PIAGGIO GROUP

Interim report on operations as of 30 September 2024

This report is available on the Internet at:
www.piaggiogroup.com

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Disclaimer

This Interim report on operations as of 30 September 2024 has been translated into English solely for the convenience of the international reader. In the event of conflict or inconsistency between the terms used in the Italian version of the report and the English version, the Italian version shall prevail, as the Italian version constitutes the sole official document.

PIAGGIO GROUP

Management and Coordination
IMMSI S.p.A.
Share capital €207,613,944.37 fully paid up
Registered office: Viale R. Piaggio 25, Pontedera (Pisa)
Pisa Register of Companies and Tax Code 04773200011
Pisa Economic and Administrative Index no. 134077

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Piaggio Group

Report on Operations

Introduction

Article 154 ter (5) of the Consolidated Law on Finance, as amended by Legislative Decree 25/2016, no longer requires issuers to publish an interim report on operations for the end of the first and third quarter of the financial year. This provision gives CONSOB the power to require issuers, following a specific impact analysis and through its own regulation, to publish periodic financial information in addition to the annual and half-yearly financial reports.

In view of this, the Piaggio Group has decided to continue to publish the interim report on operations for the end of the first and third quarters of each financial year on a voluntary basis, to ensure the continuity and regularity of disclosure to the financial community.
This interim report on operations is not subject to audit.

In some cases, data could be affected by rounding off defects due to the fact that figures are represented in millions; changes and percentages are calculated from figures in thousands and not from rounded off figures in millions.

Key operating and financial data

	First nine months 2024	First nine months 2023[1]	2023 Financial Statements[1]
In millions of Euros			
Operating highlights			
Net revenues	1,357.2	1,619.2	1,985.1
Gross industrial margin[2]	402.4	461.8	565.2
Operating income	129.4	160.1	180.7
Profit before tax	90.8	129.9	135.3
Net profit (loss) for the period	62.2	85.7	91.1
.Non-controlling interests			
.Group	62.2	85.7	91.1
Financial highlights			
Net Capital Employed (NCE)	868.0	807.1	850.0
Consolidated net debt[2]	(461.2)	(389.2)	(434.0)
Shareholders' equity	406.8	417.9	416.0
Financial ratios			
Gross margin as a percentage of net revenues (%)	29.7%	28.5%	28.5%
Net profit as a percentage of net revenues (%)	4.6%	5.3%	4.6%
ROS (Operating income/net revenues)	9.5%	9.9%	9.1%
ROE (Net profit/shareholders' equity)	15.3%	20.5%	21.9%
ROI (Operating income/NCE)	14.9%	19.8%	21.3%
EBITDA[2]	234.3	269.3	325.0
EBITDA/net revenues (%)	17.3%	16.6%	16.4%
Other information			
Sales volumes (unit/000)	380.0	454.4	559.5
Investments in property plant and equipment and intangible assets	117.4	103.7	162.9
Employees at the end of the period (number)	5,858	6,016	5,925

[1] As a result of the contractual changes made from 2024 onwards to sell-out promotions for the Indian market, the costs of these promotions, which were previously allocated to services, are now recognised as a deduction of revenues. Although the value is to be considered negligible, €7.0 mln was reclassified from the cost of services to lower revenue in the first nine months of 2023 (€9.5 mln over the 12 months of 2023) in order to allow for a better comparability with 2024 figures.

[2] Please refer to the section on "Alternative Non-Gaap Performance Measures" for the definition of the parameter.

Results by operating segment

		EMEA and AMERICAS	INDIA	ASIA PACIFIC 2W	**TOTAL**
Sales volumes (unit/000)	First nine months 2024	191.6	109.6	78.8	**380.0**
	First nine months 2023	222.4	110.5	121.5	**454.4**
	Change	(30.8)	(0.9)	(42.7)	**(74.4)**
	Change %	-13.9%	-0.8%	-35.2%	**-16.4%**
Net revenues[3] (millions of Euros)	First nine months 2024	898.4	258.2	200.5	**1,357.2**
	First nine months 2023	1,043.7	260.2	315.4	**1,619.2**
	Change	(145.2)	(1.9)	(114.8)	**(262.0)**
	Change %	-13.9%	-0.7%	-36.4%	**-16.2%**
Average number of staff (no.)	First nine months 2024	3,580.4	1,417.9	1,150.8	**6,149.1**
	First nine months 2023	3,715.3	1,371.3	1,231.2	**6,317.8**
	Change	(134.9)	46.6	(80.4)	**(168.7)**
	Change %	-3.6%	3.4%	-6.5%	**-2.7%**
Investments in Property, plant and equipment and intangible assets (millions of Euros)	First nine months 2024	92.6	17.2	7.6	**117.4**
	First nine months 2023	67.5	22.9	13.4	**103.7**
	Change	25.2	(5.6)	(5.8)	**13.7**
	Change %	37.3%	-24.6%	-43.3%	**13.2%**

[3] As a result of the contractual changes made from 2024 onwards to sell-out promotions for the Indian market, the costs of these promotions, which were previously allocated to services, are now recognised as a deduction of revenues. Although the value is to be considered negligible, €7.0 mln was reclassified from the cost of services to lower revenue in the first nine months of 2023 (€9.5 mln over the 12 months of 2023) in order to allow for a better comparability with 2024 figures.

Group profile

The Piaggio Group, headquartered in Pontedera (Pisa, Italy), is one of the world's leading manufacturers of powered two-wheelers and is also an international player in the commercial vehicle sector. Today the Piaggio Group has three distinct core segments:

- two-wheelers, scooters and motorcycles from 50cc to 1,100cc, with 436,300 vehicles sold in 2023. The Group's brands include: Piaggio (scooters include the Liberty, Beverly, Medley and MP3 models), Vespa, Aprilia (with Aprilia Racing in the MotoGP championship) and Moto Guzzi;

- light commercial vehicles, three-wheelers (Ape) and four-wheelers (Porter NP6) with 123,300 vehicles sold in 2023;

- the robotics division with Piaggio Fast Forward, the Group's research centre on the mobility of the future based in Boston.

Mission

We are dedicated to the mobility of people and things through high-value products and services that redesign and improve our lifestyles.

We are committed to broadening the horizons of our brands and products by constantly promoting technological innovation, uniqueness of design, attention to quality and safety, respecting communities and the environment.

We are customer-driven. The customer's satisfaction, safety, pleasure and emotions come first. We develop products to customer requirements, accompanying the changes in the ecosystem within which customers move.

We believe in people as our fundamental heritage, in their skills and genius, and we do so consistently with our deepest values, such as integrity, transparency, equal opportunities, respect for individual dignity and diversity.

For these reasons, we are not just vehicle manufacturers.
Through technological and social progress, we champion global mobility, in a responsible and sustainable way. Our aim is to make the quality of our life and that of future generations better.

Company Boards

Board of Directors

Executive Chairman	Matteo Colaninno
Chief Executive Officer	Michele Colaninno[(1)]
Directors	
	Alessandro Lai[(2), (3), (4)]
	Graziano Gianmichele Visentin[(3), (4)]
	Carlo Zanetti
	Andrea Formica[(5)]
	Ugo Ottaviano Zanello
	Micaela Vescia[(5)]
	Paola Mignani[(4)]
	Patrizia Albano
	Rita Ciccone[(3), (5)]
	Raffaella Annamaria Pagani
Management Control Committee	
Chairman	Raffaella Annamaria Pagani
	Alessandro Lai
	Paola Mignani
Supervisory Body	Antonino Parisi
	Giovanni Barbara
	Fabio Grimaldi
Chief Financial Officer and Executive in Charge of Financial Reporting	Alessandra Simonotto
Independent Auditors	Deloitte & Touche S.p.A.
Board Committees	Appointment Proposal and Remuneration Committee
	Internal Control, Risk Management and Sustainability Committee
	Related-Party Transactions Committee

(1) Director responsible for the internal control system and risk management

(2) Lead Independent Director

(3) Member of the Appointment Proposal and Remuneration Committee

(4) Member of the Internal Control, Risk Management and Sustainability Committee

(5) Member of the Related-Party Transactions Committee

All information on the powers reserved for the Board of Directors, the authority granted to the Executive Chairman and CEO, as well as the functions of the various Committees of the Board of Directors, can be found in the Governance section of the Issuer's website www.piaggiogroup.com.

The Shareholders' Meeting of Piaggio & C. S.p.A. of 17 April 2024, approved:

- proposals for amendments to the articles of association concerning the adoption of the administration and control model, (so-called one-tier control model), in which there is a Board of Directors, responsible for the management function, and a Management Control Committee, set up within the Board itself, with control functions;
- further amendments to the Articles of Association, also in line with the latest practices and guidelines, to which reference is made in the relevant explanatory report (see https://www.piaggiogroup.com/it/governance/shareholders' meeting).

The adoption of the one-tier system is functional to an even more profitable and timely synergy between management and control functions, to the benefit of the Company and all its stakeholders, confirming, once again, Piaggio's constant focus on observing international best practices on governance, as this model is the most commonly adopted among issuers listed on European and international stock markets.

Significant events during the first nine months of 2024

15 January 2024 - Jacopo Cerutti with an Aprilia Tuareg, triumphed on his debut in the Africa Eco Race 2024. Always in the lead from the first to the last, over 6,000 kilometres, the Italian off-roader has proven to be a winning project.

19 January 2024 - The Vespa expressed all its lifestyle vocation with the new Fashion & Apparel project, conceived to create a Vespa collective that unites art, fashion, music and all other cultural experiences for a mythical journey around the world.

The official debut took place in Hong Kong, with the presentation of a Varsity Jacket inspired by the new Vespa 946 Dragon. The Vespa 946 Dragon has been produced in a limited edition of 1,888 units and is intended to celebrate the year of the dragon in the lunar calendar.

12 March 2024 - Piaggio Fast Forward (PFF) unveiled kilo™, the revolutionary robot with smart following technology. Making its world premiere at Modex, the leading US trade fair for the supply chain industry, kilo™ is a hands-free robot platform with a load capacity of up to 130kg. In the redevelopment and modernisation project that will involve the Mandello del Lario production plant, the Piaggio Group has planned to integrate the kilo™ robot on its production lines; kilo™ will then be used at the Group's other production hubs in Italy, India, Vietnam and Indonesia.

27 March 2024 - The President of the Republic, Sergio Mattarella, received the Executive Chairman of the Piaggio Group, Matteo Colaninno, and the Chief Executive Officer, Michele Colaninno, at the Quirinale Palace on the occasion of the 140th anniversary of the Company's foundation.

15 April 2024 - The Ministry of Enterprise and Made in Italy authorised a Development Contract proposed by the Piaggio Group, which envisages an investment plan of approximately €112 million to expand production at Pontedera plant, in the province of Pisa. The industrial development programme, called 'E-Mobility', includes the introduction and development of a new line of electric motors dedicated to next-generation zero-emission vehicles and five industrial research and experimental development projects, aimed at the development of components and systems for electric-powered vehicles, as well as the development of solutions in the digital area, covering safety and vehicle status monitoring, advanced driver assistance systems and complete cybersecurity systems.

15 April 2024 - Maverick Viñales and Aprilia triumphed in the Grand Prix of the Americas, giving the Noale-based manufacturer victory number 298 in its MotoGP history.

17 April 2024 - The Shareholders' Meeting of Piaggio & C. S.p.A., approved the adoption of the new wording of the Company's Articles of Association, and therefore the adoption of the "one-tier" administration and control model. It also appointed the Board of Directors by approving the proposal submitted by the shareholder Immsi S.p.A. to set the number of its members at 12, the majority of whom, i.e. 9 members, declared that they meet the independence requirements of applicable regulations. The term of office of the Board of Directors was set at three financial years, until the Shareholders' Meeting called to approve the Financial Statements as of 31 December 2026. The following Directors were appointed: Matteo Colaninno, Michele Colaninno, Alessandro Lai (independent director, who meets the requirements set forth in Article 25 of the Articles of Association for appointment as a member of the Management and Control Committee, also enrolled in the Register of Statutory Auditors), Graziano Gianmichele Visentin (independent director, who meets the requirements set forth in Article 25 of the Articles of Association for appointment as a member of the Management and Control Committee, also enrolled in the Register of Statutory Auditors), Carlo Zanetti, Andrea Formica (independent director), Ugo Ottaviano Zanello (independent director, who meets the requirements set forth in Article 25 of the Articles of Association for appointment as a member of the Management and Control Committee, also enrolled in the Register of Statutory Auditors), Micaela Vescia (independent director, who meets the requirements set forth in Article 25 of the Articles of Association for appointment as a member of the Management and Control Committee), Paola Mignani (independent director, who meets the requirements set forth in Article 25 of the Articles of Association for appointment as a member of the Management and Control Committee, also enrolled in the Register of Statutory Auditors), Patrizia Albano (independent director, who meets the requirements set forth in Article 25 of the Articles of Association for appointment as a member of the Management and Control Committee), Rita Ciccone (independent director), all taken from the majority list presented by IMMSI S.p.A. (which obtained 64.508% of the votes), as well as Raffaella Annamaria Pagani (independent director, who meets the requirements set forth in Article 25 of the Articles of Association for appointment as a member of the Management and Control Committee, also enrolled in the Register of Statutory Auditors), taken from the minority list presented by a group of investors (which obtained 27.690% of the votes), not connected even indirectly with the shareholders who hold a majority stake in the Company.

18 - 21 April 2024 - To mark Piaggio's 140th anniversary, the town of Pontedera, where the Vespa came into being and has been manufactured ever since 1946, hosted the annual gathering of Vespa Clubs from all over the world for the first time ever. It was a record edition: more than thirty thousand Vespa riders attended, with a total of twenty thousand Vespas and 55 national Vespa Clubs officially represented.

4 June 2024 - The Piaggio Group announced that the Court of Cassation had declared the appeal by Peugeot Motocycles SAS and Peugeot Motocycles Italia against the ruling of 16 January 2023 of the Court of Appeal of Milan inadmissible, having found, in line with the Court of Milan (in the first instance), that the latter had infringed the Italian portion of a European patent of Piaggio & C. S.p.A., with reference to the Peugeot Metropolis vehicle. As a result of the aforesaid ruling, the previous judgement handed down by the Court of Appeal of Milan became final and the infringement of the Italian portion of the European patent of Piaggio & C. S.p.A. was therefore definitively established, with an injunction against Peugeot Motocycles Italia to import, export, market and advertise (including through the Internet) the Peugeot Metropolis on Italian territory, and Piaggio & C. S.p.A.'s right to obtain compensation for the damage suffered.

8 June 2024 - The 2024 edition of Aprilia All Stars held at the Misano circuit was such a success that it surpassed previous editions. Over twenty thousand people arrived from all over Italy and Europe to celebrate Aprilia, its bikes, its riders and its history.

11 June 2024 - Michele Colaninno, Chief Executive Officer of the Piaggio Group, was elected for a second term as Chairman of ACEM (Association des Constructeurs Européens de Motocycles), the Brussels-based European motorcycle industry association in which all the world's motorcycle and scooter groups participate.

12 September 2024 - The European Association of Motorcycle Manufacturers (ACEM), which represents the industry, and the Federation Internationale de Motocyclisme (FIM, founded in 1904), which represents motorcyclists and the sport, met in Brussels to host a joint event with the common goal of improving mobility together with leaders of European Union institutions.

16 September 2024 - Piaggio presented the new Porter NP6 2025 range, with new interior fittings and new technical equipment. Safety aspects have also made considerable progress, thanks to the adoption of a comprehensive range of electronic vehicle control, ride control and driver assistance devices. This extremely comprehensive set of ADAS functions feature alongside new equipment for an even greater comfort and full compliance with GSR step 2 and cyber security regulations. Lastly, the Porter NPE electric version will come onto the market in the next months.

16 September 2024 - The rider Alessandro Di Mario was crowned champion of the Twins Cup class in the MotoAmerica Championships, riding the Aprilia RS 660.

26 September 2024 - The Piaggio MP3 310 came into being - the third generation of the most agile and lightest model of the vehicle that has revolutionised urban and metropolitan mobility by setting new standards of comfort, safety and driving fun. The Piaggio MP3 310 can be driven with a car licence only, thanks to Piaggio's exclusive three-wheel technology, and debuts with a completely new engine: the Euro 5+, 310 HPE engine, featuring an increased cubic capacity and numerous interventions designed to enhance the riding experience not only in terms of performance, but also in terms of comfort and manoeuvrability, all combined with a reduction in fuel consumption.

Decarbonisation and sustainability

The Group is implementing measures to ensure the achievement of the targets set out in the Decarbonisation Plan presented at the end of 2023.
In this regard:

- studies are continuing on the electric version of the Porter NP6, which is planned to go on sale during 2025;
- with the Vespa Primavera and Moto Guzzi Stelvio, the company has begun to adopt EURO5+ engines, well ahead of the legal requirements;
- work began on the renovation of the Moto Guzzi factory in Mandello del Lario using the most modern and sustainable construction techniques;
- on 15 April 2024, the Ministry of Enterprise and Made in Italy authorised a Development Contract proposed by the Piaggio Group, which envisages an investment plan of approximately €112 million to expand production at the Pontedera plant, in the province of Pisa. The industrial development programme, called 'E-Mobility', includes the introduction and development of a new line of electric motors dedicated to next-generation zero-emission vehicles and five industrial research and experimental development projects, aimed at the development of components and systems for electric-powered vehicles, as well as the development of solutions in the digital area, covering safety and vehicle status monitoring, advanced driver assistance systems and complete cybersecurity systems.

Financial position and performance of the Group

Consolidated income statement

	First nine months 2024		First nine months 2023[4]		Change	
	In millions of Euros	*Accounting for a %*	*In millions of Euros*	*Accounting for a %*	*In millions of Euros*	*%*
Consolidated income statement (reclassified)						
Net revenues	1,357.2	100.0%	1,619.2	100.0%	(262.0)	-16.2%
Cost to sell[5]	954.8	70.3%	1,157.4	71.5%	(202.7)	-17.5%
Gross industrial margin[4]	**402.4**	**29.7%**	**461.8**	**28.5%**	**(59.4)**	**-12.9%**
Operating expenses	273.1	20.1%	301.7	18.6%	(28.6)	-9.5%
Operating income	**129.4**	**9.5%**	**160.1**	**9.9%**	**(30.8)**	**-19.2%**
Result of financial items	(38.5)	-2.8%	(30.2)	-1.9%	(8.3)	27.4%
Profit before tax	**90.8**	**6.7%**	**129.9**	**8.0%**	**(39.0)**	**-30.1%**
Income Taxes	28.6	2.1%	44.2	2.7%	(15.5)	-35.2%
Net Profit (loss) for the period	**62.2**	**4.6%**	**85.7**	**5.3%**	**(23.5)**	**-27.4%**
Operating income	**129.4**	**9.5%**	**160.1**	**9.9%**	**(30.8)**	**-19.2%**
Amortisation/depreciation and impairment costs	104.9	7.7%	109.1	6.7%	(4.2)	-3.9%
EBITDA[4]	**234.3**	**17.3%**	**269.3**	**16.6%**	**(35.0)**	**-13.0%**

Net revenues

	First nine months 2024	First nine months 2023	Change
In millions of Euros			
EMEA and Americas	898.4	1,043.7	(145.2)
India	258.2	260.2	(1.9)
Asia Pacific 2W	200.5	315.4	(114.8)
TOTAL NET REVENUES	**1,357.2**	**1,619.2**	**(262.0)**
Two-wheelers	1,060.6	1,291.6	(231.1)
Commercial Vehicles	296.6	327.6	(30.9)
TOTAL NET REVENUES	**1,357.2**	**1,619.2**	**(262.0)**

In terms of consolidated turnover, the Group ended the first nine months of 2024 with net revenues down compared to the same period in 2023 (-16.2%).

The reduction affected all markets: EMEA and Americas (-13.9%), Asia Pacific (-36.4%; -34.2% at constant exchange rates) and India (-0.7%; +0.8% at constant exchange rates).

[4]As a result of the contractual changes made from 2024 onwards to sell-out promotions for the Indian market, the costs of these promotions, which were previously allocated to services, are now recognised as a deduction of revenues. Although the value is to be considered negligible, €7.0 mln was reclassified from the cost of services to lower revenue in the first nine months of 2023 (€9.5 mln over the 12 months of 2023) in order to allow for a better comparability with 2024 figures.

[5] Please refer to the section on "Alternative Non-Gaap Performance Measures" for the definition of the parameter.

With regard to product type, the decline affected Two-Wheelers (-17.9%) more than Commercial Vehicles (-9.4%). Consequently, the Commercial Vehicles' share of net revenues went up from 20.2% in the first nine months of 2023 to the current figure of 21.9%; conversely, the share of Two-wheelers fell from 79.8% in the first nine months of 2023 to the current figure of 78.1%.

The Group's **industrial gross margin** decreased in absolute terms compared to the first nine months of the previous year (-€59.4 million) but increased as a percentage of net sales (29.7% as of 30 September 2024 and 28.5% as of 30 September 2023).
Amortisation/depreciation included in the gross industrial margin was equal to €29.8 million (€29.4 million in the first nine months of 2023).

Operating expenses incurred during the period decreased by 9.5% year-on-year to €273.1 million. The change is closely related to the reduction in turnover and vehicles sold.

The change in the aforementioned income statement resulted in a decrease in consolidated **EBITDA** which was equal to €234.3 million (€269.3 million in the first nine months of 2023). In relation to net revenues, EBITDA increased to 17.3% (16.6% in the first nine months of 2023).

Operating income (**EBIT**), at €129.4 million, decreased compared to the first nine months of 2023; in relation to net revenues, EBIT was 9.5% (9.9% in the first nine months of 2023).

Financing activities showed a net expense of €38.5 million (€30.2 million as of 30 September 2023). The deterioration was mainly due to the rise in interest rates on debt, chiefly related to the issue of the new bond in October 2023, exacerbated by the negative impact of investment and currency management.

Income taxes for the period are estimated to be €28.6 million, equivalent to 31.5% of profit before tax.

Net profit stood at €62.2 million (4.6% of net revenues), down on the figure for the same period of the previous financial year, when it amounted to €85.7 million (5.3% of net revenues).

Operating data

Vehicles sold

	First nine months 2024	First nine months 2023	Change
In thousands of units			
EMEA and Americas	191.6	222.4	(30.8)
India	109.6	110.5	(0.9)
Asia Pacific 2W	78.8	121.5	(42.7)
TOTAL VEHICLES	**380.0**	**454.4**	**(74.4)**
Two-wheelers	290.3	364.9	(74.6)
Commercial Vehicles	89.7	89.5	0.2
TOTAL VEHICLES	**380.0**	**454.4**	**(74.4)**

In the first nine months of 2024, the Piaggio Group sold 380,000 vehicles worldwide, down 16.4% from the first nine months of the previous year, when 454,400 vehicles were sold.
Regarding product type, sales of Commercial Vehicles went up slightly (+0.2%), while sales of Two-Wheeler vehicles declined (-20.5%).

Staff

In the first nine months of 2024, the average workforce decreased overall (-168.7 units).

Average number of company employees by geographic segment

Employee/staff numbers	First nine months 2024	First nine months 2023	Change
EMEA and Americas	3,580.4	3,715.3	(134.9)
of which Italy	*3,315.0*	*3,440.3*	*(125.3)*
India	1,417.9	1,371.3	46.6
Asia Pacific 2W	1,150.8	1,231.2	(80.4)
Total	**6,149.1**	**6,317.8**	**(168.7)**

The Group's workforce amounted to 5,858 employees, down by a total of 67 compared to 31 December 2023 and 158 compared to 30 September 2023.

Breakdown of company employees by geographic segment

Employee/staff numbers	**As of 30 September 2024**	**As of 31 December 2023**	**As of 30 September 2023**
EMEA and Americas	3,338	3,278	3,355
of which Italy	*3,074*	*3,007*	*3,076*
India	1,404	1,442	1,432
Asia Pacific 2W	1,116	1,205	1,229
Total	**5,858**	**5,925**	**6,016**

Consolidated statement of financial position[6]

	As of 30 September 2024	As of 31 December 2023	Change
In millions of Euros			
Statement of financial position			
Net working capital	(171.4)	(178.7)	7.3
Property, plant and equipment	284.2	287.5	(3.3)
Intangible assets	773.9	754.1	19.8
Rights of use	35.0	36.9	(1.8)
Financial assets	7.4	8.5	(1.1)
Provisions	(61.2)	(58.4)	(2.8)
Net Capital Employed	**868.0**	**850.0**	**18.0**
Net financial debt	461.2	434.0	27.2
Shareholders’ equity	406.8	416.0	(9.1)
Sources of financing	**868.0**	**850.0**	**18.0**
Non-controlling interests	(0.2)	(0.2)	0.0

Net working capital as of 30 September 2024, which was negative by €171.4 million, absorbed cash for approximately €7.3 million in the first nine months of 2024.

Property, plant and equipment amounted to €284.2 million as of 30 September 2024, decreasing by approximately €3.3 million compared to 31 December 2023. This reduction was mainly due to the negative impact of the exchange rate effect of approximately €2.1 million and to divestments of €1.1 million. Depreciation were more or less in line with investments for the period (higher by €0.1 million).

Intangible assets totalled €773.9 million, up by approximately €19.8 million compared to 31 December 2023. This growth is mainly due to investments in the period, the value of which exceeded amortisation by around €20.2 million, and the negative impact related to the exchange rate effect and other changes for €0.4 million.

Rights of use, equal to €35.0 million, decreased by approximately €1.8 million compared to figures as of 31 December 2023.

Financial assets totalled €7.4 million, showing a decrease of approximately €1.1 million compared to €8.5 million as of 31 December 2023.

Provisions totalled €61.2 million, increasing compared to 31 December 2023 (+€2.8 million).

[6] For the definition of the individual items in the table, please refer to the section on "Non-GAAP Alternative Performance Measures”.

As fully described in the next section on the 'Consolidated Statement of Cash Flows', **net financial debt** as of 30 September 2024 was equal to €461.2 million, compared to €434.0 million as of 31 December 2023. Compared to 30 September 2023, net financial debt went up by approximately €72.1 million. The increase is related to the lower contribution from operations.

Group **shareholders' equity** as of 30 September 2024 amounted to €406.8 million, down by approximately €9.1 million compared to 31 December 2023.

Consolidated Statement of Cash Flows

The consolidated statement of cash flows prepared in accordance with the IFRS format is included in the 'Consolidated Financial Statements of the Condensed Consolidated Interim Financial Statements as of 30 September 2024'. The following is a commentary, with reference to the condensed form presented below.

	First nine months 2024	First nine months 2023	Change
In millions of Euros			
Change in Consolidated Net Debt			
Opening Consolidated Net Debt	**(434.0)**	**(368.2)**	**(65.8)**
Cash Flow from Operating Activities	163.0	191.0	(28.0)
(Increase)/Reduction in Net Working Capital	(7.3)	(27.3)	20.1
Net Investments	(117.4)	(103.7)	(13.7)
Other changes	5.9	4.7	1.2
Change in Shareholders' Equity	(71.4)	(85.6)	14.2
Total Change	**(27.2)**	**(20.9)**	**(6.3)**
Closing Consolidated Net Debt	**(461.2)**	**(389.2)**	**(72.1)**

During the first nine months of 2024, the Piaggio Group used **financial resources** amounting to €27.2 million.

Cash flow from operating activities, defined as net profit, minus non-monetary costs and income, came to €163.0 million.

Net working capital absorbed cash of approximately €7.3 million; in detail:

- the collection of trade receivables[7] used financial flows for a total of €33.7 million;
- stock management absorbed cash flows for a total of approximately €21.7 million;
- supplier payments generated cash flows of approximately €26.3 million;
- the movement of other non-trade assets and liabilities had a positive impact on cash flows by approximately €21.8 million.

Investing activities absorbed financial resources totalling €117.4 million. Investments mainly concerned the capitalisation of development costs and know-how.

As a result of the above financial dynamics, which absorbed a cash flow of €27.2 million, the **consolidated net debt** of the Piaggio Group amounted to €-461.2 million.

[7] Net of customer advances.

Alternative non-GAAP performance measures

To facilitate the understanding of the Group’s financial position and performance, Piaggio - in accordance with Consob Communication DEM/6064293 of 28 July 2006 as amended (Consob Communication 0092543 of 3 December 2015 enacting ESMA/2015/1415 guidelines on alternative performance measures - APM), refers to some alternative performance measures (Non-GAAP Measures) in its Report on Operations, in addition to IFRS financial measures from which the APM are derived.

These measures also facilitate directors in identifying operational trends and in taking decisions about investments, resource allocation and making other operational choices. For a correct interpretation of these APMs, the following should be noted:

- the APMs are not required by International Financial Reporting Standards (IFRS) and, although they are derived from the Group's consolidated financial statements, they are not audited;
- the APMs should not be regarded as a substitute for the measures required by relevant accounting standards (IFRS);
- for their correct interpretation, these APMs must be read in conjunction with the Group's financial information taken from the consolidated financial statements;
- the definitions of the indicators used by the Group, as they are not derived from relevant accounting standards, may not be uniform with those used by other entities; therefore, the APM values calculated by the Group and presented in this document may not be comparable with those published by other groups/companies;
- the APMs used by the Group were prepared with a continuity and uniform definition and representation for all accounting periods presented in these Financial Statements.

In particular the following alternative performance measures were used:

- **EBITDA**: defined as ‘Operating income’ before the amortisation/depreciation and impairment costs of intangible assets, property, plant and equipment and rights of use, as resulting from the consolidated income statement;

- **Gross industrial margin:** defined as the difference between net revenues and cost to sell;

- **Cost to sell**: this includes costs for materials (direct and consumables), accessory purchase costs (transport of incoming material, customs, warehousing), employee costs for direct and indirect manpower and related expenses, work carried out by third parties, energy costs, depreciation of property, plant, machinery and industrial equipment, maintenance and cleaning costs net of sundry cost recovery recharged to suppliers;

- **Consolidated net debt:** represented by the algebraic sum of financial payables, any significant financial component of trade and other non-current payables net of cash and cash equivalents and current financial receivables. Consolidated net debt does not include other financial assets and liabilities arising from the fair value measurement of financial derivatives used as hedging and otherwise, and the fair value adjustment of related hedged items and associated deferrals. The Notes to the Consolidated Financial Statements include a table indicating the statement of financial position items used to determine the measure;

- **Net Capital Employed:** determined as the algebraic sum of Net fixed assets, Net working capital and Provisions.

  In this regard:

  - **Net fixed assets** are represented by:

    - *Property, plant and equipment:* which consist of property, plant, machinery and industrial equipment, net of accumulated depreciation;

    - *Intangible assets:* which consist of capitalised development costs, costs for patents and know-how, trademarks and goodwill arising from acquisition/merger operations carried out by the Group;

    - *Rights of use:* refer to the discounted value of lease payments due, as provided for by IFRS 16;

    - *Financial assets:* defined by the Directors as the sum of investments, other non-current financial assets and the fair value of financial liabilities.

  - **Net working capital:** defined as the net sum of: Trade receivables, Other current and non-current receivables, Inventories, Trade payables, Other current and non-current payables, Current and non-current tax receivables, Deferred tax assets, Current and non-current tax payables and Deferred tax liabilities.

  - **Provisions:** consist of retirement funds and employee benefits, other non-current provisions and the current portion of other non-current provisions.

Results by type of product

The Piaggio Group is comprised of and operates by geographic segments – EMEA and Americas, India and Asia Pacific 2W – to develop, manufacture and distribute two-wheeler and commercial vehicles.

For details of final results from each operating segment, reference is made to the Notes to the Condensed Consolidated Interim Financial Statements.

The volumes and net revenues in the three geographic segments, also by product type, are analysed below.

Two-wheelers

Two-wheelers	**First nine months 2024**		**First nine months 2023**		***Change %***		***Change***	
	Volumes Sell-in (units/000)	Net revenues (millions of Euros)	Volumes Sell-in (units/000)	Net revenues[8] (millions of Euros)	Volumes	Net revenues	Volumes	Net revenues
EMEA and Americas	182.1	822.2	212.9	942.9	-14.5%	-12.8%	(30.8)	(120.7)
of which EMEA	168.1	737.7	193.3	831.1	-13.1%	-11.2%	(25.2)	(93.5)
(of which Italy)	*48.5*	*206.7*	*50.8*	*208.2*	*-4.5%*	*-0.7%*	*(2.3)*	*(1.4)*
of which America	14.0	84.5	19.6	111.8	-28.2%	-24.4%	(5.5)	(27.2)
India	29.4	37.8	30.5	33.4	-3.8%	13.3%	(1.2)	4.4
Asia Pacific 2W	78.8	200.5	121.5	315.4	-35.2%	-36.4%	(42.7)	(114.8)
TOTAL	**290.3**	**1,060.6**	**364.9**	**1,291.6**	**-20.5%**	**-17.9%**	**(74.6)**	**(231.1)**
Scooters	250.5	649.5	326.8	864.3	-23.4%	-24.9%	(76.3)	(214.8)
Combustion engine	*248.2*	*641.8*	*322.6*	*850.0*	*-23.0%*	*-24.5%*	*(74.3)*	*(208.1)*
Electric engine	*2.3*	*7.6*	*4.2*	*14.3*	*-46.7%*	*-46.7%*	*(2.0)*	*(6.7)*
Motorcycles	39.8	288.0	38.1	298.6	4.4%	-3.6%	1.7	(10.7)
Other vehicles	0.0	0.0	0.0	0.0			0.0	0.0
Spare Parts and Accessories		119.9		123.7		-3.1%		(3.8)
Other		3.2		5.0		-36.6%		(1.8)
Gita		*0.0*		*0.1*		*-75.6%*		*(0.1)*
Other		*3.1*		*4.9*		*-35.5%*		*(1.7)*
TOTAL	**290.3**	**1,060.6**	**364.9**	**1,291.6**	**-20.5%**	**-17.9%**	**(74.6)**	**(231.1)**

Two-wheelers can be grouped mainly into two product segments: scooters and motorcycles. Alongside these is the related spare parts and accessories business, the sale of engines to third parties, participation in major two-wheeler sports competitions, and after-sales services.

[8] As a result of the contractual changes made from 2024 onwards to sell-out promotions for the Indian market, the costs of these promotions, which were previously allocated to services, are now recognised as a deduction of revenues. Although the value is to be considered negligible, €7.0 mln was reclassified from the cost of services to lower revenue in the first nine months of 2023 (of which €1.9 mln relative to the Two-wheeler segment), in order to allow for a better comparability with 2024 figures.

In the global two-wheeler market, two macro-areas can be identified, distinctly different in terms of characteristics and scale of demand: the area of economically advanced countries (Europe, United States, Japan) and of developing countries (Asia Pacific, China, India, Latin America).
In the first macro area, which is a minority segment in terms of volumes, the Piaggio Group has a historical presence, with scooters meeting the need for mobility in urban areas and motorcycles for recreational purposes.
In the second macro area, which in terms of sales, accounts for most of the world market and is the Group’s target for expanding operations, two-wheeler vehicles are the primary mode of transport.

Background

India, the most important two-wheeler market, reported an increase in the first nine months of 2024, closing with sales of over 14.7 million vehicles, up by 18.8% compared to the same period of 2023.

The People's Republic of China recorded a decline in the first nine months of 2024 (-10.7%), closing at over 3.5 million units sold.

The countries of the ASEAN 5 region (the Philippines, Indonesia, Malaysia, Thailand and Vietnam) show only a slight increase (+0.7%) compared to the first nine months of 2023, with nearly 9.7 million units sold. As regards the two main markets:

- Indonesia: the region's main market recorded a 3.2% increase in the first nine months of 2024, to reach just under 4.9 million vehicles.
- Vietnam: registrations increased slightly (with just under 1.9 million units sold; +1.4% compared to the corresponding period of 2023).

The other APAC countries (Singapore, Hong Kong, South Korea, Japan, Taiwan, New Zealand and Australia) overall recorded a decrease of approximately 6.0% compared to the first nine months of 2023, closing with sales of around 985 thousand units. Lastly, the Japanese market also decreased (-9.7%) in the same period of the year, to around 275,000 units sold.

The North American market recorded a decrease compared to the first nine months of 2023 (-6.0%), selling 482,304 vehicles.
Europe, which is the reference area for the Piaggio Group's operations, reported an overall increase in sales on the two-wheeler market (+0.5%) compared to the first nine months of 2023 (+2.2% for the motorcycle segment and -1.5% for the scooter segment).
Over 50cc scooters reported an increase of 1.8%, while the 50cc segment recorded a decrease of 12.1%.

In the motorcycles market, the 50cc segment decreased by 10.0%, the 51-125cc segment by 6.1%, while medium-sized motorcycles (126-750cc) increased by 9.9%. Finally, the over 750cc segment recorded a slight increase (+0.8%).

The electric scooter segment showed a decrease (-19.7% compared to the same period in 2023) with 55,907 units, accounting for 9.5% of the total scooter market (down compared to 11.6% in the first nine months of 2023).

Main results

In the first nine months of 2024, the Piaggio Group sold a total of 290,300 two-wheeler vehicles worldwide, accounting for net revenues equal to approximately €1,060.6 million, including spare parts and accessories (€119.9 million, -3.1%).
Overall, volumes decreased by 20.5% while net revenues fell by 17.9%.
As the table shows, all markets recorded a negative performance in volumes and only India reported a growth in net revenues: EMEA and Americas (volumes -14.5%, net revenues -12.8%), Asia Pacific (volumes -35.2%, net revenues -36.4%; -34.2% at constant exchange rates) and India (volumes -3.8%, net revenues +13.3%; +15.1% at constant exchange rates).

Market positioning[9]

In the European market[10] the Piaggio Group achieved an overall share of 11.6% in the first nine months of 2024, compared to 12.5% in the corresponding period of 2023, confirming its second place in the scooter segment with a 21.3% share (23.1% in the first nine months of 2023).
In Italy, the Piaggio Group achieved an overall market share of 15.5% (16.5% in the first nine months of 2023) and 24.2% in the scooter segment (25.6% in the first nine months of 2023).

As regards the Group's positioning on the North American scooter market, Piaggio achieved a 27.5% share (29.5% in the first nine months of 2023).

[9] Market shares for the first nine months of 2023 might differ from figures published last year, due to final vehicle registration data, which some countries publish with a few months' delay, being updated.
[10] Italy, France, Spain, Germany, United Kingdom, Belgium, Holland, Greece, Croatia, Portugal, Switzerland, Austria, Finland, Sweden, Norway, Denmark, Czech Republic, Hungary and Slovenia.

Commercial Vehicles

Commercial Vehicles	First nine months 2024		First nine months 2023		*Change %*		*Change*	
	Volumes Sell-in (unit/000)	Net revenues (millions of Euros)	Volumes Sell-in (unit/000)	Net revenues[11] (millions of Euros)	Volumes	Net revenues	Volumes	Net revenues
EMEA and Americas	9.5	76.2	9.5	100.8	-0.9%	-24.4%	(0.1)	(24.6)
of which EMEA	*3.9*	*66.0*	*5.9*	*93.4*	*-32.7%*	*-29.3%*	*(1.9)*	*(27.4)*
(of which Italy)	*2.6*	*46.4*	*3.2*	*60.4*	*-20.5%*	*-23.2%*	*(0.7)*	*(14.0)*
of which America	*5.5*	*10.2*	*3.7*	*7.4*	*49.8%*	*38.0%*	*1.8*	*2.8*
India	80.3	220.4	80.0	226.8	0.4%	-2.8%	0.3	(6.4)
TOTAL	**89.7**	**296.6**	**89.5**	**327.6**	**0.2%**	**-9.4%**	**0.2**	**(30.9)**
Ape	86.9	201.6	85.3	209.1	1.8%	-3.6%	1.6	(7.5)
Combustion engine	*72.3*	*145.6*	*67.9*	*139.0*	*6.5%*	*4.7%*	*4.4*	*6.6*
Electric engine	*14.5*	*56.0*	*17.4*	*69.9*	*-16.2%*	*-20.0%*	*(2.8)*	*(14.0)*
Porter	2.9	48.2	4.2	74.1	-32.0%	-34.9%	(1.4)	(25.8)
Combustion engine	*2.9*	*48.2*	*4.2*	*74.1*	*-32.0%*	*-34.9%*	*(1.4)*	*(25.8)*
Electric engine	*0.0*	*0.0*	*0.0*	*0.0*			*(0.0)*	*(0.0)*
Spare Parts and Accessories		46.8		44.4		5.5%		2.4
TOTAL	**89.7**	**296.6**	**89.5**	**327.6**	**0.2%**	**-9.4%**	**0.2**	**(30.9)**

The Commercial Vehicles category includes three- and four-wheelers with a maximum mass below 3.5 tons (category N1 in Europe) designed for commercial and private use, and related spare parts and accessories.

Background

Europe

In the first nine months of 2024, the European market for light commercial vehicles (gross vehicle weight less than or equal to 3.5 t) excluding the UK, came to approximately 1,170,000 units sold, a decrease of 8.5% compared to same period of 2023.

Specifically, the chassis cab segment in which Piaggio Commercial operates recorded sales of some 150,000 units. As regards the served market, registrations in the main European reference markets (Spain, France, Italy and Germany) came to approximately 80,000 units, with an increase over the same period of the previous year (+12.5% compared to the first nine months of 2023) due to the entry into force of new European regulations that have led to a high number of car registrations because of type approval deadlines.

[11] As a result of the contractual changes made from 2024 onwards to sell-out promotions for the Indian market, the costs of these promotions, which were previously allocated to services, are now recognised as a deduction of revenues. Although the value is to be considered negligible, €7.0 mln was reclassified from the cost of services to lower revenue in the first nine months of 2023 (of which €5.1 mln relative to the Commercial Vehicles segment), in order to allow for a better comparability with 2024 figures.

India

Sales on the Indian three-wheeler market, where Piaggio Vehicles Private Limited, a subsidiary of Piaggio & C. S.p.A. operates, went up from 464,557 units in the first nine months of 2023 to 519,966 units in the same period of 2024, registering an 11.9% increase.

Within this market, the passenger vehicle segment increased (+12.1%), from 386,848 units in the first nine months of 2023 to 433,795 units in the first nine months of 2024. The cargo segment increased (+10.9%), from 77,709 units in the first nine months of 2023 to 86,171 units in the same period of 2024.

Electric three-wheelers reported considerable growth (+100.2%) from 45,845 units in the first nine months of 2023 to the current figure of 91,790 units.

Main results

During the first nine months of 2024, the Commercial Vehicles business generated net revenues of approximately €296.6 million, down by 9.4% compared to the same period of the previous year.

EMEA markets, on the other hand, reported contrasting trends. The increases in net revenues shown by the Americas (+38.0%) were more than cancelled out in absolute terms by the decrease in the Emea region (-29.3%).

The India CGU showed a slight growth in volume (+0.4%) and a decrease in net revenues (-2.8%; (-1.3% at constant exchange rates).

The Indian affiliate Piaggio Vehicles Private Limited (PVPL) sold 74,499 three-wheelers on the Indian market (74,787 in the first nine months of 2023). Three-wheeler vehicles with electric engines declined, from 17,364 units in the first nine months of 2023 to 14,543 units in the current period.

The Indian affiliate also exported 5,774 three-wheeler vehicles (5,187 in the first nine months of 2023).

Market positioning[12]

The Piaggio Group operates in Europe and India on the light commercial vehicles market, with products designed for short-range mobility in urban areas (European urban centres) and suburban areas (the product range for India).

On the Indian three-wheeler market, Piaggio holds a 14.3% share (15.4% in the first nine months of 2023). Analysing the figures in detail, Piaggio achieved a 28.0% market share (28.9% in the first nine months of 2023) in the cargo segment.

In the Passenger segment, it achieved a 11.6% share (12.7% in the first nine months of 2023).

In the electric 3-wheeler segment, Piaggio's share fell to 15.7% (37.0% in the same period of 2023).

[12] Market shares for the first nine months of 2023 might differ from figures published last year, due to final vehicle registration data, which some countries publish with a few months' delay, being updated.

Events occurring after the end of the period

4 October 2024 - Aprilia Racing announced that as from November 2024 Fabiano Sterlacchini will take over as Technical Director of the Aprilia team. Fabiano Sterlacchini's arrival is an important step towards further consolidating the MotoGP project after the signing of two riders, Jorge Martín and Marco Bezzecchi.

21 October 2024 - After its triumph in 2023, Aprilia Tuareg Racing also dominated the 2024 season of the Italian Motorally Championship, confirming the competitiveness of the Tuareg 660 and the team’s excellent work. The last stage, held in Olbia, Sardinia, saw Jacopo Cerutti win in the G-1000 class and Claudio Spanu in the FX class.

5 November 2024 - Piaggio Group is the star of the show at Eicma, with a range of new additions across all brands. Aprilia presents its fully-revamped range of motorbikes, including Tuareg rally and the new Tuono 457, naked sports bike designed specifically to appeal to younger riders. The new factory range now also includes the RS 660, the Tuono 660, the Tuono V4 and the RSV4, the superbike with a whopping 220 hp of power. Moto Guzzi introduces the new V7 family, including the V7 sport, the sportiest of the iconic motorbikes from Mandello. In addition, a special version of Stelvio arrives, while the new Wind Tunnel has landed in the V100 range, along with the PFF version equipped with advanced active safety systems. Vespa, unveils the GTS 310, the most responsive and powerful vespa ever built. Piaggio also presents the new Liberty that has been subject to a style and technology overhaul. The new high-wheel scooter range for all mobility requirements welcomes the new Beverly with the new 310 engine, as well as the Medley, now also available in the 200 version.

5 November 2024 - At an international premiere organised during the Ecomondo fair in Rimini, the Piaggio Group presented the new Porter NPE, the first full-electric city truck. The handling, comfort and capacity are combined with the new zero-emission engine, for the transport of goods over short and medium ranges, even in controlled access areas.

Operating outlook

The guidance that has been drawn up is closely linked to the need for a level of geopolitical and economic stability that can have a positive impact on consumers' purchasing power.

Thanks to its portfolio of iconic brands, the Piaggio Group nevertheless confirms that it will continue to pursue profit margin and productivity goals in the management of its production, logistic and procurement costs and in the management of all its international markets, focusing its financial resources on growth. Light mobility is emerging as a game-changer for the increasing problems of large urban agglomerations, and this represents a success factor for the Piaggio Group.

In light of this, Piaggio confirms the investments planned in new products in the two-wheeler sector and in commercial vehicles, and the consolidation of its commitment to ESG issues. In Italy, important investment plans have been drawn up for the coming years, to be ready for the current energy transition. The decision to verticalize the development and production of strategic assets will be the key for efficient management of the new technologies.

Transactions with related parties

Revenues, costs, payables and receivables as of 30 September 2024 involving parent, subsidiary and associate companies, refer to the sale of goods or services which are a part of normal operations of the Group.
Transactions are carried out at normal market values, depending on the characteristics of the goods and services provided.
Information on related-party transactions, including the information required by Consob communication no. DEM/6064293 of 28 July 2006 is presented in the Notes to the Condensed Consolidated Interim Financial Statements.

Investments of members of the board of directors and members of the control committee

At the date of this report, the Executive Chairman and the Chief Executive Officer held 125,000 shares of the Parent Company Piaggio & C. S.p.A. respectively.

Piaggio Group

Condensed Consolidated Interim Financial Statements as of 30 September 2024

Consolidated Financial Statements

The following accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Consolidated Income Statement

		First nine months 2024		First nine months 2023	
		Total	*of which related parties*	Total	*of which related parties*
In thousands of Euros	*Notes*				
Net revenues[13]	4	1,357,187	2	1,619,225	7
Costs for materials	5	839,971	13,648	1,027,612	19,409
Costs for services and use of third-party assets[12]	6	198,807	1,023	216,201	1,144
Employee costs	7	196,470		199,039	
Depreciation and impairment costs of property, plant and equipment	8	39,987		39,845	
Amortisation and impairment costs of intangible assets	8	57,303		61,624	
Depreciation of rights of use	8	7,632		7,678	
Other operating income	9	132,533	243	117,844	289
Impairment of trade and other receivables, net	10	(2,005)		(2,703)	
Other operating costs	11	18,193	6	22,260	18
Operating income		**129,352**		**160,107**	
Results of associates - Income/(losses)	12	(1,045)	(1,079)	(156)	(156)
Financial income	13	2,246		1,812	
Financial costs	13	38,096	305	30,461	41
Net exchange-rate gains/(losses)	13	(1,639)		(1,441)	
Profit before tax		**90,818**		**129,861**	
Income taxes	14	28,608		44,153	
Net Profit (loss) for the period		**62,210**		**85,708**	
Attributable to:					
Owners of the Parent Company		**62,210**		**85,708**	
Non-controlling interests		**0**		**0**	
Earnings per share (figures in €)	15	**0.176**		**0.242**	
Diluted earnings per share (figures in €)	15	**0.176**		**0.242**	

[13] As a result of the contractual changes made from 2024 onwards to sell-out promotions for the Indian market, the costs of these promotions, which were previously allocated to services, are now recognised as a deduction of revenues. Although the value is to be considered negligible, €/000 7,023 was reclassified from the cost of services to lower revenue in the first nine months of 2023, in order to allow for a better comparability with 2024 figures.

Consolidated Statement of Comprehensive Income

In thousands of Euros	*Notes*	**First nine months 2024**	**First nine months 2023**
Net Profit (loss) for the period (A)		**62,210**	**85,708**
Items that will not be reclassified in the income statement			
Remeasurements of defined benefit plans	39	(325)	624
Total		**(325)**	**624**
Items that may be reclassified in the income statement			
Exchange gain (losses) arising on translation of foreign operations	39	(1,407)	(929)
Share of Other Comprehensive Income/(loss) of associates valued with the equity method	39	5	(525)
Total profits (losses) on cash flow hedges	39	(559)	(3,725)
Total		**(1,961)**	**(5,179)**
Other comprehensive income/(loss) (B)*		**(2,286)**	**(4,555)**
Total comprehensive income (loss) for the period (A + B)		**59,924**	**81,153**

* Other Profits (and losses) take account of relative tax effects.

Attributable to:		
Owners of the Parent Company	**59,904**	**81,164**
Non-controlling interests	**20**	**(11)**

Consolidated Statement of Financial Position

		As of 30 September 2024		As of 31 December 2023	
		Total	*of which related parties*	**Total**	*of which related parties*
In thousands of Euros	*Notes*				
ASSETS					
Non-current assets					
Intangible assets	16	773,948		754,142	
Property, plant and equipment	17	284,183		287,510	
Rights of use	18	35,044		36,866	
Investments	32	7,410		8,484	
Other financial assets	33	16		16	
Tax receivables	23	7,905		9,678	
Deferred tax assets	19	63,133		70,439	
Trade receivables	21				
Other receivables	22	18,971		18,259	
Total non-current assets		**1,190,610**		**1,185,394**	
Current assets					
Trade receivables	21	91,365	373	58,878	394
Other receivables	22	73,029	34,030	86,879	33,859
Tax receivables	23	26,236		18,855	
Inventories	20	349,696		328,017	
Other financial assets	33			6,205	
Cash and cash equivalents	34	239,979		181,692	
Total current assets		**780,305**		**680,526**	
Total assets		**1,970,915**		**1,865,920**	

In thousands of Euros	*Notes*	As of 30 September 2024 Total	As of 30 September 2024 *of which related parties*	As of 31 December 2023 Total	As of 31 December 2023 *of which related parties*
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity					
Share capital and reserves attributable to the owners of the Parent Company	38	406,980		416,146	
Share capital and reserves attributable to non-controlling interests	38	(155)		(175)	
Total shareholders' equity		**406,825**		**415,971**	
Non-current liabilities					
Financial liabilities	35	519,365		467,053	
Financial liabilities for rights of use	35	19,097	4,230	19,665	4,362
Trade payables	25				
Other non-current provisions	26	20,098		17,691	
Deferred tax liabilities	27	5,326		7,087	
Retirement funds and employee benefits	28	25,187		25,222	
Tax payables	29				
Other payables	30	11,765		12,392	
Total non-current liabilities		**600,838**		**549,110**	
Current liabilities					
Financial liabilities	35	153,544		124,876	
Financial liabilities for rights of use	35	9,193	1,348	10,336	1,247
Trade payables	25	644,085	7,184	619,003	6,371
Tax payables	29	17,060		13,912	
Other payables	30	123,464	44,830	117,267	43,786
Current portion of other non-current provisions	26	15,906		15,445	
Total current liabilities		**963,252**		**900,839**	
Total Shareholders' Equity and Liabilities		**1,970,915**		**1,865,920**	

Changes in Consolidated Shareholders' Equity

Movements 1 January 2024 / 30 September 2024

In thousands of Euros	Notes	**As of 1 January 2024**	Earnings for the period	Other comprehensive income/(loss)	**Total comprehensive income (loss) for the period**	Transactions with shareholders: Allocation of profits	Transactions with shareholders: Distribution of dividends	Transactions with shareholders: Interim dividends	**As of 30 September 2024**
					39	38	38	38	
Share capital		207,614							**207,614**
Share premium reserve		7,171							**7,171**
Legal reserve		32,707				4,530			**37,237**
Reserve for measurement of financial instruments		(941)		(559)	**(559)**				**(1,500)**
IAS transition reserve		(21,314)							**(21,314)**
Group translation reserve		(49,945)		(1,422)	**(1,422)**				**(51,367)**
Treasury shares		(1,411)							**(1,411)**
Earnings reserve		195,508		(325)	**(325)**	13,891			**209,074**
Earnings for the period		46,757	62,210		**62,210**	(18,421)	(28,336)	(40,734)	**21,476**
Consolidated Group shareholders' equity		**416,146**	**62,210**	**(2,306)**	**59,904**	**0**	**(28,336)**	**(40,734)**	**406,980**
Share capital and reserves attributable to non-controlling interests		**(175)**		20	**20**				**(155)**
TOTAL SHAREHOLDERS' EQUITY		**415,971**	**62,210**	**(2,286)**	**59,924**	**0**	**(28,336)**	**(40,734)**	**406,825**

Movements 1 January 2023 / 30 September 2023

In thousands of Euros	Notes	**As of 1 January 2023**	Earnings for the period	Other comprehensive income/(loss)	**Total comprehensive income (loss) for the period**	Transactions with shareholders: Allocation of profits	Transactions with shareholders: Distribution of dividends	Transactions with shareholders: Cancellation of treasury shares	Transactions with shareholders: Purchase of treasury shares	Transactions with shareholders: Interim dividends	**As of 30 September 2023**
					39	38	38	38	38	38	
Share capital		207,614									**207,614**
Share premium reserve		7,171									**7,171**
Legal reserve		28,954				3,753					**32,707**
Reserve for measurement of financial instruments		2,545		(3,725)	**(3,725)**						**(1,180)**
IAS transition reserve		(15,525)						(5,789)			**(21,314)**
Group translation reserve		(43,488)		(1,443)	**(1,443)**						**(44,931)**
Treasury shares		(7,688)						7,688	(1,280)		**(1,280)**
Earnings reserve		183,705		624	**624**	15,475		(1,899)			**197,905**
Earnings for the period		54,689	85,708		**85,708**	(19,228)	(35,461)			(44,295)	**41,413**
Consolidated Group shareholders' equity		**417,977**	**85,708**	**(4,544)**	**81,164**	**0**	**(35,461)**	**0**	**(1,280)**	**(44,295)**	**418,105**
Share capital and reserves attributable to non-controlling interests		**(166)**		(11)	**(11)**						**(177)**
TOTAL SHAREHOLDERS' EQUITY		**417,811**	**85,708**	**(4,555)**	**81,153**	**0**	**(35,461)**	**0**	**(1,280)**	**(44,295)**	**417,928**

Consolidated Statement of Cash Flows

This statement shows the factors behind changes in cash and cash equivalents, net of short-term bank overdrafts, as required by IAS 7.

		First nine months 2024		First nine months 2023	
		Total	of which related parties	Total	of which related parties
In thousands of Euros	*Notes*				
Operating activities					
Net Profit (loss) for the period		62,210		85,708	
Income taxes	14	28,608		44,153	
Depreciation of property, plant and equipment	8	39,987		39,845	
Amortisation of intangible assets	8	57,303		61,624	
Depreciation of rights of use	8	7,632		7,678	
Provisions for risks and retirement funds and employee benefits		17,642		21,011	
Impairment/(Reinstatements)	10	2,005		2,685	
Losses/(Gains) on the disposal of property, plant and equipment		(690)		(2,408)	
Financial income	13	(2,246)		(1,812)	
Dividend income	12	(34)		0	
Financial costs	13	38,096		30,461	
Income from public grants	9	(5,282)		(5,536)	
Share of results of associates	12	1,079		156	
Change in working capital:					
(Increase)/Decrease in trade receivables	21	(33,116)	21	(28,028)	80
(Increase)/Decrease in other receivables	22	11,762	(171)	(675)	(65)
(Increase)/Decrease in inventories	20	(21,679)		42,878	
Increase/(Decrease) in trade payables	25	25,082	813	(74,529)	546
Increase/(Decrease) in other payables	30	5,570	1,044	12,360	735
Increase/(Decrease) in provisions for risks	26	(8,138)		(9,101)	
Increase/(Decrease) in retirement funds and employee benefits	28	(7,427)		(8,706)	
Other changes		(7,859)		(7,847)	
Cash generated from operating activities		**210,505**		**209,917**	
Interest paid		(26,752)		(18,505)	
Taxes paid		(20,505)		(26,783)	
Cash flow from operating activities (A)		**163,248**		**164,629**	
Investment activities					
Investment in property, plant and equipment	17	(39,869)		(36,384)	
Proceeds from sales of property, plant and machinery		1,808		2,764	
Investment in intangible assets	16	(77,541)		(67,307)	
Proceeds from sales of intangible assets		42		184	
Public grants collected		1,348		1,455	
Interest received		1,202		1,676	
Cash flow from investment activities (B)		**(113,010)**		**(97,612)**	
Financing activities					
Purchase of treasury shares	38	0		(1,280)	
Outflow for dividends paid	38	(69,070)	(34,986)	(79,756)	(40,349)
Loans received	35	143,423		63,620	
Outflow for repayment of loans	35	(60,140)		(50,497)	
Change in other financial assets	33	6,205			
Repayment of lease liabilities	35	(8,273)		(7,457)	
Cash flow from financing activities (C)		**12,145**		**(75,370)**	
Increase/(Decrease) in cash and cash equivalents (A+B+C)		62,383		(8,353)	
Opening balance		**179,148**		**242,552**	
Exchange (losses)/gain on cash and cash equivalents		(2,162)		(1,351)	
Closing balance		**239,369**		**232,848**	

Notes to the Consolidated Financial Statements

A) GENERAL ASPECTS

Piaggio & C. S.p.A. (the Company) is a joint-stock company established in Italy at the Register of Companies of Pisa. The address of the registered office is Viale Rinaldo Piaggio 25 - Pontedera (Pisa). The main activities of the company and its subsidiaries are set out in the Report on Operations.

These Financial Statements are expressed in Euros (€) since this is the currency in which most of the Group's transactions take place. Transactions in foreign currency are recorded at the exchange rate in effect on the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the exchange rate in effect at the reporting date.

1. Scope of consolidation

The scope of consolidation has changed compared to the consolidated financial statements as of 31 December 2023 and 30 September 2023 following the establishment of PT Piaggio Indonesia Industrial, created from the spin-off of industrial activities previously held by PT Piaggio Indonesia.

2. Compliance with international accounting standards

These Consolidated Condensed Interim Financial Statements have been prepared in compliance with IAS 34 — Interim Financial Reporting.

The Condensed Consolidated Interim Financial Statements should be read in conjunction with the Group's consolidated financial statements as of 31 December 2023 (the 'Annual Consolidated Financial Statements'), which have been prepared in compliance with the International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB') and adopted by the European Union, and in compliance with provisions established by Consob in Communication no. 6064293 of 28 July 2006.

The accounting policies adopted are consistent with those applied in the Annual Consolidated Financial Statements of the Group, with the exception of the section "New accounting standards, amendments and interpretations adopted from 1 January 2024".

The preparation of the Condensed Consolidated Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities as well as the disclosure of contingent assets and liabilities. If in the future such estimates and assumptions, which are based on management's best judgment at the date of these Condensed Consolidated Interim Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. For a more detailed description of the most significant measurement methods of the Group, reference is made to the section 'Use of estimates' of the Annual Consolidated Financial Statements as of 31 December 2023.

It should finally be noted that some assessment processes, in particular the most complex ones such as establishing any impairment of non-current assets, are generally undertaken in full only when preparing the annual consolidated financial statements, when all the potentially necessary information is available, except in cases where there are indications of impairment which require an immediate assessment of any impairment loss.

The Group's activities, especially those regarding two-wheeler products, are subject to significant seasonal changes in sales during the year.

Income tax is recognised on the basis of the best estimate of the average weighted tax rate for the entire financial period.

New accounting standards, amendments and interpretations adopted from 1 January 2024

- On 23 January 2020, the IASB published an amendment called **'Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current'** and on 31 October 2022 published an amendment called 'Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants'. These amendments aim to clarify how to classify payables and other short- or long-term liabilities. In addition, the amendments also improve the information that an entity must provide when its right to defer settlement of a liability for at least twelve months is subject to compliance with certain parameters (i.e. covenants).

- On 22 September 2022, the IASB published an amendment called ***'Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback'.*** The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction so as not to recognise an income or loss that relates to the retained right of use.

- On 25 May 2023, the IASB published an amendment entitled '***Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements'.*** The document requires an entity to provide additional disclosures about reverse factoring arrangements that enable users of financial statements to evaluate how financial arrangements with suppliers may affect the entity's liabilities and cash flows and to understand the effect of those arrangements on the entity's exposure to liquidity risk.

The application of the new amendments did not have a significant impact on values or on the financial statements.

Accounting standards, amendments and interpretations not yet applicable

At the reporting date, the competent bodies of the European Union have not yet completed the endorsement process necessary for the adoption of the amendments and principles described below.

- On 15 August 2023, the IASB published an amendment entitled ***'Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates**: **Lack of Exchangeability'.*** The document requires an entity to consistently apply a methodology for verifying whether one currency can be converted into another and clarifies, when this is not possible, how to determine the exchange rate to be used and the disclosures to be made in the notes to the financial statements. The amendments will apply from 1 January 2025, but early adoption is permitted.

- On 9 April 2024, the IASB published a new standard '***IFRS 18 Presentation and Disclosure in Financial Statements'***, which will replace IAS 1 *Presentation of Financial Statements*. The new standard aims to improve the presentation of the main financial statements and introduces important changes with regard to the income statement. In particular, the new standard:
    - requires revenues and costs to be classified into three, new categories (operating section, investment section and financial section), in addition to the tax and discontinued operations categories already present in the income statement;
    - presents two new sub-totals, operating profit and earnings before interest and taxes (i.e. EBIT).

  The new standard also:
    - requires greater disclosure on the performance indicators defined by management;
    - introduces new criteria for the aggregation and disaggregation of information;
    - introduces a number of changes to the format of the cash flow statement, including the requirement to use the operating result as the starting point for the presentation of the cash flow statement prepared under the indirect method and the elimination of certain classification options for some items that currently exist (such as interest paid, interest received, dividends paid and dividends received).

  The new standard will come into force on 1 January 2027, but earlier adoption is permitted.

- On 30 May 2024, the IASB published ***'Amendments to the Classification and Measurement of Financial Instruments-Amendments to IFRS 9 and IFRS 7'.*** The document clarifies some problematic issues that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary when ESG objectives are met (i.e. green bonds). In particular, the amendments aim to:

- clarify the classification of financial assets with returns that are variable and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI test;
- determine that the date of settlement of liabilities through electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognised before delivering cash on the settlement date under certain specified conditions.

With these amendments, the IASB also introduced additional disclosure requirements for investments in equity instruments designated as FVOCI.
The amendments will apply to financial statements for years beginning on or after 1 January 2026.

The Group will adopt these new standards, amendments and interpretations, based on the application date indicated, and will evaluate potential impact, when the standards, amendments and interpretations are endorsed by the European Union.

Other information

A specific paragraph in this document provides information on any significant events occurring after the end of the period and on the expected operating outlook.

The exchange rates used to translate the financial statements of companies included in the scope of consolidation into Euros are shown in the table below.

Currency	**Spot exchange rate 30 September 2024**	**Average exchange rate first nine months 2024**	**Spot exchange rate 31 December 2023**	**Average exchange rate first nine months 2023**
US Dollar	1.1196	1.08713	1.1050	1.08329
Pounds Sterling	0.83543	0.851351	0.86905	0.870719
Indian Rupee	93.8130	90.68217	91.9045	89.23137
Singapore Dollar	1.4342	1.45393	1.4591	1.45232
Chinese Yuan	7.8511	7.82482	7.8509	7.62355
Japanese Yen	159.82	164.28635	156.33	149.65146
Vietnamese Dong	27,529.00	27,157.14583	26,808.00	25,629.95313
Indonesian Rupiah	16,975.88	17,251.35135	17,079.71	16,375.00370
Brazilian Real	6.0504	5.69778	5.3618	5.42452

B) SEGMENT REPORTING

3. Operating segment reporting

The organisational structure of the Group is based on 3 Geographic Segments, involved in the production and sale of vehicles, spare parts and assistance in areas under their responsibility: EMEA and Americas, India and Asia Pacific 2W. Operating segments are identified by management, in line with the management and control model used.
In particular, the structure of disclosure corresponds to the structure of periodic reporting analysed by the Chief Executive Officer, considered to be the Chief Operating Decision Maker ('CODM') as defined under IFRS 8 — Operating Segments, for business management purposes, for the purposes of allocating resources and assessing the performance of the Group.
Each Geographic Segment has production sites and a sales network dedicated to customers in that geographic segment. In particular:

- EMEA and Americas have production sites and deal with the distribution and sale of two-wheeler and commercial vehicles;
- India has production sites and deals with the distribution and sale of two-wheeler and commercial vehicles;
- Asia Pacific 2W has production sites and deals with the distribution and sale of two-wheeler vehicles.

Central structures and development activities currently dealt with by EMEA and Americas, are handled by individual segments.

The Gross Industrial Margin is the key profit measure used by the CODM to assess performance and allocate resources to the Group's operating segments, as well as to analyse operating trends, perform analytical comparisons and benchmark performance between periods and among the segments. The Gross Industrial Margin is defined as the difference between Net Revenues and the corresponding Cost to sell of the period.

INCOME STATEMENT BY OPERATING SEGMENT

		EMEA and Americas	India	Asia Pacific 2W	**Total**
Sales volumes (unit/000)	First nine months 2024	191.6	109.6	78.8	**380.0**
	First nine months 2023	222.4	110.5	121.5	**454.4**
	Change	(30.8)	(0.9)	(42.7)	**(74.4)**
	Change %	-13.9%	-0.8%	-35.2%	**-16.4%**
Net revenues (millions of Euros)	First nine months 2024	898.4	258.2	200.5	**1,357.2**
	First nine months 2023	1,043.7	260.2	315.4	**1,619.2**
	Change	(145.2)	(1.9)	(114.8)	**(262.0)**
	Change %	-13.9%	-0.7%	-36.4%	**-16.2%**
Cost to sell (millions of Euros)	First nine months 2024	624.6	202.1	128.1	**954.8**
	First nine months 2023	741.2	217.0	199.2	**1,157.4**
	Change	(116.6)	(14.9)	(71.1)	**(202.7)**
	Change %	-15.7%	-6.9%	-35.7%	**-17.5%**
Industrial gross margin (millions of Euros)	First nine months 2024	273.8	56.2	72.5	**402.4**
	First nine months 2023	302.4	43.2	116.2	**461.8**
	Change	(28.6)	13.0	(43.7)	**(59.4)**
	Change %	-9.5%	30.1%	-37.6%	**-12.9%**
Gross industrial margin on net revenues (%)	First nine months 2024	30.5%	21.7%	36.1%	**29.7%**
	First nine months 2023	29.0%	16.6%	36.8%	**28.5%**

C) INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

4. Net revenues €/000 1,357,187

Revenues are shown net of premiums recognised to customers (dealers).
This item does not include transport costs, which are recharged to customers (€/000 34,655) and invoiced advertising cost recoveries (€/000 4,388), which are posted under other operating income.
The revenues for disposals of Group core business assets essentially refer to the marketing of vehicles and spare parts on European and non-European markets.
Revenues by geographic segment
The breakdown of revenues by geographic segment is shown in the following table:

	First nine months 2024		First nine months 2023		Changes	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
In thousands of Euros						
EMEA and Americas	898,430	66.2	1,043,673	64.4	(145,243)	-13.9
India	258,231	19.0	260,181	16.1	(1,950)	-0.7
Asia Pacific 2W	200,526	14.8	315,371	19.5	(114,845)	-36.4
Total	**1,357,187**	**100.0**	**1,619,225**	**100.0**	**(262,038)**	**-16.2**
Two-wheelers	1,060,552	78.1	1,291,648	79.8	(231,096)	-17.9
Commercial Vehicles	296,635	21.9	327,577	20.2	(30,942)	-9.4
Total	**1,357,187**	**100.0**	**1,619,225**	**100.0**	**(262,038)**	**-16.2**

In the first nine months of 2024, net sales revenues decreased by 16.2% compared to the corresponding period of the previous year. For a more detailed analysis of trends in individual geographic segments, see comments in the Report on Operations.

5. Costs for materials €/000 839,971

The reduction in costs for materials compared to the first nine months of 2023 is due to the decrease in production volumes and commodity costs. The item includes €/000 13,648 (€/000 19,409 in the first nine months of 2023) for purchases of scooters from the Chinese affiliate Zongshen Piaggio Foshan Motorcycle Co., that are sold on European and Asian markets.

6. Costs for services and use of third-party assets €/000 198,807

Costs for services and use of third-party assets decreased by €/000 17,394 compared to the corresponding period of 2023.
The item includes costs for temporary work of €/000 539.

7. Employee costs €/000 196,470

Employee costs include €/000 1,724 relating to costs for redundancy plans mainly for the Pontedera and Noale production sites and to some European selling agencies.

	First nine months 2024	First nine months 2023	Change
In thousands of Euros			
Salaries and wages	148,369	151,850	(3,481)
Social security contributions	38,833	37,352	1,481
Termination benefits	6,403	6,775	(372)
Other costs	2,865	3,062	(197)
Total	**196,470**	**199,039**	**(2,569)**

Below is a breakdown of the headcount by actual number and average number:

	Average number		
	First nine months 2024	First nine months 2023	Change
Level			
Senior management	118.1	115.0	3.1
Middle management	680.2	684.8	(4.6)
White collars	1,625.1	1,642.1	(17.0)
Blue collars	3,725.7	3,875.9	(150.2)
Total	**6,149.1**	**6,317.8**	**(168.7)**

Average employee numbers were affected by seasonal workers in the summer (on fixed-term employment contracts).
In fact, the Group uses fixed-term employment contracts to handle typical peaks in demand in the summer months.

	Number as of		
	30 September 2024	31 December 2023	Change
Senior management	118	112	6
Middle management	671	692	(21)
White collars	1,616	1,627	(11)
Blue collars	3,453	3,494	(41)
Total	**5,858**	**5,925**	**(67)**
EMEA and Americas	3,338	3,278	60
India	1,404	1,442	(38)
Asia Pacific 2W	1,116	1,205	(89)
Total	**5,858**	**5,925**	**(67)**

8. Amortisation/depreciation and impairment costs **€/000 104,922**

Amortisation and depreciation for the period, divided by category, is shown below, by type:

	First nine months 2024	First nine months 2023	Change
In thousands of Euros			
Amortisation of intangible assets and impairment costs	57,303	61,624	(4,321)
Depreciation of property, plant and equipment and impairment costs	39,987	39,845	142
Depreciation of rights of use	7,632	7,678	(46)
Total	**104,922**	**109,147**	**(4,225)**

9. Other operating income **€/000 132,533**

This item, consisting mainly of increases in own work capitalised and cost recoveries re-invoiced to customers, increased by 12.5% compared to the first nine months of 2023.

10. Impairment of trade and other receivables, net **€/000 (2,005)**

This item consists mainly of write-downs of receivables in current assets.

11. Other Operating Costs **€/000 18,193**

The decrease reported in the period are mainly related to higher provisions for risks.

12. Results of associates - Income/(losses) **€/000 (1,045)**

Losses from investments originated from expenses arising from the Group's share of the result of the joint venture Zongshen Piaggio Foshan Motorcycle Co. Ltd (€/000 - 1,093) only partially offset by income from the equity valuation of the associate company Pontedera & Tecnolologia S.c.a.r.l. (€/000 14), as well as dividends approved by ECOFOR Service S.p.A. (€/000 34).

13. Net financial income (financial costs) **€/000 (37,489)**

Financial income (financial costs) in the first nine months of 2024 showed a cost of €/000 37,489 (€/000 30,090 in the first nine months of the previous year). The deterioration was mainly due to the rise in interest rates on debt, chiefly related to the issue of the new bond in October 2023, exacerbated by the negative impact of currency management.

14. Income taxes **€/000 28,608**

Income tax for the period, determined based on IAS 34, is estimated by applying a rate of 31.5% to profit before tax, equivalent to the best estimate of the weighted average rate predicted for the financial year.

15. Earnings per share

Earnings per share are calculated as follows:

		First nine months 2024	First nine months 2023
Net profit	€/000	62,210	85,708
Earnings attributable to ordinary shares	€/000	62,210	85,708
Average number of ordinary shares in circulation		354,205,888	354,554,003
Earnings per ordinary share	€	0.176	0.242
Adjusted average number of ordinary shares		354,205,888	354,554,003
Diluted earnings per ordinary share	€	0.176	0.242

D) INFORMATION ON FINANCIAL ASSETS AND LIABILITIES

16. Intangible assets €/000 773,948

Intangible assets went up overall by €/000 19,806, mainly due to investments for the period which were only partially balanced by amortisation for the period.

The increases mainly relate to the capitalisation of development costs and know-how for new products (including the new Porter NP6, which will also be available in an electric version) and new engines (to comply with EURO5+ regulations), as well as the acquisition of software.

Financial costs of €/000 4,354 were capitalised in the first nine months of 2024.

The table below shows the breakdown of intangible assets as of 30 September 2024, as well as changes during the period.

In thousands of Euros	Situation as of 31.12.2023	Movements for the period						Situation as of 30.09.2024
	Net value	Investments	Transitions in the period	Amortisation	Disposals	Exchange differences	Other	Net value
Development costs	**117,578**	**33,415**	**0**	**(23,388)**	**(36)**	**(803)**	**0**	**126,766**
In service	57,912	6,770	21,527	(23,388)	0	(548)	0	62,273
Assets under development and advances	59,666	26,645	(21,527)	0	(36)	(255)	0	64,493
Patent rights/KH	**158,686**	**44,045**	**0**	**(33,662)**	**(6)**	**(22)**	**735**	**169,776**
In service	72,915	10,517	32,814	(33,662)	(6)	(14)	13	82,577
Assets under development and advances	85,771	33,528	(32,814)	0	0	(8)	722	87,199
Trademarks	**29,346**	**0**	**0**	**(50)**	**0**	**0**	**0**	**29,296**
In service	29,346	0	0	(50)	0	0	0	29,296
Goodwill	**446,940**	**0**	**0**	**0**	**0**	**0**	**0**	**446,940**
In service	446,940	0	0	0	0	0	0	446,940
Other	**1,592**	**81**	**0**	**(203)**	**0**	**(4)**	**(296)**	**1,170**
In service	493	70	398	(203)	0	(1)	413	1,170
Assets under development and advances	1,099	11	(398)	0	0	(3)	(709)	0
Total	**754,142**	**77,541**	**0**	**(57,303)**	**(42)**	**(829)**	**439**	**773,948**
In service	607,606	17,357	54,739	(57,303)	(6)	(563)	426	622,256
Assets under development and advances	146,536	60,184	(54,739)	0	(36)	(266)	13	151,692

17. Property, plant and equipment €/000 284,183

Property, plant and equipment mainly refer to Group production facilities in Pontedera (Pisa), Noale (Venice), Mandello del Lario (Lecco), Baramati (India), Vinh Phuc (Vietnam) and Jakarta (Indonesia).

Property, plant and equipment decreased by a total of €/000 3,327 mainly due to divestments and the negative impact related to the exchange rate effect.

Increases mainly refer to the renovation of the Moto Guzzi plant in Mandello del Lario and moulds for new vehicles launched in the period.

Financial costs attributable to the construction of assets which require a considerable period of time to be ready for use are capitalised as a part of the cost of the actual assets. Financial costs of €/000 565 were capitalised in the first nine months of 2024.

The table below shows the breakdown of property, plant and equipment as of 30 September 2024, as well as changes during the period.

In thousands of Euros	Situation as of 31.12.2023	Movements for the period						Situation as of 30.09.2024
	Net value	Investments	Transitions in the period	Depreciation	Disposals	Exchange differences	Other	Net value
Land	**36,899**	**160**	**0**	**0**	**(24)**	**57**	**0**	**37,092**
In service	36,899	160	0	0	(24)	57	0	37,092
Buildings	**87,251**	**8,662**	**0**	**(4,071)**	**(391)**	**(473)**	**0**	**90,978**
In service	83,781	191	1,460	(4,071)	(391)	(484)	0	80,486
Assets under construction and advances	3,470	8,471	(1,460)	0	0	11	0	10,492
Plant and machinery	**113,770**	**13,438**	**0**	**(16,537)**	**(57)**	**(1,641)**	**18**	**108,991**
In service	89,295	1,362	19,967	(16,537)	(4)	(1,421)	18	92,680
Assets under construction and advances	24,475	12,076	(19,967)	0	(53)	(220)	0	16,311
Equipment	**34,743**	**9,274**	**0**	**(11,637)**	**0**	**4**	**(18)**	**32,366**
In service	28,259	4,726	5,705	(11,637)	0	2	(18)	27,037
Assets under construction and advances	6,484	4,548	(5,705)	0	0	2	0	5,329
Other assets	**14,847**	**8,335**	**0**	**(7,742)**	**(646)**	**(38)**	**0**	**14,756**
In service	12,049	7,827	1,166	(7,742)	(16)	(29)	0	13,255
Assets under construction and advances	2,798	508	(1,166)	0	(630)	(9)	0	1,501
Total	**287,510**	**39,869**	**0**	**(39,987)**	**(1,118)**	**(2,091)**	**0**	**284,183**
In service	250,283	14,266	28,298	(39,987)	(435)	(1,875)	0	250,550
Assets under construction and advances	37,227	25,603	(28,298)	0	(683)	(216)	0	33,633

18. Rights of Use **€/000 35,044**

The Group does not have any lease agreements as lessor but only lease agreements as lessee.
The item 'Rights of use' includes operating lease agreements, finance lease agreements and lease instalments paid in advance for the use of property.
The Group has stipulated rental/hire contracts for offices, plants, warehouses, company accommodation, cars and forklift trucks. The rental/lease agreements are typically for a fixed duration, but extension options are possible. These agreements may also include service components.
The Group opted to include only the component relative to the rental/hire payment in the recognition of rights of use.
The rental/hire agreements do not have any covenants to be met, nor require guarantees to be provided in favour of the lessor.

In thousands of Euros	***Land***	***Buildings***	***Plant and machinery***	***Equipment***	***Other assets***	***Total***
Situation at 31.12.2023	**6,476**	**19,015**	**6,419**	**1,205**	**3,751**	**36,866**
Increases	309	4,680			1,315	6,304
Depreciation	(137)	(5,216)	(642)	(310)	(1,327)	(7,632)
Decreases		(199)			(2)	(201)
Exchange differences	(166)	(128)			1	(293)
Movements for the period	**6**	**(863)**	**(642)**	**(310)**	**(13)**	**(1,822)**
Situation at 30.09.2024	**6,482**	**18,152**	**5,777**	**895**	**3,738**	**35,044**

Future lease rental commitments are detailed in note 35.

19. Deferred tax assets **€/000 63,133**

Deferred tax assets and liabilities are recognised at their net value when they may be offset in the same tax jurisdiction.
As part of measurements to define deferred tax assets, the Group mainly considered the following:

- tax regulations of countries where it operates, the impact of regulations in terms of temporary differences and any tax benefits arising from the use of previous tax losses;
- the tax rate in effect in the year when temporary differences occur.

Deferred tax assets arising from the carry-forward of tax losses have been recognised on the basis of the foreseeable recovery of the benefit from the availability of sufficient future taxable income, resulting from the most recent forecasts, against which such may be used; in some cases, it was decided not to recognise in full the tax benefits arising from losses that may be carried forward. As regards the Italian companies of the Piaggio Group, it should be noted that they adhere to the national tax consolidation system governed by Articles 117 and following of the Consolidated Income Tax Act, in a capacity as consolidated companies.

20. Inventories €/000 349,696

This item comprises:

	As of 30 September 2024	As of 31 December 2023	Change
In thousands of Euros			
Raw materials and consumables	180,983	180,033	950
Provision for write-down	(19,448)	(16,592)	(2,856)
Net value	*161,535*	*163,441*	*(1,906)*
Work in progress and semi-finished products	17,138	26,693	(9,555)
Provision for write-down	(1,674)	(1,933)	259
Net value	*15,464*	*24,760*	*(9,296)*
Finished products and goods	192,323	160,180	32,143
Provision for write-down	(19,759)	(20,506)	747
Net value	*172,564*	*139,674*	*32,890*
Advances	133	142	(9)
Total	**349,696**	**328,017**	**21,679**

21. Trade receivables (current and non-current) €/000 91,365

As of 30 September 2024 and 31 December 2023, there were no trade receivables in non-current assets. Current trade receivables are broken down as follows:

	As of 30 September 2024	As of 31 December 2023	Change
In thousands of Euros			
Trade receivables due from customers	90,992	58,484	32,508
Trade receivables due from JV	367	385	(18)
Trade receivables due from parent companies	-	9	(9)
Trade receivables due from associates	6	-	6
Total	**91,365**	**58,878**	**32,487**

Receivables due from joint ventures refer to amounts due from Zongshen Piaggio Foshan Motorcycles Co. Ltd.

Receivables due from associates regard amounts due from Immsi Audit.

The item Trade receivables comprises receivables referring to normal sale transactions, recorded net of a provision for bad debts of €/000 34,395.

The Group sells, on a rotating basis, a large part of its trade receivables with and without recourse. Piaggio has signed contracts with some of the most important Italian and foreign factoring companies as a move to optimise the monitoring and the management of its trade receivables, besides offering its customers an instrument for funding their own inventories, for factoring classified as without the substantial transfer of risks and benefits. On the contrary, for factoring without recourse, contracts have been formalised for the substantial transfer of risks and benefits.
As of 30 September 2024, trade receivables still due sold without recourse totalled €/000 118,720. Of these amounts, Piaggio received payment prior to natural expiry of €/000 111,276.
As of 30 September 2024, advance payments received from factoring companies and banks, for trade receivables sold with recourse totalled €/000 12,955 with a counter entry recorded in current financial liabilities.

22. Other receivables (current and non-current) €/000 92,000

These consist of:

	As of 30 September 2024			As of 31 December 2023			Change		
	Current	*Non-Current*	*Total*	*Current*	*Non-current*	*Total*	*Current*	*Non-current*	*Total*
In thousands of Euros									
Receivables due from parent companies	33,409		33,409	33,255		33,255	154	0	154
Receivables due from JV	617		617	586		586	31	0	31
Receivables from associates	4		4	18		18	(14)	0	(14)
Accrued income	2,652		2,652	596		596	2,056	0	2,056
Deferred charges	10,429	8,158	18,587	10,799	9,424	20,223	(370)	(1,266)	(1,636)
Advance payments to suppliers	1,493	1	1,494	1,067	1	1,068	426	0	426
Advances to employees	496	23	519	1,809	24	1,833	(1,313)	(1)	(1,314)
Fair value of hedging derivatives	785	100	885	4,573	168	4,741	(3,788)	(68)	(3,856)
Security deposits	157	1,202	1,359	285	1,151	1,436	(128)	51	(77)
Receivables due from others	22,987	9,487	32,474	33,891	7,491	41,382	(10,904)	1,996	(8,908)
Total	**73,029**	**18,971**	**92,000**	**86,879**	**18,259**	**105,138**	**(13,850)**	**712**	**(13,138)**

Receivables due from associates regard amounts due from Immsi Audit.
Receivables due from Parent Companies mainly refer to receivables due from Immsi and arise from the recognition of accounting effects relating to the transfer of taxable bases pursuant to the Group Consolidated Tax Convention.
Receivables due from joint ventures refer to amounts due from Zongshen Piaggio Foshan Motorcycle Co. Ltd.
The item Fair Value of derivatives refers to the fair value of hedges on exchange risk on forecast transactions recognised on a cash flow hedge basis (€/000 389 current portion), to the fair value of an Interest Rate Swap designated as a hedge and recognised on a cash flow hedge basis (€/000 100 non-current portion and €/000 249 current portion), and to the fair value of derivatives hedging commodity risk recognised on a cash flow hedge basis (€/000 147 current portion).
The item Receivables from others includes:

- €/000 3,572 (€/000 5,254 as of 31 December 2023) relating to the recognition by the Indian affiliate of a receivable for the subsidy received from the Indian Government on investments made in previous years. This receivable is recognised in the income statement in proportion to the depreciation of the assets on which the grant was made. The recognition of these amounts is supported by appropriate documentation received from the Government of India, certifying that the entitlement has been recognised and therefore that collection is reasonably certain;

- €/000 13,112 (€/000 17,838 as of 31 December 2023) for the receivable accrued by the Indian affiliate for the reimbursement of the eco-incentive on electric vehicles recognised directly by the manufacturer to the end customer, the settlement of which has not yet been authorised by the competent authorities. Under the e-mobility incentive scheme currently in place in India, the end customer benefits from the subsidy at the time of purchase and the subsidy is then recovered by the manufacturer upon presentation of the necessary documentation to the Ministry.

23. Tax receivables (current and non-current) €/000 34,141

Tax receivables consist of:

	As of 30 September 2024			As of 31 December 2023			Change		
	Current	*Non-current*	*Total*	*Current*	*Non-current*	*Total*	*Current*	*Non-current*	*Total*
In thousands of Euros									
VAT	13,700	272	13,972	8,543	283	8,826	5,157	(11)	5,146
Income tax	6,190	6,396	12,586	6,207	6,073	12,280	(17)	323	306
Others	6,346	1,237	7,583	4,105	3,322	7,427	2,241	(2,085)	156
Total	**26,236**	**7,905**	**34,141**	**18,855**	**9,678**	**28,533**	**7,381**	**(1,773)**	**5,608**

24. Receivables due after 5 years €/000 0

As of 30 September 2024, there were no receivables due after 5 years.

25. Trade payables (current and non-current) €/000 644,085

As of 30 September 2024 and as of 31 December 2023 no trade payables were recorded under non-current liabilities. Trade payables recorded as current liabilities are broken down as follows:

	As of 30 September 2024	As of 31 December 2023	Change
In thousands of Euros			
Amounts due to suppliers	636,901	612,632	24,269
Trade payables to JV	7,119	5,982	1,137
Trade payables due to associates	11	50	(39)
Trade payables due to parent companies	54	339	(285)
Total	**644,085**	**619,003**	**25,082**
Of which indirect factoring	*290,369*	*256,318*	*34,051*

To facilitate credit conditions for its suppliers, the Group has always used some indirect factoring

agreements, mainly supply chain financing and reverse factoring agreements. These operations have not changed the primary obligation or substantially changed payment terms, so their nature is the same and they are still classified as trade liabilities.
As of 30 September 2024, the value of trade payables covered by reverse factoring or supply chain financing agreements was equal to €/000 290,369 (€/000 256,318 as of 31 December 2023).

26. Provisions (current and non-current portion) €/000 36,004

The breakdown and changes in provisions for risks during the period were as follows:

	As of 31 December 2023	Allocations	Utilizations	Exchange differences	As of 30 September 2024
In thousands of Euros					
Provision for product warranties	20,542	8,737	(7,562)	(106)	21,611
Provision for contractual risks	8,941	2,038		(11)	10,968
Risk provision for legal disputes	2,382		(570)	(1)	1,811
Provision for ETS certificates	486	354			840
Other provisions for risks	785		(6)	(5)	774
Total	**33,136**	**11,129**	**(8,138)**	**(123)**	**36,004**

The breakdown between the current and non-current portion of long-term provisions is as follows:

	As of 30 September 2024			As of 31 December 2023			Change		
	Current	***Non-current***	***Total***	***Current***	***Non-current***	***Total***	***Current***	***Non-current***	***Total***
In thousands of Euros									
Provision for product warranties	13,688	7,923	21,611	12,990	7,552	20,542	698	371	1,069
Provision for contractual risks	932	10,036	10,968	941	8,000	8,941	(9)	2,036	2,027
Risk provision for legal disputes	90	1,721	1,811	661	1,721	2,382	(571)		(571)
Provision for ETS certificates	840		840	486	-	486	354		354
Other provisions for risks	356	418	774	367	418	785	(11)		(11)
Total	**15,906**	**20,098**	**36,004**	**15,445**	**17,691**	**33,136**	**461**	**2,407**	**2,868**

The provision for product warranties relates to allocations for technical assistance on products covered by customer service which are estimated to be provided over the contractually envisaged warranty period. This period varies according to the type of goods sold and the sales market, and is also determined by customer take-up to commit to a scheduled maintenance plan.
The provision increased during the period by €/000 8,737 and was used for €/000 7,562 in relation to charges incurred during the period.
The provision for contractual risks refers to charges that may arise from supply contracts.
The risk provision for legal disputes concerns labour litigation and other legal proceedings.
Other provisions for risks include management's best estimate of probable liabilities at the reporting date.

27. Deferred tax liabilities €/000 5,326

Deferred tax liabilities amount to €/000 5,326 compared to €/000 7,087 as of 31 December 2023.

28. Retirement funds and employee benefits **€/000 25,187**

	As of 30 September 2024	As of 31 December 2023	Change
In thousands of Euros			
Retirement funds	1,025	915	110
Termination benefits provision	24,162	24,307	(145)
Total	**25,187**	**25,222**	**(35)**

Retirement funds comprise provisions for employees allocated by foreign companies and additional customer indemnity provisions, which represent the compensation due to agents in the case of the agency contract being terminated for reasons beyond their control.
The item 'Termination benefits provision', comprising severance pay of employees of Italian companies, includes termination benefits indicated in defined benefit plans. The German affiliate and the two Indonesian affiliates also have provisions for employees that are identified as defined benefit plans. As of 30 September 2024, these provisions amounted to €/000 77 and €/000 516 respectively.

As regards the discount rate, the Group has decided to use the iBoxx Corporates AA rating with a 7-10 duration as the valuation reference.
If the iBoxx Corporates A rating with a 7-10 duration had been used, the value of actuarial losses and the provision as of 30 September 2024 would have been lower by €/000 504.

29. Tax payables (current and non-current) **€/000 17,060**

In both periods under review, there were no non-current tax liabilities outstanding.
'Current tax liabilities' are broken down as follows:

	As of 30 September 2024	As of 31 December 2023	Change
In thousands of Euros			
Due for income tax	9,289	6,880	2,409
Due for non-income tax	94	122	(28)
Tax payables for:			
. VAT	2,892	951	1,941
. Tax withheld at source	2,994	5,214	(2,220)
. Others	1,791	745	1,046
Total	7,677	6,910	767
Total	**17,060**	**13,912**	**3,148**

The item includes tax payables recorded in the financial statements of individual consolidated companies, set aside in relation to tax charges for the individual companies on the basis of applicable national laws.
Payables for tax withholdings made refer mainly to withholdings on employees' earnings, on

employment termination payments and on self-employed earnings.

30. Other payables (current and non-current) €/000 135,229

This item comprises:

	As of 30 September 2024			As of 31 December 2023			Change		
	Current	*Non-current*	*Total*	*Current*	*Non-current*	*Total*	*Current*	*Non-current*	*Total*
In thousands of Euros									
To employees	29,763	463	30,226	25,244	473	25,717	4,519	(10)	4,509
Guarantee deposits		4,479	4,479		4,414	4,414	-	65	65
Accrued expenses	16,234		16,234	7,831		7,831	8,403	-	8,403
Deferred income	11,039	6,750	17,789	9,707	7,377	17,084	1,332	(627)	705
Amounts due to social security institutions	5,546		5,546	8,401		8,401	(2,855)	-	(2,855)
Fair value of derivatives	2,844		2,844	5,927	52	5,979	(3,083)	(52)	(3,135)
To associates	69		69	111		111	(42)	-	(42)
To parent companies	44,761		44,761	43,675		43,675	1,086	-	1,086
Others	13,208	73	13,281	16,371	76	16,447	(3,163)	(3)	(3,166)
Total	**123,464**	**11,765**	**135,229**	**117,267**	**12,392**	**129,659**	**6,197**	**(627)**	**5,570**

Amounts due to employees include the amount for holidays accrued but not taken of €/000 13,020 and other payments to be made for €/000 17,206.
Payables to parent companies consist of payables to Immsi referring to expenses related to the consolidated tax convention.
The item Fair value of hedging derivatives refers to the fair value of exchange rate hedging for forecast transactions recognised on a cash flow hedge basis (€/000 2,752 current portion) and the fair value of commodity hedging derivatives recognised on a cash flow hedge basis (€/000 92 current portion).
The item Accrued expenses includes €/000 23 for interest on hedging derivatives and associated hedged items measured at fair value.
Deferred income includes €/000 4,504 (€/000 5,248 as of 31 December 2023) for the recognition by the Indian affiliate related to a deferred subsidy from the local Government for investments made in previous years, for the part not yet depreciated. For more details, see Note 22 'Other receivables'.

31. Payables due after 5 years

The Group has loans due after 5 years, which are referred to in detail in Note 35 'Financial Liabilities'.
With the exception of the above payables, no other long-term payables due after five years exist.

E) INFORMATION ON FINANCIAL ASSETS AND LIABILITIES

32. Investments €/000 7,410

The item investments comprises:

	As of 30 September 2024	As of 31 December 2023	Change
In thousands of Euros			
Interests in joint ventures	7,174	8,262	(1,088)
Investments in associates	236	222	14
Total	**7,410**	**8,484**	**(1,074)**

During the period, the value of investments in joint ventures and in associates was adjusted to the corresponding value of shareholders' equity.

33. Other financial assets (current and non-current) €/000 16

This item comprises:

	As of 30 September 2024			As of 31 December 2023			Change		
	Current	*Non-Current*	*Total*	*Current*	*Non-Current*	*Total*	*Current*	*Non-Current*	*Total*
In thousands of Euros									
Financial assets			0	6,205		6,205	(6,205)	0	(6,205)
Investments in other companies		16	16		16	16	0	0	0
Total	**0**	**16**	**16**	**6,205**	**16**	**6,221**	**(6,205)**	**0**	**(6,205)**

34. Cash and cash equivalents €/000 239,979

The item, which mainly includes short-term and on demand bank deposits, is broken down as follows:

	As of 30 September 2024	As of 31 December 2023	Change
In thousands of Euros			
Bank and postal deposits	239,902	181,645	58,257
Cash on hand	77	47	30
Total	**239,979**	**181,692**	**58,287**

Reconciliation of cash and cash equivalents recognised in the statement of financial position as assets with cash and cash equivalents recognised in the Statement of Cash Flows

The table below reconciles the amount of cash and cash equivalents above with cash and cash equivalents recognised in the Statement of Cash Flows.

	As of 30 September 2024	As of 30 September 2023	Change
In thousands of Euros			
Liquidity	239,979	232,848	7,131
Current account overdrafts	(610)		(610)
Closing balance	**239,369**	**232,848**	**6,521**

35. Financial liabilities and financial liabilities for rights of use (current and non-current) €/000 701,199

During the first nine months of 2024, the Group's total debt went up by €/000 79,269. Net of the change in financial liabilities for rights of use, the Group's total financial debt increased by €/000 80,980 as of 30 September 2024.

	As of 30 September 2024			As of 31 December 2023			Change		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
In thousands of Euros									
Financial liabilities	153,544	519,365	672,909	124,876	467,053	591,929	28,668	52,312	80,980
Financial liabilities for rights of use	9,193	19,097	28,290	10,336	19,665	30,001	(1,143)	(568)	(1,711)
Total	**162,737**	**538,462**	**701,199**	**135,212**	**486,718**	**621,930**	**27,525**	**51,744**	**79,269**

Net financial debt of the Group amounted to €/000 461,220 as of 30 September 2024 compared to €/000 434,033 as of 31 December 2023.

The composition of "Net financial debt" as of 30 September 2024, prepared in accordance with paragraph 175 and following of ESMA/2021/32/382/1138 Recommendations is set out below.

Consolidated statement of indebtedness[14]

		As of 30 September 2024	As of 31 December 2023	Change
In thousands of Euros				
A	**Cash**	**239,979**	**181,692**	**58,287**
B	**Cash equivalents**			**0**
C	**Other current financial assets**		**6,205**	**(6,205)**
D	**Liquidity (A + B + C)**	**239,979**	**187,897**	**52,082**
E	**Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)**	**(90,896)**	**(68,634)**	**(22,262)**
	Payables due to banks	(68,677)	(50,275)	(18,402)
	Debenture loan			0
	Amounts due to factoring companies	(12,955)	(7,952)	(5,003)
	Financial liabilities for rights of use	(9,193)	(10,336)	1,143
	.of which finance leases	*(1,255)*	*(1,240)*	*(15)*
	.of which operating leases	*(7,938)*	*(9,096)*	*1,158*
	Current portion of payables due to other lenders	(71)	(71)	0
F	**Current portion of non-current financial debt**	**(71,841)**	**(66,578)**	**(5,263)**
G	**Current financial indebtedness (E + F)**	**(162,737)**	**(135,212)**	**(27,525)**
H	**Net current financial indebtedness (G - D)**	**77,242**	**52,685**	**24,557**
I	**Non-current financial debt (excluding current portion and debt instruments)**	**(292,329)**	**(240,818)**	**(51,511)**
	Medium-/long-term bank loans	(273,161)	(221,047)	(52,114)
	Financial liabilities for rights of use	(19,097)	(19,665)	568
	.of which finance leases	*(1,117)*	*(2,066)*	*949*
	.of which operating leases	*(17,980)*	*(17,599)*	*(381)*
	Amounts due to other lenders	(71)	(106)	35
J	**Debt instruments**	**(246,133)**	**(245,900)**	**(233)**
K	**Non-current trade and other payables**			**0**
L	**Non-current financial indebtedness (I + J + K)**	**(538,462)**	**(486,718)**	**(51,744)**
M	**Total financial indebtedness (H + L)**	**(461,220)**	**(434,033)**	**(27,187)**

As regards indirect factoring, please refer to the comment in Note 25 "Trade payables".

[14] The indicator does not include financial assets and liabilities arising from the fair value measurement of financial derivatives for hedging and otherwise, the fair value adjustment of relative hedged items equal in any case to €/000 0 in the two periods compared and relative accruals.

The table below summarises the breakdown of financial debt as of 30 September 2024 and as of 31 December 2023, as well as changes for the period.

			Cash flows						
		Balance as of 31.12.2023	**Movements**	**Repayments**	**New issues**	**Reclassifications**	**Exchange delta**	**Other changes**	**Balance as of 30.09.2024**
	In thousands of Euros								
A	**Cash**	**181,692**	**60,449**				**(2,162)**		**239,979**
B	**Cash equivalents**	**0**							**0**
C	**Other current financial assets**	**6,205**	**(6,205)**						**0**
D	**Liquidity (A + B + C)**	**187,897**	**54,244**	**0**	**0**	**0**	**(2,162)**	**0**	**239,979**
E	**Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)**	**(68,634)**	**0**	**38,893**	**(55,033)**	**(7,210)**	**1,069**	**19**	**(90,896)**
	Current account overdrafts	(2,544)		2,544	(610)				(610)
	Current account payables	(47,731)		20,089	(41,468)		1,043		(68,067)
	Total current bank loans	*(50,275)*	*0*	*22,633*	*(42,078)*	*0*	*1,043*	*0*	*(68,677)*
	Debenture loan	0							0
	Amounts due to factoring companies	(7,952)		7,952	(12,955)				(12,955)
	Financial liabilities for rights of use	(10,336)		8,273		(7,175)	26	19	(9,193)
	.of which finance leases	*(1,240)*		*934*		*(949)*			*(1,255)*
	.of which operating leases	*(9,096)*		*7,339*		*(6,226)*	*26*	*19*	*(7,938)*
	Current portion of payables due to other lenders	(71)		35		(35)			(71)
F	**Current portion of non-current financial debt**	**(66,578)**		**32,064**		**(37,274)**		**(53)**	**(71,841)**
G	**Current financial indebtedness (E + F)**	**(135,212)**	**0**	**70,957**	**(55,033)**	**(44,484)**	**1,069**	**(34)**	**(162,737)**
H	**Net current financial indebtedness (G - D)**	**52,685**	**54,244**	**70,957**	**(55,033)**	**(44,484)**	**(1,093)**	**(34)**	**77,242**
I	**Non-current financial debt (excluding current portion and debt instruments)**	**(240,818)**	**0**	**0**	**(89,000)**	**44,484**	**158**	**(7,153)**	**(292,329)**
	Medium-/long-term bank loans	(221,047)			(89,000)	37,274		(388)	(273,161)
	Liabilities for rights of use	(19,665)				7,175	158	(6,765)	(19,097)
	.of which finance leases	*(2,066)*				*949*			*(1,117)*
	.of which operating leases	*(17,599)*				*6,226*	*158*	*(6,765)*	*(17,980)*
	Amounts due to other lenders	(106)				35			(71)
J	**Debt instruments**	**(245,900)**						**(233)**	**(246,133)**
K	**Non-current trade and other payables**								
L	**Non-current financial indebtedness (I + J + K)**	**(486,718)**	**0**	**0**	**(89,000)**	**44,484**	**158**	**(7,386)**	**(538,462)**
M	**Total financial indebtedness (H + L)**	**(434,033)**	**54,244**	**70,957**	**(144,033)**	**0**	**(935)**	**(7,420)**	**(461,220)**

Medium and long-term bank debt amounts to €/000 345,002 (of which €/000 273,161 non-current and €/000 71,841 current) and consists of the following loans:

- a €/000 34,966 (nominal value €/000 35,000) medium-term loan granted by the European Investment Bank to support Research and Development projects of investment plans, scheduled for the Piaggio Group's Italian sites in the 2019-2021 period. The loan will mature in February 2027 and has a repayment schedule of 6 fixed-rate annual instalments. Contract terms require covenants (described below);
- a €/000 20,000 medium-term loan granted by the European Investment Bank to support Research and Development projects of investment plans, scheduled for the Piaggio Group’s Italian sites in the 2019-2021 period. The loan will mature in March 2028 and has a repayment schedule of 6 fixed-rate annual instalments. Contract terms require covenants (described below);
- a €/000 59,915 (nominal value €/000 60,000) medium-term loan granted by the European Investment Bank to support Research and Development activities in applied technologies for electric vehicles for the period 2022-2025. The loan will expire in January 2033 and provides for an amortisation plan in seven annual fixed-rate instalments with a two-year grace period;
- €/000 3,616 (nominal value of €/000 5,000) for use of the syndicated revolving loan facility for a total of €/000 200,000 maturing on 15 November 2027 (with a one-year extension at the discretion of the borrower). Contract terms require covenants (described below);
- a €/000 114,631 (nominal value of €/000 115,000) ‘Schuldschein’ loan issued between October 2021 and February 2022 and subscribed by leading market participants. It consists of 7 tranches with maturities of 3, 5 and 7 years at fixed and variable rates;
- a €/000 15,693 medium-term loan (nominal value of €/000 15,750) granted by Banca Popolare Emilia Romagna. The loan will fall due on 31 December 2027 and has a repayment schedule of six-monthly instalments. Contract terms require covenants (described below);
- a €/000 6,647 loan (nominal value of €/000 6,667) granted by Banco BPM with a repayment schedule of six-monthly instalments and last payment in July 2025. An Interest Rate Swap has been taken out on this loan to hedge the interest rate risk. Contract terms require covenants (described below);
- a €/000 16,667 medium-term loan granted by Cassa Depositi e Prestiti to support international growth in India and Indonesia. The loan has a duration of 5 years expiring on 30 August 2026. It entails a repayment plan with six-monthly instalments and a 12-month grace period. Contract terms require covenants (described below);
- a €/000 1,743 medium-term loan (nominal value of €/000 1,750) granted by Banca Popolare di Sondrio, maturing on 1 June 2026 and with a quarterly repayment schedule;

- a €/000 3,495 medium-term loan (nominal value of €/000 3,500) granted by Cassa di Risparmio di Bolzano, maturing on 30 June 2026 and with a quarterly repayment schedule. Contract terms require covenants (described below);
- a €/000 2,743 medium-term loan (nominal value of €/000 2,746) granted by Banca Popolare Emilia Romagna - formerly Banca Carige, maturing on 31 December 2026 and with a quarterly repayment schedule;
- a €/000 14,985 (nominal value of €/000 15,000) medium-term loan granted by Oldenburgische Landensbank Aktiengesellschaft maturing on 30 September 2027. Contract terms require covenants (described below);
- a €/000 23,937 medium-term loan (nominal value of €/000 24,000) granted by Banca Nazionale del Lavoro maturing on 5 January 2027. Contract terms require covenants (described below). An Interest Rate Swap has been taken out on this loan to hedge the interest rate risk;
- a €/000 25,964 medium-term loan (nominal value €/000 26,000) granted by Cassa Depositi e Prestiti to support Research and Development activities in applied technologies for electric vehicles for the period 2022-2025, maturing on 30 April 2029.

The Parent Company also had the following revolving credit lines and loans unused at 30 September 2024:

- a €/000 10,000 revolving loan facility granted by Banca del Mezzogiorno maturing on 1 July 2026;
- a €/000 12,500 revolving loan facility granted by Banca Popolare dell'Emilia Romagna maturing on 2 August 2026;

All the above financial liabilities are unsecured.

The item 'Bonds' amounted to €/000 246,133 (nominal value of €/000 250,000) related to a high-yield debenture loan issued on 5 October 2023 for €/000 250,000, maturing on 5 October 2030 and with a semi-annual coupon with fixed annual nominal rate of 6.50%.
Standard & Poor's and Moody's assigned a BB- rating with a positive outlook and a Ba3 rating with a stable outlook respectively.
It should be noted that the Company may repay in advance all or part of the High Yield bond issued on 5 October 2023 on the terms specified in the indenture. The value of prepayment options was not deducted from the original contract, as these are considered as being closely related to the host instrument, as provided for by IFRS 9 b4.3.5.

Financial advances received from factoring companies and banks, on the sale of trade receivables with recourse, totalled €/000 12,955.

Medium-/long-term payables to other lenders equal to €/000 142 of which €/000 71 maturing after the year and €/000 71 as the current portion refer to a loan from the Region of Tuscany, pursuant to regulations on incentives for investments in research and development.

Covenants

In line with market practices for borrowers with a similar credit rating, main loan contracts require compliance with:

1) financial covenants, on the basis of which the company undertakes to comply with certain levels of contractually defined financial indices, with the most significant comprising the ratio of net financial debt/gross operating margin (EBITDA), measured on the consolidated perimeter of the Group, according to definitions agreed on with lenders;
2) negative pledges according to which the company may not establish collaterals or other constraints on company assets;
3) 'pari passu' clauses, on the basis of which the loans will have the same repayment priority as other financial liabilities, and change of control clauses, which are effective if the majority shareholder loses control of the company;
4) limitations on the extraordinary operations the company may carry out.

The measurement of financial covenants and other contract commitments is monitored by the Group on an ongoing basis.

The high yield debenture loan issued by the Company in October 2023 provides for compliance with covenants which are typical of international practice on the high yield market. In particular, the Company must observe the EBITDA/Net financial borrowing costs index, based on the threshold established in the Prospectus, to increase financial debt defined during issue. In addition, the Prospectus includes some obligations for the issuer, which limit, inter alia, the capacity to:

1) pay dividends or distribute capital;
2) make some payments;
3) grant collaterals for loans;
4) merge with or establish some companies;
5) sell or transfer own assets.

Failure to comply with the covenants and other contract commitments of the loan and debenture loan, if not remedied in agreed times, may give rise to an obligation for the early repayment of the outstanding amount of the loan.

Financial liabilities for rights of use €/000 28,290

As required by IFRS 16, financial liabilities for rights of use include financial lease liabilities as well as payments due on operating lease agreements.

	As of 30 September 2024			As of 31 December 2023			Change		
	Current	*Non-current*	*Total*	*Current*	*Non-current*	*Total*	*Current*	*Non-current*	*Total*
In thousands of Euros									
Operating leases	7,938	17,980	25,918	9,096	17,599	26,695	(1,158)	381	(777)
Finance leases	1,255	1,117	2,372	1,240	2,066	3,306	15	(949)	(934)
Total	**9,193**	**19,097**	**28,290**	**10,336**	**19,665**	**30,001**	**(1,143)**	**(568)**	**(1,711)**

Operating lease liabilities include payables to the parent companies Immsi and Omniaholding for €/000 5,578 (€/000 4,230 non-current portion).

Finance lease payables amount to €/000 2,372 (nominal value of €/000 2,375) and refer to a Sale&Lease back agreement on a production plant of the Parent Company granted by Albaleasing. The loan matures in August 2026 and envisages quarterly repayments (non-current portion equal to €/000 1,117).

Financial Instruments

Exchange Risk

The Group operates in an international context where transactions are conducted in currencies different from the Euro. This exposes the Group to risks arising from exchange rates fluctuations. For this purpose, the Group has an exchange rate risk management policy which aims to neutralise the possible negative effects of the changes in exchange rates on company cash flows.

This policy analyses:

- **the settlement exchange risk**: the policy wholly covers this risk which arises from differences between the recognition exchange rate of receivables or payables in foreign currency in the financial statements and the recognition exchange rate of actual collection or payment. To cover this type of exchange risk, the exposure is naturally offset in the first place (netting between sales and purchases in the same currency) and if necessary, by signing currency future derivatives, as well as advances of receivables denominated in currency.

As of 30 September 2024, the Group had undertaken the following futures operations (recognised based on the settlement date), relative to payables and receivables already recognised to hedge the transaction exchange risk:

Company	Operation	Currency	Amount in currency	Value in local currency (forward exchange rate)	Average maturity
			In thousands	*In thousands*	
Piaggio & C.	Purchase	CNY	86,480	10,985	28/10/24
Piaggio & C.	Purchase	JPY	145,000	870	25/10/24
Piaggio & C.	Purchase	SEK	7,000	622	04/10/24
Piaggio & C.	Purchase	USD	41,950	37,963	01/11/24
Piaggio & C.	Sale	CAD	300	201	29/11/24
Piaggio & C.	Sale	CNY	39,500	5,056	03/11/24
Piaggio & C.	Sale	JPY	120,000	730	31/10/24
Piaggio & C.	Sale	SEK	2,000	176	04/10/24
Piaggio & C.	Sale	USD	44,326	40,181	13/11/24
Piaggio & C.	Sale	VND	348,586,375	12,207	24/04/25
Piaggio Vietnam	Sale	USD	41,497	1,033,626,610	20/11/24
Piaggio Vehicles Private Limited	Sale	USD	2,000	168,170	31/10/24
PT Piaggio Indonesia	Purchase	USD	17,435	272,237,984	14/11/24

- translation exchange risk: arises from the translation into Euro of the financial statements of subsidiaries prepared in currencies other than the Euro during consolidation. The policy adopted by the Group does not require this type of exposure to be covered;

- **economic exchange risk**: arises from changes in company profitability in relation to annual figures planned in the economic budget on the basis of a reference change (the "budget change") and is covered by derivatives. The items of these hedging operations are therefore represented by foreign costs and revenues forecast by the sales and purchases budget. The total of forecast costs and revenues is processed monthly and associated hedging is positioned exactly on the average weighted date of the economic event, recalculated based on historical criteria. The economic occurrence of future receivables and payables will occur during the budget year.

As of 30 September 2024, the Group had undertaken the following hedging transactions on the exchange risk:

Company	Operation	Currency	Amount in currency	Value in local currency (forward exchange rate)	Average maturity
			In thousands	*In thousands*	
Piaggio & C.	Sale	USD	8,000	7,352	15/11/24
Piaggio & C.	Sale	GBP	2,600	2,965	14/11/24
Piaggio & C.	Purchase	INR	128,837,689	1,311,800	23/05/26
Piaggio & C.	Purchase	USD	76,000	68,089	19/09/25
Piaggio & C.	Purchase	CNY	370,000	48,375	19/03/25

To hedge the economic exchange risk alone, cash flow hedging is adopted with the effective portion of profits and losses recognised in a specific shareholders' equity reserve. Fair value is determined based on market quotations provided by main traders.
As of 30 September 2024, the total fair value of hedging instruments for the economic exchange risk recognised on a hedge accounting basis was negative by €/000 2,363.

Interest rate risk
This risk arises from fluctuating interest rates and the impact this may have on future cash flows arising from variable rate financial assets and liabilities. The Group regularly measures and controls its exposure to the risk of interest rate changes, as established by its management policies, in order to reduce fluctuating borrowing costs, and limit the risk of a potential increase in interest rates. This objective is achieved through an adequate mix of fixed and variable rate exposure, and the use of derivatives, mainly interest rate swaps and cross currency swaps.
As of 30 September 2024, the following hedging derivatives were taken out:

Cash flow hedging

- An Interest Rate Swap to hedge the variable-rate loan for a nominal amount of €/000 6,667 from Banco BPM. The purpose of the instrument is to manage and mitigate exposure to interest rate risk; in accounting terms, the instrument is recognised on a cash flow hedge basis with the allocation of gains/losses arising from the fair value measurement to a specific Shareholders' equity reserve; as of 30 September 2024, the fair value of the instrument was positive for €/000 169.
- an *Interest Rate Swap* to hedge the variable-rate loan for a nominal amount of €/000 24,000 from Banca Nazionale del Lavoro. The purpose of the instrument is to manage and mitigate exposure to interest rate risk; in accounting terms, the instrument is recognised on a cash flow hedge basis with the allocation of gains/losses arising from the fair value measurement to a specific Shareholders' equity reserve; as of 30 September 2024, the fair value of the instrument was positive for €/000 180.

Commodity Price Risk

This risk arises from the possibility of changes in company profitability due to fluctuations in commodity prices (specifically platinum, palladium, rhodium and gas). The Group's objective is therefore to neutralise such possible adverse changes deriving from highly probable future transactions by compensating them with opposite variations related to the hedging instrument.

Cash flow hedging is adopted with this type of hedging, with the effective portion of profits and losses recognised in a specific shareholders' equity reserve. Fair value is determined based on market quotations provided by main traders.

As of 30 September 2024, the total fair value of hedging instruments for commodity price risk recognised on a hedge accounting basis was positive by €/000 55.

	FAIR VALUE
In thousands of Euros	
Piaggio & C. S.p.A.	
Interest Rate Swap	349
Commodity hedges	55

F) INFORMATION ON SHAREHOLDERS' EQUITY

38. Share capital and reserves **€/000 406,825**

For the composition of Shareholders' Equity, please refer to the Statement of Changes in Consolidated Shareholders' Equity. The following describes some of the most significant items.

Share capital €/000 207,614

During the period, the nominal share capital of Piaggio & C. did not change.

The structure of Piaggio & C's share capital, equal to €207,613,944.37, fully subscribed and paid up, is indicated in the next table:

Structure of share capital as of 30 September 2024

	No. of shares	% compared to the share capital	Market listing	Rights and obligations
Ordinary shares	354,632,049	100%	MTA	Right to vote in the Ordinary and Extraordinary Shareholders' Meetings of the Company

The shares of the Company are without nominal value, are indivisible, registered and issued on a dematerialisation basis, in the centralised management system of Monte Titoli S.p.A..

At the date of these financial statements, no other financial instruments with the right to subscribe to new issue shares had been issued, nor were there share-based incentive plans in place involving increases, also without a consideration, in share capital.

Treasury shares €/000 (1,411)

As of 30 September 2024, Piaggio & C. held 426,161 treasury shares, equal to 0.1202% of the shares issued.

In addition, a further 157,500 treasury shares were purchased in October and November 2024. Therefore, at the date of approval of these Condensed Interim Financial Statements as of 30 September 2024, Piaggio & C. held 583,661 treasury shares, equivalent to 0.1646% of the shares issued.

Outstanding shares and own shares

	2024	2023
no. of shares		
Situation as of 1 January		
Number of shares	354,632,049	358,153,644
Of which treasury portfolio shares	426,161	3,521,595
Of which shares in circulation	354,205,888	354,632,049
Movements for the period		
Cancellation of treasury shares		(3,521,595)
Purchase of treasury shares		426,161
Situation as of 30 September 2024 and 31 December 2023		
Number of shares	354,632,049	354,632,049
Of which treasury portfolio shares	426,161	426,161
Of which shares in circulation	354,205,888	354,205,888

Share premium reserve €/000 7,171

The share premium reserve as of 30 September 2024 was unchanged compared to 31 December 2023.

Legal reserve €/000 37,237

The legal reserve as of 30 September 2024 had increased by €/000 4,530 as a result of the allocation of earnings for the last period.

Financial instruments' fair value reserve €/000 (1,500)

The financial instruments' fair value reserve relates to the effects of cash flow hedge accounting implemented on foreign currencies, interest and specific commercial transactions. These transactions are described in full in the note on financial instruments.

Dividends

The Ordinary Shareholders' Meeting of Piaggio & C. S.p.A. held on 17 April 2024 resolved to distribute a final dividend of 8 eurocents, before tax, for each ordinary share entitled (ex-dividend date no. 22 on 22 April 2024, record date 23 April 2024 and payment date 24 April 2024), in addition to the interim dividend of 12.5 eurocents paid on 20 September 2023 (ex-dividend date 18 September 2023), for a total dividend for the 2023 financial year of 20.5 eurocents. The total dividend from the remaining 2023 financial year profit after allocations to reserves amounted to a total of €72,630,957.04.

At its meeting on 29 July 2024, the Board of Directors also resolved to distribute an ordinary interim dividend for the 2024 financial year of 11.5 eurocents, before tax, for each ordinary share entitled (12.5 eurocents had been resolved for the ordinary interim dividend for the 2023 financial year). A total of €40,733,677.12 was paid for this dividend on 25 September 2024 (ex-dividend date no. 23 on 23 September 2024, and record date 24 September 2024).

Earnings reserve €/000 209,074

Capital and reserves of non-controlling interest €/000 (155)

The end of period figures refer to non-controlling interests in Aprilia Brasil Industria de Motociclos S.A.

39. Other comprehensive income/(loss) €/000 (2,286)

The figure is broken down as follows:

	Reserve for measurement of financial instruments	***Group translation reserve***	***Earnings reserve***	***Group total***	***Share capital and reserves attributable to non-controlling interests***	***Total other comprehensive income/(loss)***
In thousands of Euros						
As of 30 September 2024						
Items that will not be reclassified in the income statement						
Remeasurements of defined benefit plans			(325)	(325)		(325)
Total	0	0	(325)	(325)	0	(325)
Items that may be reclassified in the income statement						
Exchange gain/(losses) arising on translation of foreign operations		(1,427)		(1,427)	20	(1,407)
Share of Other Comprehensive Income/(loss) of associates valued with the equity method		5		5		5
Total profits (losses) on cash flow hedges	(559)			(559)		(559)
Total	(559)	(1,422)	0	(1,981)	20	(1,961)
Other comprehensive income/(loss)	**(559)**	**(1,422)**	**(325)**	**(2,306)**	**20**	**(2,286)**
As of 30 September 2023						
Items that will not be reclassified in the income statement						
Remeasurements of defined benefit plans			624	624		624
Total	0	0	624	624	0	624
Items that may be reclassified in the income statement						
Exchange gain/(losses) arising on translation of foreign operations		(918)		(918)	(11)	(929)
Share of Other Comprehensive Income/(loss) of associates valued with the equity method		(525)		(525)		(525)
Total profits (losses) on cash flow hedges	(3,725)			(3,725)		(3,725)
Total	(3,725)	(1,443)	0	(5,168)	(11)	(5,179)
Other comprehensive income/(loss)	**(3,725)**	**(1,443)**	**624**	**(4,544)**	**(11)**	**(4,555)**

The tax effect related to other comprehensive income is broken down as follows:

	As of 30 September 2024			As of 30 September 2023		
	Gross value	***Tax (expense) / benefit***	***Net value***	***Gross value***	***Tax (expense) / benefit***	***Net value***
In thousands of Euros						
Remeasurements of defined benefit plans	(326)	1	(325)	621	3	624
Exchange gain/(losses) arising on translation of foreign operations	(1,407)		(1,407)	(929)		(929)
Share of Other Comprehensive Income/(loss) of associates valued with the equity method	5		5	(525)		(525)
Total profits (losses) on cash flow hedges	(777)	218	(559)	(4,879)	1,154	(3,725)
Other comprehensive income/(loss)	**(2,505)**	**219**	**(2,286)**	**(5,712)**	**1,157**	**(4,555)**

G) OTHER INFORMATION

40. Share-based incentive plans

As of 30 September 2024, there were no incentive plans based on financial instruments.

41. Information on related parties

Revenues, costs, payables and receivables as of 30 September 2024 involving parent, subsidiary and associate companies, refer to the sale of goods or services which are a part of normal operations of the Group.
Transactions are carried out at normal market values, depending on the characteristics of the goods and services provided.
Information on transactions with related parties, including information required by Consob in its communication of 28 July 2006 no. DEM/6064293, is reported in the notes of the Consolidated Financial Statements.
The procedure for transactions with related parties, pursuant to Article 4 of Consob Regulation no. 17221 of 12 March 2010 as amended, approved by the Board on 30 September 2010, is published on the institutional site of the Issuer www.piaggiogroup.com, under Governance.

Relations with Parent Companies

Piaggio & C. S.p.A. is controlled by the following companies:

Name	**Registered office**	**Type**	**% of ownership**	
			As of 30 September 2024	**As of 31 December 2023**
Immsi S.p.A.	Mantova - Italy	Direct parent Company	50.5675	50.5675
Omniaholding S.p.A.	Mantova - Italy	Ultimate Parent Company	0.0705	

Piaggio & C. S.p.A. is subject to the management and coordination of IMMSI S.p.A. pursuant to Article 2497 and subsequent of the Italian Civil Code. During the period, management and coordination comprised the following activities:

- as regards mandatory financial disclosure, and in particular the financial statements and reports on operations relating to Group companies, IMMSI has produced a group manual containing the accounting standards adopted and options chosen for implementation, in order to give a consistent and fair view of the consolidated financial statements.

- IMMSI has defined procedures and times for preparing the budget and in general the business plan of Group companies, as well as final management analysis to support management control activities.

In 2023, for a further three years, Piaggio & C. S.p.A.[15] signed up to the National Consolidated Tax Scheme pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (T.U.I.R.) of which IMMSI S.p.A. is the consolidating company, and to whom other IMMSI Group companies report to. The consolidating company determines a single global income equal to the algebraic sum of taxable amounts (income or loss) realised by individual companies that opt for this type of group taxation.

The consolidating company recognises a receivable from the consolidated company which is equal to the corporate tax to be paid on the taxable income transferred by the latter. Whereas, in the case of companies reporting tax losses, the consolidating company recognises a payable related to corporate tax on the portion of loss actually used to determine global overall income, or calculated as a decrease of overall income for subsequent tax periods, according to the procedures in Article 84, based on the criterion established by the consolidation agreement.

Under the National Consolidated Tax Scheme, companies may, pursuant to article 96 of Presidential Decree no. 917/86, allocate the excess of interest payable which is not deductible to one of the companies so that, up to the excess of Gross Operating Income produced in the same tax period by other subjects party to the consolidation, the amount may be used to reduce the total income of the Group.

The lease agreements in place with parent companies, all of which were signed at normal market conditions, are reported below:

- Piaggio & C. S.p.A. has two office lease agreements with IMMSI, one for property in Via Broletto 13 in Milan, and the other for property in Via Abruzzi 25 in Rome. A part of the property in Via Broletto 13 in Milan is sub-leased by Piaggio & C. S.p.A. to Piaggio Concept Store Mantova Srl;
- Piaggio & C. S.p.A. has a lease agreement for offices owned by Omniaholding S.p.A. located at Via Marangoni 1/E in Mantova;

- Piaggio Concept Store Mantova Srl has a lease agreement in place with Omniaholding S.p.A. for the commercial spaces and unit located at Piazza Vilfredo Pareto 1 in Mantova.

Pursuant to Article 2.6.2, section 13 of the Regulation of Stock Markets organised and managed by Borsa Italiana S.p.A., the conditions as of Article 37 of Consob regulation 16191/2007 exist.

[15] Aprilia Racing and Piaggio Concept Store Mantova were also party to the national consolidated tax convention, of which IMMSI S.p.A. is the consolidating company.

Transactions with Piaggio Group companies

The main relations among subsidiaries, eliminated in the consolidation process, refer to the following transactions:

Piaggio & C. S.p.A.

- sells vehicles, spare parts and accessories to sell on respective markets, to:

- Piaggio Hrvatska
- Piaggio Hellas
- Piaggio Group Americas
- Piaggio Vehicles Private Limited
- Piaggio Vietnam
- Piaggio Concept Store Mantova
- Foshan Piaggio Vehicles Technology R&D
- Piaggio Asia Pacific
- Piaggio Group Japan
- PT Piaggio Indonesia

- sells components to:

- Piaggio Vehicles Private Limited
- Piaggio Vietnam
- Aprilia Racing

- It provides promotional material to:

- Piaggio France
- PT Piaggio Indonesia
- Piaggio España
- Piaggio Limited
- Piaggio Deutschland

- grants licences for rights to use the brand and technological know-how to:

- Piaggio Vehicles Private Limited
- Piaggio Vietnam
- Aprilia Racing
- PT Piaggio Indonesia

- provides support services for scooter and engine industrialisation to:

- Piaggio Vehicles Private Limited
- Piaggio Vietnam

- leases a part of the owned property to:

- Aprilia Racing

- subleases a part of the rented property to:

- Piaggio Concept Store Mantova

- has cash pooling agreements with:

- Piaggio France
- Piaggio Deutschland
- Piaggio España

- Piaggio Vespa
- Aprilia Racing
- Piaggio Concept Store Mantova

  - has loan agreements with:

- Piaggio Fast Forward
- Aprilia Racing
- Nacional Motor

  - provides support services for staff functions to other Group companies;
  - issues guarantees for the Group's subsidiaries, for medium-term loans.

Piaggio Vietnam sells vehicles, spare parts and accessories, which it has manufactured in some cases, for sale on respective markets, to:

- PT Piaggio Indonesia
- Piaggio Group Japan
- Piaggio & C. S.p.A.
- Foshan Piaggio Vehicles Technology R&D
- Piaggio Asia Pacific.

It also sells CKD vehicles to PT Piaggio Indonesia Industrial, which assembles them in its factory and then sells them to PT Piaggio Indonesia.

Piaggio Vehicles Private Limited sells to Piaggio & C. S.p.A. and Piaggio Group Americas vehicles, spare parts and accessories, for sale on respective markets, as well as to Piaggio & C. S.p.A. components and engines to use in manufacturing.

Piaggio Vehicles Private Limited and Piaggio Vietnam reciprocally exchange materials and components to use in their manufacturing activities.

Piaggio Hrvatska, Piaggio Hellas, Piaggio Group Americas, Piaggio Vietnam

- distribute vehicles, spare parts and accessories purchased by Piaggio & C. S.p.A. on their respective markets.

Piaggio Asia Pacific, PT Piaggio Indonesia, Piaggio Group Japan

- distribute vehicles, spare parts and accessories purchased from Piaggio & C. S.p.A. and Piaggio Vietnam on markets in Asia where the Group is not present with its own companies.

Foshan Piaggio Vehicles Technology R&D supplies:

- Piaggio & C. S.p.A. with:

  - a component and vehicle design/development service;
  - and local supplier scouting services;
  - a distribution service for vehicles, spare parts and accessories on its own market.

- Piaggio Vehicles Private Limited with:

  - and local supplier scouting services;

- Piaggio Vietnam with:
  - and local supplier scouting services;
  - a distribution service for vehicles, spare parts and accessories on its own market.

Piaggio France, Piaggio Deutschland, Piaggio Limited, Piaggio España and Piaggio Vespa

- provide a sales promotion service and after-sales services to Piaggio & C. S.p.A. for their respective markets.

Piaggio Advanced Design Center supplies Piaggio & C. S.p.A. with:

- a vehicle and component research/design/development service.

Piaggio Fast Forward supplies Piaggio & C. S.p.A. with:

- a research/design/development service;
- some components to be used in the manufacturing activities.

Aprilia Racing supplies Piaggio & C. S.p.A. with:

- a service for the management and organisation of the racing team and the promotion of commercial brands (owned by Piaggio & C. S.p.A.).

Piaggio España supplies Nacional Motor with:

- an administrative/accounting service.

PT Piaggio Indonesia Industrial sells to PT Piaggio Indonesia:

- vehicles, spare parts and accessories, produced by it, for subsequent marketing on respective markets.

In accordance with the Group's policy on the international mobility of employees, the companies in charge of employees transferred to other subsidiaries re-invoice the costs of these employees to the companies benefiting from their work.

Relations between Piaggio Group companies and JV Zongshen Piaggio Foshan Motorcycle Co. Ltd.

Main intercompany relations between subsidiaries and JV Zongshen Piaggio Foshan Motorcycle Co. Ltd, refer to the following transactions:

Piaggio & C. S.p.A.

- grants licences for rights to use the brand and technological know-how to Zongshen Piaggio Foshan Motorcycle Co. Ltd..

Foshan Piaggio Vehicles Technology R&D

- provides advisory services to Zongshen Piaggio Foshan Motorcycle Co. Ltd.

Zongshen Piaggio Foshan Motorcycle Co. Ltd

- sells vehicles, spare parts and accessories, which it has manufactured in some cases, to the following companies for sale on their respective markets:
    - Piaggio Vietnam
    - Piaggio & C. S.p.A.
    - Piaggio Group Japan.

The table below summarises relations described above and financial relations with parent companies, joint ventures and associates as of 30 September 2024 and relations during the period, as well as their overall impact on financial statement items.

As of 30 September 2024	Fondazione Piaggio	IMMSI	IMMSI Audit	Is Molas	Omniaholding	Pontech - Pontedera & Tecnologia	Zongshen Piaggio Foshan	**Total**	**% of accounting item**
In thousands of Euros									
Income statement									
Net revenues							2	**2**	**0.00%**
Costs for materials							13,648	**13,648**	**1.62%**
Costs for services and use of third-party assets	4	323	600	4	38		54	**1,023**	**0.51%**
Other operating income		44	21		13		165	**243**	**0.18%**
Other operating costs	5	1						**6**	**0.03%**
Results of associates - Income/(losses)						14	(1,093)	**(1,079)**	**103.25%**
Financial costs		287			18			**305**	**0.80%**
Financial statements									
Current trade receivables			6				367	**373**	**0.41%**
Other current receivables		33,397	4		12		617	**34,030**	**46.60%**
Financial liabilities for rights of use > 12 months		3,920			310			**4,230**	**22.15%**
Financial liabilities for rights of use < 12 months		1,130			218			**1,348**	**14.66%**
Current trade payables	7	48		4	6		7,119	**7,184**	**1.12%**
Other current payables	9	44,761	60					**44,830**	**36.31%**

43. Significant non-recurring events and operations

No significant, non-recurring operations, as defined by Consob Communication DEM/6064293 of 28 July 2006 took place during the first nine months of 2024 and in 2023.

44. Transactions arising from atypical and/or unusual transactions

During 2023 and the first nine months of 2024, the Group did not record any significant atypical and/or unusual operations, as defined by Consob Communication DEM/6037577 of 28 April 2006 and DEM/6064293 of 28 July 2006.

45. Events occurring after the end of the period

To date, no events have occurred after 30 September 2024 that make additional notes or adjustments to these Financial Statements necessary.
In this regard, reference is made to the Report on Operations for significant events after 30 September 2024.

46. Authorisation for publication

This document was published on 14 November 2024 with the authorisation of the Chief Executive Officer.

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Milan, 8 November 2024

for the Board of Directors
Chief Executive Officer
Michele Colaninno