INTERIM FINANCIAL REPORT AT MARCH 31, 2024

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

Milan Office

Viale Piero e Alberto Pirelli n. 25

Share Capital Euro 1,904,374,935.66

Milan Company Register No. 00860340157

REA (Economic Administrative Index) No. 1055

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

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The Board of Directors[1]

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

Secretary of the Board	Alberto Bastanzio

Board of Statutory Auditors[2]

Chairman	Riccardo Foglia Taverna
Statutory Auditors	Antonella Carù
Statutory Auditors	Francesca Meneghel
Statutory Auditors	Teresa Naddeo
Statutory Auditors	Alberto Villani
Alternate Auditors	Franca Brusco
Alternate Auditors	Maria Sardelli

[1] Appointment: July 31, 2023. Expiry: Shareholders' Meeting convened for the approval of the Financial Statements at December 31, 2025.
[2] Appointment: June 15, 2021. Expiry: Shareholders' Meeting convened for the approval of the Financial Statements at December 31, 2023.

Alternate Auditors	Marco Taglioretti

Audit, Risk, Sustainability and Corporate Governance Committee

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

Committee for Related Party Transactions

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

Nominations and Successions Committee

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

Remuneration Committee

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

Strategies Committee

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

Sustainability Committee

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

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

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

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

MACROECONOMIC AND MARKET SCENARIO

Economic Overview

For the first quarter of 2024, global GDP grew by +2.5% year-on-year, thanks to the resilience of the US and Chinese economies, and despite geopolitical tensions in the Middle East.

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

	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024
EU	1.2	0.6	0.1	0.2	0.5
US	1.7	2.4	2.9	3.1	3.0
China	4.5	6.3	4.9	5.2	5.3
Brazil	3.8	3.3	2.4	2.2	1.6
World	2.4	3.0	2.7	2.7	2.5

Note: Percentage change compared to the same period of the previous year. Preliminary data for 1Q 2024 for the EU, the US and China and estimates for the other countries and regions. Source: National statistics offices and S&P Global Market Intelligence, April 2024.

Consumer Prices, Change in Year-on-Year Percentages

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

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

In the European Union, the economy remained weak (GDP growth of +0.5% for the first quarter). Monetary policy continued to weigh on the performance of domestic demand, while the rise in inflation decelerated (averaging +2.8% for the first quarter of 2024, +3.4% for the fourth quarter of 2023).

The trend for the US economy improved (+3.0% for the first quarter of 2024), sustained by consumer spending and investments, while inventories and foreign trade weighed on growth. Inflation for the first quarter of 2024 (+3.2%) remained unchanged compared to the fourth quarter of 2023, cooling expectations of possible Fed rate cuts in 2024.

Economic growth in China accelerated slightly during the first quarter of 2024 to +5.3% year-on-year, compared to +5.2% for the final quarter of 2023. This GDP performance was supported by the dynamics of consumer spending, and by investments in the manufacturing sector and infrastructure, while the real estate sector remained weak.

Economic indicators in Brazil during the first months of the year showed signs of recovery following economic stagnation in the second half of 2023. Its GDP is estimated to have grown by +1.6% for the first quarter of 2024, slowing from +2.2% for the previous quarter and +3.8% for the first quarter of 2023. The fall in inflation (4.3% for the first quarter of 2024, compared to 4.7% for the fourth quarter), allowed the central bank to continue its path of normalising interest rates with two further cuts of 50 basis points in the first quarter, bringing the benchmark interest rate to 10.75% at the end of March.

Exchange Rates

Divergences between inflation trends and the monetary policies of the central banks, continued to drive the exchange rate momentum during the first quarter of 2024.

Key Exchange Rates	1Q		
	2024	**2023**	**2022**
US$ per euro	1.09	1.07	1.12
Chinese renminbi per US$	7.10	6.85	6.35
Brazilian real per US$	4.95	5.20	5.24

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

The narrowing of differences between interest rates in the US and the Eurozone during 2023, led to the gradual strengthening of the euro against the US dollar, which resulted in the euro averaging US$ 1.09 for the first three months of 2024, an appreciation of +1.2%compared to the same period in 2023 (US$ 1.07).

In China, the easing of monetary policy in support of the economy, weakened the renminbi, which averaged 7.10 against the US dollar for the first quarter of 2024, depreciating by -3.6% compared to the same period of 2023 (renminbi 6.85) and by -4.7% against the euro.

The Brazilian real strengthened during the first quarter of 2024, both against the US dollar (+4.9%, to an average of 4.95 Brazilian real, compared to 5.20 for the same period of the previous year) and against the euro (+3.7%, compared to the same period of 2023). The appreciation of the real was supported by a still wide interest rate difference in comparison to the USA and the Eurozone, despite the narrowing during the previous year.

Raw Materials Prices

There were differing trends for raw materials prices during the first three months of 2024, following the trajectory towards normalisation during 2023, after the peaks of 2022 caused by the Russia-Ukraine crisis.

Raw Materials Prices	1Q				
	2024	% chg.	**2023**	% chg.	**2022**
Brent (US$ / barrel)	81.4	-1%	82.2	-16%	97.4
European natural gas (€ / MWh)	28	-48%	53	-47%	100
Butadiene (€ / tonne)	812	-16%	970	-9%	1,067
Natural rubber TSR20 (US$ / tonne)	1,573	15%	1,373	-23%	1,772

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

Crude oil and natural gas prices remained contained during the first quarter despite geopolitical uncertainties. Brent crude averaged US$ 81.4 per barrel for the first quarter of 2024, declining by -1% compared to US$ 82.2 for the same quarter of 2023, but with increased volatility. Monthly performances in the first three months of 2024 showed an upward trend, from US$ 79 per barrel in January to US$ 84 in March, following the cut in production by OPEC+ countries, the conflict in the Gaza Strip and the interruptions to shipping in the Red Sea which began in December.

Natural gas prices (TTF) fell during the first quarter of 2024, averaging euro 28 per MWh (megawatt-hour), (down by -48% compared to euro 53 for the corresponding period of 2023, a price that reflected the interruption of the gas supply from Russia). Prices during the first three months of 2024 benefited from milder than expected temperatures, as well as from the increased use of liquefied natural gas (LNG), high European stockpile levels and the increased production of electricity from renewable sources in Europe.

The price of butadiene fell during the first quarter of 2024, due to the decrease in the price of natural gas, lower logistics costs and the prospects of a slowdown in global growth. The average price stood at euro 812 per tonne, down by -16% compared to the first quarter of 2023, but with a steady growth trend for the first three months of the year, which saw the quarterly average increased by +5% compared to the final quarter of the previous year.

The average price of natural rubber for the first quarter of 2024, increased by +15% compared to the same period of 2023, to US$ 1,573 per tonne (US$ 1,373 per tonne for the first three months of 2023). Similar to butadiene, the price of natural rubber gained strength during the first quarter. This recovery reflected the uncertainty of supply from producing countries such as Thailand, Malaysia and Indonesia, due to adverse weather conditions combined with a sustained demand from the automotive sector.

Trends in Car Tyre Markets

During the first quarter of 2024, the car tyre market recorded a global level growth in volumes of +2.1%, compared to the same quarter of 2023.

Volume performance per channel differed:

- +1.2% for the Original Equipment channel, thanks to growth in APAC and North America, which offset the decline in demand in Europe and South America;
- +2.5% for the Replacement channel, due to the strong recovery in demand in North America and Europe.

Demand was more sustained for Car ≥18", which recorded a growth of +6.5% compared to the first quarter of 2023 (+1.5% for Original Equipment, +10.1% for Replacement), with a positive performance particularly in North America and Europe.

Market demand for Car ≤17" recorded growth of +0.8% for the first quarter of 2024, compared to the same period of the previous year (+1.1% for Original Equipment, +0.7% for Replacement).

Trends in Car Tyre Markets

% change year-on-year	1Q 2023	2Q 2023	3Q 2023	4Q 2023	2023	1Q 2024
Total Car Tyre Market						
Total	**-0.9**	**2.3**	**1.1**	**6.4**	**2.2**	**2.1**
Original Equipment	6.1	16.5	4.7	9.6	9.1	1.2
Replacement	-3.5	-2.4	-0.1	5.2	-0.3	2.5
Market ≥ 18"						
Total	**5.4**	**7.3**	**8.2**	**12.0**	**8.2**	**6.5**
Original Equipment	13.5	18.7	7.9	11.3	12.7	1.5
Replacement	0.2	0.3	8.4	12.5	5.2	10.1
Market ≤ 17"						
Total	**-2.6**	**0.9**	**-0.7**	**4.9**	**0.6**	**0.8**
Original Equipment	2.7	15.5	3.2	8.8	7.4	1.1
Replacement	-4.3	-3.0	-1.8	3.7	-1.4	0.7

Source: Pirelli estimates.

SIGNIFICANT EVENTS OF THE QUARTER

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

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

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

On **March 6, 2024**, Pirelli approved the results for the 2023 financial year, which closed with revenues of euro 6.65 billion, an EBIT adjusted of just over euro 1 billion and a net income of euro 495.9 million. The Board of Directors proposed the distribution of a dividend of euro 0.198 per share for a total of euro 198 million to the Shareholders' Meeting. The dividend for the 2023 financial year will be placed for payment starting from June 26, 2024 (with an ex-dividend date of June 24, 2024 and a record date of June 25, 2024). **On the same date,** the Board of Directors approved and disclosed the 2024-'25 Industrial Plan Update to the market, which represents the update of the 2021-2022|2025 Industrial Plan presented on March 31, 2021. Together with the presentation of the 2024-'25 Industrial Plan Update, Pirelli published its Sustainability Plan, with its targets for 2025-2030-2040, which was developed around four pillars: Climate, Product, Nature and People. All the sustainability targets forecast in the Plan for *"People", "Climate", "Product", "Nature", "Global value chains"* and *"Finance",* can be viewed on the page dedicated to the Industrial Plan in the *"Investors"* section of the Pirelli website, www.pirelli.com.

On **March 18, 2024**, Pirelli, in a single call, convened - in Ordinary Session - a Company's Shareholders' Meeting, in Milan at Via Agnello No. 18, at *Studio Notarile Marchetti* (notary), for 11:00 am, Tuesday, May 28, 2024.

The Shareholders' Meeting will be called upon to deliberate on:

- the approval of the Financial Statements for the financial year at December 31, 2023, the allocation of the results and the distribution of the dividend;
- the renewal of the Board of Statutory Auditors for the next three-year period, the appointment of the Statutory Auditors, the Alternate Auditors and the Chairman, as well as the determination of their respective remuneration;
- the conferral of the mandate for the statutory auditing for the 2026-2034 period, and the determination of the relative remuneration;
- the approval of the remuneration policy for 2024 and an advisory vote on the remuneration paid for the 2023 financial year;
- the approval, for the part related to Total Shareholder Return, of the adoption of the long-term Monetary Incentive Plan for the 2024-2026 three-year period (LTI 24-26), intended for the general management sector of the Group.

On **March 22, 2024**, Pirelli signed an agreement with a selected pool of international banks, for a euro 600 million term loan credit facility maturing in October 2028. The new credit facility entered into as part of the usual activity of managing and optimising the financial structure, is aimed at the early repayment of a portion of debt maturing in 2025, at the strengthening of the liquidity margin and at the extension of debt maturities. The new credit facility is parameterised to be consistent with the new and more challenging Science Based Target initiative (SBTi) targets, which Pirelli has set for itself as part of the 2024-‘25 Industrial Plan Update, presented last March 6th.

GROUP PERFORMANCE AND RESULTS

In this document, in addition to the financial measures provided for by the International Financial Reporting Standards (IFRS), alternative performance indicators derived from the IFRS were used, in order to allow for a better assessment of the Group's operating and financial performance.

Reference should be made to the section *"Alternative Performance Indicators"* for a more analytical description of these indicators.

* * *

Pirelli's results for the first quarter of 2024 highlighted a solid operating performance which confirmed the efficacy of the business model and reflected the implementation of the key programmes of the Industrial Plan.

On the **Commercial** front:

- the reinforced positioning of the Car **High Value** segment, particularly for ≥19" and Specialities. During the first quarter, Pirelli recorded volume growth for Car ≥18" of +6.8% (+6.5% for the market), gaining market share for the Replacement channel, (+11.4% for Pirelli, +10.1% for the market). For Original Equipment Car ≥18" (+0.9% for Pirelli volumes, +1.5% for the market), Pirelli continued with its strategy of focusing on higher tyre rim diameters (+3 percentage points in volume share for ≥19", which accounted for approximately 85% of Original Equipment ≥18" volumes), and on Specialities (+1 percentage point in volume share for Specialties, which now accounted for approximately 82% of Original Equipment ≥18" volumes);
- a reduction in exposure to the **Standard** segment (-3.8% for Pirelli Car ≤17" volumes, compared to +0.8% for the market).

The performance described above translates into an overall growth in Car volumes of +2.7% (+2.1% for the market).

On the **Innovation** front:

- approximately 84 new technical homologations were obtained for the Car sector, concentrated mainly in ≥19" and Specialties;
- for electric vehicles, Pirelli can count on a portfolio of approximately 550 homologations at global level, and a market share of 30% among Premium EV Original Equipment Manufacturers. In addition, homologations continued with the leading Prestige OEMs and Premium Chinese Electric Vehicle manufacturers;
- strengthened positioning for the All Season in Europe, with the launch of the Cinturato AS SF3, which was designed virtually and awarded the best All Season tyre on the market by AutoBild, and ranked as the safest in all weather conditions;
- for the Motorcycle segment, there was the launch of the Pirelli Scorpion Trail III, a product that combines sporty characteristics and a spirit of adventure, with performance on the wet which is similar to that of a Sport-Touring tyre, and with optimum acoustic comfort.

On the **Operations** front:

- gross benefits were achieved of euro 32 million (23% of the annual target), consistent with expectations and project development schedules;
- measures were implemented to mitigate the impact of the crisis in the Red Sea, with the aim of strengthening the resilience of the value-chain;
- saturation level of the plants stood at approximately 89%, 97% for High Value;
- the programme to decarbonise manufacturing plants through the use of renewable energy sources and energy efficiency programmes continued, as well as the establishment of a multi-year roadmap for the development of platforms to support emissions reductions and the digitisation of the sustainability processes;
- coverage of the main factories with Industrial Internet of Things (IioT) technology in order to improve the efficiency of production processes, continued.

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

- **net sales** which equalled euro **1,695.5** million, substantially consistent with the first quarter of 2023 (euro 1,699.7 million, -0.2%), with organic growth of +4.6%. This performance was supported by both a positive volume performance (+2.3%) and the improvement in the price/mix (+2.3%). The impact of the exchange rate effect was negative (-4.8%);
- **EBIT adjusted** which equalled euro **262.6** million, +5.8% compared to euro 248.1 million for the first quarter of 2023, with profitability at 15.5%, which was an improvement of almost 1 percentage point both year-on-year and compared to the final quarter of 2023, thanks to the contribution of internal levers;
- **net income/loss** which amounted to an income of euro **100.4** million (euro 115.0 million for the first quarter of 2023), and which reflects the impacts of the application of hyperinflation accounting;
- **Net Financial Position** which at March 31, 2024 showed a debt of euro 2,935.1 million (a debt of euro 2,261.7 million at December 31, 2023), with a cash absorption of euro 673.4 million in the first quarter of 2024, (an improvement by euro 308.9 million, compared to the first quarter of 2023 when the Net Financial Position showed a debt of euro 3,244.0 million). Although this result included the impact of the acquisition of Hevea-Tec (euro 23 million), which occurred in January 2024, it was consistent with the usual seasonality of the business and was better than the first quarter of 2023 (euro 691.4 million);
- a **liquidity margin** equal to euro **2,496.1** million, which covers debt maturities until the first quarter of 2027.

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

(in millions of euro)	**1 Q 2024**	**1 Q 2023**
Net sales	**1,695.5**	**1,699.7**
EBITDA adjusted (°)	**376.3**	**359.7**
% of net sales	22.2%	21.2%
EBITDA	**368.6**	**350.7**
% of net sales	21.7%	20.6%
EBIT adjusted	**262.6**	**248.1**
% of net sales	15.5%	14.6%
Adjustments: - amortisation of intangible assets included in PPA	(28.4)	(28.4)
- one-off, non-recurring and restructuring expenses	(7.7)	(9.0)
EBIT	**226.5**	**210.7**
% of net sales	13.4%	12.4%
Net income/(loss) from equity investments	6.0	2.3
Financial income/(expenses)	(110.1)	(52.2)
Net income/(loss) before taxes	**122.4**	**160.8**
Taxes	(22.0)	(45.8)
Tax rate %	18.0%	28.5%
Net income/(loss)	**100.4**	**115.0**
Net income/(loss) attributable to owners of the Parent Company	93.7	111.6
Earnings/(loss) per share (in euro per basic share)	0.09	0.11
Net income/(loss) adjusted	126.2	141.9

(°) The adjustments refer to one-off, non-recurring and restructuring expenses to the amount of euro 7.7 million (euro 9.0 million for the first quarter of 2023).

(in millions of euro)		**03/31/2024**	**12/31/2023**	**03/31/2023**
Fixed assets		**8,826.3**	**8,812.1**	**8,854.9**
	Inventories	1,420.3	1,371.4	1,458.4
	Trade receivables	939.8	649.4	928.5
	Trade payables	(1,460.5)	(1,999.4)	(1,367.8)
Operating net working capital		**899.6**	**21.4**	**1,019.1**
% of net sales		13.5%	0.3%	15.0%
	Other receivables/other payables	83.3	45.8	5.2
Net working capital		**982.9**	**67.2**	**1,024.3**
% of net sales		14.8%	1.0%	15.1%
Net invested capital		**9,809.2**	**8,879.3**	**9,879.2**
Equity		**5,868.7**	**5,619.6**	**5,581.2**
Provisions		1,005.4	998.0	1,054.0
Net financial (liquidity)/debt position		**2,935.1**	**2,261.7**	**3,244.0**
Equity attributable to owners of the Parent Company		5,734.5	5,494.4	5,453.4
Investments in intangible and owned tangible assets (CapEx)		53.4	405.7	53.2
Increases in right of use		15.3	101.2	15.1
Research and development expenses		70.3	288.5	70.5
% of net sales		4.1%	4.3%	4.1%
Research and development expenses - High Value		65.6	269.4	65.5
% of High Value sales		5.0%	5.4%	5.1%
Employees (headcount at end of period)		31,391	31,072	31,071
Industrial sites (number)		18	18	18

Net sales amounted to euro 1,695.5 million, a decrease of -0.2% compared to the first quarter of 2023, +4.6% excluding the combined impact of the exchange rate effect and the adoption of hyperinflation accounting (totalling -4.8%).

High Value sales accounted for 77% of total Group revenues (75% for the first quarter of 2023).

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

	2024 1Q
Volume	2.3%
Price/mix	2.3%
Change on a like-for-like basis	**4.6%**
Exchange rate effect /Hyperinflation accounting in Argentina and Turkey	-4.8%
Total change	**-0.2%**

The positive **volume** performance (+2.3% for Car and Motorcycle) reflected the strategy of focusing on High Value, and the gradual reduction of exposure to the Standard segment, as already illustrated.

The improvement in the **price/mix** in the first quarter (+2.3%) was entirely attributable to the product mix, thanks to the gradual migration from Standard to High Value and the improvement in the channel mix. Pricing, on the other hand, was substantially stable compared to the same period of 2023.

The impact of the **exchange rate effect was** negative (-4.8%), but an improvement compared to the previous quarter (-10.6%), which had been impacted by the weakening of the US dollar, the renminbi and the currencies of emerging countries against the euro.

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

		1 Q 2024		1 Q 2023
(in millions of euro)		%	*YoY*	%
Europe	680.9	40.2%	*0.7%*	39.8%
North America	431.4	25.4%	*0.8%*	25.2%
APAC	273.6	16.1%	*3.5%*	15.6%
South America	184.0	10.9%	*-17.7%*	13.1%
Russia and MEAI	125.6	7.4%	*16.7%*	6.3%
Total	**1,695.5**	**100.0%**	***-0.2%***	**100.0%**

EBITDA adjusted amounted to euro 376.3 million (euro 359.7 million for the first quarter of 2023), with a margin of 22.2% (21.2% for the first quarter of 2023), which reflected the dynamics described in the following paragraph in terms of EBIT adjusted.

EBIT adjusted for the first quarter of 2024 amounted euro 262.6 million (euro 248.1 million for the same period of 2023), with an EBIT margin adjusted of 15.5% which was an improvement compared to 14.6% for the first quarter of 2023, thanks to the contribution of internal levers.

More specifically, the growth of the EBIT adjusted benefited from:

- the positive contribution of the commercial performance: **volumes** (euro +15.0 million) and the **price/mix** (euro +27.0 million);
- **efficiencies** (euro +32.0 million) which fully offset **inflation in the cost of production factors** (euro -29.1 million);
- lower **raw materials** costs (euro +29.4 million) against higher exchange rate volatility (euro -38.6 million).

Finally, the negative impact of **depreciation and amortisation** (euro -7.3 million) and of **other costs** (euro -13.9 million), mainly related to Marketing, Research and Development activities and the reduction in inventories.

(in millions of euro)	**1 Q**
2023 EBIT adjusted	**248.1**
- Internal levers:	
Volumes	15.0
Price/mix	27.0
Amortisation and depreciation	(7.3)
Efficiencies	32.0
Other	(13.9)
- External levers:	
Cost of production factors (commodities)	29.4
Cost of production factors (labour/energy/other)	(29.1)
Exchange rate effect	(38.6)
Total change	**14.5**
2024 EBIT adjusted	**262.6**

EBIT for the first quarter of 2024 amounted to euro 226.5 million (euro 210.7 million for the first quarter of 2023) and included the amortisation of the intangible assets identified in the PPA to the amount of euro 28.4 million, consistent with the first quarter of 2023, and one-off, non-recurring and restructuring expenses of euro 7.7 million.

Net income/(loss) from equity investments amounted to an income of euro 6.0 million, (positive to the amount of euro 2.3 million for the first quarter of 2023), and mainly refers to the pro-rata result of the investment in the joint venture Xushen Tyre (Shanghai) Co., Ltd, which was positive to the amount of euro 5.3 million (positive to the amount of euro 1.1 million for the first quarter of 2023).

Net financial expenses for the first quarter of 2024 amounted to euro 110.1 million compared to euro 52.2 million for the first quarter of 2023. This change mainly reflected the negative impact of approximately euro 49 million related to currency devaluation and hyperinflation, without any impact on cash generation.

At March 31, 2024, the **cost of debt**, calculated as the average cost of debt for the last twelve months, stood at 5.18%, which was substantially consistent compared to December 31, 2023 (5.08%).

Taxes for the first quarter of 2024 amounted to euro 22.0 million and reflected both the benefits of the Patent Box, which were not included in the first quarter of 2023, and the impact of the positive resolution for tax disputes.

Net income/(loss) amounted to an income of euro 100.4 million, compared to an income of euro 115.0 million for the first quarter of 2023.

Net income/(loss) adjusted amounted to an income of euro 126.2 million (euro 141.9 million for the first quarter of 2023). The following table shows the calculations:

(in millions of euro)	1 Q	
	2024	**2023**
Net income/(loss)	**100.4**	**115.0**
Amortisation of intangible assets included in PPA	28.4	28.4
One-off, non-recurring and restructuring expenses	7.7	9.0
Taxes	(10.3)	(10.5)
Net income/(loss) adjusted	**126.2**	**141.9**

Net income/(loss) attributable to the owners of the Parent Company amounted to an income of euro 93.7 million, compared to an income of euro 111.6 million for the first quarter of 2023.

Equity went from euro 5,619.6 million at December 31, 2023 to euro 5,868.7 million at March 31, 2024.

Equity attributable to the owners of the Parent Company at March 31, 2024 equalled euro 5,734.5 million, compared to euro 5,494.4 million at December 31, 2023.

This change is shown in the table below:

(in millions of euro)	**Group**	**Non-controlling interests**	**Total**
Equity at 12/31/2023	**5,494.4**	**125.2**	**5,619.6**
Translation differences	41.1	1.7	42.8
Net income/(loss)	93.7	6.7	100.4
Fair value adjustment of financial assets / derivative instruments	7.6	-	7.6
Effect of hyperinflation in Turkey	5.9	-	5.9
Effect of hyperinflation in Argentina	92.6	-	92.6
Other	(0.8)	0.6	(0.2)
Total changes	**240.1**	**9.0**	**249.1**
Equity at 03/31/2024	**5,734.5**	**134.2**	**5,868.7**

Net financial position showed a debt of euro 2,935.1 million, compared to a debt of euro 2,261.7 million at December 31, 2023. It was composed as follows:

(in millions of euro)	**03/31/2024**	**12/31/2023**
Current borrowings from banks and other financial institutions	793.6	789.5
- of which lease liabilities	*98.6*	*99.1*
Current derivative financial instruments (liabilities)	15.6	18.2
Non-current borrowings from banks and other financial institutions	3,365.9	3,174.7
- of which lease liabilities	*371.3*	*383.4*
Non-current derivative financial instruments (liabilities)	-	-
Total gross debt	**4,175.1**	**3,982.4**
Cash and cash equivalents	(836.5)	(1,252.8)
Other financial assets at fair value through Income Statement	(159.6)	(228.8)
Current financial receivables **	(104.4)	(106.1)
Current derivative financial instruments (assets)	(11.1)	(7.3)
Net financial debt *	**3,063.5**	**2,387.4**
Non-current derivative financial instruments (assets)	(15.6)	(12.9)
Non-current financial receivables **	(112.8)	(112.8)
Total net financial (liquidity) / debt position	**2,935.1**	**2,261.7**

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

** The item "*financial receivables*" is reported net of the relative provisions for impairment which amounted to euro 10.9 million at March 31, 2024 (euro 11.0 million at December 31, 2023).

The **structure of gross debt** which amounted to euro 4,175.1 million, was as follows:

(in millions of euro)	**03/31/2024**	**Maturity date**					
		within 1 year	**between 1 and 2**	**between 2 and 3**	**between 3 and 4**	**between 4 and 5**	**more than 5 years**
Bilateral EUR 400m ESG 2021 3y facility	399,7	399,7	-	-	-	-	-
Club Deal EUR 800m ESG 2020 5y	399,4	-	399,4	-	-	-	-
Schuldschein	20,0	-	20,0	-	-	-	-
Convertible bond	482,7	-	482,7	-	-	-	-
Bilateral EUR 300m ESG 2023 2.5y facility	299,5	-	299,5	-	-	-	-
Club Deal EUR 1.6bn ESG 2022 5y	598,3	-	-	598,3	-	-	-
Bond SLB EUR 600m 4.25% due 01/28	595,1	-	-	-	595,1	-	-
Club Deal EUR 600m ESG 2024 4,5y	597,6	-	-	-	-	597,6	-
Bank debt held by subsidiaries	224,6	222,7	-	1,9	-	-	-
Other financial debt	88,3	88,1	0,2	-	-	-	-
Lease liabilities	469,9	98,6	83,9	67,1	56,8	45,7	117,8
Total gross debt	**4.175,1**	**809,1**	**1.285,7**	**667,3**	**651,9**	**643,3**	**117,8**
		19,4%	*30,8%*	*16,0%*	*15,6%*	*15,4%*	*2,8%*

At March 31, 2024, the Group had a liquidity margin of euro 2,496.1 million consisting of euro 1,500.0 million in unutilised committed credit lines, euro 836.5 million in cash and cash equivalents, and euro 159.6 million in financial assets at fair value through the Income Statement. The liquidity margin guarantees coverage for maturities for borrowings from banks and other financial institutions, until the first quarter of 2027.

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

(in millions of euro)	**1 Q**	
	2024	**2023**
EBIT adjusted	262.6	248.1
Amortisation and depreciation (excluding PPA amortisation)	113.7	111.6
Investments in intangible and owned tangible assets (CapEx)	(53.4)	(53.2)
Increases in right of use	(15.3)	(15.1)
Change in working capital and other	(845.8)	(868.8)
Operating net cash flow	**(538.2)**	**(577.4)**
Financial income / (expenses) paid	(63.2)	(60.2)
Taxes paid	(24.7)	(29.0)
Cash-out for one-off, non-recurring and restructuring expenses	(20.4)	(12.6)
Dividends paid to minority shareholders	(1.3)	-
Differences from foreign currency translation and other	(2.6)	(12.2)
Net cash flow before dividends, extraordinary transactions and investments	**(650.4)**	**(691.4)**
Hevea-Tec acquisition	(23.0)	-
Net cash flow before dividends paid by the Parent Company	**(673.4)**	**(691.4)**
Dividends paid by the Parent Company	-	-
Net cash flow	**(673.4)**	**(691.4)**

Net cash flow before dividends for the first quarter of 2024 amounted to euro -673.4 million, compared to euro -691.4 million for the first quarter of 2023. Excluding the impact of the acquisition of Hevea-Tec (approximately euro -23 million), cash flow before dividends improved by approximately euro 40 million compared to the first quarter of 2023.

Operating net cash flow for the first quarter of 2024 was negative to the amount of euro 538.2 million (negative to the amount of euro 577.4 million for the first quarter of 2023) and reflected:

- the improved operating performance (EBITDA adjusted for the first quarter of 2024 amounted to euro 376.3 million, compared to euro 359.7 million for the first quarter of 2023);
- the investments in property, plant and equipment and intangible assets which amounted to euro 53.4 million for the first quarter of 2024 (euro 53.2 million for the first quarter of 2023), and aimed mainly at High Value activities and at the continuous improvement of the mix and quality in all factories;
- the increases in the right of use which amounted to euro 15.3 million for the first quarter of 2024 (euro 15.1 million for the first quarter of 2023);

- a cash absorption of *"working capital and other"* during the course of the first quarter of 2024 of euro 845.8 million, which was lower than the euro -868.8 million for the first quarter of 2023 and reflected the careful management of inventories, (21.4% of revenues for the last 12 months) and the usual seasonality of trade receivables (14.1% of revenues) and trade payables (22.0% of revenues).

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

- financial expenses which were higher by euro 3 million, were offset by the taxes paid which were lower by euro 4.3 million;
- payments, which were higher by a total of euro 7.8 million related to non-recurring and restructuring expenses, for restructuring programmes in the 2023 financial year;
- dividends paid to minority shareholders which amounted to euro 1.3 million.

OUTLOOK FOR 2024

Pirelli confirmed its targets for the 2024 financial year, which had been communicated to the market on March 6 and presented as part of the 2024-'25 Industrial Plan Update. The following table provides a summary:

(in billions of euro)	**2023**	**2024E**
Revenues	6.65	~6.6 ÷ ~6.8
EBIT margin adjusted	15.1%	>15.0% ÷ ~15.5%
Investments (CapEx)	0.41	~0.40
% of revenues	*6.1%*	*~6%*
Net cash flow before dividends	0.51	~0.50 ÷ ~0.52
Net financial position	-2.26	~-1.95
NFP/EBITDA adj.	*1.56x*	*~1.32x ÷ ~1.26x*
ROIC *post taxes*	20.3%	~21%

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE QUARTER

On **May 4, 2024**, Pirelli announced that two lists of candidates for the renewal of the Company's Board of Statutory Auditors for the 2024-2026 financial years, had been filed within the terms set forth in the notice of convocation for the Shareholders' Meeting. One list was submitted by Marco Polo International Italy S.r.l., also on behalf of Camfin S.p.A., Camfin Alternative Assets S.r.l. and Longmarch Holding S.r.l., who together hold 57.59% of Pirelli's share capital. The other list was submitted by a group of asset management companies and institutional investors, who are shareholders of Pirelli & C. S.p.A., and who together hold 1.05684% of Pirelli's share capital.

At the Shareholders' Meeting, Marco Polo International Italy S.r.l., Camfin S.p.A., Camfin Alternative Assets S.r.l. and Longmarch Holding S.r.l., submitted a proposal to set the gross annual remuneration for the Statutory Auditors at euro 95,000 and the gross annual remuneration for the Chairman of the Board of Statutory Auditors at euro 135,000. The members of the Board of Statutory Auditors who may be called upon to be members of the Pirelli Supervisory Board, may also be awarded the remuneration, established by the Board of Directors, to which members of the said Board are entitled. Complete documentation is available on the Pirelli website www.pirelli.com.

On **May 7, 2024**, Pirelli parameterised the revolving credit facility signed on **December 22, 2023**, to the new and more challenging sustainability targets announced in the 2024-'25 Industrial Plan Update presented on March 6, which were not yet available in December at the time of signing.

ALTERNATIVE PERFORMANCE INDICATORS

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

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

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

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

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

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

OTHER INFORMATION

ROLE OF THE BOARD OF DIRECTORS

The Board of Directors, pursuant to Article 11 of the Articles of Association, provides for the management and supervision of the Company's overall business activity, and pursues its sustainable success, and is accordingly vested with the powers of administration, with the exception of those powers which pursuant to law or the Articles of Association are attributed to the Shareholders' Meeting, and without prejudice to the prerogatives attributed to the Executive Vice Chairman and the Chief Executive Officer, also taking into account the prescriptions of the provision communicated to the Company on June 16, 2023, by which the Council of Ministers exercised the special powers pursuant to Legislative Decree No. 21/2012 (the *"**Golden Power Prime Ministerial Decree**"*).

The Chairman is vested with the legal representation of the Company, including in legal proceedings, as well as the other powers attributed to him under the Articles of Association.

The Executive Vice Chairman is delegated powers relative to general strategies and the supervision of the implementation of the Industrial Plan, as well as powers relative to communications, corporate affairs and internal controls and relations with Shareholders and institutions.

The Chief Executive Officer is attributed the powers for the operational management of Pirelli, and, in coordination with the Executive Vice Chairman, the power to make proposals to the Board of Directors regarding the Industrial Plan and financial budgets, and on any resolutions concerning strategic industrial partnerships or joint ventures to which Pirelli is a party, as well as the other powers attributed pursuant to the Articles of Association.

The Board has internally instituted the following Committees with advisory, propositional and/or support tasks:

- Audit, Risk, Sustainability and Corporate Governance Committee;
- Remuneration Committee;
- Committee for Related Party Transactions;
- Nominations and Successions Committee;
- Strategies Committee;
- Sustainability Committee.

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

INFORMATION ON THE SHARE CAPITAL AND OWNERSHIP STRUCTURE

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

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

As of October 4, 2017, the date on which trading of the Company's shares began on Euronext Milan organized and managed by Borsa Italiana S.p.A., Marco Polo International Italy S.r.l. (“MPI Italy”) has declared control pursuant to Art. 93 of the TUF over the Company, of which it holds approximately 37% of the share capital, without exercising activities of direction and coordination. MPI Italy, in turn is indirectly controlled by Sinochem Holdings Corporation Ltd (“Sinochem”), a state owned enterprise incorporated under the law of China, subject to control by the State-owned Assets Supervision and Administrative Commission of the State Council (SASAC) of the People’s Republic of China.

Note that, following the issuance of the Golden Power Prime Ministerial Decree, the Board of Statutory Auditors together with management have been performed analysis regarding the permanence of the control by MPI Italy over Pirelli pursuant to both with Art. 93 of the TUF and IFRS 10; the aforesaid analysis is still ongoing. Similar activity is being carried out by MPI Italy. Pending the outcome of the mentioned analysis, the disclosure regarding MPI Italy's declaration of control at this stage has not changed.

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

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

WAIVER OF THE PUBLICATION OF INFORMATION DOCUMENTS

The Board of Directors, taking into account the simplifications of the regulatory requirements introduced by CONSOB in the Issuer's Regulation No. 11971/99, resolved to avail itself of the option to waive, pursuant to the provisions of Article 70, paragraph 8 and Article 71, paragraph 1-bis of the aforesaid Regulation, the obligations to publish the prescribed disclosure documents in the event of significant mergers, de-mergers, capital increases through the contributions of assets in kind, acquisitions and disposals.

RELATED PARTY TRANSACTIONS

During the periodic review of existing procedures on May 9, 2024, the Company's Board of Directors - subject to the unanimous opinion of the Committee for Related Party Transactions, which deliberated with the presence of all its members - confirmed the Procedure for Related Party Transactions (*"**RPT Procedure**"),* applied as of July 1, 2021 and updated most recently on the same date during the usual three-yearly review, in order to take into account, the changes to the Company's organisational structure which have occurred in the interim. The RPT Procedure is available for perusal on the Company's website (www.pirelli.com).

Related party transactions do not qualify as either atypical or unusual but are instead part of the ordinary course of business for the companies of the Group and are carried out in the interest of the individual companies. Such transactions are carried out in accordance to conditions consistent with those of the market. Furthermore, they are carried out in compliance with the RPT Procedure.

Following that which was communicated on March 6, 2024 and given the prior favorable opinion of the Committee for Operations with Related Parties, the company’s Board of Directors today approved, among other things, the signing of agreement for the review of certain terms for the licensing of technology and brand names in existence between the Pirelli Group and Aeolus Tire Co. Ltd. (“**Aeolus**”) and Prometeon Tyre Group S.r.l. (“**PTG**”), aimed at, among other things, a remodulation of the durations and amount of royalties due. The agreements are part of a wider set of negotiations also regarding other agreements with Aeolus and PTG originally underwritten in the context of the separation of the Industrial business carried out by the group between 2016 and 2017. As already communicated, these agreements have no effect on the targets of the Industrial Plan Update 2024-’25 announced on March 6, 2024. The overall operation, even if qualifiable because of its value as an operation of minor importance, was treated by the company, out of prudence and voluntarily, in the same way as an operation of greater importance; therefore, the company - in line with this approach – will make available, always voluntarily, a dedicated information document prepared in accordance with Consob regulations and at its own internal procedures for such matters. The figures reported for Related Party Transactions, included in this document already reflect the impact of the renegotiation of the royalties described above.

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

STATEMENT OF FINANCIAL POSITION	**03/31/2024**				**12/31/2023**			
(in millions of euro)	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**
Other non-current receivables	7.3	-	-	**7.3**	7.2	-	-	**7.2**
of which financial	*7.3*	-	-	***7.3***	*7.2*	-	-	***7.2***
Trade receivables	11.2	1.6	-	**12.8**	7.8	1.5	-	**9.4**
Other current receivables	95.5	9.4	-	**104.9**	88.0	10.7	-	**98.7**
of which financial	*86.3*	-	-	***86.3***	*75.0*	-	-	***75.0***
Borrowings from banks and other financial institutions non-current	7.8	0.8	-	**8.7**	7.9	0.4	-	**8.3**
Other non-current payables	-	-	0.2	**0.2**	-	-	0.2	**0.2**
Provisions for liabilities and charges non-current	-	-	19.4	**19.4**	-	-	22.1	**22.1**
Provisions for employee benefit obligations non-current	-	-	9.6	**9.6**	-	-	3.2	**3.2**
Borrowings from banks and other financial institutions current	2.3	0.2	-	**2.5**	2.1	0.2	-	**2.2**
Trade payables	39.4	25.3	-	**64.6**	45.7	80.4	-	**126.1**
Other current payables	0.0	0.8	27.0	**27.9**	0.1	0.8	20.5	**21.4**

INCOME STATEMENT	**01/01 - 03/31/2024**				**01/01 - 03/31/2023**			
(in millions of euro)	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**
Revenues from sales and services	14.0	0.5	-	**14.5**	6.7	0.2	-	**6.9**
Other income	5.5	7.4	-	**12.9**	3.7	8.4	-	**12.1**
Raw materials and consumables used (net of change in inventories)	(1.0)	(2.0)	-	**(2.9)**	(0.6)	(2.2)	-	**(2.8)**
Personnel expenses	-	-	(4.2)	**(4.2)**	-	-	(3.5)	**(3.5)**
Other costs	(54.0)	(21.6)	(4.1)	**(79.6)**	(49.0)	(26.6)	(4.5)	**(80.0)**
Financial income	0.7	0.2	-	**0.9**	0.8	0.0	-	**0.8**
Financial expenses	(0.1)	(0.1)	-	**(0.2)**	(0.1)	(0.2)	-	**(0.3)**
Net income/ (loss) from equity investments	6.1	-	-	**6.1**	2.2	-	-	**2.2**

TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES

Transactions - Statement of Financial Position

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

The item **trade receivables** includes receivables for services rendered and for the sale of raw materials, mainly to the Chinese joint venture Jining Shenzhou Tyre Co., Ltd.

The item **other current receivables** mainly refers to:

- receivables for the royalties of Pirelli Tyre S.p.A. from PT Evoluzione Tyres and the Jining Shenzhou Tyre Co., Ltd. for the total amount of euro 2.8 million;
- advances for the purchases of motorbike tyres from PT Evoluzione Tyres totalling euro 1.4 million;
- receivables for the service fees of the Pirelli Tyre Co., Ltd., from the Jining Shenzhou Tyre Co., Ltd. to the amount of euro 4.2 million.

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

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

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

The item **trade payables** mainly refers to payables for the purchase of energy from Industriekraftwerk Breuberg GmbH to the amount of euro 5.1 million, and payables to the Jining Shenzhou Tyre Co., Ltd. to the amount of euro 34.2 million.

Transactions - Income statement

The item **revenues from sales and services** mainly refers to the sales of raw materials and semi-finished products to the Jining Shenzhou Tyre Co., Ltd. to the amount of euro 14 million.

The item **other income** refers mainly to the royalties of Pirelli Tyre S.p.A. received from the Jining Shenzhou Tyre Co., Ltd. to the amount of euro 2.8 million, and to the charge-back of expenses to the amount of euro 1.5 million.

The item **raw materials and consumables used** refers to the purchase of raw materials mainly from the Jining Shenzhou Tyre Co., Ltd.

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

- the purchase of tyres from Jining Shenzhou Tyre Co., Ltd. to the amount of euro 29.6 million;
- the purchase of Motorcycle products from PT Evoluzione Tyres to the amount of euro 13.1 million;

- the purchase of energy from Industriekraftwerk Breuberg GmbH to the amount of euro 6.5 million.

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

OTHER RELATED-PARTY TRANSACTIONS

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

Transactions - Statement of Financial Position

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

The item **other current receivables** refers to receivables from companies of the Prometeon Group to the amount of euro 6.8 million and from the Aeolus Tyre Co., Ltd. to the amount of euro 2.4 million mainly for royalties.

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

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

Transactions - Income statement

The item **other income** mainly includes royalties charged to the companies of the Prometeon Group to the amount of euro 6.8 million per year, subdivided as follows:

- royalties recorded in respect of the license agreement for the use of the Pirelli trademark to the amount of euro 4 million;
- the licence agreement for know-how charged by Pirelli Tyre S.p.A. to the amount of euro 2.8 million.

The item **raw materials and consumables used** refers to costs payable to companies of the Sinochem Group for the purchase of direct materials by the Chinese companies Pirelli Tyre (Jiaozuo) and the Pirelli Tyre Co., Ltd.

The item **other costs** includes costs towards Prometeon Group companies mainly for the purchase of truck products totalling euro 18.6 million, carried out by the Brazilian company Comercial e Importadora de Pneus Ltda and subsequently resold to retail customers.

The item **financial expenses** refers mainly to interest on the payables for machine hire described in the previous paragraph.

REMUNERATION FOR DIRECTORS AND KEY MANAGERS

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

- the Statement of Financial Position items **provisions for liabilities and charges non-current** and provisions for employee benefit obligations non-current, include the provisions for the monetary three-year 2022-2024, 2023-2025 and 2024-2026 Long Term Incentive (LTI) Plans to the amount of euro 7.5 million, (euro 5.9 million at December 31, 2023), the provisions for the Short Term Incentive (STI) Plan to the amount of euro 8.9 million (euro 7.2 million at December 31, 2023), as well as severance indemnities to the amount of euro 12.6 million (euro 16.8 million at December 31, 2023);
- the Statement of Financial Position item **other current payables** includes the short-term portion relative to the STI and LTI Plans;
- the items **personnel expenses** and **other costs** include euro 0.6 million relative to employees' leaving indemnities (TFR) and to severance indemnities (euro 0.8 million for the first quarter of 2023), as well as provisions for short-term benefits to the amount of euro 3.2 million (euro 1.8 million for the first quarter of 2023) and for long-term benefits, to the amount of euro 1.5 million (euro 2 million for the first quarter of 2023).

ATYPICAL AND/OR UNUSUAL OPERATIONS

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

The Board of Directors

Milan, May 9, 2024

FINANCIAL STATEMENTS

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

	03/31/2024	12/31/2023
Property, plant and equipment	3,430,753	3,409,114
Intangible assets	5,242,004	5,263,787
Investments in associates and joint ventures	94,061	86,397
Other financial assets at fair value through other Comprehensive Income	59,521	52,837
Deferred tax assets	184,786	202,849
Other receivables	407,247	408,625
Tax receivables	11,336	11,318
Other assets	123,670	115,894
Derivative financial instruments	15,593	12,886
Non-current assets	**9,568,971**	**9,563,707**
Inventories	1,420,314	1,371,436
Trade receivables	939,764	649,406
Other receivables	468,039	419,249
Other financial assets at fair value through Income Statement	159,615	228,759
Cash and cash equivalents	836,497	1,252,769
Tax receivables	54,965	32,574
Derivative financial instruments	17,213	13,027
Current assets	**3,896,407**	**3,967,220**
Total Assets	**13,465,378**	**13,530,927**
Equity attributable to the owners of the Parent Company:	**5,734,507**	**5,494,393**
Share capital	1,904,375	1,904,375
Reserves	3,736,381	3,110,938
Net income / (loss)	93,751	479,080
Equity attributable to non-controlling interests:	**134,183**	**125,201**
Reserves	127,517	108,376
Net income / (loss)	6,666	16,825
Total Equity	**5,868,690**	**5,619,594**
Borrowings from banks and other financial institutions	3,365,926	3,174,678
Other payables	76,167	77,932
Provisions for liabilities and charges	106,852	109,548
Deferred tax liabilities	987,691	990,870
Provisions for employee benefit obligations	187,121	180,218
Tax payables	4,668	14,391
Derivative financial instruments	-	-
Non-current liabilities	**4,728,425**	**4,547,637**
Borrowings from banks and other financial institutions	793,611	789,527
Trade payables	1,460,450	1,999,418
Other payables	463,118	412,173
Provisions for liabilities and charges	31,344	35,323
Provisions for employee benefit obligations	862	820
Tax payables	99,484	105,193
Derivative financial instruments	19,394	21,242
Current liabilities	**2,868,263**	**3,363,696**
Total Liabilities and Equity	**13,465,378**	**13,530,927**

CONSOLIDATED INCOME STATEMENT (in thousands of euro)

	01/01 - 03/31/2024	01/01 - 03/31/2023
Revenues from sales and services	**1,695,529**	**1,699,737**
Other income	77,835	79,727
Changes in inventories of unfinished, semi-finished and finished products	16,243	33,249
Raw materials and consumables used (net of change in inventories)	(549,193)	(614,592)
Personnel expenses	(319,030)	(303,390)
Amortisation, depreciation and impairment	(141,631)	(140,040)
Other costs	(548,266)	(544,505)
Net impairment of financial assets	(5,692)	65
Increases in fixed assets due to internal works	675	474
Operating income/(loss)	**226,470**	**210,725**
Net income/(loss) from equity investments	6,081	2,323
- share of net income/(loss) of associates and joint ventures	*6,081*	*2,190*
- gains on equity investments	-	*133*
Financial income	36,063	42,649
Financial expenses	(146,195)	(94,898)
Net income / (loss) before taxes	**122,419**	**160,799**
Taxes	(22,002)	(45,828)
Net income / (loss)	**100,417**	**114,971**
Attributable to:		
Owners of the Parent Company	93,751	111,645
Non-controlling interests	6,666	3,326
Total earnings / (losses) per share (in euro per basic/diluted share)	**0.094**	**0.112**

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

		01/01 - 03/31/2024	01/01 - 03/31/2023
A	**Total Net income / (loss)**	**100,417**	**114,971**
	- Remeasurement of employee benefits	-	-
	- Tax effect	-	13
	- Fair value adjustment of other financial assets at fair value through Other Comprehensive Income	6,589	2,903
B	**Total items that may not be reclassified to Income Statement**	**6,589**	**2,916**
	Exchange rates differences from translation of foreign Financial Statements		
	- Gains / (losses)	41,257	(22,195)
	- (Gains) / losses reclassified to Income Statement	-	-
	- Tax effect	-	-
	Fair value adjustment of derivatives designated as cash flow hedges:		
	- Gains / (losses)	6,031	(4,033)
	- (Gains) / losses reclassified to Income Statement	(4,718)	(2,499)
	- Tax effect	(320)	1,534
	Cost of hedging		
	- Gains / (losses)	-	-
	- (Gains) / losses reclassified to Income Statement	-	-
	- Tax effect	-	-
	Share of Other Comprehensive Income related to associates and joint ventures	1,582	(131)
C	**Total items reclassified / that may be reclassified to Income Statement**	**43,832**	**(27,324)**
D	**Total Other Comprehensive Income (B+C)**	**50,421**	**(24,408)**
A+D	**Total Comprehensive Income / (loss)**	**150,838**	**90,563**
	Attributable to:		
	- Owners of the Parent Company	142,457	92,785
	- Non-controlling interests	8,381	(2,222)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 03/31/2024

(in thousands of euro)	Attributable to the Parent Company					Non-controlling interests	Total
	Share Capital	Translation reserve	Other O.C.I. reserves *	Other reserves/ retained earnings	**Total attributable to the Parent Company**		
Total at 12/31/2023	**1,904,375**	**(667,280)**	**(22,600)**	**4,279,898**	**5,494,393**	**125,201**	**5,619,594**
Other components of Comprehensive Income	-	41,123	7,583	-	48,706	1,715	50,421
Net income / (loss)	-	-	-	93,751	93,751	6,666	100,417
Total comprehensive income / (loss)	**-**	**41,123**	**7,583**	**93,751**	**142,457**	**8,381**	**150,838**
Dividends approved	-	-	-	-	-	-	-
Effects of hyperinflation accounting in Turkey	-	-	-	5,949	5,949	-	5,949
Effects of hyperinflation accounting in Argentina	-	-	-	92,637	92,637	-	92,637
Other	-	-	(485)	(444)	(929)	601	(328)
Total at 03/31/2024	**1,904,375**	**(626,157)**	**(15,502)**	**4,471,791**	**5,734,507**	**134,183**	**5,868,690**

(in thousands of euro)	BREAKDOWN OF OTHER O.C.I. RESERVES*				
	Reserve for fair value adjustment of financial assets at fair value through other Comprehensive Income	Reserve for cash flow hedge	Remeasurement of employee benefits	Tax effect	**Other O.C.I. reserves**
Total at 12/31/2023	**(6,666)**	**31,958**	**8,653**	**(56,545)**	**(22,600)**
Other components of Comprehensive Income	6,589	1,313	-	(321)	7,583
Other changes	1	-	(448)	(38)	(485)
Total at 03/31/2024	**(76)**	**33,271**	**8,205**	**(56,904)**	**(15,502)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 03/31/2023

(in thousands of euro)	Attributable to the Parent Company					Non-controlling interests	Total
	Share Capital	Translation reserve	Other O.C.I. reserves *	Other reserves/ retained earnings	**Total attributable to the Parent Company**		
Total at 12/31/2022	**1,904,375**	**(510,386)**	**12,768**	**3,917,037**	**5,323,794**	**130,034**	**5,453,828**
Other components of Comprehensive Income	-	(16,778)	(2,082)	-	(18,860)	(5,548)	(24,408)
Net income / (loss)	-	-	-	111,645	111,645	3,326	114,971
Total comprehensive income / (loss)	**-**	**(16,778)**	**(2,082)**	**111,645**	**92,785**	**(2,222)**	**90,563**
Effects of hyperinflation accounting in Turkey	-	-	-	4,966	4,966	-	4,966
Effects of hyperinflation accounting in Argentina	-	-	-	32,660	32,660	-	32,660
Other	-	-	-	(810)	(810)	-	(810)
Total at 03/31/2023	**1,904,375**	**(527,164)**	**10,686**	**4,065,498**	**5,453,395**	**127,812**	**5,581,207**

(in thousands of euro)	BREAKDOWN OF OTHER O.C.I. RESERVES*					
	Reserve for fair value adjustment of financial assets at fair value through other Comprehensive Income	Reserve for cost of hedging	Reserve for cash flow hedge	Remeasurement of employee benefits	Tax effect	**Other O.C.I. reserves**
Total at 12/31/2022	**(11,074)**	**-**	**54,376**	**38,703**	**(69,237)**	**12,768**
Other components of Comprehensive Income	2,903	-	(6,532)	-	1,547	(2,082)
Total at 03/31/2023	**(8,171)**	**-**	**47,844**	**38,703**	**(67,690)**	**10,686**

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euro)

		01/01 - 03/31/2024	01/01 - 03/31/2023
	Net income / (loss) before taxes	122.419	160.799
	Reversal of amortisation, depreciation, impairment losses and restatement of property, plant and equipment and intangible assets	141.631	140.040
	Reversal of Financial (income) / expenses	110.132	52.249
	Reversal of gains / (losses) on equity investments	-	(133)
	Reversal of share of net result from associates and joint ventures	(6.081)	(2.190)
	Reversal of accruals to provisions and other accruals	14.813	14.398
	Net Taxes paid	(24.727)	(28.986)
	Change in Inventories	(20.861)	(18.833)
	Change in Trade receivables	(294.465)	(307.174)
	Change in Trade payables	(485.135)	(499.770)
	Change in Other receivables	(63.986)	(32.905)
	Change in Other payables	49.039	57.851
	Uses of Provisions for employee benefit obligations	(5.477)	(6.015)
	Uses of Provisions for liabilities and charges	(9.832)	(10.384)
A	**Net cash flow provided by / (used in) operating activities**	**(472.530)**	**(481.053)**
	Investments in owned tangible assets	(114.572)	(120.984)
	Disposal of owned tangible assets	755	2.721
	Investments in intangible assets	(1.736)	(3.087)
	(Acquisition) of investments in associates and joint ventures	(20.233)	-
	Change in Financial receivables from associates and joint ventures	(9.804)	(871)
B	**Net cash flow provided by / (used in) investing activities**	**(145.590)**	**(122.221)**
	Change in Borrowings from banks and other financial institutions due to draw downs	704.894	807.568
	Change in Borrowings from banks and other financial institutions due to repayments and other	(500.332)	(444.955)
	Change in Financial receivables / Other current financial assets at fair value through Income Statement	93.621	229.494
	Financial income / (expenses)	(63.899)	(50.331)
	Dividends paid	(1.300)	-
	Repayment of principal and payment of interest for lease liabilities	(32.333)	(30.148)
C	**Net cash flow provided by / (used in) financing activities**	**200.651**	**511.628**
D	**Total cash flow provided / (used) during the period (A+B+C)**	**(417.469)**	**(91.646)**
E	**Cash and cash equivalents at the beginning of the financial year**	**1.248.850**	**1.283.388**
F	**Exchange rate differences from translation of cash and cash equivalents**	2.212	(4.263)
G	**Cash and cash equivalents at the end of the period (D+E+F) (°)**	**833.593**	**1.187.479**
(°)	**of which:**		
	cash and cash equivalents	836.497	1.189.030
	bank overdrafts	(2.904)	(1.551)

FORM AND CONTENT

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

- the following amendments to existing standards, which are applicable from January 1, 2024, but which do not impact on the Group:
  - Amendments to IAS 1 - Presentation of Financial Statements - Classification of Liabilities as Current or Non-current;
  - Amendments to IAS 1 - Presentation of Financial Statements - Non-current Liabilities with Covenants;
  - Amendments to IFRS 16 - Leases: Lease Liability in a Sale and Leaseback;
- income taxes, which are recognised based on the best estimate of the weighted average tax rate expected for the entire financial year, adjusted to include any non-recurring items for the reporting period, consistent with the guidelines provided by IAS 34 for the preparation of the Interim Financial Statements;
- IAS 36, with specific reference to the impairment testing of intangible assets with an indefinite useful life, such as goodwill and the Pirelli Brand, which is not applied to Interim Financial Reports at March 31 and September 30.

EXCHANGE RATES

(local currency vs euro)	Period-end Exchanges Rates		Change in %	Average Exchange Rates 1Q		Change in %
	03/31/2024	12/31/2023		2024	2023	
Swedish Krona	**11.5250**	11.0960	3.87%	**11.2792**	11.1969	0.74%
Australian Dollar	**1.6607**	1.6263	2.12%	**1.6511**	1.5701	5.16%
Canadian Dollar	**1.4672**	1.4642	0.20%	**1.4639**	1.4513	0.87%
Singaporean Dollar	**1.4587**	1.4591	(0.03%)	**1.4552**	1.4302	1.75%
US Dollar	**1.0811**	1.1050	(2.16%)	**1.0858**	1.0730	1.19%
Swiss Franc	**0.9766**	0.9260	5.46%	**0.9491**	0.9925	(4.37%)
Egyptian Pound	**51.1187**	34.2093	49.43%	**38.9540**	32.3180	20.53%
Turkish Lira	**34.8023**	32.5739	6.84%	**34.8023**	20.8021	67.30%
Romanian Leu	**4.9695**	4.9746	(0.10%)	**4.9735**	4.9192	1.10%
Argentinian Peso	**927.5838**	893.3373	3.83%	**927.5838**	227.2984	308.09%
Mexican Peso	**18.0306**	18.6988	(3.57%)	**18.4558**	20.0661	(8.03%)
South African Rand	**20.5226**	20.3477	0.86%	**20.5069**	19.0602	7.59%
Brazilian Real	**5.3979**	5.3516	0.87%	**5.3768**	5.5764	(3.58%)
Chinese Renminbi	**7.6704**	7.8264	(1.99%)	**7.7122**	7.3476	4.96%
Russian Rouble	**99.5299**	99.1919	0.34%	**98.6211**	78.1191	26.24%
British Pound Sterling	**0.8551**	0.8691	(1.61%)	**0.8563**	0.8831	(3.04%)
Japanese Yen	**163.4500**	156.3300	4.55%	**161.1500**	141.9806	13.50%

NET FINANCIAL POSITION

(in thousands of euro)	**03/31/2024**	**12/31/2023**
Current borrowings from banks and other financial institutions	793,612	789,527
Current derivative financial instruments (liabilities)	15,573	18,183
Non-current borrowings from banks and other financial institutions	3,365,926	3,174,678
Non-current derivative financial instruments (liabilities)	-	-
Total gross debt	**4,175,111**	**3,982,388**
Cash and cash equivalents	(836,497)	(1,252,769)
Other financial assets at fair value through Income Statement	(159,615)	(228,759)
Current financial receivables **	(104,387)	(106,065)
Current derivative financial instruments (assets)	(11,137)	(7,360)
Net financial debt *	**3,063,475**	**2,387,435**
Non-current derivative financial instruments (assets)	(15,593)	(12,886)
Non-current financial receivables **	(112,773)	(112,829)
Total net financial (liquidity) / debt position	**2,935,109**	**2,261,720**

* Pursuant to CONSOB Notice of July 28, 2006 and in compliance with the ESMA guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable from May 5, 2021.
** The item "*financial receivables*" is reported net of the relative provisions for impairment which amounted to euro 10,874 thousand at March 31, 2024 (euro 10,968 thousand at December 31, 2023).

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

(in thousands of euro)	**03/31/2024**	**12/31/2023**
Cash and cash equivalents	(836,497)	(1,252,769)
Other current financial assets	(275,139)	(342,184)
of which Current financial receivables	*(104,387)*	*(106,065)*
of which Current derivative financial instruments (assets)	*(11,137)*	*(7,360)*
of which Other financial assets at fair value through Income Statement	*(159,615)*	*(228,759)*
Liquidity	**(1,111,636)**	**(1,594,953)**
Current borrowings from banks and other financial institutions	793,612	789,527
Current derivative financial instruments (liabilities)	15,573	18,183
Current financial debt	**809,185**	**807,710**
Current net financial debt	**(302,451)**	**(787,243)**
Non-current borrowings from banks and other financial institutions	3,365,926	3,174,678
Non-current derivative financial instruments (liabilities)	-	-
Non-current financial debt	**3,365,926**	**3,174,678**
Total net financial debt *	**3,063,475**	**2,387,435**

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

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

Fabio Bocchio, as Manager responsible for the preparation of the corporate and accounting documentation, pursuant to the provisions of Article 154-bis, paragraph 2 of the Legislative Decree 58/1998, hereby certifies that the accounting information contained in the Interim Financial Report at March 31, 2024 corresponds to what contained in the accounting documentation, books and records.

Milan, May 9, 2024

Fabio Bocchio