

Annex “D” to the resolution adopted by the Board of Directors of Interpump Group S.p.A. on 19 March 2019

REPORT DESCRIBING THE PROPOSALS OF THE BOARD OF DIRECTORS OF INTERPUMP GROUP S.p.A. TO THE ORDINARY SHAREHOLDERS' MEETING OF 30 APRIL 2019.

Sant’Ilario d’Enza, 19 March 2019

Shareholders,

This report has been prepared in compliance with art. 125-(3), subsection 1, of Italian legislative decree no. 58 dated 24 February 1998 (the “**Consolidated Finance Act**” or “**TUF**”), art. 84-(4) of the regulation adopted by Consob Decision no. 11971 of 14 May 1999 and subsequent amendments (the “**Issuers' Code**”), as well as arts. 73 and 84-(2) of the Issuers' Code and, *mutatis mutandis*, with Annex 3A, Format 4, of the Issuers' Regulation, in order to describe to the shareholders of Interpump Group S.p.A. (“**Interpump**” or the “**Company**”) the proposals that the Board of Directors intends to present for your approval in relation to the matters indicated in points 3, 5, 6 and 7 of the agenda for the meeting of the ordinary shareholders of the Company, to be held in first and only calling on **30 April 2019** at the premises of Interpump Group S.p.A., via Einstein 2, Sant’Ilario d’Enza (RE), at **10.00 am**.

The meeting agenda is as follows:

1. Approval of the Annual financial statements at 31 December 2018, accompanied by the Board of Directors' Report, the Report of the Board of Statutory Auditors and the additional accompanying documentation required by statutory regulations; presentation of the Group Consolidated Financial Statements at 31 December 2018, with the Board of Directors' Report and the accompanying documentation required by statutory regulations; related and consequent resolutions.
2. Presentation of the report on non-financial information prepared pursuant to Decree 254 dated 30 December 2016.
3. Distribution of profit for the year; related and consequent resolutions.
4. Remuneration report prepared pursuant to art. 123-(3) TUF; related and consequent resolutions.
5. Determination of the remuneration of the directors for 2019 and the total remuneration of those directors with special duties; related and consequent resolutions.
6. Approval of the “Interpump 2019/2021 Incentive Plan” for the benefit of employees, directors and/or collaborators of the Company and its subsidiaries and delegation of powers to the Company's Board of Directors.
7. Authorization, pursuant to articles 2357 and 2357-(3) of the Italian Civil Code, to purchase treasury shares and possibly to sell any treasury shares held or purchased, after revoking, in whole or in part, any unexercised portion of the authorization granted by resolution of the shareholders' meeting held on 23 April 2018; related and consequent resolutions.

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On the third point on the agenda of the Ordinary Shareholders' Meeting - Resolution concerning the allocation of profit for the year

This section of the report describes the proposal that the Board of Directors of Interpump Group S.p.A. (the “**Company**”) intends to submit for your approval in relation to the distribution of profit for the year.

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The financial statements at 31 December 2018, which are subject to the approval of the Shareholders' Meeting as at the previous point of the agenda, report a net profit for the year of Euro 87,931,504 (eighty-seven million nine hundred and thirty-one thousand five hundred and four).

Taking account of the consolidated financial statements and the economic and financial outlook for the current year, the Board of Directors considers it opportune to recommend as follows:

- (i) declare a dividend of Euro **0.22** (zero point two two) for each of the shares in circulation including the right as per art. 2357-(3) subsection 2 of the Italian Civil Code. It should be noted that for tax purposes the provisions of Italian decree D.M. 2 April 2008 will be applied, since the entire dividend of Euro **0.22** per share is taxable in the hands of the recipient and is considered to have been taken from the profit reserves accumulated subsequent to the tax year in progress at 31/12/2007;
- (ii) allocate the remaining amount to the Extraordinary Reserve, since the legal reserve has already reached the limit of one-fifth of the fully paid up and subscribed share capital.

In consideration of this premise, we submit for your approval the following

proposed resolution

"The Ordinary Shareholders' Meeting of Interpump Group S.p.A.:

- given that the financial statements at 31 December 2018 report a net profit for the year of Euro 87,931,504 (eighty-seven million nine hundred and thirty-one thousand five hundred and four);
- given the resolution proposed by the Board of Directors;

resolves

- 1) to allocate said profit as follows:
 - (i) to declare a dividend of Euro **0.22 (zero point two two)** for each of the shares in circulation including the right as per art. 2357-(3) subsection 2 of the Italian Civil Code;
 - (ii) to allocate the remaining amount to the Extraordinary Reserve, since the legal reserve has already reached the limit of one-fifth of the fully paid up and subscribed share capital.
- 2) to determine the legitimacy of paying out profits, pursuant to article 83-(13) TUF by reference to the accounting records at the end of the accounting day on **21** May 2019 (the "record date"), with payment of the dividend from **22** May 2019, following clipping of coupon no. **26** on **20** May 2019;
- 3) to vest in the Chairman, with the right to delegate to third parties, all the widest possible powers required to implement the matters described above".

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On the fifth point on the agenda of the Ordinary Shareholders' Meeting - Determination of the remuneration of the Directors for 2019 and the total remuneration of the Directors with special duties

This section of the report illustrates the proposal that the Board of Directors intends to submit for your approval in relation to the determination of emoluments for the office of Director for 2019, and the overall

amount of emoluments due to Directors with special duties.

§ 1. On remuneration for the office of director for 2019

With reference to remuneration to assign to each Director for the office, pursuant to art. 2389, subsection 1 of the Italian Civil Code, the Board of Directors, in response to an identical proposal from the Remuneration Committee and having heard the opinion of the Board of Statutory Auditors, proposes 2019 remuneration of EUR **45,000.00 (forty-five thousand/00)** for each Director.

§ 2. On the maximum total emoluments to assign to directors with special duties for 2019

Art. 18 of the Company's Bylaws states that the Shareholders' Meeting shall resolve on the maximum total emoluments that can be assigned to the members of the Board of Directors with special duties in compliance with art. 2389, subsection 3, of the Italian Civil Code, including the Chairman and the members of the Audit Committee and the Remuneration Committee.

The Ordinary Shareholders' Meeting held on 23 April 2018 established such maximum emoluments for 2018 to be Euro 2,900,000.00 (two million nine hundred thousand/00).

As proposed by the Remuneration Committee and after having heard the opinion in favor of the Board of Statutory Auditors, the Board of Directors recommends that the Shareholders' Meeting fix the total maximum 2019 emoluments of the directors assigned special duties at Euro **3,000,000.00 (three million/00)**, of which 2,000,000.00 related to the fixed remuneration component and 1,000,000.00 to the variable component.

§ 3. On the remuneration to assign for the period 1 January 2020 - approval of the 2019 financial statements

On the basis of an identical proposal from the Remuneration Committee and having heard the favorable opinion of the Board of Statutory Auditors, the Board of Directors proposes that the remuneration for the office of Director and the total emoluments of the Directors with special duties authorized for 2019, as indicated in points § 1 and § 2 above, also be paid - as in prior years - in the period from 1 January 2020 to the date of approval of the 2019 financial statements, without prejudice to any subsequent higher amount decided subsequently, within the limits of any amount established at the Shareholders' Meeting.

In consideration of this premise, we submit for your approval the following

proposed resolution

"The Ordinary Shareholders' Meeting of Interpump Group S.p.A.:

- having heard and approved the Board of Directors' Report and the favorable opinion of the Board of Statutory Auditors,

resolves

- 1) to fix the 2019 remuneration assigned to each Director for the office, in compliance with art. 18 of the Bylaws and art. 2389, subsection 1 of the Italian Civil Code, in the amount of EUR **45,000.00 (forty-five thousand/00)**;
- 2) to fix, for 2019, the maximum total emoluments assigned and to be assigned to the Directors with special duties, for the purposes of art. 18 of the Bylaws and art. 2389, subsection 3 of the Italian Civil Code, including the Chairman and the members of the Audit Committee and the Remuneration Committee, in the amount of Euro **3,000,000.00 (three million/00)**, of which

2,000,000.00 related to the fixed remuneration component and 1,000,000.00 to the variable component;

- 3) to fix, in the amount specified in the previous points 1 and 2, calculated on a time-apportioned basis, the emoluments and remuneration to be assigned to the Directors for the period from 1 January 2020 to the date of approval by the Shareholders' Meeting of the 2019 financial statements, without prejudice to any subsequent higher amount decided, within the limits of any amount established at the Shareholders' Meeting;
- 4) to vest in the Chairman, with the right to delegate to third parties, all the widest possible powers required to implement the matters described above.”

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On the sixth point on the agenda of the Ordinary Shareholders' Meeting - Approval of the “Interpump 2019/2021 Incentive Plan” for the benefit of employees, directors and/or collaborators of the Company and its subsidiaries and delegation of powers to the Company's Board of Directors.

This section of the report was prepared, in part, pursuant to art. 125-(3), subsection 1, and art. 114-(2), subsection 1, TUF and art. 84-(2) of the Issuers' Code, to illustrate the proposal at point six on the agenda to approve the new “Interpump 2019/2021 Incentive Plan” (the “**Plan**”).

In this regard, given the success of the incentive plans adopted so far by the Company, the Board of Directors deems it appropriate to set up a new efficient tool for rewarding and retaining the persons considered to be of greatest significance for the growth of the Company and the Group that it heads and, therefore, intends to submit the guidelines for the new Plan for your approval, pursuant to the provisions of art. 114-(2) TUF.

In particular, the main characteristics of the Plan are set out below and will be explained in full in the Informative Document that, pursuant to the combined provisions of art. 114-(2) TUF and art. 84-(2) of the Issuers' Code, must be prepared and made available to the public, together with this report, at the Company's registered office and on its website www.interpumpgroup.it, via the system of storage and dissemination known as “eMarket STORAGE” at www.emarketstorage.com (the “**Informative Document**”).

If the Plan is approved by the Shareholders' meeting, the precise and detailed definition of the relative terms and conditions will be deferred to a specific regulation, including the Options Acceptance and Exercise Notification form, (the “**Code**”) that will be approved by the Board of Directors – acting on a recommendation from the Remuneration Committee and with the favorable opinion of the Board of Statutory Auditors pursuant to art. 2389 of the Italian Civil Code – in compliance with the guidelines approved by the Shareholders' Meeting.

1. Reasons for adopting the Plan

The Plan is designed to reward beneficiaries of the Company and the Group while simultaneously creating a tool for the retention of the beneficiaries, promoting a culture of value creation.

Specifically, the aims pursued by the Company directors in adopting the Plan are mainly as follows:

- (i) development of the business approach of management;
- (ii) greater involvement of directors, employees and collaborators in the progress of the Company and focus of the business on long-term strategic factors of success;
- (iii) strengthening of the loyalty of directors, employees and collaborators;
- (iv) increase of the climate of trust in the growth in the value of the company;

(v) promotion of the spirit of identification of the directors, employees, and collaborators of the Group.

2. Beneficiaries of the Plan

The Plan is reserved for employees, directors and/or collaborators of the Interpump Group, identified – at the sole discretion of the Board of Directors – from among the parties occupying or performing significant roles or functions in or on behalf of the Company and/or the companies it controls, pursuant to the provisions of art. 93 TUF (the “**Subsidiaries**”) and for which an action that strengthens loyalty is justified in the drive to create value (the “**Beneficiaries**”).

The names of the persons concerned and the other information specified by heading 1, Format 7 of Annex 3A to the RE, will be supplied at the time of implementation of the Plan in compliance with the methods envisaged in art. 84-(2), subsection 5, letter a), of the Issuers' Code and, in any case, in compliance with the laws and regulations that are applicable from time to time.

3. Methods and clauses of implementation of the Plan, with the specification that implementation shall be subordinate to the fulfillment of certain conditions and, in particular, to the accomplishment of certain results

On 19 March 2019, the Board of Directors approved - acting on a recommendation from the Remuneration Committee and with the favorable opinion of the Board of Statutory Auditors – the guidelines for the Plan that envisages the free assignment of a maximum of 2,500,000 options (the “**Options**”), each of which granting the Beneficiaries the right – on reaching certain targets identified by the Board of Directors - to, at the discretion of the Company, (i) purchase 1 (one) ordinary Interpump treasury share (“**Share**”) (already in the treasury shares portfolio or purchased at a later date); or (ii) subscribe for 1 (one) newly-issued Share at an exercise price of Euro 28.4952 (twenty-eight point four nine five two) per Option or, if lower, the official Share Price determined by Borsa Italiana at the end of the trading day prior to the Shareholders’ Meeting that approves the Plan and, for Options assigned after 30 April 2020, the official Share Price determined by Borsa Italiana on the day prior to assignment of the Options (the “**Exercise Price**”).

The Board of Directors will establish the number of Options to be assigned free of charge to each Beneficiary, on a personal basis, after obtaining the non-binding opinion of the Compensation Committee and - in cases governed by art. 2389, subsection 3, of the Italian Civil Code - of the Board of Statutory Auditors; these Options are not transferable by inter vivos deed for whatsoever reason.

To make the Plan as flexible as possible and allow it to respond efficiently to the situation existing if and when the Options are exercised, it has also been proposed to grant the Board of Directors the power to meet exercise requests simply by paying the individual Beneficiaries the gross amount (capital gain) obtained, if applicable, by multiplying the number of Options exercised by the difference between:

- the market value of a Share at the time of exercise of the Options, corresponding to the simple arithmetic average of the official prices for the Shares struck on the trading days included between the 1st and 30th days (inclusive) prior to the date of exercise of each Option, and
- the exercise price of each Option exercised (proposed to be Euro 28.4952, as mentioned, or, if lower, the official Share Price determined by Borsa Italiana at the end of the trading day prior to the Shareholders’ Meeting that approves the Plan and, for Options assigned after 30 April 2020, the official Share Price determined by Borsa Italiana on the day prior to assignment of the Options).

Options in relation to which the performance targets established by the Board of Directors have been reached may be exercised by their Beneficiaries, on one or more occasions, but not in blocks of less than 500 Options, in the period between 30th June 2022 (or another date established by the Board of Directors) and 31st December 2025 (or different later date established by the Board of Directors). The Options must be exercised by this last date, when they will expire. The Board of Directors is entitled to establish specific exercise windows within the exercise period.

The Plan does not specify a maximum number of options assignable each year.

The exercise of the Options will be subordinate: (i) for Directors, to continuation of the office of director, (ii) for Employees, to maintenance of the employment contract, and (iii) for External Contractors, to continuation of the independent collaboration agreement.

In the cases of: (a) retirement or dismissal without just cause of the Employee, (b) revocation or non-renewal without just cause of the Director, (c) loss of the condition of subsidiary of the Company by the company of appointment of the Director / Beneficiary or employer of the Employee / Beneficiary, the Options already matured but not yet exercised can be exercised by the Beneficiaries in compliance with the obligations, methods and terms that will be established by the Code. On the contrary, the Options that – at the date on which the event as at the previous letters (a), (b) or (c) – are not yet matured, will be finally lost and can no longer be exercised.

In any event the faculty of the Board of Directors is retained, further to the non-binding opinion of the Remuneration Committee, to regulate special cases establishing time by time the number of Options to exercise and the term of exercise of the same.

The Board of Directors proposes that the maturity, and consequent exercisability of the Options be subordinate to the attainment of performance targets to be established by the Board of Directors, further to the non-binding opinion of the Remuneration Committee, for each of the single reference years of the Plan (hence for 2019, 2020 and 2021).

The Board of Directors must establish said targets in compliance with the following parameters:

- (i) for 80% of the Options offered to each Beneficiary, the targets must be constituted by the achievement of specific results, in terms of the balance sheet and the income statement, achieved on the Group consolidated level in each of the reference years; and
- (ii) for 20% of the Options offered to each Beneficiary, the performance targets must be qualitative in nature, reflecting the performance of the individual Beneficiary with respect to such parameters as collaboration, commitment and value added to the Group. This will be assessed a) for members of the Board of Directors and those persons who, while not being members, report to it hierarchically and/or functionally, directly by the Board of Directors or b) if the Beneficiary is not a member of the Board of Directors and does not report to it hierarchically and/or functionally, by the direct superior of that person who will then report the outcome to the Board of Directors.

After obtaining the non-binding opinion of the Compensation Committee, the Board of Directors will establish the results to be achieved in each of the reference years, their individual importance in the context of the 80% parameter described in point (i) above, and the qualitative parameters applicable in relation to point (ii) above.

The Plan guidelines also envisage that failure to achieve – in whole or in part – the performance targets established in relation to the 2019 financial year and/or the 2020 financial year will not result in definitive loss of the right to exercise Options that vest with reference to them. In fact, achievement of the performance targets established for the following financial year will result in the vesting of the Options assigned with reference to the previous financial year(s), which will therefore become exercisable in full.

Likewise, it is envisaged that achievement of the performance targets established for the 2021 financial year in a prior year (2019 or 2020) will result in immediate vesting of all the Options assigned to the Beneficiary, which will therefor become exercisable full. Such early vesting will not however change the Exercise Period.

The Board of Directors is awarded the faculty to make any necessary amendments or integrations to the Code in order to maintain the essential contents of the Plan and the benefits for the beneficiaries of the plan as constant as possible in the following cases:

- (i) payment of extraordinary dividends;
- (ii) purchase of treasury stock;

- (iii) special transactions in the capital of Interpump not connected with the Plan or with any similar plans;
- (iv) regulatory changes (including to the corporate governance code);
- (v) events that may affect the rights of Beneficiaries or the ability to exercise their Options (such as, by way of example, the consolidation or splitting of shares, mergers, break-ups, revocation of the market listing, promotion of public offers for the purchase or exchange of Shares).

In particular, the Board of Directors may, by mere and incomplete way of example, amend, increase or decrease: (i) the definition and/or number and/or characteristics of the Options and/or the Shares covered by the Plan; (ii) the Exercise Price; (iii) the performance targets and/or other vesting and exercise conditions applying to the Options.

In making these amendments and additions, the Board of Directors must apply, wherever possible and applicable, the generally accepted mathematical formulas used by Stock Market operators.

Any roundings necessary due to the existence of fractions will be made downwards and, therefore, the Beneficiary will be entitled to one less Share irrespective of the magnitude of the fraction and without prejudice to all other applicable conditions.

The Plan shall run from the date of approval until 31 December 2025 (or the different term established by the Board of Directors), without prejudice to the minimum holding Commitments as at the following heading 6, which will remain in force until the expiry of the specified terms. After that date, any unexercised Options will no longer be exercisable.

4. Any support for the Plan by the Special Fund for incentivizing worker participation in firms pursuant to art. 4, para. 112, of Law 350 dated 24 December 2003

The Plan does not receive any support from the Special Fund for incentivizing worker participation in firms pursuant to art. 4, para. 112, of Law 350 dated 24 December 2003.

5. Method for the determination of prices and criteria for determining the subscription or purchase price of the shares

As indicated above, it is proposed that the price that each Beneficiary must pay to exercise an Option and, consequently, to purchase (or subscribe for) a Share, be Euro 28.4952 for each Option or, if lower, the official Share Price determined by Borsa Italiana at the end of the trading day prior to the Shareholders' Meeting that approves the Plan and, for Options assigned after 30 April 2020, the official Share Price determined by Borsa Italiana on the day prior to assignment of the Options

6. Lock-up constraints on the Shares or the Options, with particular reference to the time windows in which their subsequent transfer to the Company or to third parties is either permitted or prohibited.

The Options will be assigned to the Beneficiaries free of charge, on a personal basis, and cannot be transferred by inter vivos deed, be subjected to liens or be the subject of other conveyances for whatsoever reason.

The following minimum holding commitments are envisaged for certain categories of Beneficiaries:

- (i) Beneficiaries who are "executive directors" pursuant and consequent to art. 7 of the Code of Corporate Governance of Listed Companies, as identified by the Board of Directors, must hold continuously, until the date on which they cease to be a director, a number of Shares equal to at least 20% of the Shares purchased following exercise of the Options;
- (ii) Beneficiaries who are "executives with strategic responsibilities" pursuant and consequent to art. 7 of the Code of Corporate Governance of Listed Companies, as identified by the Board of Directors, will be obliged to hold continuously for a period of 3 years from the date of exercise of the related Options, a number of Shares equivalent to at least 20% of the Shares purchased further to the exercise of the Options

(hereinafter the "**Minimum Holding Commitments**").

The Shares covered by Minimum Holding Commitments will be subject to the lock-up constraint – and hence they cannot be sold, contributed, exchanged, offered in a resale agreement, or constitute the subject of other inter vivos conveyances – until the expiry of such Commitments, unless otherwise authorized in writing by the Board of Directors.

No further lock-up constraints are envisaged encumbering the Shares assigned following the exercise of Options.

In consideration of this premise, we submit for your approval the following

proposed resolution

“The Ordinary Shareholders’ Meeting:

- having taken account of the proposal of the Remuneration committee;
- having taken account of the Board of Directors' Report relative to the proposal for adoption of an incentive plan benefiting, employees, directors and collaborators of the Company and its subsidiaries;
- in consideration of the provisions of art. 114-(2) TUF and related regulatory provisions issued by Consob;
- having taken account of the Informative Document prepared by the Board of Directors, in compliance with the provisions of art. 114-(2) TUF and art. 84-(2) of Consob Regulation no. 11971 dated 14 May 1999;
- having assessed the opportunity of promoting the implementation of an incentive plan benefiting the directors and employees of the Company and the Group, in order to build the loyalty and incentivize the participants in the Plan, allowing them to participate in the creation of value in the company;

resolves

- 1) to approve the adoption of the "Interpump 2019-2021 Incentive Plan”, based on a maximum total of 2,500,000 options, for the directors, employees and collaborators of the Company and the Group it controls, to be identified by the Board of Directors in compliance with the guidelines indicated in the related Informative Document, prepared pursuant to art. 114-(2) TUF and art. 84-(2) of Consob Regulation no. 11971 dated 14 May 1999, annexed to this resolution;
- 2) to delegate to the Board of Directors adoption of the regulation for the "Interpump 2019-2021 Incentive Plan”, attributing to the Board of Directors, with the express right to sub-delegate, all the broadest necessary or appropriate powers to implement the same in full and to make any necessary or appropriate additions or changes and proceed with the preparation and/or completion of all necessary or appropriate documents in relation to the same and to the market disclosure, in order to comply with all the applicable articles of law or regulations (including the provisions envisaged by the corporate governance codes applicable to the Company time by time) in compliance with the guidelines provided in the Informative Document;
- 3) to vest in the Chairman and in the *pro tempore* Chief Executive Officer, separately and with the right to delegate to third parties, all the widest possible powers required to implement this resolution in compliance with the applicable laws”.

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In relation to the seventh point on the Agenda of the Ordinary Shareholders' Meeting – Authorization pursuant to arts. 2357 and 2357-(3) of the Italian Civil Code, to purchase treasury shares and to sell any treasury shares held or purchased, after revoking, in whole or in part, any

unexercised portion of the authorization granted by resolution of the Shareholders' Meeting held on 23 April 2018; related and consequent resolutions.

This section of the report, prepared inter alia pursuant to art. 73 and Annex 3A of the Issuers' Code, illustrates the proposal that the Board of Directors intends to submit for your approval in relation to the authorization, pursuant to the provisions of arts. 2357 and 2357-(3) of the Italian Civil Code, to purchase treasury shares and possibly to sell any treasury shares held or purchased.

1. Subject of the authorizations requested

The Board of Directors draws your attention to the fact that the Ordinary Shareholders' Meeting of 23 April 2018 authorized, for a period of eighteen months following that date, the purchase of treasury shares up to the maximum number of 5,500,000 (five million five hundred thousand) ordinary shares of nominal value of EUR 2,860,000.00 (two million eight hundred and sixty thousand/00) and thus in total, considering the treasury shares already purchased and not yet sold in execution of the previous resolutions of the Shareholders' Meeting, up to the maximum number of 6,909,683 (six million nine hundred and nine thousand six hundred and eighty-three) ordinary shares, or in any event within any lower limit imposed by the legislation in force at the time, for a unit price of between a minimum of the nominal value of EUR 0.52 (zero/52) and a maximum of EUR 35.00 (thirty-five /00).

At the date of this report, the Company holds 3,443,489 (three million four hundred and forty-three thousand four hundred and eighty-nine) treasury shares having a total nominal value of Euro 1,790,614.28 (one million seven hundred and ninety thousand six hundred and fourteen/28), corresponding to approximately 3.16267% of the subscribed and paid-up share capital, which totals Euro 56,617,232.88 and is represented by 108,879,294 ordinary shares.

Such shares were purchased for a total price of Euro 72,685,170.02 (seventy-two million six hundred and eighty-five thousand one hundred and seventy/02), corresponding to an average unit price of approximately Euro 21.108 (twenty-one point one zero eight) per share.

The Board of Directors now considers it appropriate, for the reasons illustrated in point § 2 below, to request a new authorization - replacing the previous authorization granted at the Shareholders' Meeting on 23 April 2018 - to proceed for a period of eighteen months from the related resolution of the Shareholders' Meeting with: (i) the purchase of treasury shares up to a maximum number of **3,500,000** (three million five hundred thousand) ordinary shares of nominal value Euro **1,820,000** (one million eight hundred and twenty thousand) hence, overall, considering the treasury shares already purchased and not yet sold in execution of prior resolutions of the Shareholders' Meeting, up to a maximum of 6,943,489 (six million nine hundred and forty-three thousand four hundred and eighty-nine) ordinary shares, or, in any event, within any lower limit imposed by current legislation in force at the time, and also (ii) the sale of treasury shares purchased previously in execution of prior resolutions of the Shareholders' Meeting and to be acquired in execution of the requested resolution of the Shareholders' Meeting.

In making the individual purchases the Board of Directors must observe the legislative and regulatory provisions applicable on a time-by-time basis. With regard to the maximum number of shares that the Company can purchase from time to time, we invite you to refer to the information given in points § 3 and 4 below. With regard to spending limits, we invite you to refer to the details given in points § 5 and 7 below.

2. Reasons for which authorization is requested for the purchase and sale of treasury stock

The latest authorization for the purchase of treasury stock granted by the Shareholders' Meeting expires on 23 October 2019.

The Board of Directors therefore asks the Shareholders' Meeting to issue a new authorization for the purchase and the possible subsequent sale of the treasury stock already purchased or that will be purchased in implementation of the new authorization resolutions requested. Said new authorization will revoke, for

the non-executed part, and replace the latest authorization for the purchase of treasury stock granted at the Shareholders' Meeting on 23 April 2018, which will consequently lapse.

Given that the Company will not trade speculatively in treasury shares, the authorization to purchase is required in order to allow the Company to purchase additional lots of treasury stock, even via public offers for the purchase or exchange of shares, for the purpose of investment, stabilization of the stock price in situations of reduced stock market liquidity, and in order to obtain shares that may be allocated for possible exchange following acquisitions and/or commercial agreements with strategic partners.

The authorization to sell is also requested in order to act on the market to stabilize the price of stock in situations of reduced stock market liquidity, and in order to make possible exchanges following acquisitions and/or commercial agreements with strategic partners.

The authorization to purchase treasury shares, and the authorization for their sale, will also be valid for the purposes of the purchase and subsequent sale of shares to be placed at the service of the incentive plans in existence and potentially to be adopted in the future by the Company.

3. Maximum number, category, and nominal value of the shares to which the authorization refers

The Company's ordinary shares belong to a single category. The nominal value of the shares is EUR 0.52 (zero/52) each.

The Board of Directors asks the Shareholders' Meeting to authorize the purchase as treasury shares up to a maximum number of **3,500,000** (three million five hundred thousand) ordinary shares of nominal value Euro **1,820,000** (one million eight hundred and twenty thousand) hence, overall, considering the treasury shares already purchased and not yet sold in execution of prior resolutions of the Shareholders' Meeting, up to a maximum of 6,943,489 (six million nine hundred and forty-three thousand four hundred and eighty-nine) ordinary shares, or within any lower limit imposed by current legislation in force at the time.

4. Useful information for a complete assessment of compliance with the provisions of art. 2357, subsection 3 of the Italian civil code.

The maximum limit within which the Company, further to authorization of the shareholders' meeting, can purchase treasury shares is currently defined by art. 2357, subsection 3 of the Italian Civil Code, whereby the nominal value of treasury shares cannot exceed one fifth of the share capital, taking account for this purpose any shares held by subsidiaries.

With reference to the incidence of the above limit with respect to the authorization requested, we draw your attention to the fact that:

- (i) the treasury shares currently held by the Company number 3,443,489 (three million four hundred and forty-three thousand four hundred and eighty-nine) for a total nominal value of Euro 1,790,614.28 (one million seven hundred and ninety thousand six hundred and fourteen/28), corresponding to approximately 3.16267% of the current subscribed and paid-up share capital;
- (ii) the treasury shares currently subject to the proposed authorization described herein total **3,500,000** (three million five hundred thousand) ordinary shares of nominal value Euro **1,820,000** (one million eight hundred and twenty thousand), corresponding to approximately **3.214%** (three point zero two one four percent) of the current subscribed and paid-up share capital.

Note also that, at today's date, none of the Company's subsidiaries hold treasury stock.

5. Useful information for a complete assessment of compliance with the provisions of art. 2357, subsection 1 of the Italian civil code.

With reference to the maximum spending limit that must be observed when purchasing the stock, the Board of Directors draws your attention to the fact that art. 2357, subsection 1 of the Italian Civil Code allows the purchase of treasury shares within the limits of distributable profit and available reserves resulting

from the latest duly approved financial statements, being obliged also to consider any lock-up constraints that have emerged subsequently.

Because, at the date of the present report, the 2018 draft financial statements have only been approved by the Board of Directors and will be submitted for approval at the next Shareholders' Meeting as the first topic on the agenda (i.e. appearing before the resolution concerning the purchase of treasury stock), the Board, for the purpose of checking the spending limits, has taken account of the contents of the 2018 draft financial statements and the proposed allocation of the net profit for 2018, as described in explanatory report to the third point on the agenda for the next Shareholders' Meeting, on the assumption that the shareholders will express their approval.

The above 2018 draft financial statements of the Company report *additional paid-in capital* of Euro 57,402,615.51 (from which Euro 2,164,965.02 must be deducted as unavailable since it relates to the reserve for stock options assigned to the directors and employees of other Group companies and to which Euro 120,000 must be added for increases in additional paid-in capital following the use of treasury shares to purchase equity investments and service the exercise of options by the beneficiaries of the Company's incentive plans from 1 January 2019 to date), an *extraordinary reserve* of Euro 232,756,071.51 (including allocation of the 2018 profit of Euro 87,931,503.77, and excluding use of the reserve to service payment of the dividend for 2018⁽¹⁾ recommended to the next Shareholders' Meeting, as well as the non-distributable reserve for IFRS adjustments, the non-distributable reserve for unrealized exchange gains, and the non-distributable TFR re-measurement reserve) and a *merger surplus* of Euro 698,016.45 (net of non-distributable estimated amounts totaling Euro 164,925.79).

For the purpose of determining the amount of distributable profits and available reserves, it must be considered that:

- pursuant to the terms of art. 2426, subsection 1, no. 5 of the Italian civil code, dividends can be distributed only if sufficient available reserves remain to cover the unamortized amount of costs for plant and expansion, research, development and advertising of multi-annual utility; in the Company's draft financial statements for 2017 said costs totaled Euro 3,054,964.24;
- in compliance with art. 2431 of the Italian Civil Code, additional paid-in capital cannot be distributed until the legal reserve has reached one fifth of the share capital; subscribed and paid-up share capital resulting from the draft 2018 financial statements approved by the Board of Directors, totals Euro 56,617,232.88; the amount of the legal reserve has reached one fifth of the share capital, and consequently, pursuant to art. 2431 of the Italian Civil Code, the additional paid-in capital is available.

Taking account of the foregoing situation, the total amount of effectively distributable profits and effectively available reserves amounts to Euro 284,449,677.51 (two hundred and eighty-four million four hundred and forty-nine thousand six hundred and seventy-seven/51).

Before making individual purchases, the Board of Directors undertakes to first ascertain that the distributable profits and available reserves effectively exist at the time of the purchases concerned.

6. Time for which the authorizations are requested

Authorization for the purchase and sale of treasury shares is requested for the maximum duration permitted by art. 2357, subsection 2 of the Italian Civil Code, and hence for eighteen months from the date of the Shareholders' Meeting convened to adopt the related resolution.

7. Minimum price and maximum price

The Board of Directors proposes that:

⁽¹⁾ Dividend calculated on the basis of the number of treasury shares held by the Company at 19 March 2019, which was 3,443,489.

- the minimum purchase price of treasury stock be fixed at the nominal value of EUR 0.52 (zero/52) per share, consistent with the resolution already adopted at the Shareholders' Meeting on 23 April 2018, cited in point § 1 above;
- the maximum purchase price be established as Euro **40.00 (forty/00)** per share, thereby making it possible to purchase stock also in the event of significant rises in the stock market value of the shares and taking account of the necessary flexibility required in this type of transaction.

The Board of Directors further proposes that the Shareholders' Meeting establish EUR 0.52 (zero/52) per share as the minimum price for the sale of the treasury stock held by the Company.

8. Methods that will be adopted for purchases and sales of treasury stock

With regard to the methods for treasury stock purchase transactions, the Board of Directors proposes that said transactions be performed by means of purchases on the market or by means of public offers to purchase or exchange in compliance with the methods established by the legislative provisions and regulations in force from time to time and, notably, in compliance with the provisions of art. 132, subsection 1, TUF and art. 144-(2), subsection 1, letters a) and b) of the Issuers' Code.

With regard to the methods for any sale of treasury stock acquired in this manner, in consideration of the aims illustrated in the previous point § 2, it is proposed that the Shareholders' Meeting authorize the Company's Board of Directors to sell treasury stock also by means of a public offering, sale of shares to the employees or directors of the company or of group companies in execution of the incentive plans approved beforehand by the Shareholders' Meeting, placement with warrants or deposit certificates representing shares or similar securities, or exchange for the acquisition of equity investments or assets of interest to the company, and in the framework of possible agreements with strategic partners.

Finally, it is proposed that the Board of Directors and the Directors specifically delegated by the latter, be authorized to establish all other conditions, methods and terms for the sale of the treasury stock held.

9. Use the operation to reduce the share capital

The purchase of treasury stock in relation to which authorization is requested complies with the corporate aims illustrated in the previous point § 2, and is not intended to be a way to reduce the Company's share capital.

10. Effective exemption from the obligation to make a public offer following approval of the resolution to purchase treasury shares

In general, any treasury shares held directly or indirectly by the Company are excluded from the share capital on which the interest of significance is calculated for the purposes of article 106, subsections 1 and 3, letter b), TUF governing public offers.

However, pursuant to the provisions of article 44-(2) of the Issuers' Code, the above-mentioned provision is not applicable if the limits indicated in article 106, subsections 1 and 3, letter b) TUF are exceeded as a result of the direct or indirect purchase of treasury shares by the Company, in execution of a resolution approved by the majority of the shareholders of the Issuer present at the Shareholders' Meeting, other than the shareholder or shareholders who, jointly or alone, hold a relative majority interest of more than 10% (i.e. Gruppo IPG Holding S.p.A.).

Consequently, if the resolution proposed today is approved by the majority of the Issuer's shareholders present in the meeting, other than Gruppo IPG Holding S.p.A., the latter would be exempt from the obligation to launch a takeover bid if, due to the purchase of treasury shares thus authorized, the significant interest thresholds for the purposes of article 106, subsections 1 and 3, letter b), TUF are exceeded.

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In consideration of this premise, we submit for your approval the following

proposed resolution

“The Ordinary Shareholders' Meeting of Interpump Group S.p.A.:

- in view of the resolution of the Ordinary Shareholders' Meeting of 23 April 2018;
- in consideration of the proposal of the Company's board of directors;
- considering that, if the resolution indicated below is approved also with the favorable vote of the majority of the shareholders of Interpump Group S.p.A. in attendance at the Shareholders' Meeting, other than the shareholder or shareholders who hold, individually or jointly, the (relative) majority interest, provided it is greater than 10 percent (i.e. Gruppo IPG Holding S.p.A.), the exemption envisaged by the combined provisions of article 106, subsections 1 and 3, TUF and article 44-(2), subsection 2, of the Issuers' Code will be applied in relation to Gruppo IPG Holding S.p.A.,

resolves

- 1) to authorize the Board of Directors, by means of the Directors delegated for this purpose, to purchase treasury shares up to the maximum number of **3,500,000** (three million five hundred thousand) ordinary shares of nominal value Euro **1,820,000** (one million eight hundred and twenty thousand) and thus in total, considering the treasury shares already purchased and not yet sold in execution of prior resolutions of the Shareholders' Meeting, up to a maximum number of 6,943,489 (six million nine hundred and forty-three thousand four hundred and eighty-nine) ordinary shares, or, in any event, within any lower limit imposed by the legislation in force at the time, for the period of eighteen months starting from the date of this resolution, with the proviso that said new authorization will replace the last authorization for the purchase of treasury stock granted at the Shareholders' Meeting of 23 April 2018, which will therefore lapse. The purchase may take place at a unit price of between a minimum equal to the nominal value of zero point five two (0.52) euro and a maximum of Euro **40.00 (forty/00)**. Purchases must be made in accordance with the methods and the limits established by legislative and regulatory provisions in force from time to time and, notably, by art. 132, subsection 1, TUF and by art. 144-*bis*, subsection 1, letters a), b) and c) of the Issuers' Code;
- 2) to authorize the Board of Directors, by means of the Directors delegated for this purpose, to sell or transfer, on one or more occasions, for the period of eighteen months starting from the date of this resolution, the treasury shares held by the Company, already purchased or to be purchased in implementation of the authorization as at the prior point 1), with the specification that said new authorization will revoke for the unexecuted portion and replace the last authorization for sale of treasury shares granted by the shareholders' meeting of 23 April 2018 which will therefore lapse. The disposal must be carried out at a price that is not lower than the nominal value of zero point five two (0.52) euro per share. The disposal can occur also by means of a public offering, sale of treasury shares to employees, directors and collaborators of the Company and/or of the group companies in execution of incentive plans that have been approved beforehand at the Shareholders' Meeting, servicing of warrants or deposit certificates representing shares or similar securities, exchange for the purchase of equity investments or assets of interest to the company and in the framework of any agreements with strategic partners. The Board of Directors and the directors specifically delegated by the Board are authorized to establish all additional conditions, methods and terms of the disposal of the treasury shares held;
- 3) to make, pursuant to art. 2357-(3), subsection 3 of the Italian Civil Code, all the accounting entries that are necessary or advisable in relation to transactions in treasury shares, in compliance with the statutory legal provisions and the applicable accounting standards;

- 4) to vest in the Chairman, with the right to delegate to third parties, the widest possible powers required to make purchases and sales of treasury shares, even by means of successive transactions, and anyway to implement the above resolutions, even using attorneys, in compliance with all the procedures required by law and the competent authorities.”

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This report is available in the “*Corporate Governance - Shareholders' Meeting*” section of the website www.interpumpgroup.it, at the registered offices of the Company and at the system of storage and dissemination known as eMarket STORAGE at www.emarketstorage.com. The parties eligible to participate in the Shareholders' Meeting are entitled to obtain a copy of the foregoing documentation.

The Corporate Secretarial Department of Interpump Group S.p.A. is at your disposal on weekdays from Monday to Friday from 9.00 am until 12.00 noon and from 3.00 pm until 5.00 pm for further information, at the following numbers: phone + 39 0522 9043 11; fax + 39 0522 90 44 44 and at the e-mail address: fgest@interpump.it.

Sant’Ilario d’Enza (RE), 19 March 2019

For the Board of Directors

The Chairman

Fulvio Montipò