflationary trends and White Drive consolidation, even better than 21.4% of 2020
  - Water Jetting: profitability strengths taking more and more effect

		4QUARTER		FULL YEAR	
Million €		2021	2022	2021	2022
HYDRAULICS	SALES	321.5	394.0	1,134.1	1,541.6
	Growth		+22.3%		+35.9%
	EBITDA	62.6	86.6	246.9	337.4
	Growth		+38.4%		+36.7%
	% on net sales <sup>(1)</sup>	19.3%	22.0%	21.7%	21.8%
WATER-JETTING	SALES	132.8	154.8	474.9	540.5
	Growth		+8.9%		+13.8%
	EBITDA	35.2	40.5	97.6	114.3
	Growth		+15.1%		+16.6%
	% on net sales	27.2%	28.8%	28.0%	28.7%

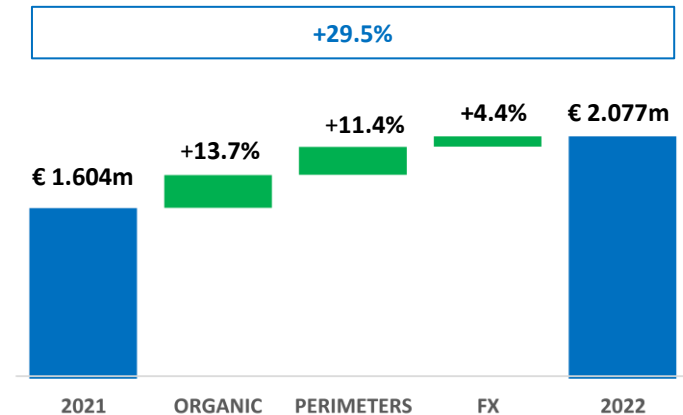
<sup>(1)</sup> Including € 2.4m of net one-off gain related to Romania fire

- 2022: 13.6% of organic growth, with a consistent performance all among the year
  - Production continuity and flexibility to follow customer requests
    - Continuity: benefits of industrial approach to inventories and CAPEX
    - Flexibility: strong relationship with qualified suppliers
- 4Q2022: another quarter of double digit growth
  - division evolution consistent with different business cyclicalty

## 4Q2022 GROUP SALES EVOLUTION

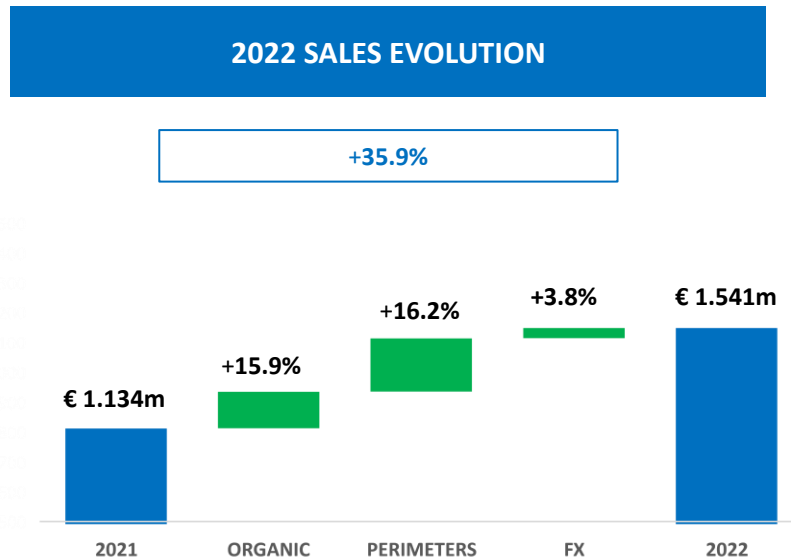
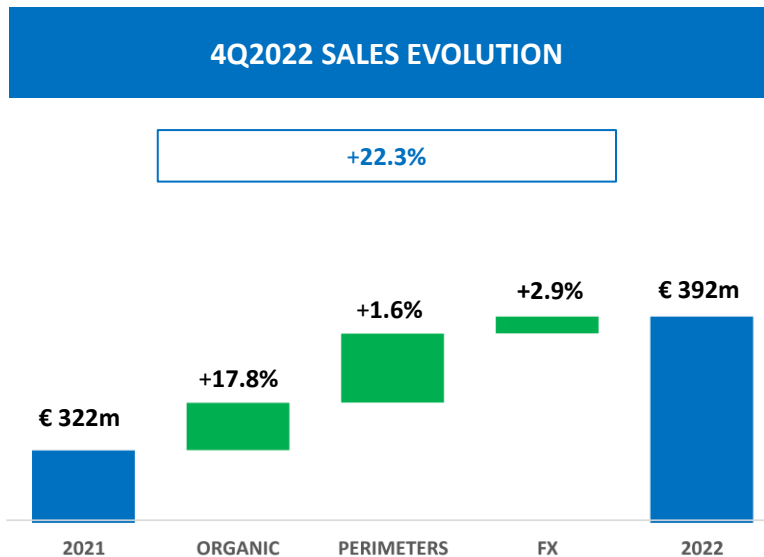


## 2022 GROUP SALES EVOLUTION

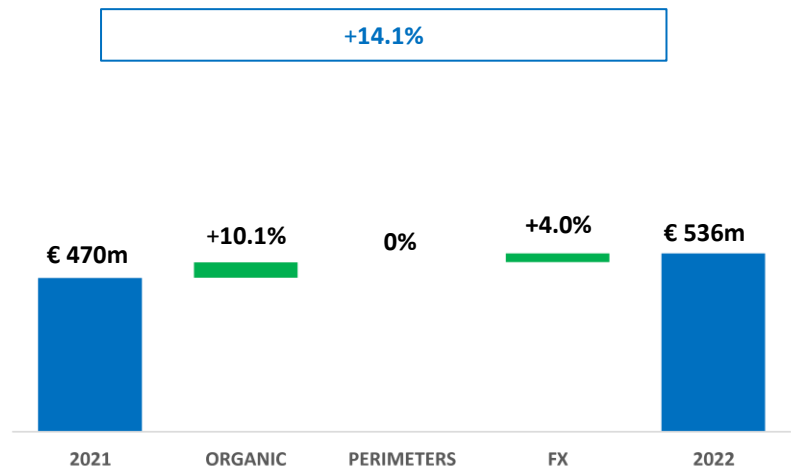
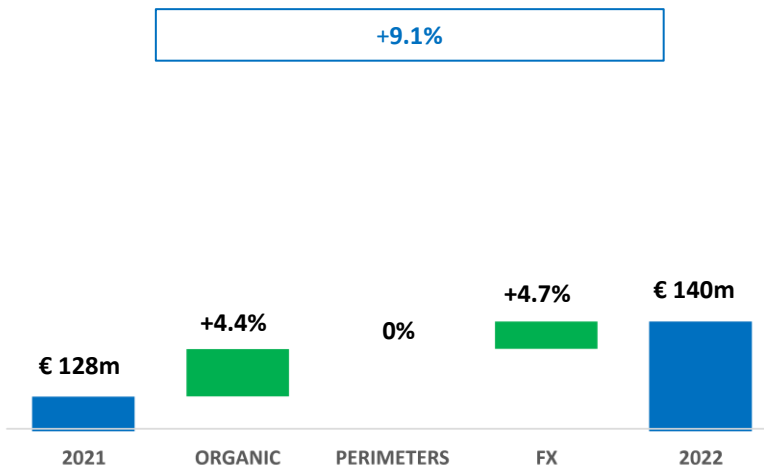




## HYDRAULICS

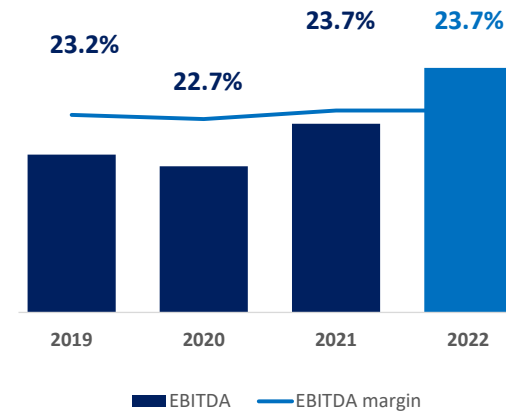


## WATER-JETTING

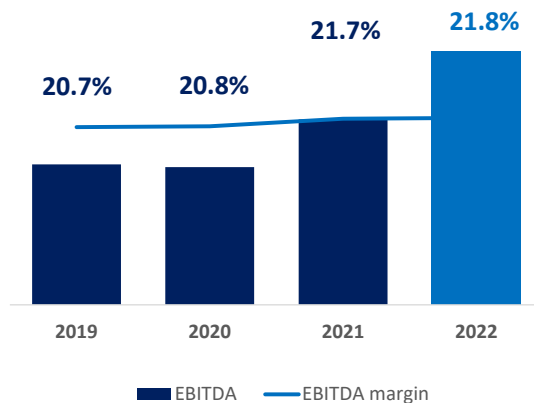


- 2022: 23.7%, the best Group EBITDA margin confirmed for the 2<sup>nd</sup> year in row
  - Focus on Operations and integration capability
- 4Q2022: 23.9% of EBITDA margin, up by 210bp
  - Full benefit of inflationary trend countermeasures

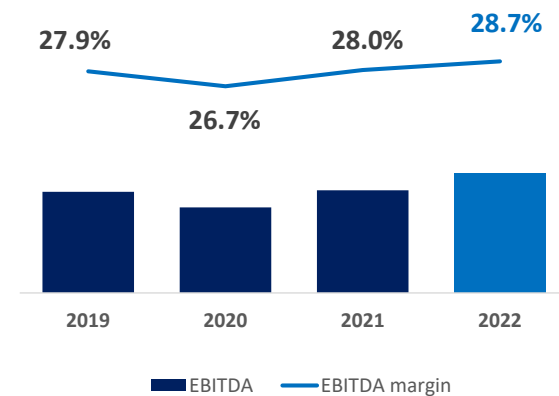
## GROUP EBITDA 2019-2022 EVOLUTION <sup>(1)</sup> (€ m - % on Net Sales)



## HYDRAULIC EBITDA 2019-2022 EVOLUTION <sup>(1)</sup> (€ m - % on Net Sales)



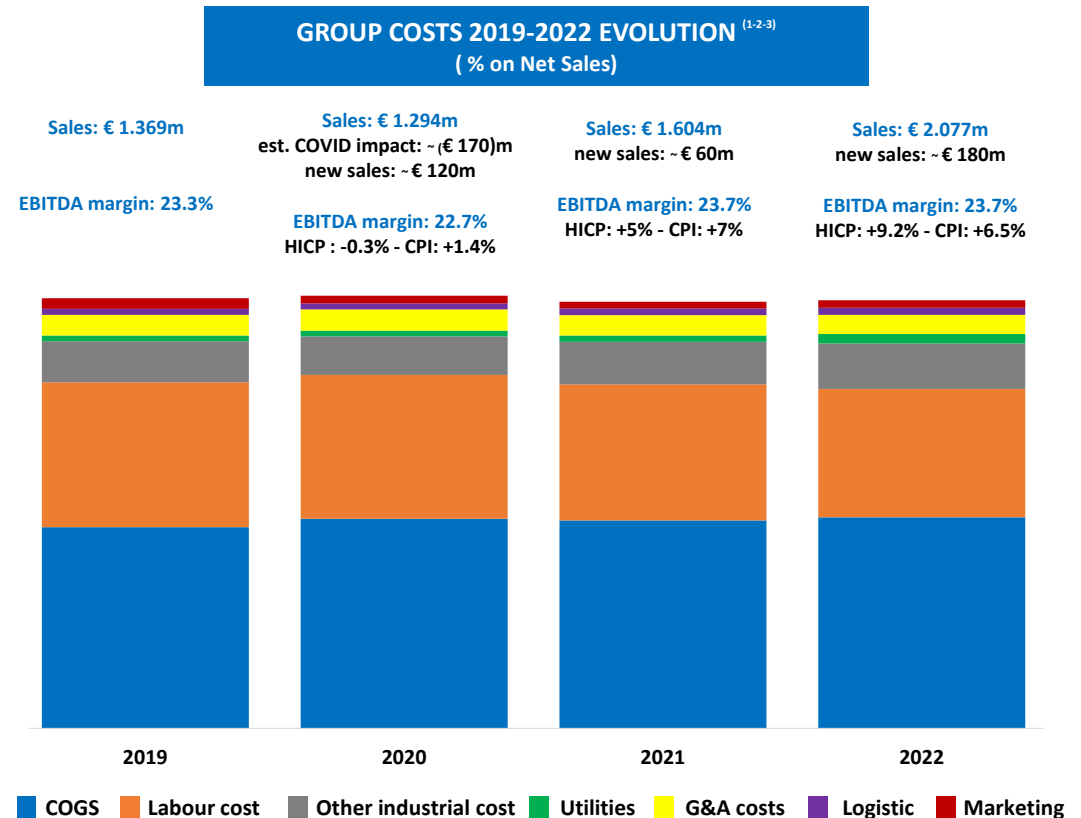
## WATER JETTING EBITDA 2019-2022 EVOLUTION <sup>(1)</sup> (€ m - % on Net Sales)



<sup>(1)</sup> 2019 data including IFRS16 adoption impact

- Steady and consistent focus on Operations to promptly adapt to market condition evolution
  - Pricing policy, both on purchase and selling side
  - Production continuity and saturation
  - Efficient management of “not production related” costs
  - “Protection shield” coming from inventories

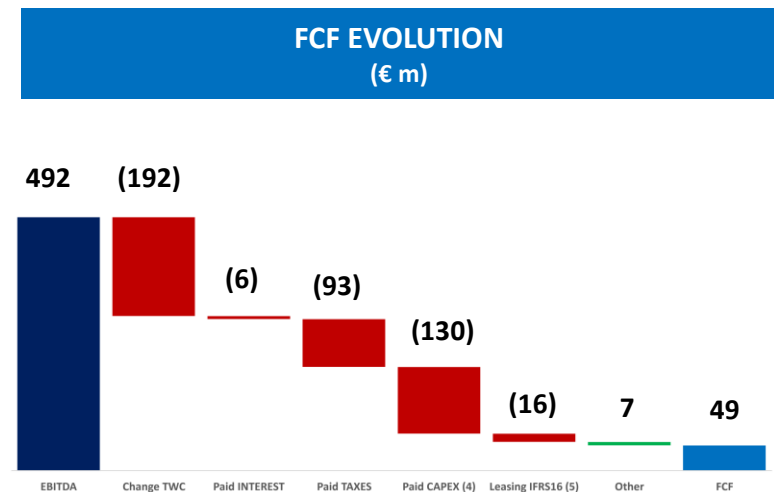
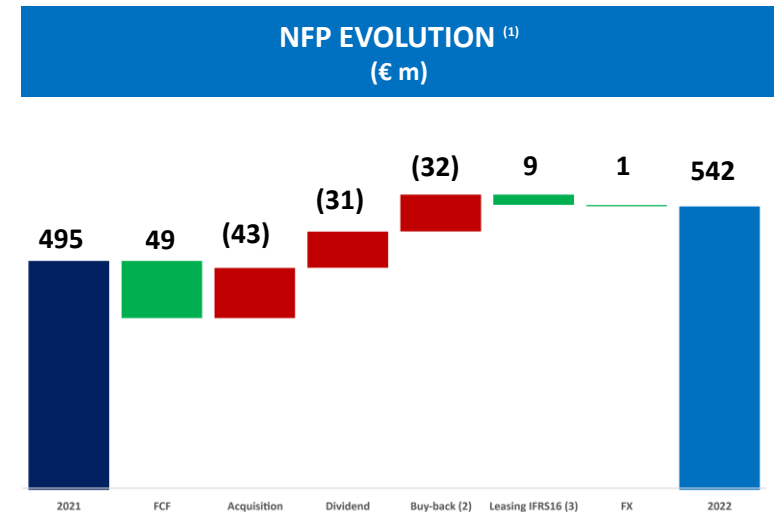
- Integration capability
  - Alignment to Group managerial and cultural approach
  - Group “Operations” best practices sharing and industrial approach to inventory and CAPEX



<sup>(1)</sup> “New sales” = impact of perimeter change in the year - <sup>(2)</sup> HICP = Harmonised Index of Consumer Prices, Overall index, Euro area (source EBC)

<sup>(3)</sup> CPI = Consumer Prices, All items, Not seasonally adjusted, U.S.A. (source: B.L.S.)

- NFP was € 542m<sup>(1)</sup> compared to € 495m of December 2021
  - Commitment to growth and to shareholders
  
- Commitment to growth
  - NWC: strong increase of sales and “industrial approach” to inventory
    - Organic growth support through production continuity
    - Profitability protection
  - CAPEX: progression of medium long term production capacity expansion plan
  
- Commitment to shareholders
  - € 95m of buy-back
  - € 31m of dividends

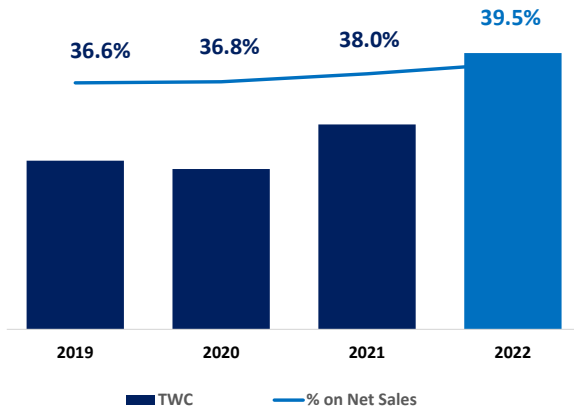


<sup>(1)</sup> Excluding € 62.8m commitment for subsidiary purchase - <sup>(2)</sup> € 94.8m of treasury share purchase less € 63.0m of proceeds from treasury sales to stock option plans beneficiaries

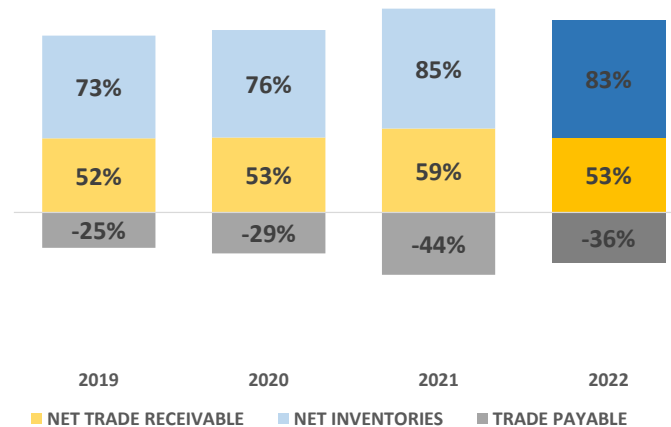
<sup>(3)</sup> Principal portion of finance lease installments +/- new leasing contracts arranged +/- remeasurement and early close-out of leasing contracts - <sup>(4)</sup> “Investment in property, plant & equipment” less “Proceeds from the sales of property, plant & equipment + Investment in other intangible assets” - <sup>(5)</sup> Principal portion of finance lease installments

- TWD<sup>(1)</sup> evolution both driver and result of Group growth and profitability delivery
  - Inventory supported production continuity and pricing policy adjustments implementation
  - Trade receivable linked to sales evolution
    - Growing without compromising clients quality

## TRADE WORKING 2019-2022 EVOLUTION (€ m - % on Net Sales)



## TRADE WORKING 2019-2022 DETAILS (€ m)

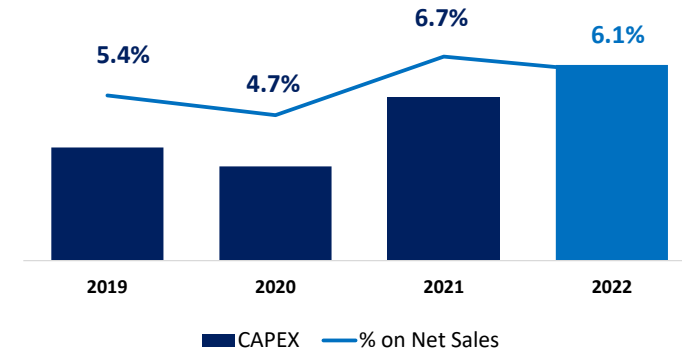


<sup>(1)</sup>Trade Working Capital = Net Working Capital with "Trade Payable" net of CAPEX Trade Payable

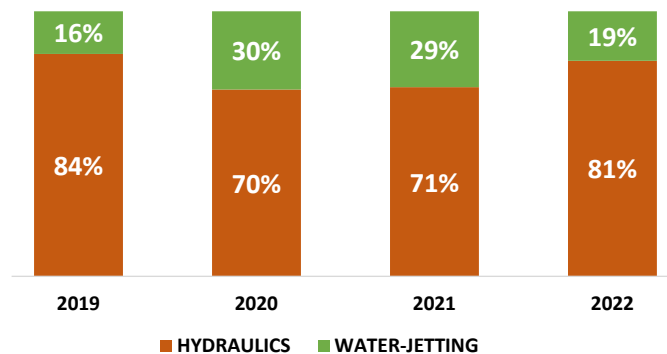


- CAPEX <sup>(1)</sup> was € 128m, 6.1% on net sales, driven by the progression of medium-long term production capacity expansion plans
  - Factory equipment phase gradually rolling out after 2021 focus on “land&building”
  - Strong market demand pushed resources mostly to Hydraulics
    - Almost € 17m dedicated to White Drive since acquisition

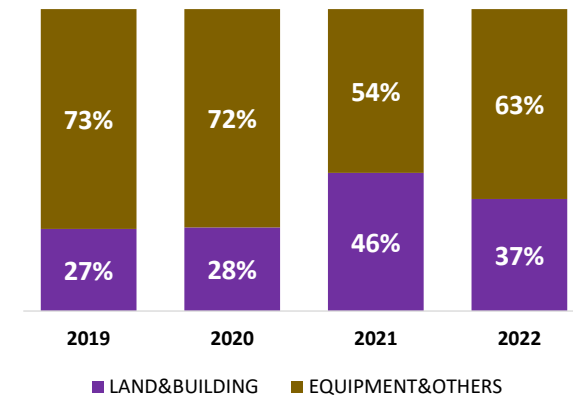
**GROUP CAPEX 2019-2022 EVOLUTION <sup>(1)</sup>**  
(€ m - % on net sales)



**2019-2022 CAPEX BREAKDOWN by DIVISION <sup>(2)</sup>**  
(% on total CAPEX)



**2019-2022 CAPEX BREAKDOWN by CATEGORY**  
(% on total CAPEX)



<sup>(1)</sup> Accounted CAPEX (Increases of fixed assets used in the production process) - <sup>(2)</sup> Management estimates



- Factory upgrading in Turin, Italy
- Contribution to the relaunch of an old industrial area
- Manufactory and consumption efficiency
- Ready for summer 2023



Tubiflex Turin new factory rendering



Tubiflex Turin new factory work in progress



- Factory expansion in Cavriago, Italy
- Construction of additional 12.000sqm, 3.000sqm for the new R&D centre
- Capacity up to 250 workers
- Ready for summer 2023



Walvoil Cavriago new factory rendering

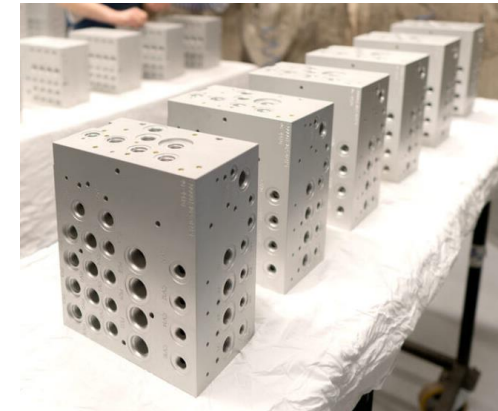


Walvoil Cavriago new factory work in progress

- Further and consistent steps with Group growth strategy with € 43m of acquisitions
- Draintech and Eurofluid, 2 bolt-on acquisitions in the Hydraulic division
  - Draintech: enhancement in the “power transmission” business
  - Eurofluid: perfect fit with “valves” activities

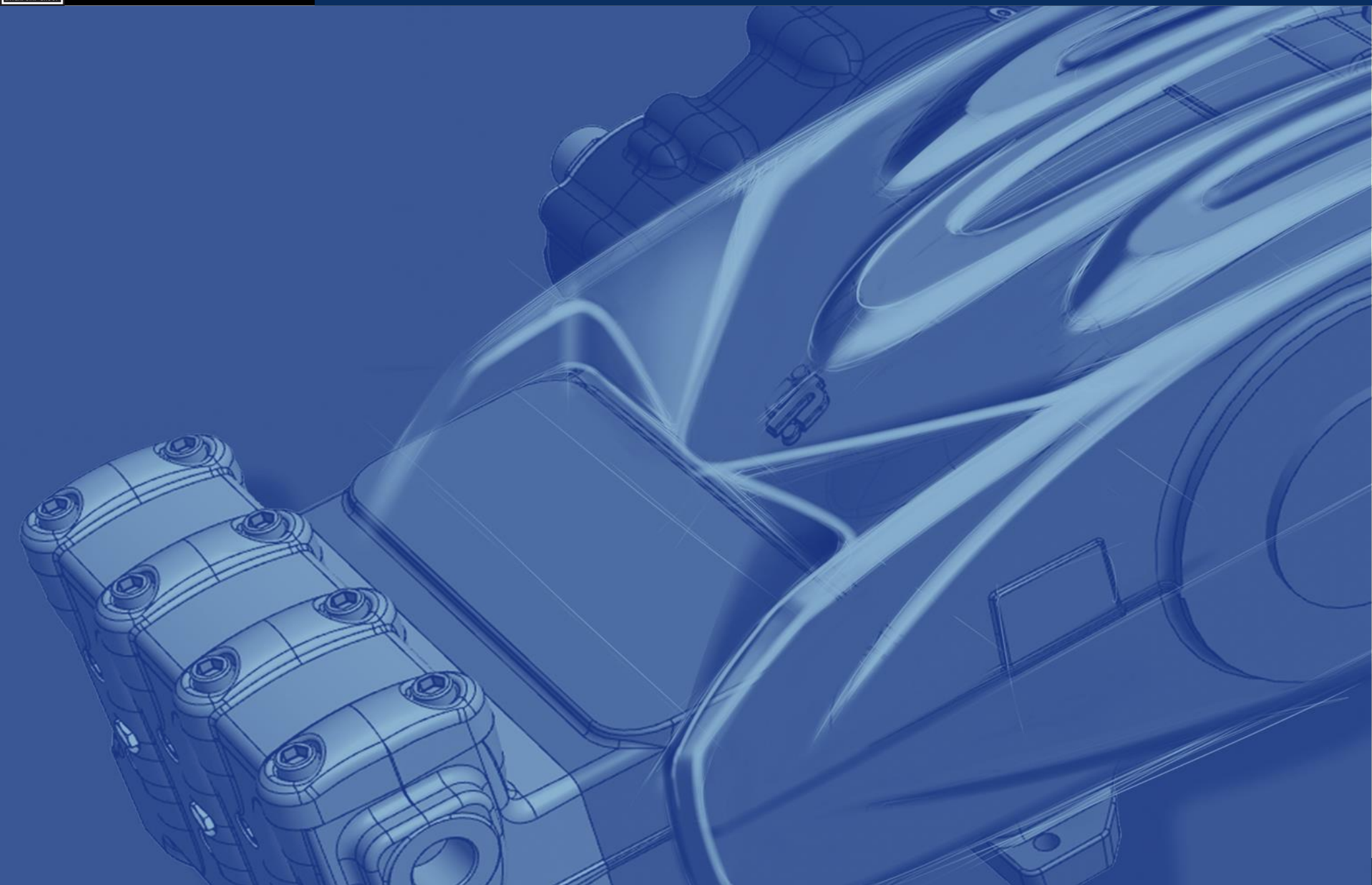


Draintech product examples



Eurofluid product examples

- Exercise of call-put options of previous acquisitions
  - E.g. additional stake Transtecno
  - IGT and Mega Pacific increase to 100%



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

Lao Tzu

- “Consolidation and alignment of Group sustainability activities and processes” was one of 2022 focus
- Delivery was consistent with natural path of governance activities and Group concrete approach
  - 2019: approval of “2019-2022 Stock Option Plan”
  - 2020: approval of First Section of Group Remuneration Policy
  - 2022: in April the 2022-2024 Stock Option Plan and in October the 2023-2025 ESG Journey<sup>(1)</sup>

<sup>(1)</sup> Please refers to Group web site, “Investor Relation” section, “Presentation” for specific documentation of the topics



- Group Annual Shareholding meeting approved 2022-24 Incentive Plan
- Main objectives pursued by the new Incentive Plan
  - Confirmation of the already present “involvement and retention management” approach
  - Introduction of an ESG approach
- “Minimum holding” period
  - Confirmation of the “2 years period” by the exercise date, i.e. 5 years from Stock Option approval date <sup>(1-2)</sup>
  - For the Directors with particular powers the minimum holding last until they maintain the role
- KPI to be achieved for the vesting and consequent exercisability of the Options
  - Introduction of ESG targets for all 3 mainstream and definition of precise financial parameters
    - i.e. sales and EBITDA
- Introduction of a “claw back” clause
- Foresight of a clause which will allow the Board to align the new Stock Option Plan to I Section Group Remuneration Policy evolution

<sup>(1)</sup> In line with the actual I Section of Group “Remuneration Policy and previous “Codice di Autodisciplina - For at least 20% of the Shares purchased further to the exercise of the Options - <sup>(2)</sup> 3 years of vesting period and 2 years by exercise date

- Group “2023-2025 ESG journey”
  - The first project defined and executed at Group entire level
- Concrete and precise actions: 20 targets to be delivered
  - 12 to be delivered in the next two years to built Group ESG foundations
  - 8 to be executed before 2025<sup>(1)</sup> to lead to 2030-2050 decarbonisation targets
- Concrete resources defined for the entire Journey
  - CAPEX: approximately 10m, around 40% already included in 2022 budget
  - OpEx: around € 3m of incremental costs
  - G&A: no material impacts is expected, resources placed at disposal in case
- Concrete correlation with top management remuneration policy
  - 2022-2024 Stock Option Plan already linked to ESG targets <sup>(2)</sup>
  - 2023-2025 bonuses will be correlated to execution and I Section of Group remuneration policy to be updated at the AGM 2023



<sup>(1)</sup> 7 to be executed before 2025 and 1 before 2027 - <sup>(2)</sup> ESG targets to be achieved for the vesting and consequent exercisability of the Options and foresight of a clause which will allow the Board to align the new Stock Option Plan to I Section Group Remuneration Policy evolution (see please 2022-2024 Stock Option Plan for details)

2023-2027 KEY TARGETS <sup>(1)</sup>

SUPPORTED GRI  
and SDG


- Definition of Group “Carbon neutrality” strategy
- Reduction of Group “Carbon intensity”: -30%
- Increase of renewed electricity consumption: from 3% to 25%

2023

2025

2025


305-1 and 2  
302-1


- Injury rate improvement: <2.2x
- ESG supply chain evaluation
- ISO 45001 extension: from 22% of 45% of manufacturing site

2024

2023

2027


403-9  
308-1 / 414-1


- Establishment of Board ESG Committee
- Succession plan formalisation
- Tax compliance consolidation

2023

2023

2024



207-1, 2 and 3


<sup>(1)</sup> For additional details see please “2023-25 ESG Journey” presentation on Group website

## ANALYSIS AND MEASUREMENT

### BUILDING GROUP ESG FOUNDATIONS

### LEADING TO 2030 AND 2050 DECARBONISATION TARGETS

2022

2023

2024

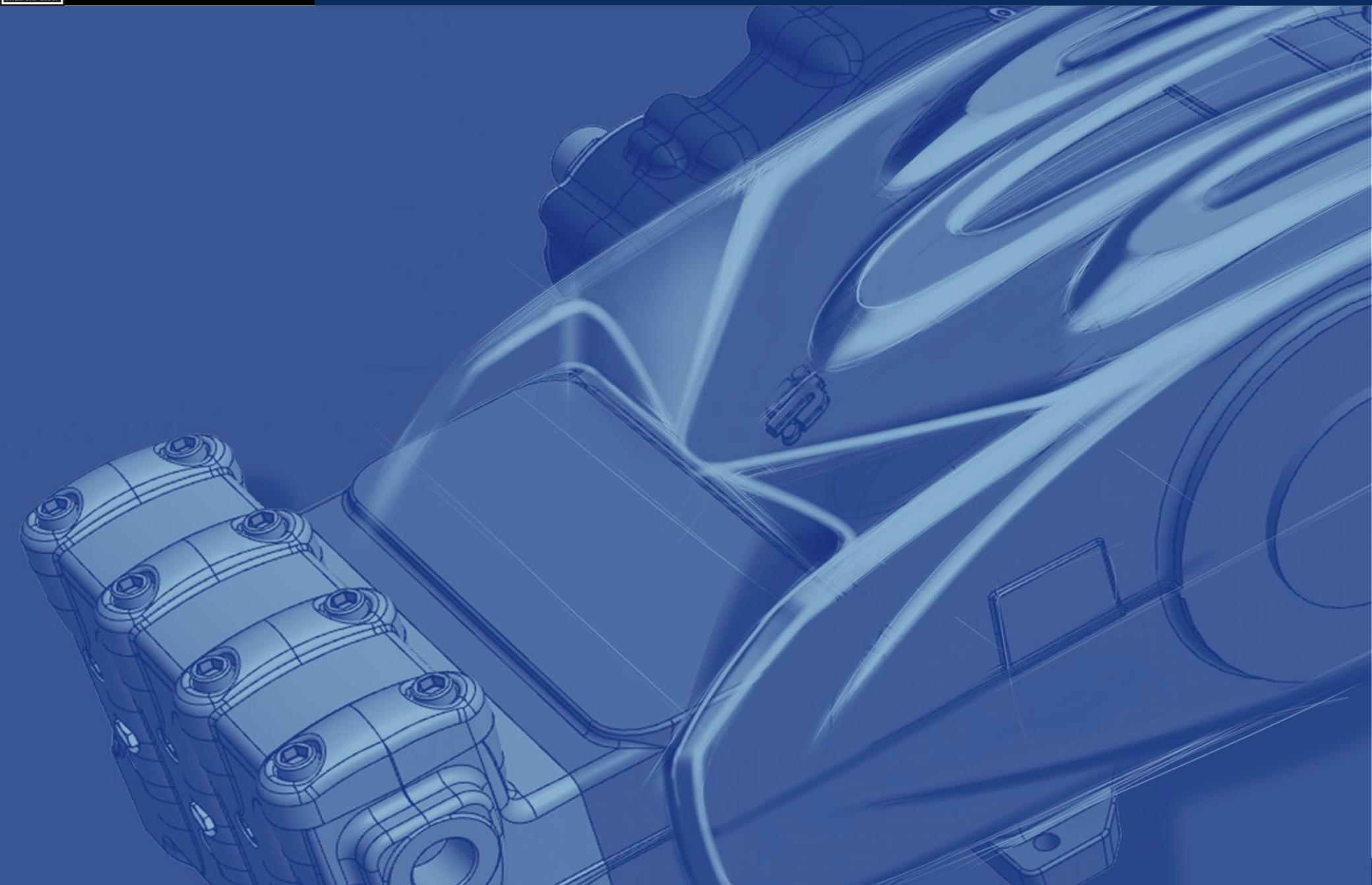
2025

2027

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

- **E.2** - Carbon intensity reduction
- **E.3** - Increase of renewable energy consumption
- **E.5** - Circular economy (phase 2)
- **E.6** - Water monitoring system
- **S.2** - ISO 45001 extension
- **S.3** - Increase of non-compulsory training
- **S.4** - Global mobility program
- **S.7** - Diversity&inclusion model definition

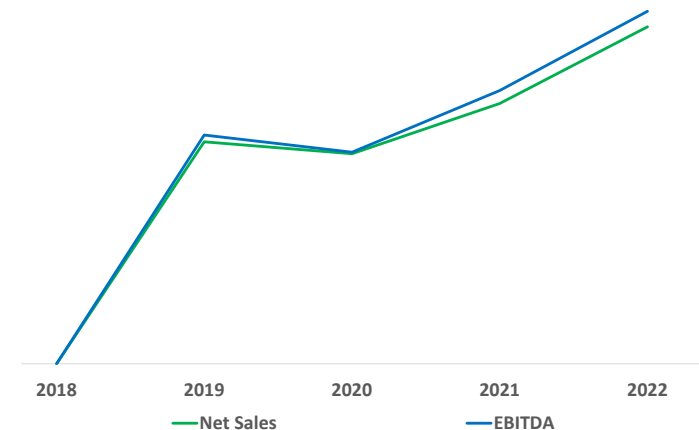
## ANALYSIS, MEASUREMENT, REVIEW AND FINETUNE





- 2020-22 results are the best evidences of Group capability to face any possible short term environment and in the meantime consistently pursue long term strategy of growth and profitability excellence
- 2023 commitments
  - Financial commitments: around 5% of organic sales growth, profitability excellence consolidation and cash conversion improvement
    - January backlog consistent with previous months evolution <sup>(2)</sup>
  - ESG commitment: first steps of Group ESG foundation building, with focus on “G” actions
- 2023-2025 commitments <sup>(3)</sup>
  - Sales: around 25% of total sales growth <sup>(4)</sup>
  - Profitability: around 22% EBITDA margin including M&A temporary dilution effect
  - Leverage: between 1.0x and 1.5x <sup>(5)</sup>

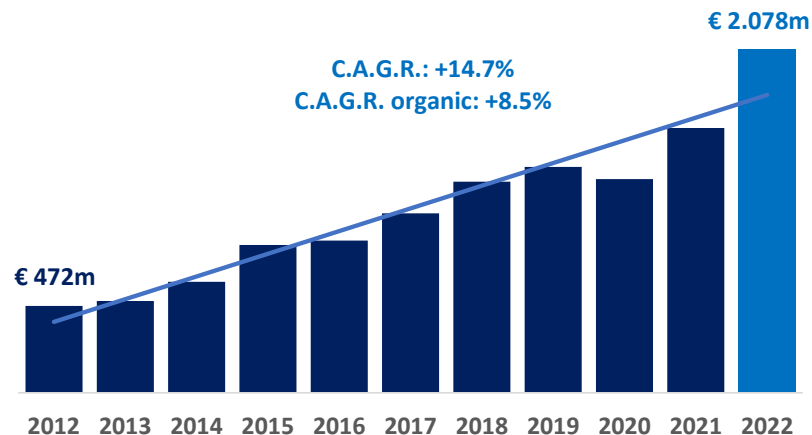
**GROUP 2019-2022 <sup>(1)</sup> SALES&EBITDA EVOLUTION**  
(Figures indexed to 2018 data)



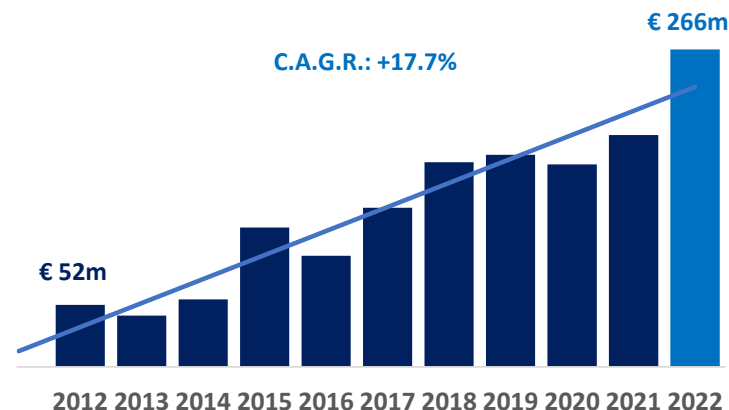
<sup>(1)</sup> 2019 EBITDA data including IFRS16 adoption impact - <sup>(2)</sup> Based on management estimates - <sup>(3)</sup> At constant FX - <sup>(4)</sup> Including M&A activities

<sup>(5)</sup> Total debt/EBITDA (“Total Debt” = NFP including commitments for the acquisition of investments)

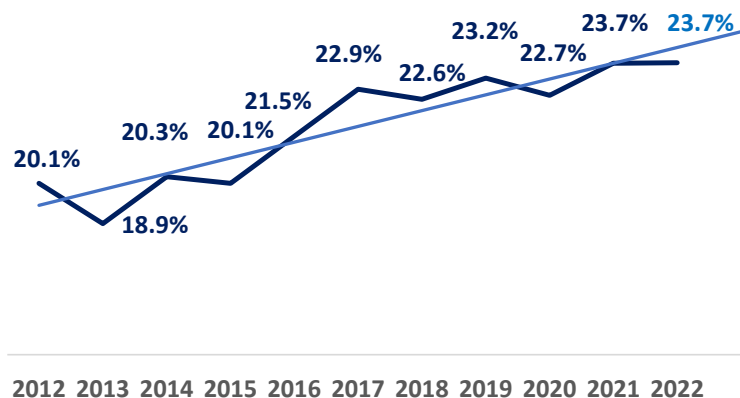
## 2012-2022 GROUP SALES EVOLUTION



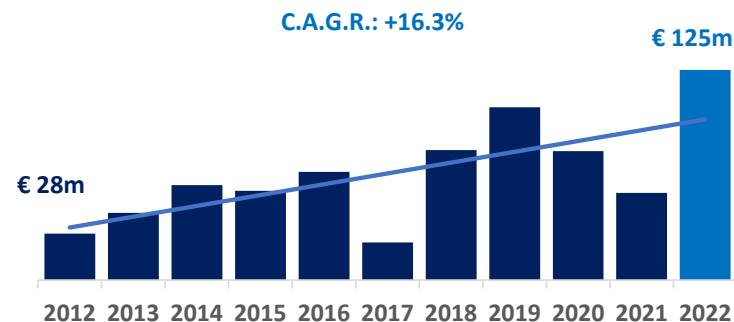
## 2012-2022 GROUP NET PROFIT EVOLUTION <sup>(2)</sup>



## 2012-2022 GROUP EBITDA MARGIN EVOLUTION <sup>(1)</sup>

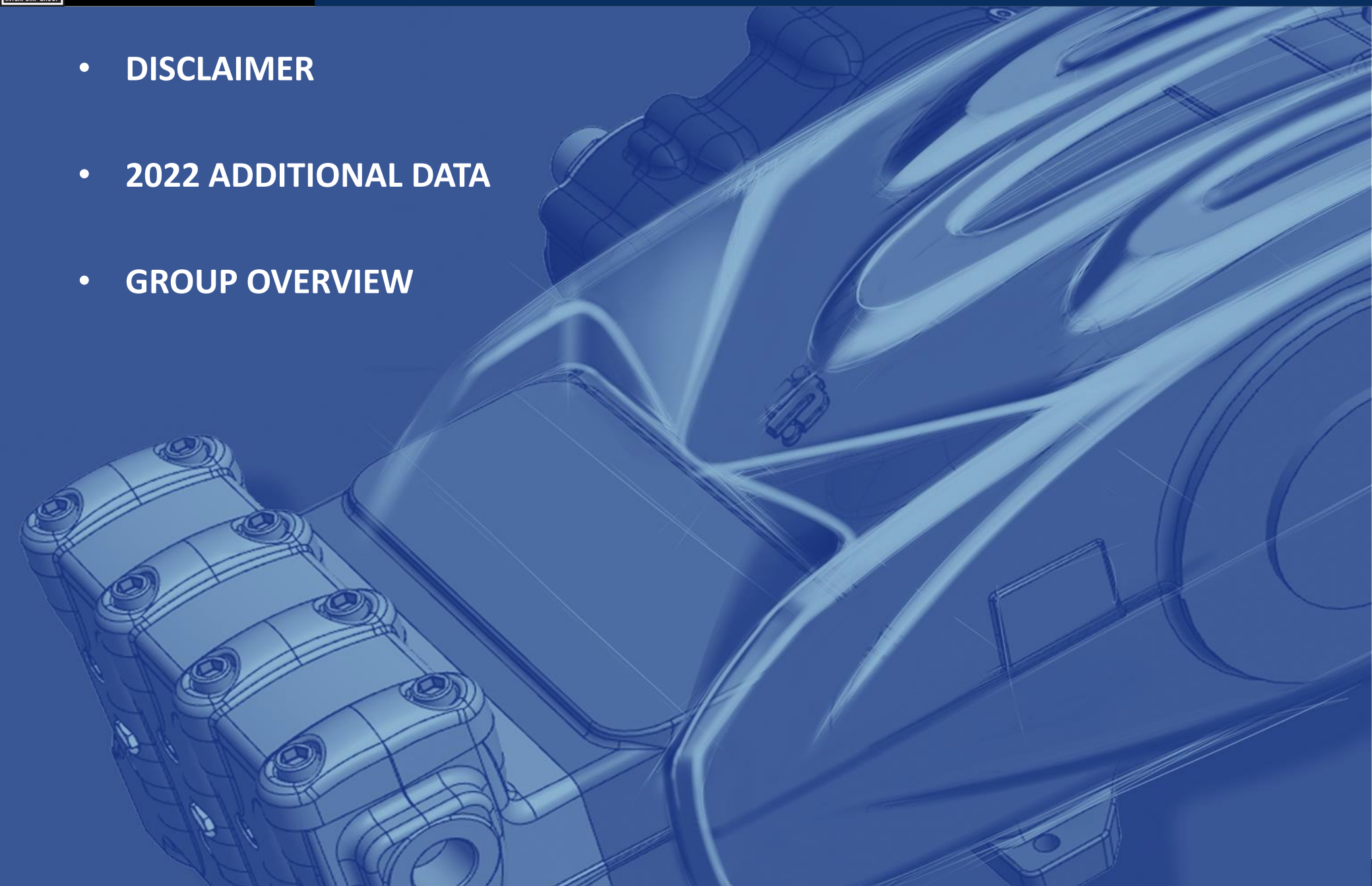


## 2012-2022 GROUP «COMMITMENT TO SHAREHOLDERS» <sup>(3)</sup> EVOLUTION



<sup>(1)</sup> 2019 data including IFRS16 adoption impact - <sup>(2)</sup> Attributable to the parent company - <sup>(3)</sup> Dividend & gross buy-back

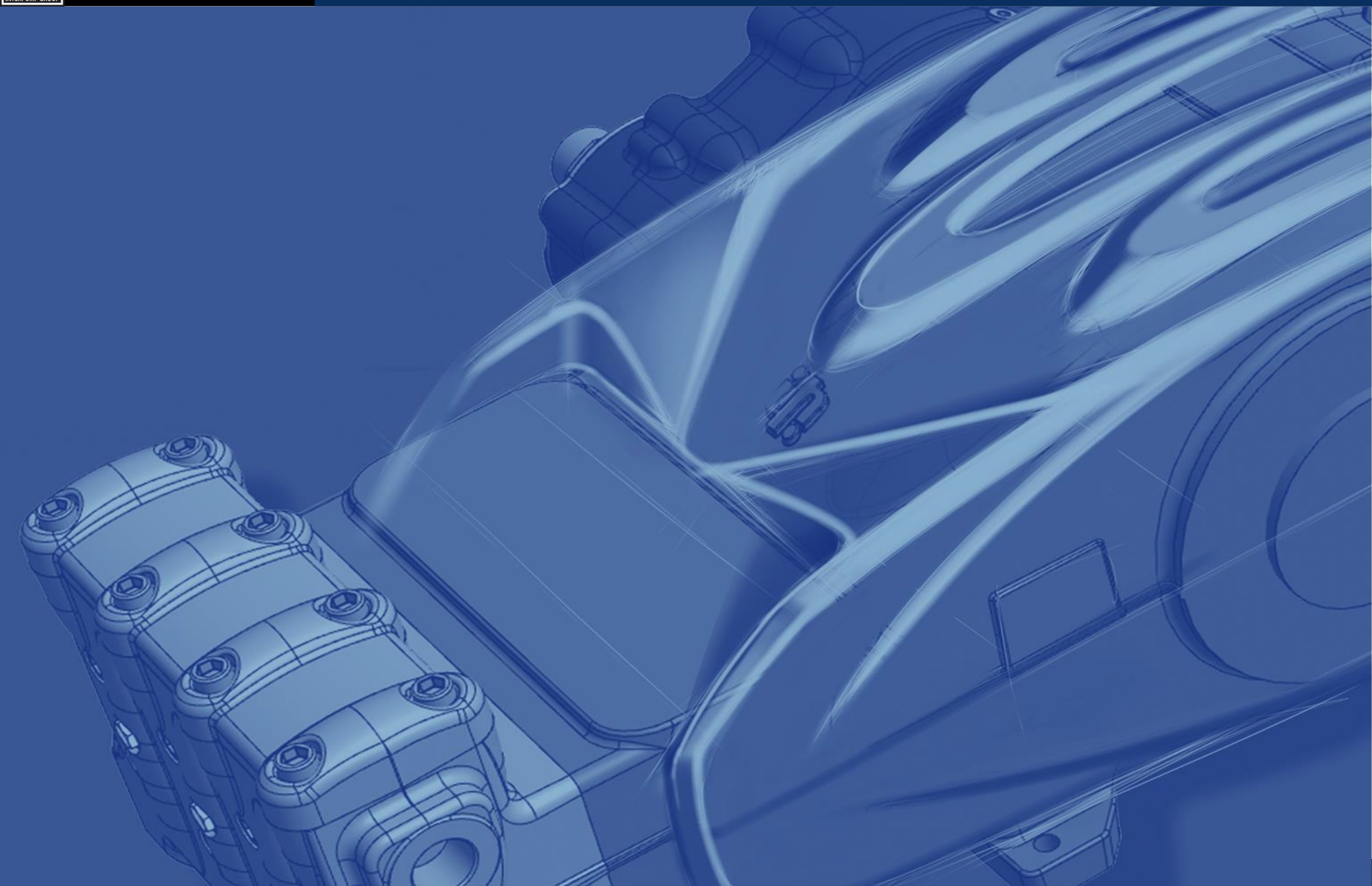
- **DISCLAIMER**
- **2022 ADDITIONAL DATA**
- **GROUP OVERVIEW**





**ANNEX**

**DISCLAIMER**





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The Group uses several alternative measures that are not identified as accounting parameters in the framework of IFRS standards, 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 alternative performance indicators are constituted exclusively starting from the Group's historical 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. These indicators refer only to performance in the period illustrated in this Interim Board of Directors' Report and the comparative periods and not to expected performance and must not be taken to replace the indicators required by the reference accounting standards (IFRS). Finally, the alternative indicators are processed with continuity and using uniform definition and representation for all the periods for which financial information is included in this Interim Board of Directors' Report.

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

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

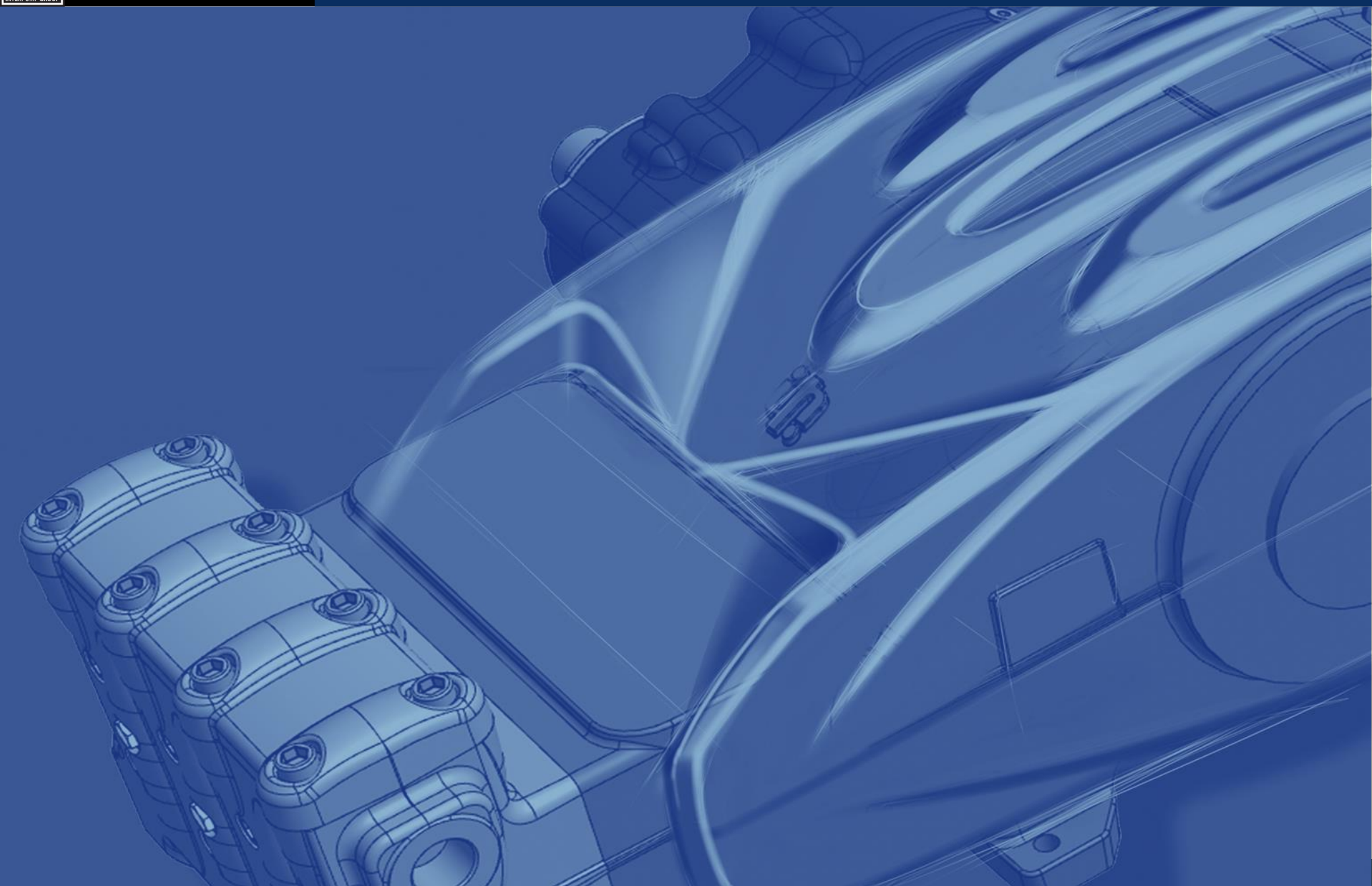
The Group's income statement is prepared by functional area (also called the "cost of sales" method). This form is deemed to be more representative than its "type of expense" counterpart, which is nevertheless included in the notes to the Annual Financial Report. The chosen form, in fact, complies with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

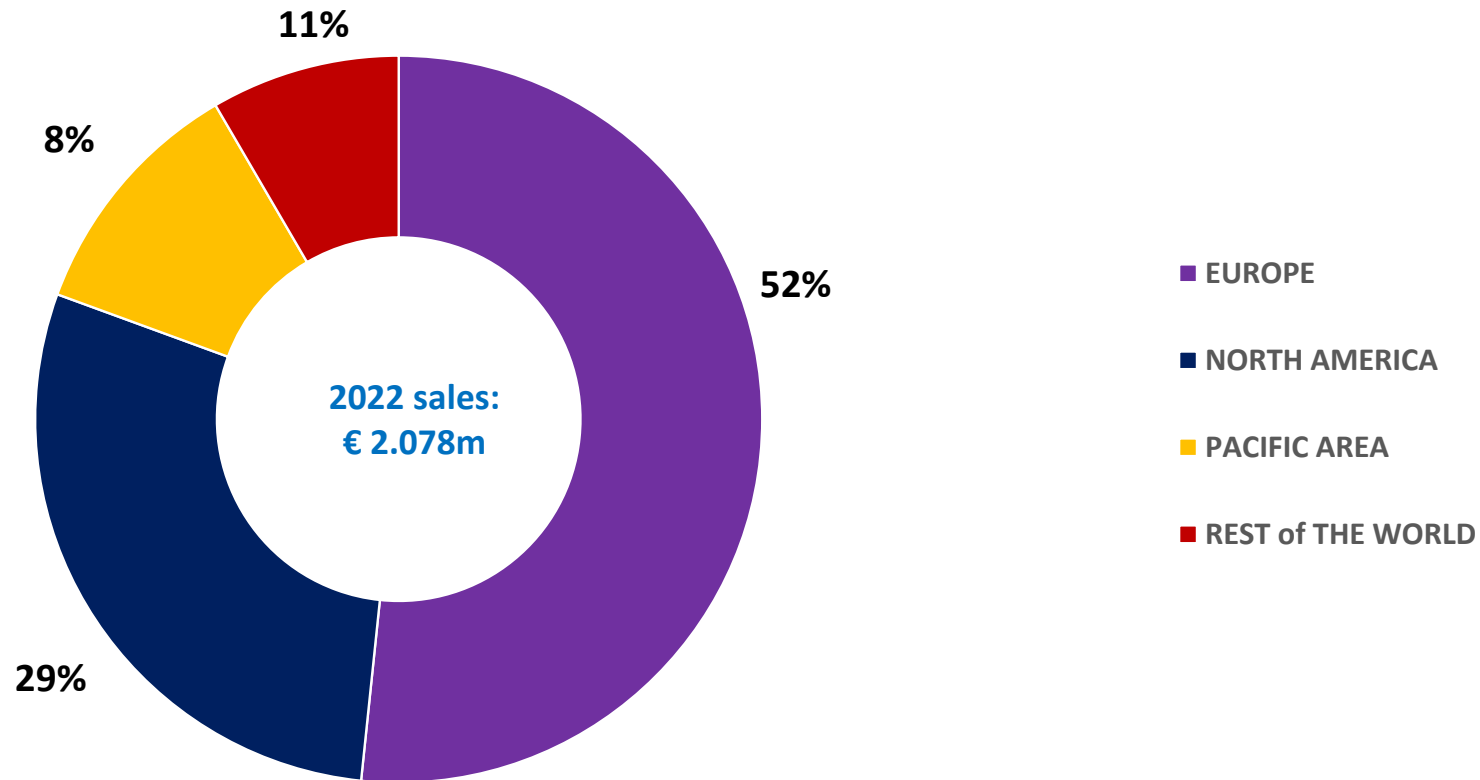


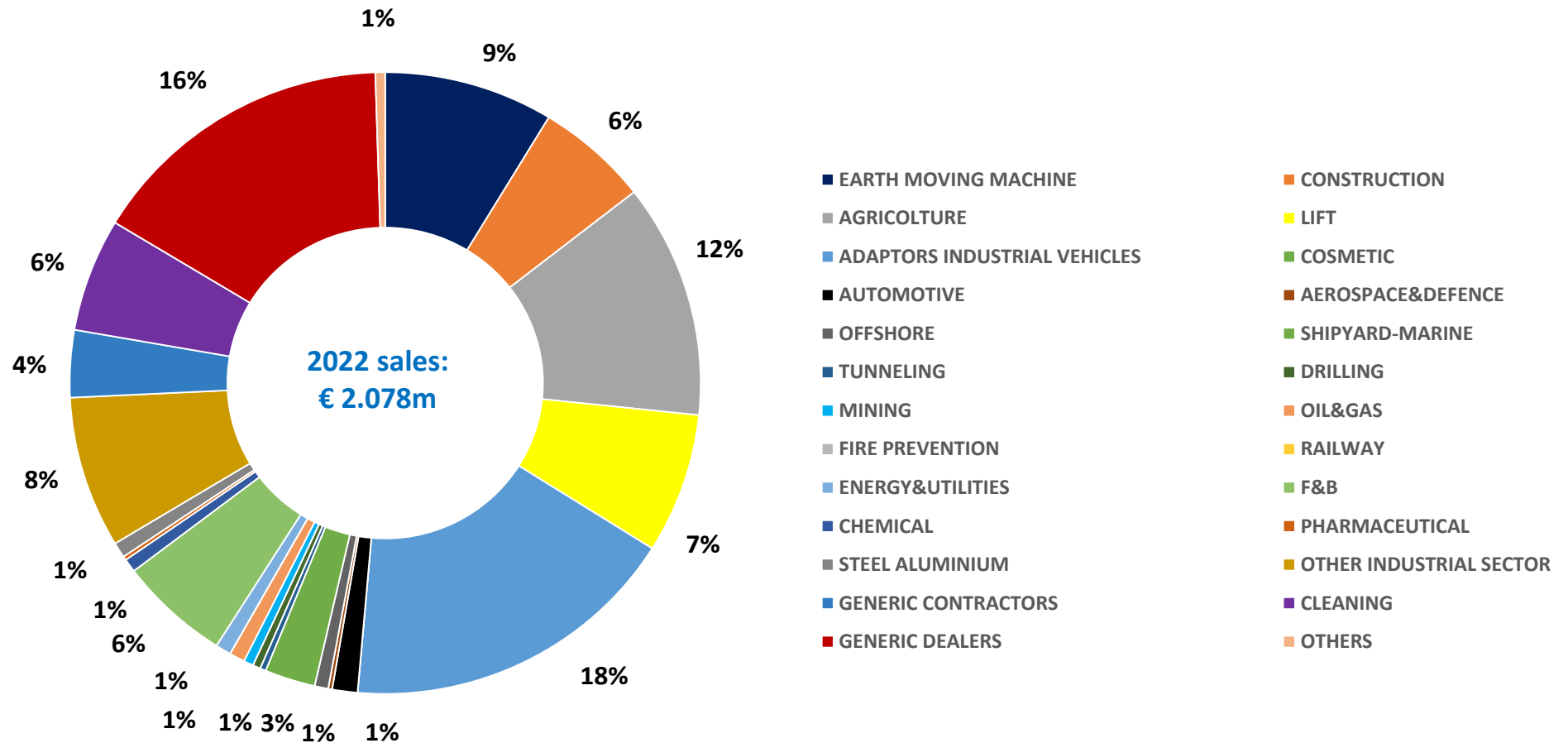


**ANNEX**

**2022 ADDITIONAL DETAILS**

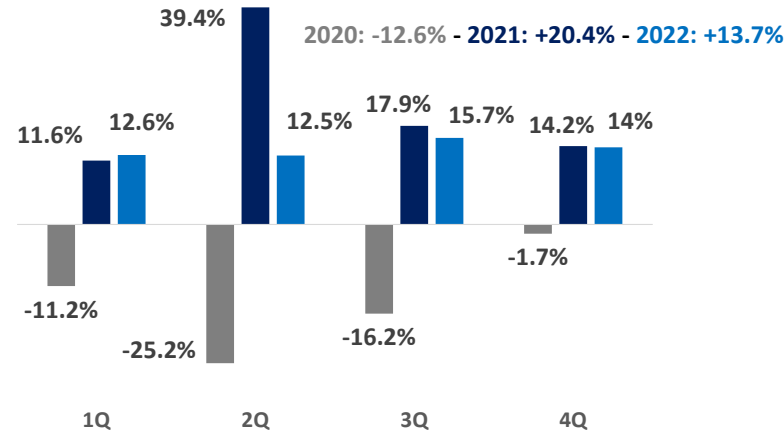




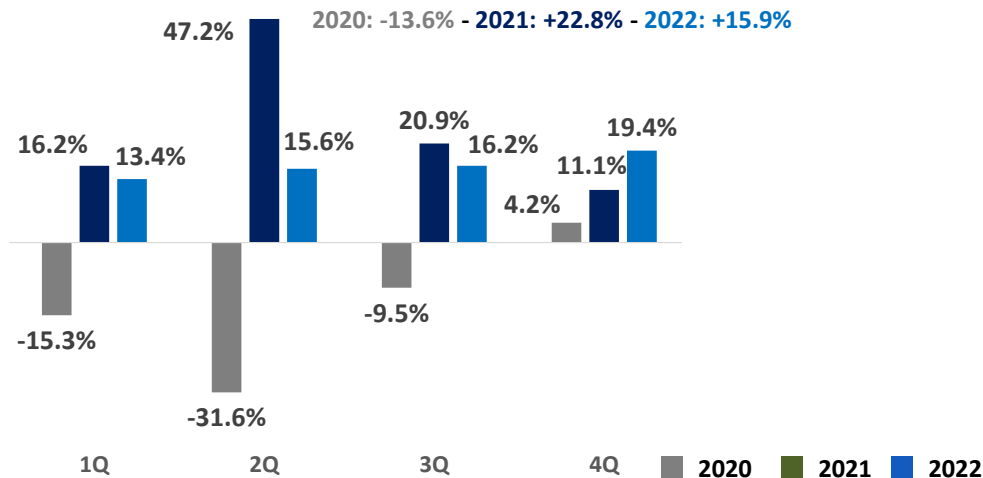


<sup>(1)</sup> Incidence below 0.5% not indicated, incidence between 0.5-1% rounded to 1%

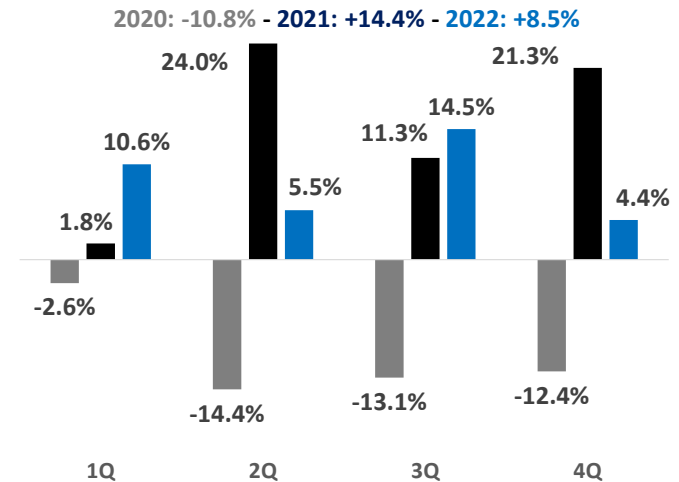
## GROUP 2020-2022 ORGANIC GROWTH EVOLUTION by QUARTER



## HYDRAULICS 2020-2022 ORGANIC GROWTH EVOLUTION by QUARTER



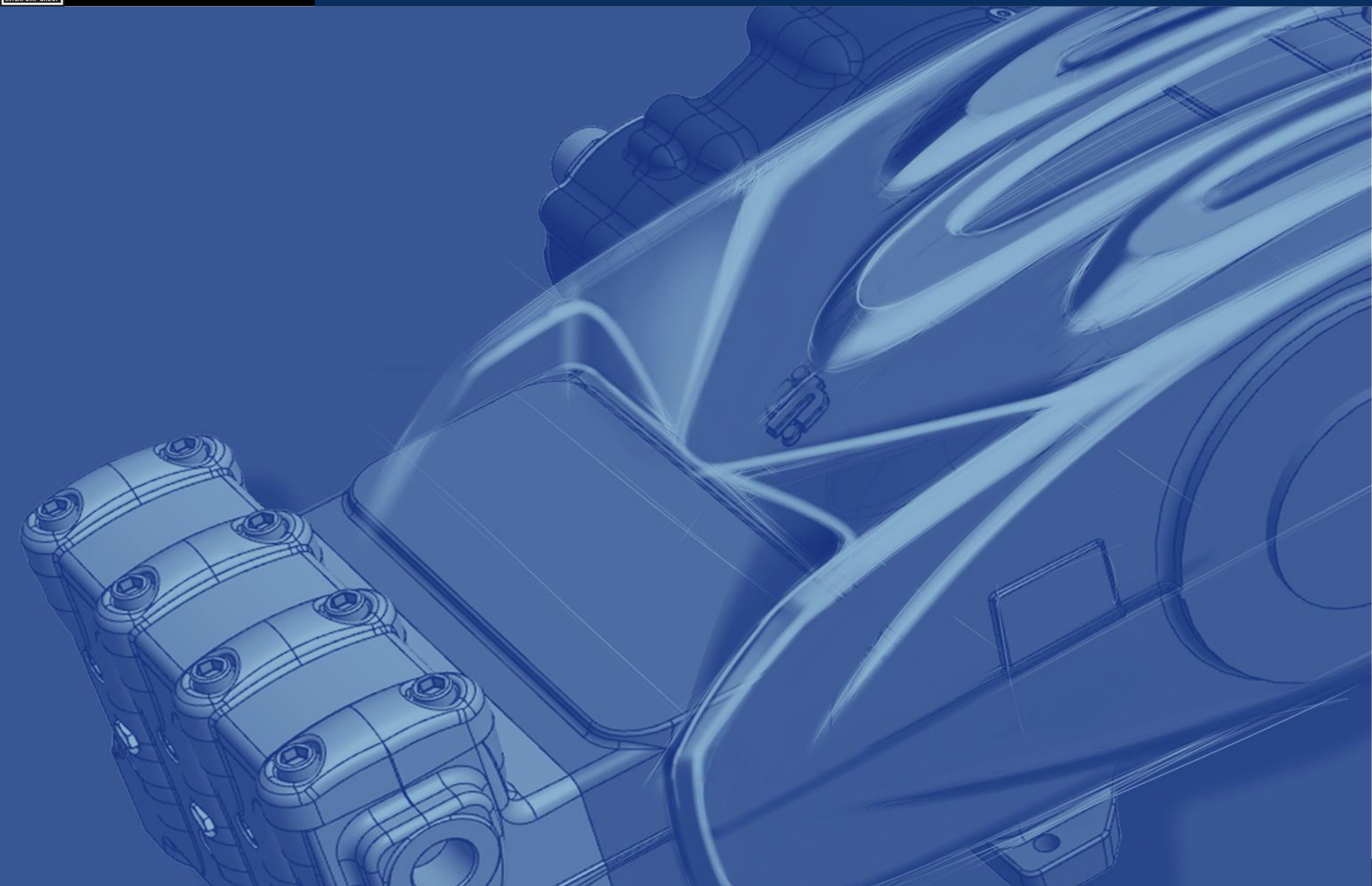
## WATER-JETTING 2020-2022 ORGANIC GROWTH EVOLUTION by QUARTER





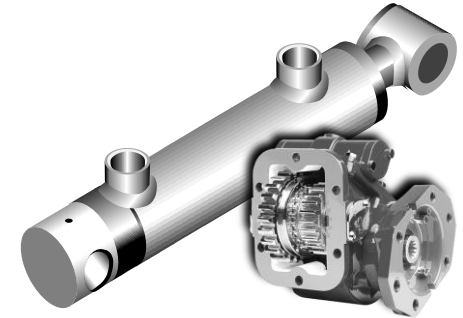
**ANNEX**

**GROUP OVERVIEW**





- € 2.078m of turnover and € 492m of EBITDA (23.7% on net sales) in 2022 divided between two divisions
  - Hydraulics and Water Jetting
- **Hydraulics:** around 65% of Group sales and 68% of Group EBITDA
  - Wide range of components for mobile and non-mobile hydraulics: PTOs, cylinders, gear pumps, valves, hoses, fittings, ...
  - Additional businesses: reduction gears, hoses, fittings for non-hydraulic applications
- **Water Jetting:** around 35% of Group sales and 30% of Group EBITDA
  - High-pressure plunger piston pumps
  - Additional businesses: flow handling components for food&beverage, cosmetics and pharmaceutical components





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

## HYDRAULICS



### EARTH MOVING

Excavators  
Backhoe loaders  
Skid-steer loaders



### TRUCK OUTFITTERS

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



### TRUCK

Factory-fitted PTOs



### AGRICULTURE

Farm tractors  
Front loaders  
Harvesting machines



### CONSTRUCTION

Concrete mixing  
Telescopic handlers  
Conditioning/  
refrigeration/  
ventilation



### INDUSTRIAL

Machine tools  
Hydraulic power packs  
Automated assembly lines



### LIFTING

Mobile-fixed cranes  
Elevators  
Forklifts  
Conveyor belts



### DRILLING/TUNNELING

Tunnel-boring machines

## WATER JETTING



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

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



### CONSTRUCTION

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



### TRUCKS

Lightweight high pressure  
pumps for sewer trucks  
Other utility vehicles



### INDUSTRY

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



### STEEL / ALUMINUM

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



### CLEANING

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



### AUTOMOTIVE

Rail engine heads deburring  
Bodywork cutting  
Welded seals cleanup



### MARINE / SHIPYARDS

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



### WATER PROCESSING

Misting  
Reverse-osmosis  
desalination



### CONTRACTORS

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



### OIL & GAS

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

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

## HYDRAULICS



**INTERPUMP  
MUNCIE POWER**  
Power take offs



**GALTECH  
HYDROCONTROL  
WALVOIL – WHITE DRIVE**  
Valves,  
directional control valves  
Rotating manifolds



**BERMA  
DRAINTEC  
DZ TRANSMISSIONI  
REGGIANA RIDUTTORI  
TRANSTECNO**  
Reduction gears



**I.M.M.**  
Hypress and  
fluid solutions



**TUBIFLEX**  
Metallic flexible hoses



**INTERPUMP  
PRATISSOLI**  
High flow/pressure  
plunger pumps



**NLB**

Production and  
rental of high-pressure  
pumps and complete  
systems



**INOXIHP**  
Specialised solutions  
for the steel and  
mining industries



**CONTARINI  
PANNI OLEODINAMICA**  
Cylinders



**GS-HYDRO  
TEXNOTUBI**  
Rigid pipes &  
piping system



**HYDRALOC**  
Hose assembling  
machine



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



**BERTOLI**  
Homogenizers



**INOXPA - FLUINOX**  
Mixers, components  
& systems



**MACFUGE  
MARIOTTI&PACINI**

Mixers, agitators  
and centrifugal  
separators

**Macfuge**



**AMERICAN MOBILE**  
Oil tanks



## FLEXIBILITY

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

Product mix and sales strategy  
can adapt fast to market evolution

## DIVERSIFICATION

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

Standardisation & merger  
to be executed when need

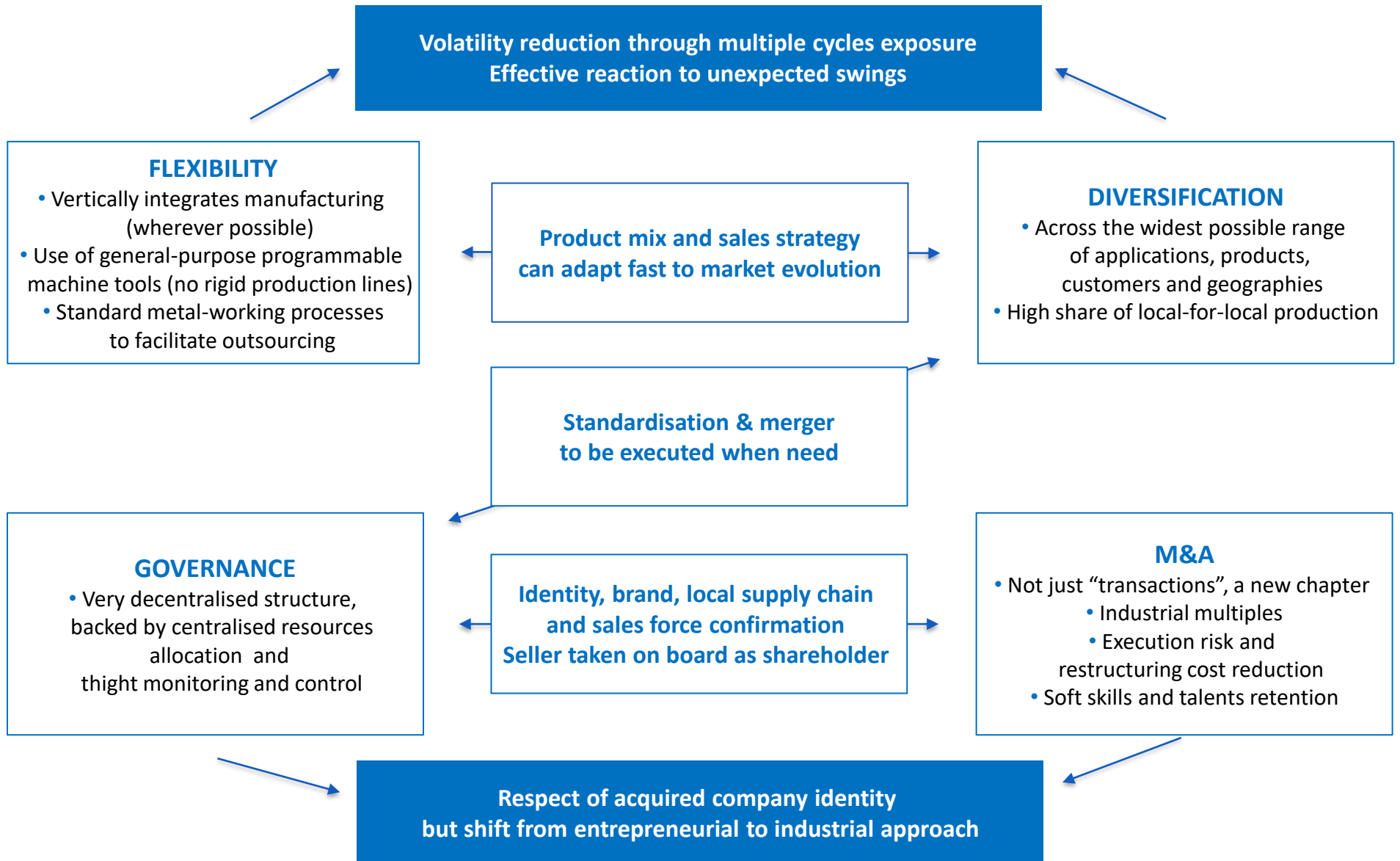
## GOVERNANCE

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

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

## M&A

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





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

S. Ilario d'Enza, 15 February 2023

*Giovanni Poletti*

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