

REPORT DESCRIBING THE PROPOSAL OF THE BOARD OF DIRECTORS OF INTERPUMP GROUP S.p.A. TO THE ORDINARY SHAREHOLDERS' MEETING OF 16 NOVEMBER 2020

Sant'Ilario d'Enza, 12 October 2020

Shareholders,

This report has been prepared in compliance with Article 125-ter, subsection 1, of Italian legislative decree no. 58 dated 24 February 1998 (the “**Consolidated Finance Act**” or “**TUF**”), Article 73 of the Regulation adopted by CONSOB Decision no. 11971 of 14 May 1999 and subsequent amendments (the “**Issuers’ Regulation**”), as well as the Annex 3A, Format 4, of the Issuers’ Regulation and Articles 2357 e 2357-ter of the Italian Civil Code, to illustrate to the shareholders of Interpump Group S.p.A. (“**Interpump**” or the “**Company**”) the proposal that the Board of Directors intends to submit for your approval convened in single call for **November 16, 2020** in Reggio Emilia, via G.B. Vico n. 2, at the offices of Interpump Group S.p.A., at **10.00**.

The Shareholders’ Meeting will have the following agenda:

1. Authorization, pursuant to articles 2357 and 2357-ter of the Italian Civil Code, to purchase treasury shares and possibly to sell any treasury shares held or purchased; related and consequent resolutions.

This Report, drawn up pursuant to the aforementioned Article 73 and Annex 3A of the Issuers’ Regulations, illustrates the proposal that the Board of Directors intends to submit for your approval in relation to the authorization, pursuant to Articles 2357 and 2357-ter cod. civ., to the purchase of own shares and to the possible subsequent sale of own shares in portfolio or purchased.

1. Subject of the authorizations requested

The Board of Directors reminds that the Ordinary Shareholders’ Meeting of 30 April 2020 authorized the purchase of treasury shares for the period of eighteen months following that date, up to a maximum of 10,000,000 (ten million) of ordinary shares with a par value of Euro 5,200,000.00 (five million two hundred thousand / 00) and so overall, considering the treasury shares already purchased and not yet sold in execution of previous shareholders’ resolutions, up to a maximum of no. 12,187,506 (twelve million one hundred and eighty seven thousand five hundred and six) ordinary shares, or in any case within the lower limit allowed by law from time to time in force, for a unit price between a minimum equal to the nominal value of Euro 0.52 (zero / 52) and a maximum of Euro 34.50 (thirty-four / 50).

As of the date of this Report, the Company holds no. 1,829,549 (one million eight hundred twenty-nine thousand five hundred and forty nine) treasury shares with a total nominal value of Euro 951,365.48 (nine hundred and fifty-one thousand three hundred and sixty-five / 48), corresponding to 1.6803% of the subscribed and paid-up share capital, which amounts to Euro 56,617,232.88 and is represented by n. 108,879,294 ordinary share.

These shares were purchased at a total price of Euro 48,251,299.41 (forty-eight million two hundred fifty-one thousand two hundred and ninety-nine / 41) corresponding to an average unit price of approximately Euro 26.37 (twenty-six / 37) per share.

The Board of Directors now deems it appropriate, for the reasons illustrated in point 2 below, to request a new authorization to proceed, for a period of eighteen months from the relevant shareholders' meeting authorization resolution: (i) to purchase treasury shares, up to a maximum of 8,000,000 (eight million) ordinary shares with a nominal value of 4,160,000 (four million one hundred and sixty thousand) and so overall, considering the treasury shares already purchased and not yet sold in execution of previous shareholders' resolutions, up to a

maximum of no. 9,829,549 (nine million eight hundred and twenty-nine thousand five hundred and forty nine) ordinary shares, or in any case within the lower limit allowed by current pro tempore legislation, as well as (ii) the sale of treasury shares purchased up to the date of the Shareholders' Meeting in execution of previous resolutions shareholders' meetings and to be purchased in execution of the required shareholders' meeting authorization resolution.

The Board of Directors, in making individual purchases, must comply with the laws and regulations in force from time to time. As for the maximum number of shares that, from time to time, the Company may purchase, please refer to the discussion contained in the following points 3 and 4. As for the spending limits, please refer to the discussion contained in the following points 5 and 7.

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

Preliminarily it is recalled that the latest authorization to purchase own shares granted by the Shareholders' Meeting has a maximum purchase value per share of € 34.50. This value, even in the face of the continuous growth of the Interpump Group despite the current period of crisis, was exceeded by the share price on the Borsa Italiana S.p.A. list..

The Board of Directors therefore asks the Shareholders' Meeting to issue a new authorization for the purchase and eventual sale of own shares already purchased or that will be purchased in execution of the new authorization resolution required.

Given that the Company will not trade speculative on its own shares, the purchase authorization is required in order to allow the Company to make further purchases of its own shares, including through a public purchase or exchange offer, for investment purposes, of stabilization of the price of securities in situations of low liquidity on the stock market, as well as in order to acquire stakes to be allocated to any swaps following acquisitions and / or commercial agreements with strategic partners.

The authorization for the sale is required in order to intervene on the market to stabilize the price of the securities in situations of low liquidity on the stock market, as well as to be able to carry out any swaps following acquisitions and / or commercial agreements with strategic partners.

The authorization for the purchase of own shares, as well as the authorization for their sale, are also appropriate for the purpose of the purchase and subsequent sale of shares to be used for the existing incentive plans, as well as possibly adopted in the future by the Company.

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

The Company has issued a single category of ordinary shares for a total number of no. 108,879,294 shares with a par value of Euro 0.52 (zero / 52) each.

The Board of Directors asks the Shareholders' Meeting to authorize the purchase of treasury shares up to a maximum of 8,000,000 (eight million) ordinary shares with a par value of 4,160,000 (four million sixty thousand) euros and so overall, considering the treasury shares already purchased and not yet sold in execution of previous shareholders' resolutions, up to a maximum of no. 9,829,549 (nine million eight hundred twenty-nine thousand five hundred forty-nine) ordinary shares, or in any case within the lower limit allowed by the pro tempore legislation in force.

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, by virtue of the Assembly's authorization, can purchase treasury shares is currently set by art. 2357, paragraph 3, cod. of the Italian Civil Code, according to which the nominal value of treasury shares cannot exceed one fifth of the share capital, also taking into account the shares held by subsidiaries for this purpose.

With regard to the incidence of this limit with respect to the requested authorization, please note that:

- i. the treasury shares currently held by the Company are n. 1,829,549 (one million eight hundred twenty-nine thousand five hundred and forty nine) with a total nominal value of Euro 951,365.48 (nine hundred and fifty-one thousand three hundred and sixty-five / 48) corresponding to 1.6803% of the subscribed and paid-up share capital;
- ii. the treasury shares currently subject to the authorization proposal illustrated herein are n. 8,000,000 (eight million) for a total nominal value of Euro 4,160,000 (four million one hundred and sixty thousand), corresponding to approximately 7.34% (seven / 34) of the current share capital subscribed and paid.

It should also be noted that, as of today, the subsidiaries do not hold any shares in the Company.

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 making purchases, the Board of Directors reminds you that art. 2357, paragraph 1, cod. civ. it allows the purchase of treasury shares within the limits of distributable profits and available reserves resulting from the last duly approved financial statements, also having to consider the unavailability constraints arising subsequently.

The Company's 2019 financial statements, approved by the Shareholders' Meeting of 30 April 2020 and updated with subsequent changes in shareholders' equity, show a share premium reserve of Euro 77,331,408.00 (net of Euro 2,424,307.21 not available as it relates to a reserve for stock option charges assigned to Directors and employees of other Group companies and net of Euro 33,585,144.14 not available as it relates to a reserve for the purchase of treasury shares subsequent to 31/12/2019 and net of Euro 444,515.25 for increases in the share premium reserve relating to transfers of treasury shares for the purchase of equity investments and the exercise of options by the beneficiaries of the Company's incentive plans carried out in the period from 1 January 2020 to today), an extraordinary reserve of 265,685,892.33 euros (amount that takes into account the unavailability of the reserve for IFRS adjustments and the unavailability of the severance indemnity remeasurement reserve) and a merger surplus of Euro 698,016.45 (already net of unavailability for items estimated in surplus equal to Euro 164,925.79).

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

- pursuant to art. 2426, paragraph 1, n. 5, cod. civ., dividends may be distributed only if sufficient reserves remain available to cover the unamortized amount of start-up and expansion, research, development and advertising costs with multi-year utility; in the Company's 2019 financial statements, these costs totaled Euro 3,403,808.12;
- pursuant to art. 2431 cod. civ., the share premium reserve cannot be distributed until the legal reserve has reached one fifth of the share capital; the subscribed and paid up share capital resulting from the 2019 financial statements amounts to 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 cod. civ., the share premium reserve is available.

Taking into account the foregoing, the total amount of effectively distributable profits and actually available reserves amounts, at the date of this Report, to Euro 340,311,508.66 (three hundred and forty million three hundred and eleven thousand five hundred eight / 66).

It is understood that the Board of Directors, in making individual purchases, must ensure that the distributable profits and available reserves exist at the time the purchases are made.

6. Time for which the authorizations are requested

The authorization for the purchase and sale of treasury shares is requested for the maximum duration allowed by art. 2357, paragraph 2, cod. civ., and therefore for eighteen months from the date of the Shareholders' Meeting called to approve this authorization.

7. Minimum and maximum price

The Board of Directors proposes that:

- the minimum purchase price of treasury shares is established to an extent corresponding to the nominal value of Euro 0.52 (zero / 52) per share, in accordance with what has already been resolved at the Shareholders' Meeting of 30 April 2020 referred to in point 1 above;
- the maximum purchase price is set at Euro 40.00 (forty / 00) per share, in order to allow purchases to be made even in the event of significant increases in the stock market value of the shares and taking into account the flexibility necessary in this type of operation.

The Board of Directors also proposes that the Shareholders' Meeting determine the minimum price per share for the sale of treasury shares held by the Company in Euro 0.52 (zero / 52).

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

With regard to the procedures for the purchase of treasury shares, the Board of Directors proposes that these operations be carried out through purchases on the market or through a public purchase offer or exchange according to the methods established by the legislative and regulatory provisions in force from time to time. , in particular in compliance with the provisions of art. 132, paragraph 1, of the TUF, and art. 144-bis, paragraph 1, letters a) and b) of the Issuers' Regulation.

With regard to the procedures for the possible disposal of treasury shares thus purchased, in consideration of the purposes illustrated in the previous point 2, it is proposed that the Shareholders' Meeting authorize the Board of Directors of the Company to sell the treasury shares also by means of an offer to the public, of shares to employees, Directors or collaborators of the Company and / or of the Group companies in execution of incentive plans previously approved at the shareholders' meeting, placing at the service of purchase certificates (warrants) or deposit receipts representing shares or similar securities , exchange for the acquisition of shareholdings or assets of corporate interest as well as in the context of the definition of any agreements with strategic partners.

Finally, it is proposed that the Board of Directors may resolve on the identification of Directors delegated to purchase and sell own shares or to grant an external appointment to an authorized intermediary to proceed with the aforementioned operations. The Board of Directors may also determine any further conditions, methods and terms of the sale of the treasury shares held.

9. Use the operation to reduce the share capital

The purchase of treasury shares that are requested to be authorized meets the corporate purposes outlined in point 2 above and is not instrumental to the reduction of share capital.

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

It should be remembered that, in general, treasury shares held by the Company, even indirectly, are excluded from the share capital on which the relevant shareholding is calculated for the purposes of Article 106, paragraphs 1 and 3, letter b), of the TUF for the purposes of the regulations on the takeover bid.

However, pursuant to Article 44-bis of the Issuers' Regulation, the aforementioned provision does not apply in the event that exceeding the thresholds indicated in Article 106, paragraphs 1 and 3, letter b), of the TUF, results in purchases of own shares, carried out, even indirectly, by the Company in execution of a resolution that has also been approved with the favorable vote of the majority of the Issuer's Shareholders, present at the Meeting, other than the Shareholder or Shareholders who hold, even jointly, the majority shareholding, even relative, provided it is greater than 10% (ie IPG Holding SpA Group).

Consequently, in the event that the proposed resolution that we are submitting to you today is also approved with the favorable vote of the majority of the Issuer's Shareholders, present at the Shareholders' Meeting, other than Gruppo IPG Holding SpA, the latter would be exempted from the obligation to launch a takeover bid in the event that, as a result of the purchase of treasury shares thus authorized, it exceeds the participation thresholds relevant for the purposes of Article 106, paragraphs 1 and 3, letter b), of the TUF.

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 30 April 2020;*
- *considering the proposal of the Company's Board of Directors;*
- *considering that, if the resolution indicated below is approved with the favorable vote of the majority of the shareholders of Interpump Group S.p.A. Present 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' Regulation will be applied in relation to Gruppo IPG Holding S.p.A.,*

resolves

1. *to authorize the Board of Directors, through the Directors delegated to do so or by making use of an authorized Intermediary, to purchase treasury shares up to a maximum of 8,000,000 (eight million) ordinary shares with a par value of 4,160,000 (four million) one hundred and sixty thousand), and so overall, considering the treasury shares already purchased and not yet sold in execution of previous shareholders' resolutions, up to a maximum of no. 9,829,549 (nine million eight hundred twenty-nine thousand five hundred and forty nine) ordinary shares, or in any case within the lower limit allowed by the regulations in force from time to time, for the period of eighteen months from the date of this resolution. The purchase may take place at a unit price between a minimum equal to the nominal value of Euro 0.52 (zero / 52) and a maximum of Euro 40.00 (forty / 00). Purchases must be made in accordance with the procedures and in compliance with the limits established by the laws and regulations in force from time to time, in particular by art. 132, paragraph 1, TUF and by art. 144-bis, paragraph 1, letters a), b) and c) of the Issuers' Regulation;*

2. *to authorize the Board of Directors, through the Directors delegated to do so or by making use of an authorized Intermediary, to sell or transfer, in one or more stages, for a period of eighteen months starting from the date of this resolution, the treasury shares held by the Company, already purchased or to be purchased by virtue of the authorization referred to in point 1. The sale must take place at a price not lower than the nominal value of Euro 0.52 (zero / 52). The sale may also take place through an offer to the public, the sale of treasury shares to employees, Directors and collaborators of the Company and / or of the Group companies in execution of incentive plans previously approved at the shareholders' meeting, placing of purchase vouchers (warrants) or deposit receipts representing shares or similar securities, exchange for the acquisition of company shareholdings or assets of corporate interest as well as in the context of the definition of any agreements with strategic partners. The Board of Directors may also determine any further conditions, methods and terms of the sale of the treasury shares held;*
3. *to carry out, pursuant to art. 2357-ter, paragraph 3, cod. civ., any accounting registration necessary or appropriate, in relation to transactions on own shares, in compliance with the provisions of the law in force and the applicable accounting principles;*
4. *to confer on the Chairman and Chief Executive Officer with the right to delegate to third parties, all the broader powers needed to carry out the purchases and disposals of treasury shares, including through subsequent transactions between them and in any case to implement the above resolutions, also to by means of attorneys, complying with what may be required by law and by the competent authorities.”*

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This Explanatory Report is available, as well as in the “Corporate Governance – Shareholders’ Meeting Documentation” section of the website www.interpumpgroup.it, at the Company's registered office, as well as at the authorized storage mechanism “eMarket STORAGE” which can be consulted at www.emarketstorage.com.

The subjects entitled to attend the Shareholders’ Meeting have the right to obtain a copy. The Corporate Secretariat of Interpump Group S.p.A. is available, on weekdays from Monday to Friday from 09.00 to 12.00 and from 15.00 to 17.00, for any further information, at the following numbers: telephone + 39 0522 9043 11; fax + 39 0522 90 44 44 and to the e-mail address: fgest@interpump.it.

Sant’Ilario d’Enza, 12 October 2020

For the Board of Director

The Chairman

Dott. Fulvio Montipò