INTERIM FINANCIAL REPORT AT SEPTEMBER 30, 2024

PIRELLI & C. Società per Azioni (Joint Stock Company)

Milan Office

Viale Piero e Alberto Pirelli n. 25

Share Capital Euro 1,904,374,935.66

Milan Company Register No. 00860340157

REA (Economic Administrative Index) No. 1055

PIRELLI & C. S.p.A. - MILAN

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The Board of Directors[1]

Chairman	Jiao Jian
Executive Vice Chairman	Marco Tronchetti Provera
Chief Executive Officer	Andrea Casaluci
Director	Chen Aihua
Director	Zhang Haitao
Director	Chen Qian
Independent Director	Alberto Bradanini
Independent Director	Michele Carpinelli
Independent Director	Domenico De Sole
Independent Director	Fan Xiaohua
Independent Director	Marisa Pappalardo
Independent Director	Grace Tang
Independent Director	Roberto Diacetti
Independent Director	Paola Boromei
Independent Director	Giovanni Lo Storto

Secretary of the Board	Alberto Bastanzio

Board of Statutory Auditors[2]

Chairman	Riccardo Foglia Taverna
Statutory Auditors	Maura Campra
Statutory Auditors	Francesca Meneghel
Statutory Auditors	Teresa Naddeo
Statutory Auditors	Riccardo Perotta
Alternate Auditors	Franca Brusco
Alternate Auditors	Roberta Pirola
Alternate Auditors	Enrico Holzmiller

[1] Appointment: July 31, 2023. Expiry: Shareholders' Meeting convened for the approval of the Financial Statements at December 31, 2025.
[2] Appointment: May 28, 2024. Expiry: Shareholders' Meeting convened for the approval of the Financial Statements at December 31, 2026.

Audit, Risk and Corporate Governance Committee

Chairman - Independent Director	Fan Xiaohua
Independent Director	Giovanni Lo Storto
Independent Director	Roberto Diacetti
Independent Director	Michele Carpinelli
	Chen Aihua

Committee for Related Party Transactions

Chairman - Independent Director	Marisa Pappalardo
Independent Director	Giovanni Lo Storto
Independent Director	Michele Carpinelli

Nominations and Successions Committee

Chairman	Marco Tronchetti Provera
Independent Director	Domenico De Sole
	Chen Aihua
	Zhang Haitao

Remuneration Committee

Chairman - Independent Director	Grace Tang
Independent Director	Michele Carpinelli
Independent Director	Paola Boromei
Independent Director	Alberto Bradanini
	Chen Aihua

Strategies Committee

Chairman	Marco Tronchetti Provera
	Jiao Jian
	Andrea Casaluci
Independent Director	Domenico De Sole
Independent Director	Alberto Bradanini
Independent Director	Roberto Diacetti
	Chen Qian
	Zhang Haitao

Sustainability Committee

Chairman	Marco Tronchetti Provera
	Jiao Jian
	Andrea Casaluci
Independent Director	Giovanni Lo Storto

Corporate General Manager[3]	Francesco Tanzi
Manager responsible for the preparation of the Corporate Financial Documents[4]	Fabio Bocchio
Independent Auditing Firm[5]	PricewaterhouseCoopers S.p.A.

The Supervisory Board (as provided for by the Organisational Model 231, adopted by the Company), is chaired by Prof. Carlo Secchi.

[3] Appointment: August 3, 2023.
[4] Position confirmed by the Board of Directors' Meeting on August 3, 2023.
[5] Appointment: August 1, 2017, effective from the date of the commencement of trading of Pirelli shares on the stock exchange (October 4, 2017). Expiry: Shareholders' Meeting convened for the approval of the Financial Statements at December 31, 2025.

MACROECONOMIC AND MARKET SCENARIO

Economic Overview

During the first nine months of 2024, despite persistent geopolitical tensions, the global economy remained resilient, with overall growth for the third quarter which stood at +2.7%, (+2.6% for the second quarter and +2.7% for the first three months of the year). The global inflation rate stood at 4.3% for the first nine months of 2024, averaging 4.0% for the third quarter of 2024, in decline compared to 4.9% for the third quarter of 2023. Inflation trends in the main regions, for the first nine months of 2024, varied from 4.2% in Brazil, to 3.0% for the US and 2.6% for the European Union.

Economic Growth, Year-On-Year Percentage Change in GDP

	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
EU	1.2	0.5	0.1	0.4	0.6	0.8	0.9
US	2.3	2.8	3.2	3.2	2.9	3.0	2.7
China	4.5	6.3	4.9	5.2	5.3	4.7	4.6
Brazil	3.8	3.3	2.4	2.2	2.1	2.8	3.2
World	2.6	3.1	2.8	2.8	2.7	2.6	2.7

Note: Percentage change compared to the same period of the previous year. Preliminary data for 3Q 2024 for the EU, the US and China and estimates for the other countries and regions. Source: National statistics offices and S&P Global Market Intelligence, October 2024.

Consumer Prices, Change in Year-on-Year Percentages

	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
EU	9.4	7.2	5.7	3.4	2.8	2.6	2.4
US	5.8	4.0	3.5	3.2	3.2	3.2	2.6
China	1.3	0.1	-0.1	-0.3	0.0	0.3	0.5
Brazil	5.3	3.8	4.6	4.7	4.3	3.9	4.4
World	6.9	5.3	4.9	4.5	4.5	4.4	4.0

Source: National statistics offices and S&P Global Market Intelligence for World estimate, October 2024.

In the European Union, growth in GDP was more contained, compared to other geographic regions, but had improved during the third quarter: +0.9% growth, compared to +0.8% for the second quarter and +0.6% for the first. Growth was underpinned by the performance of the economies in Spain and France - the latter thanks to the positive effect of the Olympic Games - which compensated for the more subdued performances in Germany and Italy. Inflation recorded a steady fall during the year: 2.4% for the third quarter, compared to 2.6% for the second quarter and 2.8% for the first. On the basis of this trend, the European Central Bank decided to continue with its loosening of monetary policy. Following the cut in interest rates by 25 basis points in June, further reductions of the same amount were made in September and October.

In the United States, positive performances in the labour market and in consumer spending sustained GDP growth, which for the third quarter of 2024 recorded +2.7%, (+3.0% for the second quarter and +2.9% for the first quarter). Inflation for the third quarter of 2024 fell to 2.6%, from 3.2% for the previous quarter, allowing the Fed to cut the benchmark rate by 50 basis points in September, which was the first reduction since March 2020.

GDP growth in China for the third quarter of 2024 equalled +4.6%, (+4.7% for the second quarter and +5.3% for the first quarter), impacted by the weakness in domestic demand, which continued to be penalised by the crisis in the real estate sector. Various measures to support the economy were announced during the third quarter, and the central bank cut interest rates in July, September and October.

A positive performance was recorded by the Brazilian economy which grew by +3.2%, compared to +2.4% for the corresponding period of 2023, thanks to the positive dynamics of domestic demand and to state aid policies, which limited the impact of the floods in Rio Grande do Sul.

The depreciation of the real in the second and third quarters rekindled inflation, which stood at 4.4% for the period, compared to 3.9% for the previous three months, with the Brazilian Central Bank deciding to intervene by raising interest rates by 25 basis points in September.

Exchange Rates

The euro strengthened slightly during the course of the first nine months of 2024, averaging US$ 1.09 per euro, compared to an average of US$ 1.08 during the same period in 2023. The euro's performance during the third quarter (averaging US$ 1.10 for the period, compared to US$ 1.08 the previous quarter), reflected the strengthening of the euro from US$ 1.07 at the end of June, to US$ 1.12 at the end of September, with the euro being bolstered by the prospect of an imminent interest rate cut by the Fed, which arrived in September.

Key Exchange Rates	1Q		2Q		3Q		First nine months	
	2024	2023	2024	2023	2024	2023	2024	2023
US$ per euro	1.09	1.07	1.08	1.09	1.10	1.09	1.09	1.08
Chinese renminbi per US$	7.10	6.85	7.11	7.01	7.11	7.17	7.11	7.01
Brazilian real per US$	4.95	5.20	5.22	4.95	5.54	4.88	5.24	5.01

Note: Average exchange rates for the period. Source: National central banks.

The slowdown in the Chinese economy during 2024, coupled with the gradual cut in interest rates during the year, weakened the renminbi, whose average exchange rate against the US dollar for the first nine months of 2024 stood at 7.11, with a depreciation of -1.3% compared to the same period of 2023 (-1.7% against the euro).

The Brazilian real averaged 5.24 against the US dollar for the first nine months of 2024, a decline of -4.5%, compared to the same period of 2023, (a depreciation of -4.8% for the real against the euro in the same period). The decrease in the differential between US and euro interest rates and the growing risks on the fiscal and monetary front in Brazil, progressively weakened the real over the course of the year: from 4.95 real per US dollar for the first quarter, to 5.54 for the third quarter.

Raw Materials Prices

During the first nine months of 2024, geopolitical and climatic factors, as well as trends in supply and demand, led to differing price trends for the main raw materials.

Raw Materials Prices	1Q			2Q			3Q			First nine months		
	2024	**2023**	% chg.	**2024**	**2023**	% chg.	**2024**	**2023**	% chg.	**2024**	**2023**	% chg.
Brent (US$ / barrel)	81.8	82.2	0%	85.0	78.0	9%	78.4	86.1	-9%	81.7	82.1	0%
European natural gas (€ / MWh)	28	53	-48%	32	35	-9%	36	34	5%	32	41	-22%
Butadiene (€ / tonne)	812	970	-16%	978	937	4%	1,027	722	42%	939	876	7%
Natural rubber TSR20 (US$ / tonne)	1,574	1,373	15%	1,684	1,345	25%	1,757	1,338	31%	1,672	1,352	24%

Note: Data are averages for the period. Source: Reuters, ICIS.

During the first nine months of 2024, the average price of Brent crude stood at US$ 81.7 per barrel, substantially consistent with US$ 82.1 per barrel for the first nine months of 2023. During the course of the third quarter, the price of Brent fell, reflecting a weaker than expected global demand, particularly in China, despite the high volatility linked mainly to geopolitical risks and to market fears over possible interruptions in the supply of crude oil, due to the war in the Middle East.

Natural gas prices in Europe during the first nine months of 2024 averaged euro 32 per MWh, a decline of -22% compared to euro 41 during the corresponding period of 2023. During the third quarter of 2024, despite high European stockpile levels, the average price for natural gas equalled euro 36 per MWh, an increase of +5% compared to the third quarter of 2023, as a result of geopolitical risks and the growth in demand, particularly from the Asian markets.

The price of butadiene, the main raw material in the production of synthetic rubber, rose by +7% in the European market during the first nine months of 2024, compared to the same period of 2023, to euro 939. During the third quarter, the production of butadiene was limited by either planned closures for maintenance or the unplanned shutdowns of several production facilities, resulting in an almost stable year-on-year demand that sustained butadiene prices, (up by +4.9% compared to the previous quarter, to euro 1,027 per tonne), bringing the change, compared to the third quarter of 2023, to +42%.

The average price of natural rubber for the first nine months of 2024, recorded an increase of +24%, compared to the same period of 2023, to US$ 1,672 per tonne (US$ 1,352 per tonne for the first nine months of 2023), due to a combination of impacts: the pace of recovery in demand in key sectors, adverse meteorological conditions which impacted the supply from producing countries, exchange rates and regulatory factors. Natural rubber prices reached an average of US$ 1,757 per tonne for the third quarter, up by +31% compared to the same quarter of the previous year, the highest level in 11 quarters.

Trends in Car Tyre Markets

During the first nine months of 2024, the car tyre market recorded a global level growth in volumes of +1.1%, compared to the same period of 2023.

Volume performance per channel differed:

- -0.6% for Original Equipment, due to the fall in demand in Europe;
- +1.7% for the Replacement channel, due to the strong recovery in demand in Europe and North America.

Demand was more sustained for Car ≥18", which recorded growth of +5.0% compared to the first nine months of 2023 (+1.4% for Original Equipment, +7.5% for Replacement), with a positive performance particularly in North America and Europe.

Market demand for Car ≤17" was stable during the first nine months of 2024, compared to the same period of the previous year.

Trends in Car Tyre Markets

% change year-on-year	**1Q 2024**	**2Q 2024**	**3Q 2024**	**9M 2024**
Total Car Tyre Market				
Total	**2.1**	**1.1**	**0.2**	**1.1**
Original Equipment	1.2	0.5	-3.4	-0.6
Replacement	2.5	1.3	1.4	1.7
Market ≥ 18"				
Total	**6.5**	**5.6**	**2.8**	**5.0**
Original Equipment	1.5	3.2	-0.4	1.4
Replacement	10.1	7.5	5.0	7.5
Market ≤ 17"				
Total	**0.8**	**-0.2**	**-0.6**	**0.0**
Original Equipment	1.1	-0.9	-4.9	-1.6
Replacement	0.7	-0.0	0.7	0.5

Source: Pirelli estimates.

SIGNIFICANT EVENTSOF THE FIRST NINE MONTHS

On **January 30, 2024**, the European Commission announced the launch of an investigation into certain tyre manufacturers active in the European Economic Area, for alleged violations of the European Union competition laws, through the possible collusion on prices for new replacement tyres for cars and trucks, to be sold in the European Economic Area. At the same time, it conducted inspections at the offices of the aforementioned tyre manufacturers, including those of Pirelli. The latter, affirmed the probity of its operations and to have always acted in full compliance with the applicable laws and regulations, and assured the authority of its full cooperation during the investigations.

On **February 6, 2024**, Pirelli was confirmed for the sixth consecutive year as one of the global leaders in the fight against climate change, earning a place on the 2023 Climate A List drawn up by the CDP, the international non-profit organisation that collects, disseminates, and promotes information on environmental issues. An *"A"* rating is the highest score attainable in the Climate section, and was awarded to only 346 companies, out of more than 21,000 participants, who were assessed based on their decarbonisation strategy, the effectiveness of their efforts to reduce emissions and climate risks and in developing a low carbon emissions economy, as well as on the completeness and transparency of the information provided and the adoption of best practices associated with environmental impacts.

On **February 7, 2024**, Pirelli was confirmed as being amongst the best companies in the world for sustainability, obtaining a ranking in the *"Top 1%"* - the only company in the Auto Components and Automotive Sector at global level - the highest recognition in the 2024 Sustainability Yearbook published by S&P Global, following its review of the sustainability profile of 9,400 companies. This result follows the score recorded by Pirelli in the 2023 Corporate Sustainability Assessment for the Dow Jones Sustainability Index of S&P Global, where the Company was awarded first place in the Auto Components and Automotive sectors of the Dow Jones Sustainability World and Europe Indexes, with a score of 84 points (revised from the initial 83).

On **March 6, 2024,** Pirelli approved the results for the 2023 financial year, which closed with revenues of euro 6.65 billion, an EBIT adjusted of just over euro 1 billion and a net income of euro 495.9 million. **On the same date**, the Board of Directors approved and disclosed the 2024-'25 Industrial Plan Update to the market, which represents the update to the 2021-2022|2025 Industrial Plan presented on March 31, 2021. Together with the presentation of the 2024-'25 Industrial Plan Update, Pirelli published its Sustainability Plan, with its targets for 2025-2030-2040, which was developed around four pillars: Climate, Product, Nature and People. All the sustainability targets contained in the Plan for *"People", "Climate", "Product", "Nature", "Global Value Chains"* and *"Finance"*, can be viewed on the page dedicated to the Industrial Plan in the *"Investors"* section of the website at www.pirelli.com.

On **March 22, 2024**, Pirelli signed an agreement with a selected pool of international banks, for a term loan credit facility for the amount of a euro 600 million, which matures in October 2028. The credit facility, entered into as part of the usual activity of managing and optimising the financial structure, allowed for the early repayment of a portion of debt maturing in 2025, the strengthening of the liquidity margin and the extension of debt maturities. The credit facility is parameterised to be consistent with the new and more challenging sustainability targets which Pirelli has set for itself, as part of the 2024-'25 Industrial Plan Update.

On **May 7, 2024**, Pirelli parametrised the revolving credit facility signed on **December 22, 2023**, to the new and more challenging sustainability targets announced in the 2024-'25 Industrial Plan Update, which were not yet available in December at the time of signing.

On **May 16, 2024**, Pirelli made a disclosure document available to the public, which concerns the revision of some of the terms and conditions of the existing licences between the Pirelli Group, the Aeolus Tyre Co., Ltd. and the Prometeon Tyre Group S.r.l., and which was prepared on a voluntary basis in accordance with, the provisions of Article 5 of the Regulation approved by CONSOB with Resolution No. 17221 of March 12, 2010, as subsequently amended and integrated, and in accordance with the Procedure for Related Party Transactions adopted by the Company.

On **May 28, 2024**, the Shareholders' Meeting approved, with more than 99.8% of the capital represented, the Financial Statements for the 2023 financial year, which closed with a net income for the Parent Company of euro 242.9 million and a consolidated net income of euro 495.9 million, and resolved to distribute a dividend of euro 0.198 per ordinary share, equal to a dividend pay-out of euro 198 million gross of statutory withholdings. The dividend was placed in payment on June 26, 2024 (with an ex-dividend date of June 24, and a record date of June 25).
The Shareholders' Meeting appointed, on the basis of the lists submitted prior to **May 4, 2024**, the Board of Statutory Auditors for the 2024-2025-2026 financial years, which is composed of Riccardo Foglia Taverna (appointed Chairman), Maura Campra, Riccardo Perotta, Teresa Naddeo and Francesca Meneghel as Statutory Auditors, and of Franca Brusco, Roberta Pirola and Enrico Holzmiller as Alternate Auditors. The Chairman of the Board of Statutory Auditors and the Alternate Auditor Franca Brusco, were drawn from a list submitted by a group of asset management companies and institutional investors who are Pirelli shareholders, while the other auditors were drawn from a list submitted by Marco Polo International Italy S.r.l., also in the name of and on behalf of Camfin S.p.A., Camfin Alternative Assets S.r.l. and Longmarch Holding S.r.l. The Shareholders' Meeting also appointed KPMG S.p.A. to audit the accounts of Pirelli & C. S.p.A. for the 2026-2034 period, and determined the relevant fee.
The Shareholders' Meeting also approved the remuneration policy for 2024, and expressed its favourable opinion on the Report on remunerations paid for the 2023 financial year. The Shareholders' Meeting also approved the adoption of the 2024-2026 three-year monetary Long Term Incentive Plan (LTI Plan), for the Management sector of the Pirelli Group.

On **June 14, 2024**, the S&P Global Ratings agency revised its assessment for Pirelli, and confirmed its BBB- investment grade rating, but improved the outlook from *"stable*" to *"positive*". In explaining its upward revision of the outlook, the agency pointed out that Pirelli was well positioned to execute its Industrial Plan, has a solid costs discipline and a strong positioning in High Value tyres, which allows it to generate a stable operating cash flow with a consequent reduction in financial leverage.

On **June 24, 2024** Pirelli announced that - with reference to the non-interest-bearing bond loan, the *"EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025*" - the conversion price of the bonds was changed from euro 6.0173 to euro 5.9522 in accordance with the regulations of the bond loan itself, effective as of June 24, 2024 following the resolution of the Shareholders' Meeting of May 28, 2024, to distribute a dividend of euro 0.198 per ordinary share.

On **June 25, 2024**, Pirelli placed a sustainability-linked bond with international institutional investors for a total nominal amount of euro 600 million, parameterised to Pirelli's sustainability targets which were validated by the Science Based Targets initiative (SBTi) on **September 19, 2024** (please refer to the subsequent relevant event), and consistent with Pirelli's *"Sustainability-linked Financing Framework".* The issuance saw demand equal to more than 4.6 times the supply, which amounted to approximately euro 2.8 billion. The transaction, which took place as part of the current EMTN Programme (Euro Medium Term Note Programme), allowed for the optimisation of the debt structure, by extending maturities and diversifying its sources. The transaction, which allowed for an improvement in the liquidity margin, had a settlement date of **July 2, 2024**. The issuance has a maturity date of five years and an effective yield-to-maturity of 3.950%, which corresponds to a yield of 115 basis points above the benchmark rate (mid swap). These securities are listed on the Luxembourg Stock Exchange.

On **July 15, 2024**, Fitch Ratings revised Pirelli's Long-Term Issuer Default Rating (IDR) and its senior unsecured debt rating upwards from *"BBB-*" to *"BBB*". The outlook on the IDR rating was stable. The upward revision reflects Pirelli's high profitability and the solidity of its cash flow generation (free cash flow), which are elements that have allowed for a reduction in financial leverage, consistent with the parameters required by the new rating.

On **September 10, 2024**, Pirelli and Bosch GmbH announced a joint technology development agreement with the aim of creating new software-based solutions and new driving functions, using sensors installed in the tyres also known as "*in-tyre*" sensors. The collaboration combines Bosch's expertise in systems hardware, software and MEMS (Micro Electro Mechanical Systems) sensors, with Pirelli's Cyber Tyre technologies which includes algorithms, modelling and sensors incorporated into the tyres.

On **September 19, 2024**, Pirelli announced that the Science Based Targets initiative (SBTi) had approved Pirelli's short- and long-term targets for the reduction in absolute greenhouse gas (GHG) emissions, which had been announced in March during the presentation of the 2024-2025 Industrial Plan Update. In particular, the SBTi - which defines and promotes science-based best practices for reducing emissions - validated Pirelli's *"long-term"* target of Net Zero by 2040, the most challenging among tyre makers, which is to reduce Scope 1, 2 and 3 absolute greenhouse gas emissions by at least 90%, in comparison to 2018 as the base year. These measures were deemed to be compliant with the Paris Accord, to keep global warming within +1.5°C. The SBTi also approved the other *"near-term*" decarbonisation targets which provide for an 80% reduction in absolute greenhouse gas emissions (Scopes 1 and 2) by 2030, as compared to 2018, and for a 30% reduction in emissions from the purchase of raw materials and from services and transport by 2030, as compared to 2018 (Scope 3).

GROUP PERFORMANCE AND RESULTS

In this document, in addition to the financial measures provided for by the International Financial Reporting Standards (IFRS), alternative performance indicators derived from the IFRS were used, in order to allow for a better assessment of the Group's operating and financial performance.
Reference should be made to the section "*Alternative Performance Indicators"* for a more analytical description of these indicators.

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Pirelli closed the first nine months of 2024 with a solid operating performance, despite the difficult external environment which was characterised by continuing geopolitical tensions, a slowdown in demand for Original Equipment and volatile raw materials prices. The results confirm the effectiveness of the business model and reflect the implementation of the key programmes of the Industrial Plan.

On the **Commercial** front:

- the strengthened positioning of the Car **High Value** segment. During the course of the first nine months of 2024, Pirelli recorded volume growth for Car ≥18" of +7% (stable growth in all quarters), compared to +5% for the market, gaining market share both for the Replacement channel (+8% for Pirelli, +7% for the market) and for the Original Equipment channel, (+5% for Pirelli volumes, +1% for the market);
- a reduction in exposure to the **Standard** segment (-6% for Pirelli Car ≤17" volumes, compared to a stable market) consistent with the strategy of greater selectivity.

The performance described above, translated into an overall growth in Pirelli Car volumes for the first nine months of 2024 of +2% (+1% for the market). For the third quarter, Pirelli's volumes performance was significantly higher than that of the market (+2%, stable for market), thanks to the outperformance of ≤18" rim diameters (+7% for Pirelli, compared to +3% for the market), both in the Original Equipment channel (+10%, compared to a stable market) - where Pirelli benefited from a favourable comparison with the previous year and from exposure to Chinese manufacturers of Premium electric vehicles - and in the Replacement channel (+6% for Pirelli, +5% for the market), thanks also to Pirelli's winter sales performance in Europe.

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On the **Innovation** front:

- approximately 230 new homologations were obtained for the Car sector, concentrated mainly in ≥19" and Specialties;
- for electric vehicles, Pirelli can count on a portfolio of approximately 730 homologations at global level, and a market share of 30% among Premium EV Original Equipment Manufacturers. In addition, homologations continued with the main Prestige OEMs;
- the range on offer was strengthened with the launch of five Car products: four at regional level (the Cinturato AS SF3, the Powergy All Season and Winter tyres in Europe, and the Scorpion MS in APAC), and one at global level, the PZero Winter 2. The offer for two wheelers was extended with the Scorpion Trail III for motorbikes and the PZero Race TLR RS for cycling;

- a strategic agreement was signed with Bosch GmbH for the development of new software-based solutions and new driving functions, using sensors installed in the tyres and Pirelli's proprietary software, with the aim of providing useful information to the vehicle in order to further improve the safety and efficiency of driving.

On the **Operations** front:

- gross benefits were achieved from efficiencies of euro 108.2 million (approximately 77% of the annual target), consistent with expectations and the project development timelines. These efficiencies were obtained mainly from programmes for the optimisation of the cost of the product and of the logistics network and warehouses, and from the recourse to the digitisation of internal processes;
- the saturation level of the manufacturing plants for the first nine months of 2024, stood at approximately 87%, 95% for High Value;
- the programme to decarbonise manufacturing plants through the use of renewable energy sources and the energy efficiency programmes continued;
- the implementation of automation programmes and programmes for the reduction of energy consumption continued.

On the **Sustainability** front, during the third quarter of 2024, the Science Based Targets initiative (SBTi) approved Pirelli's short- and long-term targets for the reduction in absolute greenhouse gas (GHG) emissions, which had been announced in March during the presentation of the 2024-2025 Industrial Plan Update. In particular, the SBTi - which defines and promotes science-based best practices for reducing emissions – validated Pirelli's *"long-term"* target of Net Zero by 2040, the most challenging among tyre makers, which is to reduce Scope 1, 2 and 3[6] absolute greenhouse gas emissions by at least 90%, in comparison to 2018 as the base year. These measures were deemed to be compliant with the Paris Accord, to maintain global warming within +1.5°C.

The SBTi also approved the other *"near-term"* decarbonisation targets which provide for an 80% reduction in absolute greenhouse gas emissions (Scopes 1 and 2) by 2030, compared to 2018, and for a 30% reduction in emissions, from the purchases of raw materials and from services and transport, by 2030, compared to 2018 (Scope 3).

It should be noted, that all the sustainability targets contained in the Sustainability Plan presented in the first quarter of 2024, with its targets for 2025-2030-2040, which were developed around the four fundamental pillars of - People, Climate, Product and Nature - together with the results achieved in the previous quarters of 2024, can be viewed on the page dedicated to the Industrial Plan in the *"Investors"* section of the website at www.pirelli.com.

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[6] ***Scope 1:*** *direct greenhouse gas emissions from the direct combustion of fossil fuels by the organisation within its confines;*

Scope 2*: indirect greenhouse gas emissions from the use of electricity, heat and steam imported and consumed by the organisation within its confines;*

Scope 3*: indirect emissions from upstream and downstream activities of the organisation's operations, calculated according to the GHG Protocol and in line with SBTi requirements.*

Pirelli's results for the first nine months of 2024 were characterised by:

- **net sales** which equalled euro **5,184.5** million, had increased by +0.5% compared to the first nine months of 2023, with organic growth of +4.9%. This performance was supported by a positive volume performance (+2.2%) and by an improvement in the price/mix (+2.7%). The impact of the exchange rate effect was instead negative (-4.4%);
- **EBIT adjusted** which equalled euro **815.9** million, +4.3% compared to the same period of 2023, with profitability at 15.7%, an improvement of +0.5 percentage points year-on-year, thanks to the contribution of internal levers;
- **net income/loss** which amounted to an income of euro **371.1** million. This trend compared to the same period last year (a net income/loss which had amounted to an income of euro 411.0 million for the first nine months of 2023), was impacted, on the one hand, by the previous tax benefits recognised in the first nine months of 2023 (approximately euro 40 million relative to the Patent Box for the 2020-22 three year period), and on the other hand, by the impacts deriving from the application of hyperinflation accounting by some of the Group companies;
- **Net Financial Position** which at September 30, 2024 showed a debt of euro 2,816.2 million (a debt of euro 2,261.7 million at December 31, 2023), with a cash absorption before dividends of euro -356.8 million in the first nine months of 2024, (euro -367.7 million in the first nine months of 2023). This result includes the impact of the acquisition of Hevea-Tec, which took place in the first quarter for approximately euro 23 million, (at the exchange rates at the date of the acquisition). Cash generation before dividends for the third quarter (euro 162.4 million), was largely consistent with the third quarter of 2023 (euro 167.2 million), despite higher investments (euro 92.1 million compared to euro 77.7 million in the third quarter of 2023);
- a **liquidity margin** equal to euro **2,448.0** million, which covers debt maturities until the last quarter of 2028.

The **Group's Consolidated Financial Statements** can be summarised as follows:

(in millions of euro)	**01/01 - 09/30/2024**	**01/01 - 09/30/2023**
Net sales	**5,184.5**	**5,160.2**
EBITDA adjusted (°)	**1,157.0**	**1,115.8**
% of net sales	22.3%	21.6%
EBITDA	**1,134.2**	**1,086.9**
% of net sales	21.9%	21.1%
EBIT adjusted	**815.9**	**782.5**
% of net sales	15.7%	15.2%
Adjustments: - amortisation of intangible assets included in PPA	(85.3)	(85.3)
- one-off, non-recurring and restructuring expenses	(22.8)	(28.9)
EBIT	**707.8**	**668.3**
% of net sales	13.7%	13.0%
Net income/(loss) from equity investments	22.5	8.9
Financial income/(expenses)	(225.5)	(150.2)
Net income/(loss) before taxes	**504.8**	**527.0**
Taxes	(133.7)	(116.0)
Tax rate %	26.5%	22.0%
Net income/(loss)	**371.1**	**411.0**
Net income/(loss) attributable to owners of the Parent Company	346.4	393.0
Earnings/(loss) per share (in euro per basic share)	0.35	0.39
Net income/(loss) adjusted	448.4	453.1

(°) The adjustments refer to one-off, non-recurring and restructuring expenses to the amount of euro 22.8 million (euro 28.9 million for the first nine months of 2023).

(in millions of euro)		**09/30/2024**	**12/31/2023**	**09/30/2023**
Fixed assets		**8,664.7**	**8,812.1**	**8,804.7**
	Inventories	1,342.7	1,371.4	1,376.3
	Trade receivables	1,032.0	649.4	1,092.7
	Trade payables	(1,562.8)	(1,999.4)	(1,484.3)
Operating net working capital		**811.9**	**21.4**	**984.7**
% of net sales (*)		12.2%	0.3%	14.6%
	Other receivables/other payables	78.7	45.8	57.9
Net working capital		**890.6**	**67.2**	**1,042.6**
% of net sales (*)		13.3%	1.0%	15.5%
Net invested capital		**9,555.3**	**8,879.3**	**9,847.3**
Equity		**5,709.1**	**5,619.6**	**5,632.0**
Provisions		1,030.0	998.0	1,077.2
Net financial (liquidity)/debt position		**2,816.2**	**2,261.7**	**3,138.1**
Equity attributable to owners of the Parent Company		5,566.2	5,494.4	5,504.8
Investments in intangible and owned tangible assets (CapEx)		235.7	405.7	201.2
Increases in right of use		89.2	101.2	69.1
Research and development expenses		219.6	288.5	218.2
% of net sales		4.2%	4.3%	4.2%
Research and development expenses - High Value		206.8	269.4	202.8
% of High Value sales		5.2%	5.4%	5.3%
Employees (headcount at end of period)		31,358	31,072	31,213
Tyre production sites (number)		18	18	18

(*) during interim periods net sales refer to the last twelve months.

For a better understanding of the Group's performance, the following **quarterly performance figures** are provided below:

(in millions of euro)		1 Q		2 Q		3 Q		Cumulative at 09/30	
		2024	2023	2024	2023	2024	2023	2024	2023
Net sales		**1,695.5**	1,699.7	**1,752.0**	1,737.8	**1,737.0**	1,722.7	**5,184.5**	5,160.2
	yoy	-0.2%		0.8%		0.8%		0.5%	
	*organic yoy **	4.6%		4.5%		5.5%		4.9%	
EBITDA adjusted		**376.3**	359.7	**392.0**	379.4	**388.7**	376.7	**1,157.0**	1,115.8
	% of net sales	22.2%	21.2%	22.4%	21.8%	22.4%	21.9%	22.3%	21.6%
EBITDA		**368.6**	350.7	**384.1**	367.9	**381.5**	368.3	**1,134.2**	1,086.9
	% of net sales	21.7%	20.6%	21.9%	21.2%	22.0%	21.4%	21.9%	21.1%
EBIT adjusted		**262.6**	248.1	**276.5**	269.3	**276.8**	265.1	**815.9**	782.5
	% of net sales	15.5%	14.6%	15.8%	15.5%	15.9%	15.4%	15.7%	15.2%
Adjustments: - amortisation of intangible assets included in PPA		(28.4)	(28.4)	(28.5)	(28.5)	(28.4)	(28.4)	(85.3)	(85.3)
- one-off, non-recurring and restructuring expenses		(7.7)	(9.0)	(7.9)	(11.5)	(7.2)	(8.4)	(22.8)	(28.9)
EBIT		**226.5**	210.7	**240.1**	229.3	**241.2**	228.3	**707.8**	668.3
	% of net sales	13.4%	12.4%	13.7%	13.2%	13.9%	13.3%	13.7%	13.0%
Net income/(loss) from equity investments		6.0	2.3	9.9	3.9	6.6	2.7	22.5	8.9
Financial income/(expenses)		(110.1)	(52.2)	(66.0)	(54.7)	(49.4)	(43.3)	(225.5)	(150.2)
Net income/(loss) before taxes		**122.4**	160.8	**184.0**	178.5	**198.4**	187.7	**504.8**	527.0
Taxes		(22.0)	(45.8)	(53.1)	(50.9)	(58.6)	(19.3)	(133.7)	(116.0)
Tax rate %		18.0%	28.5%	28.9%	28.5%	29.5%	10.3%	26.5%	22.0%
Net income/(loss)		**100.4**	115.0	**130.9**	127.6	**139.8**	168.4	**371.1**	411.0

*before exchange rate effect and hyperinflation in Argentina and Turkey.

Net sales amounted to euro 5,184.5 million, an increase of +0.5% compared to the first nine months of 2023, +4.9% excluding the combined impact of the exchange rate effect and the adoption of hyperinflation accounting (totalling -4.4%).

High Value sales accounted for 76% of total Group revenues (74% for the first nine months of 2023).

The following table shows the **changes in net sales performance** compared to the same period of the previous year:

	2024			
	1Q	**2Q**	**3Q**	**Cumulative at 09/30**
Volume	2.3%	1.2%	3.0%	2.2%
Price/mix	2.3%	3.3%	2.5%	2.7%
Change on a like-for-like basis	**4.6%**	**4.5%**	**5.5%**	**4.9%**
Exchange rate effect /Hyperinflation accounting in Argentina and Turkey	-4.8%	-3.7%	-4.7%	-4.4%
Total change	**-0.2%**	**0.8%**	**0.8%**	**0.5%**

The positive **volume** performance (+2.2% for Car and Motorcycle), reflected the strategy of focusing on the High Value segment, and the gradual reduction of exposure to the Standard segment, as already illustrated.

The improvement in the **price/mix** for the first nine months (+2.7%), was mainly attributable to the increased exposure to High Value and to the product mix.

The **exchange rate effect** was negative (-4.4%), impacted mainly by the volatility of the currencies of emerging countries against the euro.

Net sales for the third quarter amounted to euro 1,737.0 million, with organic growth of +5.5% compared to the same period of 2023, +0.8% including the negative impact of the exchange rate effect. The trend for volumes was positive (+3.0%), thanks to the strong growth of High Value. The price/mix improved (+2.5%), mainly thanks to the strengthening of High Value and to the general improvement in the product mix. The negativity of the exchange rate effect also persisted (-4.7%), due to the weakening of emerging currencies against the euro.

The performance for **net sales according to geographical region** was as follows:

	01/01 - 09/30/2024			**01/01 - 09/30/2023**
(in millions of euro)		*%*	*YoY*	*%*
Europe	2,051.7	39.6%	*4.0%*	38.3%
North America	1,320.4	25.4%	*-0.2%*	25.6%
APAC	848.8	16.4%	*2.3%*	16.1%
South America	586.0	11.3%	*-15.4%*	13.4%
Russia and MEAI	377.6	7.3%	*10.6%*	6.6%
Total	**5,184.5**	**100.0%**	***0.5%***	**100.0%**

EBITDA adjusted amounted to euro 1,157.0 million (euro 1,115.8 million for the first nine months of 2023), with a margin of 22.3% (21.6% for the first nine months of 2023), which reflected the dynamics described in the following paragraph in terms of the EBIT adjusted.

EBIT adjusted for the first nine months of 2024 amounted euro 815.9 million (euro 782.5 million for the same period of 2023), with an EBIT margin adjusted of 15.7%, an improvement compared to 15.2% for the first nine months of 2023, thanks to the contribution of internal levers.

More specifically, the **EBIT adjusted** mainly reflected:

- the **positive** contribution of the **price/mix** (euro +91.4 million) and of **volumes** (euro +44.8 million);
- the positive effect of **efficiencies** (euro +108.2 million) which substantially offset **inflation in the cost of production factors** (euro -109.2 million);
- the positivity of **raw materials** (euro +19.7 million), which contributed in offsetting the negative impact of the **exchange rate effect** (euro -70.5 million).

Lastly, the impact of **depreciation and amortisation** (euro -17.8 million) and **other costs** (euro -33.2 million) was negative, and mainly related to Marketing, Research and Development activities, and to the reduction in inventories.

EBIT adjusted for the third quarter amounted to euro 276.8 million (+4.4% compared to euro 265.1 million for the third quarter of 2023), with the margin improving to 15.9% (15.4% for the third quarter of 2023), thanks to the growth in volumes (euro +21.2 million). In addition, the contribution of the price/mix (euro +31.0 million) and of efficiencies (euro +36.8 million), fully covered the negative impact of raw materials (euro -16.6 million), of inflation (euro -40.9 million) and of the exchange rate effect (euro -8.2 million).

Lastly, the impacts of depreciation and amortisation (euro -3.7 million) and of other costs (euro -7.9 million) were negative.

(in millions of euro)	**1 Q**	**2 Q**	**3 Q**	**Cumulative at 09/30**
2023 EBIT adjusted	**248.1**	**269.3**	**265.1**	**782.5**
- Internal levers:				
Volumes	15.0	8.6	21.2	44.8
Price/mix	27.0	33.4	31.0	91.4
Amortisation and depreciation	(7.3)	(6.8)	(3.7)	(17.8)
Efficiencies	32.0	39.4	36.8	108.2
Other	(13.9)	(11.4)	(7.9)	(33.2)
- External levers:				
Cost of production factors (commodities)	29.4	6.9	(16.6)	19.7
Cost of production factors (labour/energy/other)	(29.1)	(39.2)	(40.9)	(109.2)
Exchange rate effect	(38.6)	(23.7)	(8.2)	(70.5)
Total change	**14.5**	**7.2**	**11.7**	**33.4**
2024 EBIT adjusted	**262.6**	**276.5**	**276.8**	**815.9**

EBIT for the first nine months of 2024 amounted to euro 707.8 million (euro 668.3 million for the first nine months of 2023), and included the amortisation of the intangible assets identified in the PPA to the amount of euro 85.3 million, consistent with the same period of 2023, and one-off, non-recurring and restructuring expenses of euro 22.8 million.

Net income/(loss) from equity investments amounted to an income of euro 22.5 million, (positive to the amount of euro 8.9 million for the first nine months of 2023), and mainly refers to the pro-rata result of the investment in the joint venture Xushen Tyre (Shanghai) Co., Ltd., which was positive to the amount of euro 18.8 million (positive to the amount of euro 4.7 million for the first nine months of 2023), and in the joint venture PT Evoluzione Tyres in Indonesia which was positive to the amount of euro 1.9 million (positive to the amount of euro 1.6 million for the first nine months of 2023).

Net financial expenses for the first nine months of 2024 amounted to euro 225.5 million, compared to euro 150.2 million for the first nine months of 2023, and included the negative impact of approximately euro 65 million linked to the phenomena of currency depreciation and hyperinflation, without any impact on cash generation.

At September 30, 2024, the **cost of debt**, calculated as the average cost of debt for the last twelve months, stood at 5.15%, (5.08% at December 31, 2023).

Taxes for the first nine months of 2024 amounted to euro 133.7 million, compared to euro 116.0 million for the first nine months of 2023, which included the benefit of the Patent Box for the 2020-2022 three-year period, of approximately euro 40 million.

Net income/(loss) amounted to an income of euro 371.1 million, compared to an income of euro 411.0 million for the first nine months of 2023.

Net income/(loss) adjusted amounted to an income of euro 448.4 million, (euro 453.1 million for the first nine months of 2023). The following table shows the calculations:

(in millions of euro)	01/01 - 09/30	
	2024	**2023**
Net income/(loss)	**371.1**	**411.0**
Amortisation of intangible assets included in PPA	85.3	85.3
One-off, non-recurring and restructuring expenses	22.8	28.9
Taxes	(30.8)	(72.1)
Net income/(loss) adjusted	**448.4**	**453.1**

Net income/(loss) attributable to the owners of the Parent Company amounted to an income of euro 346.4 million, compared to an income of euro 393.0 million for the first nine months of 2023.

Equity went from euro 5,619.6 million at December 31, 2023 to euro 5,709.1 million at September 30, 2024.

Equity attributable to the owners of the Parent Company at September 30, 2024 equalled euro 5,566.2 million, compared to euro 5,494.4 million at December 31, 2023.

This change is shown in the table below:

(in millions of euro)	**Group**	**Non-controlling interests**	**Total**
Equity at 12/31/2023	**5,494.4**	**125.2**	**5,619.6**
Translation differences	(229.1)	(1.9)	(231.0)
Net income/(loss)	346.4	24.7	371.1
Fair value adjustment of financial assets / derivative instruments	1.4	-	1.4
Actuarial gains/(losses) on employee benefits	(11.6)	-	(11.6)
Dividends approved	(198.0)	(5.2)	(203.2)
Effect of hyperinflation in Turkey	12.9	-	12.9
Effect of hyperinflation in Argentina	151.2	-	151.2
Other	(1.4)	0.1	(1.3)
Total changes	**71.8**	**17.7**	**89.5**
Equity at 09/30/2024	**5,566.2**	**142.9**	**5,709.1**

Net financial position showed a debt of euro 2,816.2 million, compared to a debt of euro 2,261.7 million at December 31, 2023. It was composed as follows:

(in millions of euro)	**09/30/2024**	**12/31/2023**
Current borrowings from banks and other financial institutions	453.1	789.5
- of which lease liabilities	*102.3*	*99.1*
Current derivative financial instruments (liabilities)	14.2	18.2
Non-current borrowings from banks and other financial institutions	3,556.5	3,174.7
- of which lease liabilities	*381.6*	*383.4*
Non-current derivative financial instruments (liabilities)	-	-
Total gross debt	**4,023.8**	**3,982.4**
Cash and cash equivalents	(775.5)	(1,252.8)
Other financial assets at fair value through Income Statement	(172.5)	(228.8)
Current financial receivables **	(123.5)	(106.1)
Current derivative financial instruments (assets)	(24.4)	(7.3)
Net financial debt *	**2,927.9**	**2,387.4**
Non-current derivative financial instruments (assets)	(6.4)	(12.9)
Non-current financial receivables **	(105.3)	(112.8)
Total net financial (liquidity) / debt position	**2,816.2**	**2,261.7**

* Pursuant to CONSOB Notice of July 28, 2006 and in compliance with the ESMA guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable from May 5, 2021.

** The item "*financial receivables*" is reported net of the relative provisions for impairment which amounted to euro 8.9 million at September 30, 2024 (euro 11.0 million at December 31, 2023).

The **structure of gross debt** which amounted to euro 4,023.8 million, was as follows:

(in millions of euro)	**09/30/2024**	**Maturity date**					
		within 1 year	**between 1 and 2**	**between 2 and 3**	**between 3 and 4**	**between 4 and 5**	**more than 5 years**
Club Deal EUR 800m ESG 2020 5y	99.9	99.9	-	-	-	-	-
Convertible bond	487.6	-	487.6	-	-	-	-
Bilateral EUR 300m ESG 2023 2.5y facility	299.7	-	299.7	-	-	-	-
Club Deal EUR 1.6bn ESG 2022 5y	598.6	-	-	598.6	-	-	-
Bond SLB EUR 600m 4.25% due 01/28	595.7	-	-	-	595.7	-	-
Club Deal EUR 600m ESG 2024 4.5y	597.8	-	-	-	-	597.8	-
Bond SLB EUR 600m 3.875% due 07/29	593.4	-	-	-	-	593.4	-
Bank debt held by subsidiaries	170.5	170.5	-	-	-	-	-
Other financial debt	96.7	94.6	0.1	2.0	-	-	-
Lease liabilities	483.9	102.3	87.4	71.0	59.7	42.2	121.3
Total gross debt	**4,023.8**	**467.3**	**874.8**	**671.6**	**655.4**	**1,233.4**	**121.3**
		11.6%	*21.7%*	*16.7%*	*16.3%*	*30.7%*	*3.0%*

At September 30, 2024, the Group had a liquidity margin of euro 2,448.0 million consisting of euro 1,500.0 million in unutilised committed credit facilities, euro 775.5 million in cash and cash equivalents, and euro 172.5 million in financial assets at fair value through the Income Statement. The liquidity margin guarantees coverage for maturities for borrowings from banks and other financial institutions, until the last quarter of 2028.

Net cash flow for the first nine months, in terms of change in the net financial position, can be summarised as follows:

(in millions of euro)	1 Q		2 Q		3Q		cumulative at 09/30	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
EBIT adjusted	262.6	248.1	276.5	269.3	276.8	265.1	815.9	782.5
Amortisation and depreciation (excluding PPA amortisation)	113.7	111.6	115.5	110.1	111.9	111.6	341.1	333.3
Investments in intangible and owned tangible assets (CapEx)	(53.4)	(53.2)	(90.2)	(70.3)	(92.1)	(77.7)	(235.7)	(201.2)
Increases in right of use	(15.3)	(15.1)	(26.1)	(26.5)	(47.8)	(27.5)	(89.2)	(69.1)
Change in working capital and other	(845.8)	(868.8)	(16.9)	(6.8)	63.3	(0.4)	(799.4)	(876.0)
Operating net cash flow	**(538.2)**	**(577.4)**	**258.8**	**275.8**	**312.1**	**271.1**	**32.7**	**(30.5)**
Financial income / (expenses) paid	(63.2)	(60.2)	(45.7)	(58.1)	(70.9)	(49.3)	(179.8)	(167.6)
Taxes paid	(24.7)	(29.0)	(44.8)	(32.3)	(48.0)	(43.8)	(117.5)	(105.1)
Cash-out for one-off, non-recurring and restructuring expenses	(20.4)	(12.6)	(9.5)	(10.2)	(6.9)	(8.8)	(36.8)	(31.6)
Dividends paid to minority shareholders	(1.3)	-	(5.2)	(3.9)	-	0.3	(6.5)	(3.6)
Differences from foreign currency translation and other	(2.6)	(12.2)	0.1	(14.8)	(24.0)	(2.3)	(26.5)	(29.3)
Net cash flow before dividends, extraordinary transactions and investments	**(650.4)**	**(691.4)**	**153.7**	**156.5**	**162.3**	**167.2**	**(334.4)**	**(367.7)**
Hevea-Tec acquisition	(23.0)	-	0.5	-	0.8	-	(21.7)	-
Other extraordinary transactions	-	-	-	-	(0.7)	-	(0.7)	-
Net cash flow before dividends paid by the Parent Company	**(673.4)**	**(691.4)**	**154.2**	**156.5**	**162.4**	**167.2**	**(356.8)**	**(367.7)**
Dividends paid by the Parent Company	-	-	(197.1)	-	(0.6)	(217.8)	(197.7)	(217.8)
Net cash flow	**(673.4)**	**(691.4)**	**(42.9)**	**156.5**	**161.8**	**(50.6)**	**(554.5)**	**(585.5)**

Net cash flow before dividends for the first nine months of 2024 amounted to euro -356.8 million, having improved by euro 10.9 million, compared to euro -367.7 million for the first nine months of 2023. Excluding the impact of extraordinary transactions of approximately euro 22 million - mainly due to the acquisition of Hevea-Tec which occurred in the first quarter - net cash flow before dividends improved by approximately euro 33 million, compared to the first nine months of 2023.

Operating net cash flow for the first nine months of 2024 was positive to the amount of euro 32.7 million, (-30.5 million for the first nine months of 2023), and reflected:

- the improved operating performance compared to the previous year, (EBITDA adjusted for the first nine months of 2024 amounted to euro 1,157.0 million, compared to euro 1,115.8 million for the first nine months of 2023);
- investments in property, plant and equipment and intangible assets to the amount of euro 235.7 million for the first nine months of 2024, (euro 201.2 million for the first nine months of 2023), aimed mainly at High Value activities, at technology upgrades and the automation of factories;
- *"increases in the right of use"* to the amount of euro 89.2 million for the first nine months of 2024, (euro 69.1 million for the first nine months of 2023). The difference compared to the first nine months of 2023, was mainly due to investments carried out in the third quarter of 2024, aimed at improving warehouse efficiency in Romania;
- cash absorption linked to *"working capital and other",* which was lower by euro 76.6 million (down to euro -799.4 million for the first nine months of 2024, from euro -876.0 million for the first nine months of 2023), due to the careful management of inventories (20.1% of revenues for the last 12 months), the usual seasonality of trade receivables (15.5% of revenues for the last 12 months) and trade payables (23.4% of revenues for the last 12 months).

Net cash flow for the first nine months of 2024, also highlighted the following performances, compared to the first nine months of 2023:

- financial expenses were higher by euro 12.2 million;
- taxes paid were higher by euro 12.4 million;
- payments related to non-recurring and restructuring expenses, for the restructuring programmes of the 2023 financial year, were higher by euro 5.2 million;
- dividends paid to minority shareholders were higher by euro 2.9 million.

Net cash flow before dividends for the third quarter of 2024 was positive to the amount of euro 162.4 million, and substantially consistent with the third quarter of 2023 (euro 167.2 million), despite higher investments (euro 92.1 million in the third quarter of 2024, compared to euro 77.7 million in the third quarter of 2023), and higher increases in the right of use (euro 47.8 million for the third quarter of 2024, compared to euro 27.5 million for the third quarter of 2023).

OUTLOOK FOR 2024

(in billions of euro)	**August 2024**	**November 2024**
Revenues	~6.6 ÷ ~6.8	~6.7
EBIT margin adjusted	~15.5%	~15.5%
Investments (CapEx) *% of revenues*	~0.40 *~6%*	~0.40 *~6%*
Net cash flow before dividends	~0.50 ÷ ~0.52	~0.50 ÷ ~0.52
Net Financial Position *NFP/EBITDA adj.*	~-1.95 *~1.32x ÷ ~1.26x*	~-1.95 *~1.32x ÷ ~1.26x*
ROIC *post taxes*	~21%	~21%

The forecasts for the **global** Car **tyre** market in 2024 were confirmed as *"flat",* compared to the figure for 2023.

High Value remains the most resilient segment, with growth estimated at *"mid-single digit"* levels, and at approximately +6 percentage points higher than the performance expected for Standard, which was forecast to decline by -1%.

Specifically, the estimates for the Car ≥18" market are:

- for **Original Equipment**, volumes are expected to grow at *"low-single digit"* levels, mainly due to demand in the APAC region;
- for **Replacement**, volumes are expected to grow at *"mid-single digit"* levels, driven by demand in all the High Value Regions.

For the Standard ≤17" segment, expectations are for weaker demand than for the previous year, due to a weaker Original Equipment market and a slightly weaker Replacement market in the main Standard Regions.

In light of the results achieved in the first nine months and the expected scenario, Pirelli has confirmed all the targets announced on August 1, 2024. The forecasts for 2024 are:

- **Revenues** expected at **approximately euro 6.7 billion** (the target set in August 2024 was for euro ~6.6/~6.8 billion), with:
    - **volumes at ~+2%** (the previous estimate was ~+1.5%/~+2.5%);
    - an **improved price/mix** at **~+2.5%** (at the upper end of the previous guidance of +2%/~+2.5%) thanks to the continued improvement in the product mix;
    - an **expected exchange rate impact of ~-4%/~-3.5%** (a previous indication of -4%/-3%).

- **EBIT margin adjusted** confirmed at **approximately 15.5%**.
- **confirmed Net cash generation before dividends of between euro ~500 and ~520 million**, thanks to the operating performance and the management of working capital.
- **confirmed Investments** of approximately euro 400 million (~6% of revenues).
- a confirmed **Net Financial Position** of **euro ~1.95 billion,** with the **ratio between** the **NFP/EBITDA adjusted confirmed** at between ~1.32/~1.26 times.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE QUARTER

On **6 November 2024**, Pirelli announced that today Marco Polo International Italy S.r.l. (“**MPI**”), also on behalf of China National Tire and Rubber Corp. (“**CNRC**”), transmitted to Pirelli a copy of the provision of 31 October 2024 notified to CNRC by the Prime Minister’s Office that determined the launch of an administrative procedure for the possible breach by CNRC of the measures contained in the Prime Minister’s Office decree of 16 June 2023 with which the special powers were implemented through the imposition of specific restrictions, in accordance with article 2 of the legislative decree of 15 March 2012 no.21 (“**DPCM Golden Power**”). In particular, the procedure regards the potential breach of measures to guarantee the absence of organizational-functional links between Pirelli on the one hand and CNRC on the other. The provision sets a period of 120 days for the conclusion of the administrative procedure beginning from the day of the notification of the provision. CNRC communicated to Pirelli that it maintains to have always respected the measures of the DPCM Golden Power and is confident that it will clarify its position during the procedure.

ALTERNATIVE PERFORMANCE INDICATORS

This document, in addition to the financial measures provided for by the International Financial Reporting Standards (IFRS), also includes measures derived from the latter, even though not provided for by the IFRS (Non-GAAP Measures), in compliance with the ESMA Guidelines on Alternative Performance Indicators (ESMA/2015/1415 Guidelines) published on October 5, 2015. These measures are presented in order to allow for a better assessment of the results of the Group's operations, and should not be considered as alternatives to those required by the IFRS.

Specifically, the Non-GAAP Measures used were as follows:

- **EBITDA**: equal to the EBIT but excludes the depreciation and amortisation of property, plant and equipment and intangible assets. The EBITDA is used to measure the ability to generate earnings, excluding the impacts deriving from investments;
- **EBITDA adjusted**: an alternative measure to the EBITDA which excludes non-recurring, restructuring and one-off expenses;
- **EBITDA margin**: calculated by dividing the EBITDA by revenues from sales and services. This measure is used to evaluate operating efficiency, excluding the impacts deriving from investments;
- **EBITDA margin adjusted**: calculated by dividing the EBITDA adjusted by revenues from sales and services. This measure is used to evaluate operating efficiency, excluding the impacts deriving from investments and the operating costs attributable to non-recurring, restructuring and one-off expenses.
- **EBIT**: an intermediate measure which is derived from the net income/(loss), but which excludes taxes, financial income and financial expenses and the net income/(loss) from equity investments. The EBIT is used to measure the ability to generate earnings, including the impacts deriving from investments;
- **EBIT adjusted**: an alternative measure to the EBIT which excludes the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations and the operating costs attributable to non-recurring, restructuring and one-off expenses;
- **EBIT margin**: calculated by dividing the EBIT by revenues from sales and services. This measure is used to evaluate operating efficiency;
- **EBITDA margin adjusted**: calculated by dividing the EBIT adjusted by revenues from sales and services. This measure is used to evaluate operating efficiency, excluding the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations and the operating costs attributable to non-recurring, restructuring and one-off expenses;
- **Net income/(loss) adjusted**: calculated by excluding the following items from the net income/(loss):
    - o the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations and the operating costs attributable to non-recurring, restructuring and one-off expenses;

- non-recurring expenses/income recognised under financial income and expenses;
- non-recurring expenses/income recognised under taxes, as well as the tax impact relative to the adjustments referred to in the previous points;

- **Fixed assets**: this measure is constituted by the sum of the Financial Statement items, *"Property, plant and equipment", "Intangible assets", "Investments in associates and joint ventures", "Other financial assets at fair value through other Comprehensive Income"* and *"Other non-current financial assets at fair value through the Income Statement".* Fixed assets represent the non-current assets included in the net invested capital;
- **Net operating working capital**: this measure is constituted by the sum of *"Inventory*", *"Trade receivables*" and *"Trade payables*";
- **Net working capital**: this measure is constituted by the net operating working capital and by other receivables and payables, including tax receivables and payables, and by the derivative financial instruments not included in the net financial position. This measure represents the short-term assets and liabilities included in the net invested capital, and is used to measure short-term financial stability;
- **Net invested capital**: this measure is constituted by the sum of (i) fixed assets, and (ii) net working capital. Net invested capital is used to represent the investment of financial resources;
- **Provisions**: this measure is constituted by the sum of *"Provisions for liabilities and charges (current and non-current)*", *"Provisions for employee benefit obligations (current and non-current)*", *"Other non-current assets*", *"Deferred tax liabilities*" and *"Deferred tax assets*"*;*
- **Net financial debt**: calculated pursuant to the CONSOB Notice dated July 28, 2006 and in compliance with the ESMA Guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable as of May 5, 2021. Net financial debt represents borrowings from banks and other financial institutions net of cash and cash equivalents, of other current financial assets at fair value through the Income Statement, of current financial receivables (included in the Financial Statements under *"Other receivables*"), and of the derivative hedging instruments for items included in the net financial position and included in the Financial Statements under *"Derivative financial instruments*" as current assets, current liabilities and non-current liabilities;
- **Net Financial Position**: this measure represents the net financial debt less the non-current financial receivables (included in the Financial Statements under *"Other receivables*") and the non-current derivative financial hedging instruments for items included in the net financial position and included in the Financial Statements under *"Derivative financial instruments*" as non-current assets. The net financial position is an alternative measure to net financial debt but which includes non-current financial assets;
- **Liquidity margin**: this measure is constituted by the sum of the Financial Statement items, *"Cash and cash equivalents", "Other financial assets at fair value through the Income Statement"* and the committed but unutilised credit facilities;

- **Operating net cash flow**: calculated as the change in the net financial position relative to operations management;
- **Net cash flow before dividends, extraordinary transactions and investments**: is calculated by adding the change in the net financial position due to financial and tax management, to the operating net cash flow;
- **Net cash flow before dividends paid by the Parent company**: calculated by adding the change in the net financial position due to extraordinary transactions and the management of investments, to the net cash flow before dividends, extraordinary transactions and investments;
- **Net cash flow**: calculated by subtracting the dividends paid by the Parent company from the net cash flow before dividends paid by the Parent company;
- **Investments in intangible and owned tangible assets (CapEx)**: calculated as the sum of investments (increases) in intangible assets and investments (increases) in property, plant and equipment excluding any increases relative to the right of use;
- **Increases in the right of use:** calculated as the increases in the right of use relative to lease contracts;
- **ROIC**: calculated as the ratio between the EBIT adjusted net of tax effects and the average net invested capital net of provisions which does not include*, "Investments in associates and joint ventures*"*, "Other financial assets at fair value through Other Comprehensive Income", "Other non-current financial assets at fair value through the Income Statement", "Other non-current assets"*, the intangible assets relative to assets recognised as a consequence of Business Combinations, the deferred tax liabilities relative to the latter and the *"Provisions for employee benefit obligations current and non-current".*

OTHER INFORMATION

ROLE OF THE BOARD OF DIRECTORS

For more information on the role of the Board of Directors, reference should be made to the Report on Corporate Governance and Ownership Structure contained in the 2023 Annual Report group of documents, as well as to the additional information published on the Pirelli website (www.pirelli.com) in the Governance section.

INFORMATION ON THE SHARE CAPITAL AND OWNERSHIP STRUCTURE

The subscribed and paid-up share capital at the date of approval of this Financial Report was euro 1,904,374,935.66, represented by 1,000,000,000 registered ordinary shares without indication of their nominal value. Each share entitles the holder to one vote. There are no other categories of shares.

The Extraordinary Pirelli Shareholders' Meeting held on March 24, 2021, resolved to increase the share capital in cash, by payment in one or more tranches, excluding option rights pursuant to Article 2441, paragraph 5, of the Italian Civil Code, for a total countervalue, including any share premium, of euro 500,000,000.00 to service the conversion of the *"EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025"*, to be paid in one or more tranches through the issue of ordinary shares of the Company, with regular dividend entitlements, up to a maximum amount of euro 500,000,000.00 to exclusively service the *"EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025"* issued by the Company, in accordance with the criteria provided for in the relevant Regulation, with the understanding that the final subscription date for the newly issued shares is set as December 31, 2025 and that, in the event that the capital increase has not been fully subscribed by that date, the same shall in any case be deemed to have been increased by an amount equal to the subscriptions received and as of that date, with the express authorisation for the Directors to issue the new shares as they are subscribed. No fractions of shares will be issued or delivered and no cash payments or adjustments shall be made in lieu of any such fractions.

As of October 4, 2017, the date on which trading of the Company's shares commenced on Euronext Milan, which is organised and managed by Borsa Italiana S.p.A., Marco Polo International Italy S.r.l. ("**MPI Italy**"), did declare - pursuant to Article 93 of the TUF (Consolidated Finance Act) - control over the Company, in which it holds a stake of approximately 37% of the share capital, without exercising management and coordination activities over the same. MPI Italy in turn is indirectly controlled by Sinochem Holdings Corporation Ltd ("**Sinochem**"), a Chinese state-owned company under the control of the State-owned Assets Supervision and Administrative Commission of the State Council (SASAC) of the People's Republic of China.

It should be noted that, following the issuance of the provision communicated to the Company on June 16, 2023 with which the Council of Ministers exercised special powers pursuant to Legislative Decree No. 21/2012 ("**Golden Power Prime Ministerial Decree**"), the Board of Statutory Auditors, together with Management, conducted in-depth investigations to verify the continued existence of control by MPI Italy over Pirelli. Following recent indications from CONSOB, which refer to the application of the International Accounting Standards, the necessary assessments are being carried out by the Board of Directors. Pending the conclusion of these evaluations, the disclosure relative to MPI Italy's declaration of control, has to date, not been changed.

Updated excerpts of the existing agreements between some of the Shareholders, including the indirect Shareholders of the Company, which contain the provisions of the Shareholders' Agreements regarding, amongst other things, the corporate governance of Pirelli, are available on the Company's website.

For further details on the Company's corporate governance and ownership structure, reference should be made to the Report on Corporate Governance and Ownership Structure contained in the 2023 Annual Report group of documents, as well as to the additional information available on the Pirelli website (www.pirelli.com) in the Governance and Investor Relations sections.

WAIVER OF THE PUBLICATION OF INFORMATION DOCUMENTS

The Board of Directors, taking into account the simplification of regulatory requirements introduced by CONSOB in the Issuer's Regulation No. 11971/99, as subsequently amended and integrated, resolved to exercise the option to derogate, pursuant to the provisions of Article 70, paragraph 8, and Article 71, paragraph 1-bis of the aforesaid Regulation, from the obligation to publish the prescribed disclosure documents at the time of significant mergers, de-mergers, capital increases through contributions of assets in kind, acquisitions and disposals.

RELATED PARTY TRANSACTIONS

During the periodic review of existing procedures, on May 9, 2024, the Company's Board of Directors - subject to the unanimous opinion of the Committee for Related Party Transactions, which deliberated with the presence of all its members - updated the Procedure for Related Party Transactions (“**RPT Procedure**”), with amendments of a formal nature, which mainly refer to the changes to the Company's organisational structure which took place following the last revision.

The RPT Procedure is available for perusal on the Company's website (www.pirelli.com).

Related Party Transactions do not qualify as either atypical or unusual, but are instead part of the ordinary course of business for the companies of the Group, and are carried out in the interest of the individual companies. These transactions are carried out in accordance with conditions that are standard or market equivalent. Furthermore, they are carried out in compliance with the RPT Procedure.

The effects of the Related Party Transactions, contained in the Income Statement and the Statement of Financial Position, on the consolidated data of the Group, were as follows:

STATEMENT OF FINANCIAL POSITION	09/30/2024				12/31/2023			
(in millions of euro)	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**
Other non-current receivables	7.6	-	-	**7.6**	7.2	-	-	**7.2**
of which financial	*7.6*	*-*	*-*	***7.6***	*7.2*	*-*	*-*	***7.2***
Trade receivables	10.1	2.7	-	**12.8**	7.8	1.5	-	**9.4**
Other current receivables	87.2	2.3	-	**89.4**	88.0	10.7	-	**98.7**
of which financial	*74.7*	*-*	*-*	***74.7***	*75.0*	*-*	*-*	***75.0***
Borrowings from banks and other financial institutions non-current	6.9	9.8	-	**16.7**	7.9	0.4	-	**8.3**
Other non-current payables	-	-	-	**-**	-	-	0.2	**0.2**
Provisions for liabilities and charges non-current	-	-	18.1	**18.1**	-	-	22.1	**22.1**
Provisions for employee benefit obligations non-current	-	-	6.0	**6.0**	-	-	3.2	**3.2**
Borrowings from banks and other financial institutions current	2.4	1.1	-	**3.5**	2.1	0.2	-	**2.2**
Trade payables	35.3	56.0	-	**91.3**	45.7	80.4	-	**126.1**
Other current payables	-	0.3	6.0	**6.3**	0.1	0.8	20.5	**21.4**
Provisions for liabilities and charges current	-	-	7.8	**7.8**	-	-	-	**-**
Provisions for employee benefit obligations current	-	-	7.5	**7.5**	-	-	-	**-**

INCOME STATEMENT	01/01 - 09/30/2024				01/01 - 09/30/2023			
(in millions of euro)	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**
Revenues from sales and services	45.3	1.9	-	**47.2**	19.6	1.2	-	**20.8**
Other income	21.2	24.3	-	**45.5**	13.5	24.6	-	**38.1**
Raw materials and consumables used (net of change in inventories)	(3.2)	(6.0)	-	**(9.2)**	(1.3)	(6.6)	-	**(7.9)**
Personnel expenses	-	-	(11.3)	**(11.3)**	-	-	(14.4)	**(14.4)**
Other costs	(161.7)	(58.8)	(13.9)	**(234.3)**	(150.9)	(77.3)	(18.0)	**(246.3)**
Financial income	2.2	0.4	-	**2.6**	2.2	0.2	-	**2.4**
Financial expenses	(0.3)	(0.3)	-	**(0.6)**	(0.4)	(0.3)	-	**(0.7)**
Net income/ (loss) from equity investments	20.7	-	-	**20.7**	6.5	-	-	**6.5**

TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES

Transactions - Statement of Financial Position

The item **other non-current receivables** refers to a loan granted by Pirelli Tyre S.p.A. to the Indonesian joint venture PT Evoluzione Tyres.

The item **trade receivables** includes receivables for the sales of raw material and for services rendered, mainly to the Chinese joint venture Jining Shenzhou Tyre Co., Ltd., to the amount of euro 7.2 million.

The item **other current receivables** mainly refers to receivables from the Jining Shenzhou Tyre Co., Ltd., for royalties to the amount of euro 3 million, and for various services to the amount of euro 6.9 million.

The financial portion refers to the loan granted by the Pirelli Tyre Co., Ltd. to the Jining Shenzhou Tyre Co., Ltd.

The item **borrowings from banks and other financial institutions non-current** refers to the payables of the company Pirelli Deutschland GmbH to the company Industriekraftwerk Breuberg GmbH, for the hire of machinery.

The item **borrowings from banks and other financial institutions** current refers to a portion of the aforementioned short-term debt.

The item **trade payables** mainly refers to payables for the purchase of energy from Industriekraftwerk Breuberg GmbH to the amount of euro 2.9 million, and trade payables towards the Jining Shenzhou Tyre Co., Ltd. to the amount of euro 31.6 million.

Transactions - Income statement

The item **revenues from sales and services** mainly refers to the sales of raw materials and semi-finished products to the Jining Shenzhou Tyre Co., Ltd.

The item **other financial income** includes royalties to the amount of euro 7 million, and the recharging of expenses to the amount of euro 3 million.

The item **other costs** mainly refers to costs for:

- the purchase of tyres from Jining Shenzhou Tyre Co., Ltd. to the amount of euro 92.2 million;
- the purchase of Motorcycle products from PT Evoluzione Tyres to the amount of euro 34 million;
- the purchase of energy and fees for operations management payable to Industriekraftwerk Breuberg GmbH, totalling euro 17.8 million.

The item **financial income** refers mainly to interest on loans disbursed to the two joint ventures.

OTHER RELATED-PARTY TRANSACTIONS

The transactions detailed below mainly refer to transactions with the Aeolus Tyre Co., Ltd. and with the Prometeon Group.

It should be noted that in the second quarter of 2024, the existing agreements between the Pirelli Group, the Aeolus Tyre Co., Ltd. and the Prometeon Tyre Group S.r.l., for technology and trademark licences, were revised with the aim, among other things, of renegotiating the duration and amounts for royalties. As part of the revision, a new leasing contract was also signed for the manufacturing site in Izmit (Turkey), which replaces the previous one.

The Related Party Transaction figures included in this document therefore reflect the impact of the transaction described above.

Transactions - Statement of Financial Position

The item **trade receivables** refers mainly to receivables from companies of the Prometeon Group.

The item **other current receivables** refers to receivables from the Aeolus Tyre Co., Ltd. to the amount of euro 2.1 million for various services.

The item **borrowings from banks and other financial institutions** current refers to the payables of Pirelli Otomobil Lastikleri A.S. to Prometeon Turkey Endüstriyel ve Ticari Lastikler A.S. for machine hire.

The item **trade payables** mainly refers to payables, to companies of the Prometeon Group to the amount of euro 52.4 million, and to the Aeolus Tyre Co., Ltd. to the amount of euro 1.5 million.

Transactions - Income statement

The item **other income** comprises, amounts from the companies of the Prometeon Group, mainly:

- the licence agreement for know-how charged by Pirelli Tyre S.p.A. to the amount of euro 8.3 million;
- royalties recorded by Pirelli Tyre S.p.A. in respect of the license agreement for the use of the Pirelli trademark to the amount of euro 12 million;
- logistics services rendered by the Spanish company Pirelli Neumaticos S.A. - Sociedad Unipersonal to the amount of euro 0.9 million.

The item **raw materials and consumables used** refers mainly to costs payable to companies of the Sinochem Group for the purchase of direct materials/consumables/compounds, of which euro 5.9 million were costs of the Chinese company, Pirelli Tyre Co., Ltd.

The item **other costs** mainly includes:

- the purchase of truck products for a total amount of euro 53.4 million from the Prometeon Group, of which euro 50 million was carried out by the Brazilian company Comercial e Importadora de Pneus Ltda. and subsequently resold to retail customers;
- costs incurred by the Pirelli Tyre (Jiaozuo) Co., Ltd. payable to the Aeolus Tyre Co., Ltd. to the amount of euro 2.6 million.

REMUNERATION FOR DIRECTORS AND KEY MANAGERS

Remuneration for Directors and Key Managers can be summarised as follows:

- the Statement of Financial Position items **provisions for liabilities and charges non-current** and **provisions for employee benefit obligations non-current**, include the provisions for the monetary three-year 2023-2025 and 2024-2026 Long Term Incentive (LTI) Plans to the amount of euro 5.4 million, (euro 5.9 million at December 31, 2023), the provisions for the Short Term Incentive (STI) Plan to the amount of euro 5.6 million (euro 7.2 million at December 31, 2023), as well as severance indemnities to the amount of euro 13.1 million (euro 16.8 million at December 31, 2023);
- the Statement of Financial Position items **provisions for liabilities and charges current** and **provisions for employee benefit obligations current**, mainly include the provisions for the 2022-2024 Long Term Incentive (LTI) Plan which, should the parameters underlying the plan be achieved, will be paid out in the first half-year of 2025;
- the Statement of Financial Position item **other current payables** includes the short-term portion relative to the STI Plan;
- the items **personnel expenses** and **other costs** include euro 1.8 million relative to employees' leaving indemnities (TFR) and to severance indemnities (euro 2.6 million for the same period of the previous year), as well as provisions for short-term benefits to the amount of euro 7.3 million (euro 10.5 million for the same period of the previous year), and for long-term benefits, to the amount of euro 7.7 million (euro 10.1 million for the same period of the previous year).

ATYPICAL AND/OR UNUSUAL OPERATIONS

Pursuant to CONSOB Notice No. DEM/6064293 of July 28, 2006, it should be noted that during the course of the first nine months of 2024, the Company did not carry out any atypical and/or unusual transactions, as defined in the aforementioned Notice.

The Board of Directors

Milan, November 7, 2024

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(in thousands of euro)*

	09/30/2024	12/31/2023
Property, plant and equipment	3,313,953	3,409,114
Intangible assets	5,180,471	5,263,787
Investments in associates and joint ventures	107,025	86,397
Other financial assets at fair value through other Comprehensive Income	63,248	52,837
Deferred tax assets	174,329	202,849
Other receivables	373,415	408,625
Tax receivables	10,124	11,318
Other assets	114,994	115,894
Derivative financial instruments	6,419	12,886
Non-current assets	**9,343,978**	**9,563,707**
Inventories	1,342,722	1,371,436
Trade receivables	1,031,962	649,406
Other receivables	406,921	419,249
Other financial assets at fair value through Income Statement	172,471	228,759
Cash and cash equivalents	775,551	1,252,769
Tax receivables	88,963	32,574
Derivative financial instruments	27,761	13,027
Current assets	**3,846,351**	**3,967,220**
Total Assets	**13,190,329**	**13,530,927**
Equity attributable to the owners of the Parent Company:	**5,566,193**	**5,494,393**
Share capital	1,904,375	1,904,375
Reserves	3,315,376	3,110,938
Net income / (loss)	346,442	479,080
Equity attributable to non-controlling interests:	**142,952**	**125,201**
Reserves	118,330	108,376
Net income / (loss)	24,622	16,825
Total Equity	**5,709,145**	**5,619,594**
Borrowings from banks and other financial institutions	3,556,530	3,174,678
Other payables	68,789	77,932
Provisions for liabilities and charges	101,929	109,548
Deferred tax liabilities	972,782	990,870
Provisions for employee benefit obligations	172,119	180,218
Tax payables	4,212	14,391
Derivative financial instruments	-	-
Non-current liabilities	**4,876,361**	**4,547,637**
Borrowings from banks and other financial institutions	453,097	789,527
Trade payables	1,562,755	1,999,418
Other payables	361,789	412,173
Provisions for liabilities and charges	37,317	35,323
Provisions for employee benefit obligations	35,144	820
Tax payables	132,464	105,193
Derivative financial instruments	22,257	21,242
Current liabilities	**2,604,823**	**3,363,696**
Total Liabilities and Equity	**13,190,329**	**13,530,927**

CONSOLIDATED INCOME STATEMENT (in thousands of euro)

	01/01 - 09/30/2024	01/01 - 09/30/2023
Revenues from sales and services	**5,184,535**	**5,160,231**
Other income	230,677	229,907
Changes in inventories of unfinished, semi-finished and finished products	(6,428)	31,480
Raw materials and consumables used (net of change in inventories)	(1,642,018)	(1,751,127)
Personnel expenses	(958,296)	(920,887)
Amortisation, depreciation and impairment	(426,071)	(418,372)
Other costs	(1,669,130)	(1,655,344)
Net impairment of financial assets	(7,122)	(9,087)
Increases in fixed assets due to internal works	1,691	1,466
Operating income/(loss)	**707,838**	**668,267**
Net income/(loss) from equity investments	22,516	8,882
- share of net income/(loss) of associates and joint ventures	*20,694*	*6,465*
- gains on equity investments	-	*133*
- dividends	*1,822*	*2,284*
Financial income	106,785	169,311
Financial expenses	(332,290)	(319,444)
Net income / (loss) before taxes	**504,849**	**527,016**
Taxes	(133,785)	(115,977)
Net income / (loss)	**371,064**	**411,039**
Attributable to:		
Owners of the Parent Company	346,442	393,044
Non-controlling interests	24,622	17,995
Total basic/diluted earnings / (losses) per share (in euro)	**0.346**	**0.393**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(in thousands of euro)*

		01/01 - 09/30/2024	01/01 - 09/30/2023
A	**Total Net income / (loss)**	**371,064**	**411,039**
	- Remeasurement of employee benefits	(16,030)	(46,635)
	- Tax effect	4,414	11,161
	- Fair value adjustment of other financial assets at fair value through Other Comprehensive Income	9,766	6,856
B	**Total items that may not be reclassified to Income Statement**	**(1,850)**	**(28,618)**
	Exchange rates differences from translation of foreign Financial Statements		
	- Gains / (losses)	(230,826)	(84,248)
	Fair value adjustment of derivatives designated as cash flow hedges:		
	- Gains / (losses)	3,117	4,273
	- (Gains) / losses reclassified to Income Statement	(14,150)	(13,028)
	- Tax effect	2,637	2,112
	Share of Other Comprehensive Income related to associates and joint ventures	(131)	(1,225)
C	**Total items reclassified / that may be reclassified to Income Statement**	**(239,352)**	**(92,116)**
D	**Total Other Comprehensive Income (B+C)**	**(241,202)**	**(120,734)**
A+D	**Total Comprehensive Income / (loss)**	**129,862**	**290,305**
	Attributable to:		
	- Owners of the Parent Company	107,118	288,508
	- Non-controlling interests	22,744	1,797

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 09/30/2024

(in thousands of euro)	Attributable to the Parent Company					Non-controlling interests	Total
	Share Capital	Translation reserve	Other O.C.I. reserves *	Other reserves/ retained earnings	Total attributable to the Parent Company		
Total at 12/31/2023	**1,904,375**	**(667,280)**	**(22,600)**	**4,279,898**	**5,494,393**	**125,201**	**5,619,594**
Other components of comprehensive income	-	(229,078)	(10,245)	-	(239,323)	(1,878)	(241,201)
Net income / (loss)	-	-	-	346,442	346,442	24,622	371,064
Total comprehensive income / (loss)	**-**	**(229,078)**	**(10,245)**	**346,442**	**107,119**	**22,744**	**129,863**
Dividends approved	-	-	-	(198,000)	(198,000)	(5,208)	(203,208)
Effects of hyperinflation accounting in Turkey	-	-	-	12,887	12,887	-	12,887
Effects of hyperinflation accounting in Argentina	-	-	-	151,234	151,234	-	151,234
Other	-	-	(824)	(616)	(1,440)	215	(1,225)
Total at 09/30/2024	**1,904,375**	**(896,358)**	**(33,669)**	**4,591,845**	**5,566,193**	**142,952**	**5,709,145**

(in thousands of euro)	BREAKDOWN OF OTHER O.C.I. RESERVES*				
	Reserve for fair value adjustment of financial assets at fair value through Other Comprehensive Income	Reserve for cash flow hedge	Remeasurement of employee benefits	Tax effect	**Other O.C.I. reserves**
Total at 12/31/2023	**(6,666)**	**31,958**	**8,653**	**(56,545)**	**(22,600)**
Other components of comprehensive income	9,766	(11,033)	(16,030)	7,052	(10,245)
Other changes	-	-	(789)	(35)	(824)
Total at 09/30/2024	**3,100**	**20,925**	**(8,166)**	**(49,528)**	**(33,669)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 09/30/2023

(in thousands of euro)	Attributable to the Parent Company					Non-controlling interests	Total
	Share Capital	Translation reserve	Other O.C.I. reserves *	Other reserves/ retained earnings	Total attributable to the Parent Company		
Total at 12/31/2022	**1,904,375**	**(510,386)**	**12,768**	**3,917,037**	**5,323,794**	**130,034**	**5,453,828**
Other components of comprehensive income	-	(69,275)	(35,261)	-	(104,536)	(16,198)	(120,734)
Net income / (loss)	-	-	-	393,044	393,044	17,995	411,039
Total comprehensive income / (loss)	**-**	**(69,275)**	**(35,261)**	**393,044**	**288,508**	**1,797**	**290,305**
Dividends approved	-	-	-	(218,000)	(218,000)	(4,949)	(222,949)
Effects of hyperinflation accounting in Turkey	-	-	-	14,229	14,229	-	14,229
Effects of hyperinflation accounting in Argentina	-	-	-	95,807	95,807	-	95,807
Other	-	-	(107)	616	509	231	740
Total at 09/30/2023	**1,904,375**	**(579,661)**	**(22,600)**	**4,202,733**	**5,504,847**	**127,113**	**5,631,960**

(in thousands of euro)	BREAKDOWN OF OTHER O.C.I. RESERVES*				
	Reserve for fair value adjustment of financial assets at fair value through other Comprehensive Income	Reserve for cash flow hedge	Remeasurement of employee benefits	Tax effect	**Other O.C.I. reserves**
Total at 12/31/2022	**(11,074)**	**54,376**	**38,703**	**(69,237)**	**12,768**
Other components of comprehensive income	6,856	(8,755)	(46,635)	13,273	(35,261)
Other changes	(219)	-	112	-	(107)
Total at 09/30/2023	**(4,437)**	**45,621**	**(7,820)**	**(55,964)**	**(22,600)**

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euro)

		01/01 - 09/30/2024	01/01 - 09/30/2023
	Net income / (loss) before taxes	504,849	527,016
	Reversal of amortisation, depreciation, impairment losses and restatement of property, plant and equipment and intangible assets	426,071	418,372
	Reversal of Financial (income) / expenses	225,505	150,133
	Reversal of Dividends	(1,822)	(2,284)
	Reversal of gains / (losses) on equity investments	-	(133)
	Reversal of share of net result from associates and joint ventures	(20,694)	(6,465)
	Reversal of accruals to provisions and other accruals	56,496	67,950
	Net Taxes paid	(117,537)	(105,056)
	Change in Inventories	(17,014)	51,514
	Change in Trade receivables	(417,815)	(487,728)
	Change in Trade payables	(311,629)	(340,506)
	Change in Other receivables	(24,635)	(8,317)
	Change in Other payables	(30,813)	(39,129)
	Uses of Provisions for employee benefit obligations	(7,444)	(14,911)
	Uses of Provisions for liabilities and charges	(17,208)	(17,374)
A	**Net cash flow provided by / (used in) operating activities**	**246,310**	**193,082**
	Investments in owned tangible assets	(292,286)	(266,268)
	Disposal of owned tangible assets	746	1,655
	Investments in intangible assets	(11,287)	(11,437)
	(Investments) in other financial assets at fair value through Other Comprehensive Income	(644)	-
	(Acquisition) of investments in subsidiaries	(20,205)	-
	(Acquisition) of investments in associates and joint ventures	(231)	-
	Change in Financial receivables from associates and joint ventures	(206)	(339)
	Dividends received	1,988	2,284
B	**Net cash flow provided by / (used in) investing activities**	**(322,125)**	**(274,105)**
	Change in Borrowings from banks and other financial institutions due to draw downs	1,324,953	1,090,032
	Change in Borrowings from banks and other financial institutions due to repayments and other	(1,287,023)	(1,300,971)
	Change in Financial receivables / Other current financial assets at fair value through Income Statement	44,945	201,725
	Financial income / (expenses)	(185,211)	(225,130)
	Dividends paid	(204,215)	(221,400)
	Repayment of principal and payment of interest for lease liabilities	(97,054)	(90,500)
C	**Net cash flow provided by / (used in) financing activities**	**(403,605)**	**(546,244)**
D	**Total cash flow provided / (used) during the period (A+B+C)**	**(479,420)**	**(627,267)**
E	**Cash and cash equivalents at the beginning of the financial year**	**1,248,850**	**1,283,388**
F	**Exchange rate differences from translation of cash and cash equivalents**	(23,181)	(10,109)
G	**Cash and cash equivalents at the end of the period (D+E+F) (°)**	**746,249**	**646,012**

(°)	**of which:**		
	cash and cash equivalents	775,551	665,814
	bank overdrafts	(29,302)	(19,802)

FORM AND CONTENT

The publication of this Interim Financial Report at September 30, 2024 is carried out on a voluntary basis pursuant to Article 82-ter of the Issuers' Regulation. The document is not prepared in accordance with IAS 34 (Interim Financial Reporting). For the recognition and measurement of the accounting values, reference is made to the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and their relative interpretations, issued by the International Financial Reporting Interpretations Committee (IFRIC), as approved by the European Commission and in force at the time of the approval of this Interim Financial Report, which are the same as those used in the preparation of the Consolidated Financial Statements at December 31, 2023, to which reference should be made for more details, with the exception of:

- the following amendments to existing standards, which are applicable as of January 1, 2024, but which do not impact on the Group:
  - Amendments to IAS 1 - Presentation of Financial Statements - Classification of Liabilities as Current or Non-current;
  - Amendments to IAS 1 - Presentation of Financial Statements - Non-current Liabilities with Covenants;
  - Amendments to IFRS 16 - Leases: Lease Liability in a Sale and Leaseback;
  - Amendments to IAS 7 - Statement of Cash Flows and to IFRS 7 - Financial Instruments: Supplementary Information - Supplier Finance Arrangements;
- Amendments to IAS 12 - Income Taxes: International Tax Reform - Pillar Two Model Rules
  These amendments offer a temporary exemption to the accounting of deferred taxes resulting from the application of the new tax rules (the so-called *"GloBE rules")* of European origin, for the implementation of the Global Minimum Tax, introduced by the Organisation for Economic Co-operation and Development (OECD). The OECD published the Pillar Two Model Rules in December 2021, to ensure that large multinational companies are subjected to a minimum tax rate of 15%. In addition to the above mentioned exemption, the amendments provide for the publication of disclosures aimed at assisting investors to better understand the impact on income taxes resulting from the reform.
  The Group, in its Interim Financial Report at September 30, has availed itself of the aforementioned temporary exemption;
- Income taxes are recognised based on the best estimate of the weighted average tax rate expected for the entire financial year, adjusted to include any non-recurring items in the relevant reporting period, consistent with the guidelines provided by IAS 34 for the preparation of Interim Financial Statements;
- IAS 36, with specific reference to the impairment testing of intangible assets with an indefinite useful life, such as goodwill and the Pirelli Brand, which is not applied to Interim Financial Reports at March 31 and September 30.

EXCHANGE RATES

(local currency vs euro)	**Period-end Exchanges Rates**		**Change in %**	**Average Exchange Rates nine months**		**Change in %**
	09/30/2024	**12/31/2023**		**2024**	**2023**	
Swedish Krona	**11.3000**	11.0960	1.84%	**11.4118**	11.4735	(0.54%)
Australian Dollar	**1.6166**	1.6263	(0.60%)	**1.6415**	1.6201	1.32%
Canadian Dollar	**1.5133**	1.4642	3.35%	**1.4787**	1.4575	1.45%
Singaporean Dollar	**1.4342**	1.4591	(1.71%)	**1.4539**	1.4522	0.12%
US Dollar	**1.1196**	1.1050	1.32%	**1.0871**	1.0833	0.36%
Swiss Franc	**0.9439**	0.9260	1.93%	**0.9581**	0.9776	(1.99%)
Egyptian Pound	**54.1460**	34.2093	58.28%	**47.6896**	33.2134	43.59%
Turkish Lira	**38.0180**	32.5739	16.71%	**38.0180**	29.0305	30.96%
Romanian Leu	**4.9756**	4.9746	0.02%	**4.9744**	4.9389	0.72%
Argentinian Peso	**1,086.5718**	893.3373	21.63%	**1,086.5718**	370.7370	193.08%
Mexican Peso	**21.9766**	18.6988	17.53%	**19.2263**	19.3078	(0.42%)
South African Rand	**19.2258**	20.3477	(5.51%)	**20.0747**	19.8821	0.97%
Brazilian Real	**6.0719**	5.3516	13.46%	**5.7009**	5.4249	5.09%
Chinese Renminbi	**7.8455**	7.8264	0.24%	**7.7287**	7.5977	1.72%
Russian Rouble	**103.4694**	99.1919	4.31%	**98.0653**	89.6156	9.43%
British Pound Sterling	**0.8354**	0.8691	(3.87%)	**0.8514**	0.8708	(2.23%)
Japanese Yen	**159.8200**	156.3300	2.23%	**164.2864**	149.6031	9.81%

NET FINANCIAL POSITION

(in thousands of euro)	**09/30/2024**	**12/31/2023**
Current borrowings from banks and other financial institutions	453,097	789,527
Current derivative financial instruments (liabilities)	14,193	18,183
Non-current borrowings from banks and other financial institutions	3,556,530	3,174,678
Non-current derivative financial instruments (liabilities)	-	-
Total gross debt	**4,023,820**	**3,982,388**
Cash and cash equivalents	(775,551)	(1,252,769)
Other financial assets at fair value through Income Statement	(172,471)	(228,759)
Current financial receivables **	(123,521)	(106,065)
Current derivative financial instruments (assets)	(24,377)	(7,360)
Net financial debt *	**2,927,900**	**2,387,435**
Non-current derivative financial instruments (assets)	(6,419)	(12,886)
Non-current financial receivables **	(105,323)	(112,829)
Total net financial (liquidity) / debt position	**2,816,158**	**2,261,720**

* Pursuant to CONSOB Notice of July 28, 2006 and in compliance with the ESMA guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable from May 5, 2021.
** The item "*financial receivables*" is reported net of the relative provisions for impairment which amounted to euro 8,852 thousand at September 30, 2024 (euro 10,968 thousand at December 31, 2023).

Net financial debt is summarised below, based on the format provided by the ESMA guidelines:

(in thousands of euro)	**09/30/2024**	**12/31/2023**
Cash and cash equivalents	(775,551)	(1,252,769)
Other current financial assets	(320,369)	(342,184)
of which Current financial receivables	*(123,521)*	*(106,065)*
of which Current derivative financial instruments (assets)	*(24,377)*	*(7,360)*
of which Other financial assets at fair value through Income Statement	*(172,471)*	*(228,759)*
Liquidity	**(1,095,920)**	**(1,594,953)**
Current borrowings from banks and other financial institutions	453,097	789,527
Current derivative financial instruments (liabilities)	14,193	18,183
Current financial debt	**467,290**	**807,710**
Current net financial debt	**(628,630)**	**(787,243)**
Non-current borrowings from banks and other financial institutions	3,556,530	3,174,678
Non-current derivative financial instruments (liabilities)	-	-
Non-current financial debt	**3,556,530**	**3,174,678**
Total net financial debt *	**2,927,900**	**2,387,435**

* Pursuant to CONSOB Notice of July 28, 2006 and in compliance with the ESMA guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable from May 5, 2021.

DECLARATION OF THE MANAGER RESPONSIBLE FOR THE PREPARATION OF THE CORPORATE AND ACCOUNTING DOCUMENTATION PURSUANT TO THE PROVISIONS OF ARTICLE 154-BIS, PARAGRAPH 2 OF THE LEGISLATIVE DECREE 58/1998

Fabio Bocchio, as Manager responsible for the preparation of the corporate and accounting documentation, pursuant to the provisions of Article 154-bis, paragraph 2 of the Legislative Decree 58/1998, hereby certifies that the accounting information contained in the Interim Financial Report at September 30, 2024 corresponds to what contained in the accounting documentation, books and records.

Milan, November 7, 2024

Fabio Bocchio