HALF-YEAR FINANCIAL REPORT AT JUNE 30, 2025

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

TABLE OF CONTENTS

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 Auditor	Maura Campra
Statutory Auditor	Francesca Meneghel
Statutory Auditor	Teresa Naddeo
Statutory Auditor	Riccardo Perotta
Alternate Auditor	Franca Brusco
Alternate Auditor	Roberta Pirola
Alternate Auditor	Enrico Holzmiller

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

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

Audit, Risk and Corporate Governance Committee

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

Remuneration Committee

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

Strategies Committee

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

Sustainability Committee

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

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

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

[3] Appointment: August 3, 2023.

[4] Position confirmed by the Board of Directors' Meeting of August 3, 2023.

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

MACROECONOMIC AND MARKET SCENARIO

Economic Overview

During the first half of 2025, the global economy demonstrated remarkable resilience, managing to contain the impacts linked to geopolitical uncertainties and trade tensions. Signs of a slowdown however, emerged in the second quarter of 2025 in the global GDP, which recorded a growth of +2.6%, compared to +2.9 % for the first quarter of 2025.

At the same time, the global inflation rate showed a significant improvement, settling at 3.1% for the second quarter of 2025, an improvement compared to both the same quarter of 2024 (4.4%) and the first quarter of 2025 (3.4%).

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

	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025
EU	0.6	0.9	1.1	1.4	1.7	1.1
US	2.9	3.0	2.7	2.5	2.0	1.6
China	5.3	4.7	4.6	5.4	5.4	5.2
Brazil	2.1	2.8	3.5	3.3	3.8	1.9
World	2.8	2.7	2.7	3.0	2.9	2.6

Note: Percentage change compared to the same period of the previous year. Actual data for 2Q 2025 for China and estimates for the other countries and regions. Source: National statistics offices and S&P Global Market Intelligence, July 2025.

Consumer Prices, Change in Year-on-Year Percentages

	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025
EU	2.8	2.6	2.4	2.5	2.7	2.3
US	3.2	3.2	2.6	2.7	2.7	2.4
China	0.0	0.3	0.5	0.2	-0.1	0.0
Brazil	4.3	3.9	4.4	4.8	5.0	5.4
World	4.5	4.4	4.0	3.7	3.4	3.1

Source: National statistics offices and S&P Global Market Intelligence for World estimate, July 2025.

During the second quarter of 2025, GDP growth in the European Union recorded a slowdown and settled at +1.1%, compared to +1.7% in the first quarter. This deceleration was mainly due to foreign demand being impacted by US protectionist measures and a drop in consumer confidence, which negatively affected domestic demand. Inflation fell to 2.3% for the second quarter (from 2.7% for the first quarter), a development that prompted the European Central Bank to cut interest rates by an additional 50 basis points. Consequently, the deposit facility rate remained fixed at 2.0% for June 2025.

Even in the US, GDP growth showed signs of a slowdown during the second quarter: +1.6% compared to +3.0% recorded for the same quarter in 2024 and +2.0% for the first quarter of 2025. This slowdown was linked to a decline in business and consumer confidence as well as a deterioration in the trade balance, attributable to an increase in imports in anticipation of the introduction of new tariffs. Inflation fell to 2.4% in the second quarter, an improvement compared to 3.2% for the same period in 2024, and to 2.7% for the first quarter of 2025. Increased uncertainty stemming from trade tensions and expectations of rising prices, led the Federal Reserve to keep the benchmark rate unchanged during the first half of the year (4.25% - 4.50%), following a 100 basis points reduction in 2024.

In China, GDP growth for the second quarter of 2025 equalled +5.2%, slightly down compared to +5.4% for the first quarter. The expansion was supported by fiscal stimulus measures, an acceleration in industrial activity and an increase in exports during the first part of the year, in anticipation of US tariff increases. The persistent weakness in domestic demand, linked to the crisis in the real estate sector, kept consumer price levels unchanged during the first half-year, compared to the same period in 2024.

Preliminary indicators for Brazil suggested an economic growth of +1.9% for the second quarter of 2025, a slowdown compared to +3.8% for the first quarter, the latter being driven by the agricultural sector. The inflation rate increased to 5.4% in the second quarter (compared to 3.9% for the same period in 2024 and to 5.0% for the first quarter in 2025). This increase prompted the central bank to further raise interest rates by 75 basis points in the second quarter to 15.0% (following an increase of 200 basis points in the first quarter).

Exchange Rates

During the first half-year of 2025, the euro-US dollar exchange rate averaged 1.09, signalling a -1% depreciation in the US dollar compared to the same period of the previous year. This trend was buoyed by two main factors: economic uncertainty in the United States, fuelled by its trade and fiscal policies, and improved growth prospects in Europe, supported by Germany's new infrastructure and defence investment plan.

The US dollar depreciated more sharply in the second quarter, averaging 1.13 against the euro, compared to 1.05 for the previous three months. The US dollar's performance was influenced by the introduction by the United States of universal tariffs of 10% on all imports, and the unexpected announcement of much higher tariffs for countries with a trade surplus with the US.

Key Exchange Rates

	1Q 2025	1Q 2024	2Q 2025	2Q 2024	1HY 2025	1HY 2024
US$ per euro	1.05	1.09	1.13	1.08	1.09	1.08
Chinese renminbi per US$	7.18	7.10	7.19	7.11	7.18	7.11
Brazilian real per US$	5.85	4.95	5.67	5.22	5.76	5.08

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

The introduction of new US tariffs on the import of goods from China, led to a slight weakening in the renminbi during the first half-year of 2025. The average exchange rate for the renminbi stood at 7.18 against the US dollar, indicating a depreciation of -1% compared to the same period in 2024. The renminbi depreciated by -2% against the euro.

During the same period, the Brazilian real averaged 5.76 against the US dollar. This represented a significant depreciation of -12%, compared to the first half-year of 2024. The real depreciated by -13% against the euro.

Raw Materials Prices

During the first half-year of 2025, prices for the main raw materials were significantly affected by the tensions in the Middle East and uncertainties associated with the growing protectionism in the United States. This latter factor in particular, impacted the demand for raw materials such as butadiene and natural rubber, especially during the second quarter.

Raw Materials Prices

	1Q			2Q			1HY		
	2025	2024	% chg	2025	2024	% chg	2025	2024	% chg
Brent (US$ / barrel)	74.9	81.8	-8%	66.6	85.0	-22%	70.7	83.4	-15%
European natural gas (€ / MWh)	47	28	70%	36	32	12%	41	30	39%
Butadiene (€ / tonne)	1,022	812	26%	973	978	-1%	998	895	11%
Natural rubber TSR20 (US$ / tonne)	1,973	1,574	25%	1,679	1,684	0%	1,826	1,629	12%

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

For the first half-year of 2025, the average price of Brent crude stood at US$ 70.7 per barrel, marking a -15% drop compared to the US$ 83.4 per barrel recorded for the same period in 2024. Brent crude demonstrated a steady weakening during the half-year. Despite this, there was high volatility in June, which pushed prices above US$ 75 per barrel for several days, due to the Israel-Iran conflict and fears of shipping restrictions in the Strait of Hormuz.

Natural gas prices in Europe reached an average of euro 41 per MWh for the first half-year of 2025, an increase of +39%, compared to euro 30 recorded during the same period in 2024. Prices during the first quarter were supported by higher demand during winter, and by the non-renewal of the gas transit agreement between Ukraine and Russia at the end of 2024. For the second quarter, prices settled at an average of euro 36 per MWh, though having recorded an increase of +12% compared to the second quarter of 2024.

The price of butadiene, a key raw material in the production of synthetic rubber, averaged euro 998 per tonne for the first half-year, an increase of +11% compared to 2024. In the second quarter of 2025, the price decreased in comparison to the previous quarter. This decline was attributable to uncertainty over demand from the automotive sector, lower feedstock costs for butadiene production, and the introduction of a new production capacity in China, which reduced prices in the APAC region, and consequently in Europe and the US.

The average price for natural rubber recorded an increase of +12% to stand at US$ 1,826 per tonne for the first half-year of 2025, (compared to US$ 1,629 per tonne for 2024). During the second quarter of 2025, the price fell compared to the previous quarter. This contraction was influenced by uncertainty over how global demand in the automotive market would hold up (after being hit with the introduction of 25% tariffs in early April by the US administration), by the fall in butadiene and oil prices, and by the approaching harvest period in the main production areas.

Trends in Car Tyre Markets

During the first half-year of 2025, the car tyre market recorded a global level growth in volumes of +1.1%, compared to the same period in 2024.

Volume performance per channel was similar:

- +1.2% for the Original Equipment channel, thanks to a recovery in volumes in Asia, which offset the fall in demand in Europe and North America;
- +1.1% for the Replacement channel, sustained instead by the recovery in demand in Europe and particularly in North America.

Demand was more sustained for Car ≥18", which recorded growth of +4.1% compared to the first half-year of 2024, driven by the Replacement channel (+2.8% for Original Equipment, +5.0% for Replacement).

Market demand for Car ≤17" was essentially stable for the first half-year of 2025, increasing by +0.2% compared to the same period in 2024 (+0.5% for Original Equipment, +0.1% for Replacement).

Trends in Car Tyre Markets

% change year-on-year	1Q 2024	2Q 2024	3Q 2024	4Q 2024	2024	1Q 2025	2Q 2025	1H 2025
Total Car Tyre Market								
Total	**2.1**	**1.1**	**0.2**	**0.6**	**1.0**	**1.5**	**0.7**	**1.1**
Original Equipment	1.2	0.5	-3.4	-0.9	-0.7	0.4	2.0	1.2
Replacement	2.5	1.3	1.4	1.2	1.6	1.9	0.2	1.1
Market ≥ 18"								
Total	**6.5**	**5.6**	**2.8**	**1.4**	**4.1**	**4.5**	**3.8**	**4.1**
Original Equipment	1.5	3.2	-0.4	-1.7	0.7	1.1	4.3	2.8
Replacement	10.1	7.5	5.0	3.4	6.4	6.7	3.4	5.0
Market ≤ 17"								
Total	**0.8**	**-0.2**	**-0.6**	**0.4**	**0.1**	**0.5**	**-0.2**	**0.2**
Original Equipment	1.1	-0.9	-4.9	-0.5	-1.3	0.0	0.9	0.5
Replacement	0.7	-0.0	0.7	0.7	0.5	0.7	-0.6	0.1

Source: Pirelli estimates.

SIGNIFICANT EVENTS OF THE HALF-YEAR

On **February 7, 2025**, Pirelli announced that it had been confirmed - for the seventh consecutive year - among the global leaders in the fight against climate change, securing a place on the 2024 Climate A list of the CDP, the international non-profit organisation that has collected and analysed the environmental information of more than 24,800 companies. An *"A"* rating in the Climate section, is the highest score attainable and was awarded to Pirelli based on its decarbonisation strategy, the effectiveness of the efforts implemented to reduce emissions and climate risks and the development of a low carbon emissions economy, as well as on the completeness and transparency of the information provided, and the adoption of best practices associated with environmental impacts.

On **February 11, 2025**, Pirelli announced that it had been ranked among the *"Top 1%"* of companies in the 2025 Sustainability Yearbook - the only global tyre manufacturer - thus obtaining the highest possible recognition, following the sustainability assessment carried out by S&P Global on approximately 7,700 companies. This result followed the score achieved by Pirelli in S&P Global's Corporate Sustainability Assessment for 2024, where the Company obtained the top score (84 points) in both the Auto Components and Automotive sectors, confirming its inclusion in the Dow Jones Sustainability World and Europe Indices.

In **April 2025**, the US administration announced the introduction of tariffs for the Auto & Parts sector, beginning on May 3, 2025, and reciprocal tariffs on various countries, the latter being temporarily suspended.
The tariff scenario is in constant evolution with ongoing negotiations between the US and its major trading partners.

On **April 28, 2025**, the Board of Directors of Pirelli & C. S.p.A, approved the Financial Statements at December 31, 2024 by a majority vote with 9 out of 15 Directors voting in favour. Chairman Jiao Jian and the Directors Chen Aihua, Zhang Haitao, Chen Qian and Fan Xiaohua voted against, while Grace Tang abstained.
The Financial Report, submitted on the proposal of Chief Executive Andrea Casaluci, includes a disclosure stating that, following the issuance of the Golden Power DPCM, MPI Italy (and consequently, Sinochem) no longer exercises control over Pirelli pursuant to IFRS 10. At the same time, pursuant to the aforementioned accounting standard, Pirelli is not deemed to be under the control of any entity.
The assessment of the existence of control by the Sinochem Group through Marco Polo Italy (MPI Italy) had been raised by the Board of Statutory Auditors and by management following the issuance of the Golden Power DPCM, and the matter was examined in depth with the assistance of audit firms and leading law firms. The decision was also taken in compliance with the CONSOB provision that had referred the matter back to the Board of Directors, requesting an evaluation in this regard to be conducted pursuant to the International Accounting Standard, IFRS 10. The Directors who voted against the Financial Statements, or abstained, justified their dissent solely on the grounds of the declaration of the termination of Sinochem's control over Pirelli pursuant to IFRS 10, as they did not agree with the related reasoning, also in consideration of the fact that the Shareholders' Agreement between Camfin and the CNRC/MPI Italy remained in force, and that therefore, in their view, the CNRC/MPI Italy continued to exercise control over Pirelli pursuant to Article 93 of the Consolidated Law on Finance (TUF).

Management reiterated that the decision regarding the absence of control by the shareholder Sinochem represented an initial, but not definitive, step in the necessary process of aligning the Company's corporate governance with regulatory requirements in the United State, which is a key market in the High Value tyre segment and in the development and deployment of Cyber Tyre technology. Management therefore reaffirmed that it would continue its dialogue with the main shareholders in order to align Pirelli's corporate governance with US regulations, particularly those concerning connected vehicles, in the interest of the Company and all its stakeholders.
The 2024 financial year ended with a consolidated net income of euro 501.1 million, which had grown by +1%, compared to euro 495.9 million for the 2023 financial year, and with revenues having increased by +1.9% to euro 6,773.3 million. The financial year also saw a further improvement in sustainability performance.
The Board of Directors also approved the results of the Parent Company Pirelli & C. S.p.A., which in 2024, reported a net income of euro 302.0 million, an increase of +24.3% compared to euro 242.9 million for the 2023 financial year.

Also on **April 28, 2025**, following the publication of Pirelli's press release, Marco Polo International Italy S.r.l. issued a statement containing the following:
"The press release issued by Pirelli's Board of Directors on April 28, 2025 states that Pirelli no longer has a controlling entity pursuant to IFRS 10.
The company Marco Polo International Italy S.r.l. ("MPI") expresses its deep disappointment and strong opposition regarding the assessment of control as expressed by Pirelli.
According to Pirelli's press release, this conclusion is allegedly due to the Golden Power DPCM of June 16, 2023. However, this is an assessment that cannot be concurred with, also in consideration of the fact that the DPCM in question does not include any provision that deprives MPI of control over Pirelli, indeed it presupposes it.
Moreover, MPI continues to hold a significant percentage, sufficient to exercise dominant influence in the Ordinary Shareholders' Meeting pursuant to Article 2359(1)(2) of the Italian Civil Code, and therefore to retain control over Pirelli & C. S.p.A., despite not exercising, in implementation of the said Decree, management and coordination activities pursuant to Article 2497 et seq. of the Italian Civil Code, as provided for by the DPCM.
Furthermore, a listed company such as Pirelli, should have guaranteed an adequate and complete disclosure also regarding control by MPI, pursuant to Article 93 of the Consolidated Law on Finance (TUF), it being understood that MPI possesses valid grounds to support the continued existence of its control, also pursuant to IFRS 10.
As a responsible Pirelli shareholder, we have always strictly complied with Italian and foreign laws, and we will continue to do so in the spirit of cooperation with all competent authorities, ensuring the proper protection of MPI's interests and always safeguarding Pirelli's development and growth".

Following the above statement by Marco Polo International Italy, Pirelli responded as follows **on the same date**:
"With reference to Marco Polo International Italy's statement, Pirelli rejects its content and confirms the correctness of the analyses conducted by management and approved by the Board of Directors. The Company recalls that, also as a result of the CONSOB order, the Board of Directors was called upon to carry out an assessment of the continuation of control pursuant to IFRS 10, as a result of the adoption of the DPCM of June 16, 2023, and to provide evidence thereof in the Financial Reports.

This assessment and its relevant conclusions are detailed in the Directors' Report on Operations accompanying the Financial Statements, which will be made available by April 30th.
It should also be noted that the Board of Directors voted in favour of the management's proposal, which was the best-performing management in the tyre sector in 2024. The Golden Power DPCM has established a framework of overall measures designed to safeguard the autonomy of Pirelli & C. S.p.A. and its management, a management which was not appointed by the shareholder Sinochem and whose autonomy and continuity serves to protect Pirelli's industrial culture".

On **May 14, 2025**, the Pirelli & C. S.p.A. Board of Directors approved the results at March 31, 2025 by a majority vote, with 9 out of 15 directors voting in favour. Chairman Jiao Jian and the Directors Chen Aihua, Zhang Haitao, Chen Qian, Fan Xiaohua and Grace Tang voted against. The Directors who voted against the quarterly Financial Report, justified their dissent solely on the grounds of the statement - referred to in the section *"Significant Events Subsequent To The End Of The Quarter"* of the same report - regarding the termination of Sinochem's control over Pirelli pursuant to IFRS 10, as they did not agree with the related reasoning, also in consideration of the fact that the Shareholders' Agreement between Camfin and the CNRC/MPI Italy remained in force and that therefore, in their opinion, the CNRC/MPI Italy retains its control over Pirelli pursuant to Article 93 of the Consolidated Law on Finance (TUF).

On the same date, the management announced the end of negotiations with the Company's main shareholders, aimed at resolving the issues related to development in the United States market, which at present have not been successful. The proposals made by Pirelli to Sinochem were in fact rejected. At the same time - during the negotiations - the Directors representing Sinochem, informed Pirelli's Board of Directors, that they had submitted a proposal to the offices of the Golden Power. This proposal was not shared with Pirelli. Despite the difficult economic and geopolitical environment, the first-quarter results confirmed Pirelli's excellent performance from a financial perspective. The positive reception of the Cyber Tyre hardware and software system by Italian, British, American, and Chinese customers demonstrated that Pirelli's strategy and technological development were progressing in the right direction. The launch of the fifth generation of the Pirelli PZero product also was a testament to the Company's technological leadership. In China, the Company has become a leader in the Electric high-end segment. On the strength of these achievements, management remained confident that with the support of its longstanding shareholders and the market, Pirelli's interests would be fully safeguarded with due regard for all stakeholders. Pirelli therefore remained open to exploring solutions that would enable it to achieve full compliance with the rules applicable to the US market, and it would continue to do everything within its power to support the company's development in such a strategic market as the United States. It should be noted that the press release was also approved by a majority, with 9 out of 15 Directors voting in favour. Chairman Jiao Jian and the Directors Chen Aihua, Zhang Haitao and Chen Qian voted against. Fan Xiaohua and Grace Tang abstained.

On **May 15, 2025**, following the publication of Pirelli's press release, Marco Polo International Italy S.r.l. issued a statement containing the following:
"With reference to the press release issued on 14 May 2025 by Pirelli's Board of Directors, which referred to our rejection of the proposals put forward by Pirelli without, however, providing any explanation for our refusal, we consider it necessary to offer certain clarifications. The potential transaction proposed by Pirelli and the related discussions are subject to confidentiality obligations.

Nevertheless, Pirelli chose to publicly comment on the matter. Marco Polo International Italy S.r.l. ("MPI") can only state that, as already communicated by Pirelli, the proposal has been rejected by us, because it is potentially detrimental to Pirelli and, on the whole, grossly unfair and unbalanced towards all of Pirelli's shareholders (including MPI) with the exception of Camfin. We have also taken note of the subsequent unilateral statement issued by Camfin. We firmly reject the unsubstantiated allegations contained therein and express our concern regarding the true objectives pursued by Camfin and the potential conflicts of interest involving individuals holding dual key roles in both Pirelli and Camfin. We reiterate our strong support for Pirelli's long-term, sustainable development and confirm our willingness to cooperate with Pirelli's shareholders, management and the competent authorities to consistently support the Company's growth and development."

Following the above statement by Marco Polo International Italy, Pirelli responded as follows **on the same date**:

"With regard to the further statement issued today by Marco Polo International Italy, Pirelli's management would like to clarify that the proposals submitted to Sinochem with the aim of addressing regulatory issues in the United States were exclusively and evidently - contrary to what has been claimed - in the interest of the Company and respectful of the interests of all shareholders.

The alleged support for Pirelli referred to by Marco Polo did not materialise in any alternative proposal submitted to management, but in a proposal sent exclusively to the Golden Power offices, which Marco Polo decided not to share, despite Pirelli having requested it.

The excellent results achieved by Pirelli in recent years, thanks to the strategies implemented by its management, have enabled it to create value to the benefit of all shareholders, including Sinochem itself.

Pirelli remains open to exploring solutions that would enable full compliance with the rules applicable to the US market and will continue to do everything within its power to safeguard the Company's development in such a strategic market as the United States."

On **June 12, 2025**, the Pirelli Shareholders' Meeting - which was attended by approximately 86.27% of the share capital entitled to vote – approved the Financial Statements for the 2024 financial year, which closed with a net income of euro 302 million for the Parent Company and a consolidated net income of euro 501.1 million, with approximately 57.07% of the share capital voting in favour, and 42.90% voting against which corresponded to the 37.015% share capital held by MPI Italy, a shareholder controlled by Sinochem.

The Shareholders' Meeting also unanimously approved the distribution of a dividend of euro 0.25 per ordinary share, amounting to a total dividend pay-out of euro 250 million gross of withholding taxes. The dividend was placed in payment on June 25, 2025.

The Shareholders' Meeting also approved the remuneration policy for 2025, with approximately 80.09% of the share capital present. Lastly, it expressed a favourable opinion on the Report on remunerations paid in the 2024 financial year, with approximately 78.67% of the share capital present. The Shareholders' Meeting also approved the adoption of the 2025-2027 three-year monetary incentive plan (LTI Plan) for the management sector of the Pirelli Group with approximately 79.97% of the share capital present.

On **the same date**, following the publication of Pirelli's press release, Marco Polo International Italy S.r.l. issued a statement containing the following:

"With regard to the vote cast today at the Pirelli Shareholders' Meeting, held behind closed doors pursuant to Article 135-undecies of the Consolidated Law on Finance (TUF), MPI wishes to reiterate that its vote against the approval of the 2024 Financial Statements, was solely due to the disclosure regarding control. MPI has no objections concerning the data contained in the 2024 Financial Statements".

On **June 18, 2025**, the closing was completed for the long-term strategic partnership signed on April 23, 2025 between Pirelli and Circular Tire Services Europe Holding AB ("CTS"), an independent operator specialising in tyre retail and services active in Northern Europe, which will allow Pirelli to strengthen its commercial presence and its High Value strategy in the region. The deal involved CTS acquiring Däckia AB (comprising a network of 60 directly owned points of sale and 42 affiliated locations operating across Sweden), from Pirelli for a value of approximately SEK 260 million (approximately euro 23 million). At the same time as the signing of this agreement, an agreement came into effect between Pirelli and Däckia AB for the supply of tyres until 2030, which will guarantee the distribution of Pirelli products and confirm its role as main supplier. The alliance will allow Pirelli to benefit, from an even more structured distribution system with an expected increase in market coverage, and from the retail specialisation that distinguishes CTS in the region.

On **June 23, 2025**, with reference to the non-interest-bearing senior unsecured guaranteed equity-linked bond loan, maturing on December 22, 2025, Pirelli announced that - following the resolution of the Shareholders' Meeting of June 12, 2025 to distribute a dividend of euro 0.25 per ordinary share - the conversion price of the bonds had changed from euro 5.9522 to euro 5.8493 in accordance with the bond loan regulation, effective as of June 23, 2025.

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, 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 half-year of 2025, demonstrate the effectiveness of its business model in a challenging external environment that is characterised by geopolitical and trade tensions, and by a high level of exchange rate volatility.

On the **Commercial** front:

- strengthened positioning of **High Value.** During the first half-year of 2025, Pirelli recorded volume growth of +5% for Car ≥18", which was higher than that of the market (+4%). This performance was driven by market share gains both in the Replacement channel (+6% for Pirelli, +5% for the market) - in the main geographical regions - and in the Original Equipment channel (+4% for Pirelli, +3% for the market), thanks to the strengthening of partnerships with the major car manufacturers in North America and APAC;
- further reduction in exposure to **Standard** (-9% for Pirelli Car ≤17" volumes, compared to a stable market), consistent with the Group's strategy of greater selectivity, which was further accelerated in South America, where Pirelli has revised its distribution policy by focusing on the more profitable channels.

For Pirelli, this overall performance translated into substantially stable Car volumes year-on-year, against a market that grew slightly (+1%).

On the **Innovation** front:

- approximately 110 new homologations were obtained with the leading Prestige and Premium automakers, concentrated mainly in ≥19" and Specialties;
- consolidation of leadership position in marked tyres. In Europe, for example, Pirelli can count on a portfolio of 1,300 homologations for Car ≥19", which is approximately three times higher than the average for its peers;
- strengthened product range with the launch of **four Car products** (the fifth global edition of the PZero, the industry benchmark UHP (Ultra High Performance) tyre, developed using artificial intelligence and virtualisation; the new generation Cinturato - a summer tyre dedicated to the European market; the Scorpion XTM All Terrain for North America, and the Cinturato P6 for the APAC market), **two for Motorcycles** (the Diablo Powercruiser and the Scorpion MX32 Mid Soft, which is available in all regions), and **four for Cycling** (the Cinturato EVO and the

PZero Race for the Road segment; the Scorpion XC M and Scorpion XC RC for the mountain bike segment);

- the strategic partnership with Bosch GmbH was renewed for the development of new software-based solutions and new driving functionalities, thanks to Pirelli's proprietary sensors installed in the tyres and its proprietary software. The collaboration with Movyon, a company of the *Autostrade per l'Italia* group, for the monitoring of road surfaces, also continued. This partnership is in addition to the partnership with the Apulia Region, announced on June 10th, to activate a monitoring system for the road network in the regional territory, with the aim of creating a *"health check"* map of Apulia's roads.

In the **Operations Programme**:

- gross efficiencies of euro 69.7 million were achieved, consistent with expectations and the project development timelines;
- on the Supply Chain front, projects continued to make the supply chain increasingly integrated, sustainable and customer-oriented.

With regard to **sustainability**, important progress was achieved in support of the objectives of the Plan in the areas of People, Climate, Product and Nature.

As part of the **People** programme, of which occupational health and safety is one of the fundamental pillars, the **accident frequency index had improved** further by the end of the first half-year, **decreasing by -3%** compared with the figures recorded at the end of 2024.

As part of the **Climate** programme, the Decarbonisation plan continued in line with expectations, thanks to projects for improving energy efficiency, for the electrification of machinery in the factories, and for the purchase of electricity from the grid from renewable sources. At the end of the first half-year, there was a confirmed **-16.5% reduction in absolute Scope 1 and 2 emissions**, compared to the first half of the previous year. The reduction in **absolute Scope 3** (supply chain) **emissions** continued **consistent with the 2025 target (-27%, as compared to 2018).**

The **Product** programme roadmap saw the launch in July, of the first tyre for the global market which contains over 70% of natural and recycled materials, including **FSC® certified** (Forest Stewardship Council®)[6] natural rubber. The tyre is marked with the FSC® label and the logo identifying Pirelli tyres containing at least 50% natural and recycled materials, some of which are **ISCC+** certified *"bio-based & circular"* materials, verified by a third-party body, in accordance with **ISO 14021**, at the start of production. Developed for the **Jaguar Land Rover (JLR)**, this Pirelli PZero will initially be available on selected 22" wheel rims in the Range Rover range starting from autumn this year, as part of JLR's objective to develop low environmental impact tyres for its luxury models.

[6] FSC® is an international, independent, non-profit, non-governmental organisation established in 1993 to promote responsible forest management. Licence number: FSC® N003618. Natural rubber accounts for approximately 25% of the tyre's total weight (IP code 35837, PZero (LR) PNCS, size 285/45 R22).

As part of the **Nature** programme, **specific water abstraction** in the first half-year, compared to the end of 2024, was further **reduced by -7.2% at the Group level.**

During the first half-year, Pirelli received further significant international recognition that confirmed its global leadership position in the ESG[7] field, consistent with the previous year.

In particular, Pirelli was reconfirmed:

- among the ***"Top 1%"* in S&P Global's 2025 Sustainability Yearbook**, the only tyre manufacturer to receive the highest global recognition;
- in the **CDP's Climate A list**, as a global leader in combating climate change;
- in the **CDP's Supplier Engagement Assessment A List**, as a global leader in supply chain engagement for the reduction of Scope 3 emissions;
- with a ***"Platinum"*** rating from Ecovadis, the highest level in its ESG assessment.

Pirelli's results for the first half-year of 2025 were characterised by:

- **net sales** which amounted to euro **3,498.6** million, an increase of +1.5% compared to the first half-year of 2024, supported by a solid commercial performance (+4.4%). The impact of the exchange rate effect was however negative (-2.9%);
- **EBIT adjusted** which amounted to euro **558.3** million, +3.6% compared to the first half-year of 2024, with profitability at 16.0%, an improvement of +0.4 percentage points compared to the first half-year of 2024, thanks to the efficiency of internal levers which more than offset the volatility of exchange rates, the increased cost of raw materials, and inflation, as well as the impact of the US tariffs that came into effect on May 3rd;
- **net income/loss** which amounted to an income of euro **264.0** million, an increase of +14.1%, compared to the first half-year of 2024, thanks to a solid operating performance and to lower financial expenses;
- **Net Financial Position** which at June 30, 2025 showed a debt of euro 2,678.7 million (a debt of euro 1,925.8 million at December 31, 2024 and a debt of euro 2,978.0 million at June 30, 2024), with a cash absorption before dividends of euro 503.7 million. Cash generation before dividends was positive to the amount of euro 193.0 million in the second quarter of 2025.
- a **liquidity margin** of euro **2,430.5** million, which covers debt maturities until the fourth quarter of 2028.

[7] ESG: Environmental, Social, Governance.

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

(in millions of euro)	**1 HY 2025**	**1 HY 2024**
Net sales	**3,498.6**	**3,447.5**
EBITDA adjusted (°)	**792.9**	**768.3**
% of net sales	22.7%	22.3%
EBITDA	**771.1**	**752.7**
% of net sales	22.0%	21.8%
EBIT adjusted	**558.3**	**539.1**
% of net sales	16.0%	15.6%
Adjustments: - amortisation of intangible assets included in PPA	(56.9)	(56.9)
- one-off, non-recurring and restructuring expenses	(21.8)	(15.6)
EBIT	**479.6**	**466.6**
% of net sales	13.7%	13.5%
Net income/(loss) from equity investments	16.0	15.9
Financial income/(expenses)	(122.7)	(176.1)
Net income/(loss) before taxes	**372.9**	**306.4**
Taxes	(108.9)	(75.1)
Tax rate %	29.2%	24.5%
Net income/(loss)	**264.0**	**231.3**
Net income/(loss) attributable to owners of the Parent Company	246.5	215.6
Earnings/(loss) per share (in euro per basic share)	0.25	0.22
Net income/(loss) adjusted	320.2	283.0

(°) The adjustments refer to one-off, non-recurring and restructuring expenses to the amount of euro 21.8 million (euro 15.6 million for the first half-year of 2024).

(in millions of euro)		06/30/2025	12/31/2024	06/30/2024
Fixed assets		**8,571.9**	**8,771.6**	**8,748.0**
	Inventories	1,445.5	1,467.7	1,417.7
	Trade receivables	896.5	622.9	937.3
	Trade payables	(1,573.7)	(2,081.6)	(1,499.1)
Operating net working capital		**768.3**	**9.0**	**855.9**
% of net sales (*)		11.3%	0.1%	12.9%
	Other receivables/other payables	10.4	42.2	114.6
Net working capital		**778.7**	**51.2**	**970.5**
% of net sales (*)		11.4%	0.8%	14.6%
Net invested capital		**9,350.6**	**8,822.8**	**9,718.5**
Equity		**5,702.9**	**5,912.3**	**5,713.3**
Provisions		969.0	984.7	1,027.2
Net financial (liquidity)/debt position		**2,678.7**	**1,925.8**	**2,978.0**
Equity attributable to owners of the Parent Company		5,542.2	5,756.1	5,572.1
Investments in intangible and owned tangible assets (CapEx)		128.0	414.9	143.6
Increases in right of use		71.6	118.8	41.4
Research and development expenses		152.4	289.5	148.2
% of net sales		4.4%	4.3%	4.3%
Research and development expenses - High Value		145.9	272.8	139.2
% of High Value sales		5.2%	5.3%	5.2%
Employees (headcount at end of period)		30,820	31,219	31,284
Tyre production sites (number)		18	18	18

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

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

(in millions of euro)		1 Q		2 Q		TOTAL 1 HY	
		2025	2024	2025	2024	2025	2024
Net sales		**1,758.6**	1,695.5	**1,740.0**	1,752.0	**3,498.6**	3,447.5
	yoy	3.7%		-0.7%		1.5%	
	*organic yoy **	4.7%		4.0%		4.4%	
EBITDA adjusted		**399.0**	376.3	**393.9**	392.0	**792.9**	768.3
	% of net sales	22.7%	22.2%	22.6%	22.4%	22.7%	22.3%
EBITDA		**387.5**	368.6	**383.6**	384.1	**771.1**	752.7
	% of net sales	22.0%	21.7%	22.0%	21.9%	22.0%	21.8%
EBIT adjusted		**279.8**	262.6	**278.5**	276.5	**558.3**	539.1
	% of net sales	15.9%	15.5%	16.0%	15.8%	16.0%	15.6%
Adjustments:	- amortisation of intangible assets included in PPA	(28.4)	(28.4)	(28.5)	(28.5)	(56.9)	(56.9)
	- one-off, non-recurring and restructuring expenses	(11.5)	(7.7)	(10.3)	(7.9)	(21.8)	(15.6)
EBIT		**239.9**	226.5	**239.7**	240.1	**479.6**	466.6
	% of net sales	13.6%	13.4%	13.8%	13.7%	13.7%	13.5%
Net income/(loss) from equity investments		5.8	6.0	10.2	9.9	16.0	15.9
Financial income/(expenses)		(59.5)	(110.1)	(63.2)	(66.0)	(122.7)	(176.1)
Net income/(loss) before taxes		**186.2**	122.4	**186.7**	184.0	**372.9**	306.4
Taxes		(59.0)	(22.0)	(49.9)	(53.1)	(108.9)	(75.1)
Tax rate %		31.7%	18.0%	26.7%	28.9%	29.2%	24.5%
Net income/(loss)		**127.2**	100.4	**136.8**	130.9	**264.0**	231.3

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

Net sales amounted to euro 3,498.6 million, an increase of +1.5% compared to the first half-year of 2024, +4.4% excluding the combined impact of the exchange rate effect and the adoption of hyperinflation accounting (totalling -2.9%).

High Value sales accounted for 80% of total Group revenues (77% for the first half-year of 2024).

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

	2025		
	1Q	**2Q**	**1HY**
Volume	0.8%	0.1%	0.5%
Price/mix	3.9%	3.9%	3.9%
Change on a like-for-like basis	**4.7%**	**4.0%**	**4.4%**
Exchange rate effect /Hyperinflation accounting in Argentina and Turkey	-1.0%	-4.7%	-2.9%
Total change	**3.7%**	**-0.7%**	**1.5%**

The positive **volume** performance (+0.5%), reflected opposing trends for High Value and Standard. In particular, on Car ≥18", Pirelli outperformed the market, gaining market share for both channels (Original Equipment and Replacement), while for Car ≤17" the strategy of reducing exposure to the less profitable products and channels continued.

The growth in the **price/mix** (+3.9%) was driven by the continued improvement in the product mix and by the positive regional mix, while the channel mix was slightly negative and reflected the increased growth of the Original Equipment channel.

The impact of the **exchange rate effect** and **hyperinflation** was negative (-2.9%), reflecting the weakness of the US dollar and the volatility of the currencies of emerging countries against the euro.

Net sales for the second quarter amounted to euro 1,740.0 million, with organic growth of +4.0% compared to the same period of 2024, -0.7% including the negative impact of the exchange rate effect (-4.7%). Volumes were stable (+0.1%), with the trend reflecting Pirelli's different performances in the two segments:

- growth for High Value (a growth of +5% for Car ≥18", consistent with the trend recorded in the first quarter);
- a reduction in Standard, consistent with the aforementioned selectivity strategy (a -11% decline for Car ≤17" during the second quarter, -7% during the first quarter).

The price/mix continued to improve (+3.9%, consistent with the trend of the first quarter), thanks to the greater exposure to High Value.

By contrast, the exchange rate effect trend worsened (-4.7% for the second quarter, -1.0% for the first quarter), due to the weakening of the US dollar and emerging currencies against the euro.

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

(in millions of euro)	1 HY 2025	%	1 HY 2024 %
Europe	1,406.7	40.2%	40.2%
North America	915.8	26.2%	25.3%
APAC	579.5	16.6%	16.4%
South America	346.9	9.9%	11.0%
Russia and MEAI	249.7	7.1%	7.1%
Total	**3,498.6**	**100.0%**	**100.0%**

EBITDA adjusted amounted to euro 792.9 million (+3.2% compared to euro 768.3 million for the first half-year of 2024), with a margin of 22.7% (22.3% for the first half-year of 2024), which reflected the dynamics described in the following paragraph in terms of the EBIT adjusted.

EBIT adjusted for the first half-year of 2025 amounted euro 558.3 million (euro 539.1 million for the first half-year of 2024), with an EBIT margin adjusted of 16%, an improvement compared to 15.6% for the first half-year of 2024, thanks to the contribution of internal levers.

More specifically, the growth in the **EBIT adjusted** reflected:

- the **positive** contribution of the **price/mix** (euro +93.9 million), which more than counterbalanced the increase in the cost of **raw materials** (euro -51.3 million), and the **impact of the exchange rate effect** (euro -18.6 million);
- **efficiencies** (euro +69.7 million) which more than offset **inflation in the cost of production factors** (euro -62.1 million);
- the positive contribution of **volumes** (euro +6.2 million), which limited the impact of higher **depreciation and amortisation** (euro -14.6 million), and the increase in **other costs** (euro -4.0 million).

Starting on May 3rd, US tariffs of 25% on the imports of Car tyres from Europe and Brazil came into effect. In addition, universal tariffs are in effect that impact the imports of motorcycle and cycling tyres, with varying percentages depending on the producing country of origin.

The total impact of the tariffs in the first half-year amounted to euro 15 million, which was partly offset by the mitigation measures that were activated. The net impact of the tariffs (euro -6 million), was included in the item *"Other costs"*.

EBIT adjusted for the second quarter amounted to euro 278.5 million (+0.7% compared to euro 276.5 million for the second quarter of 2024), with the margin improving to 16.0% (15.8% for the second quarter of 2024), thanks to the contribution of internal levers.

The price/mix (euro +51.6 million), offset the impact of raw materials (euro -29.1 million) and the exchange rate effect (euro -23.0 million). Efficiencies (euro +44.7 million), more than offset the impact of inflation (euro -37.6 million). The contribution of volumes decreased (euro +0.5 million) while depreciation and amortisation increased by euro 6.3 million.

The balance of other costs was positive by euro 1.2 million and included the net impact of tariffs (euro -6 million) and lower costs (euro +7 million), mainly related to R&D and marketing.

(in millions of euro)	**1 Q**	**2 Q**	**1 HY**
2024 EBIT adjusted	**262.6**	**276.5**	**539.1**
- Internal levers:			
Volumes	5.7	0.5	6.2
Price/mix	42.3	51.6	93.9
Amortisation and depreciation	(8.3)	(6.3)	(14.6)
Efficiencies	25.0	44.7	69.7
Other costs	(5.2)	1.2	(4.0)
- External levers:			
Cost of production factors (commodities)	(22.2)	(29.1)	(51.3)
Cost of production factors (labour/energy/other)	(24.5)	(37.6)	(62.1)
Total exchange rate effect *	4.4	(23.0)	(18.6)
Total change	**17.2**	**2.0**	**19.2**
2025 EBIT adjusted	**279.8**	**278.5**	**558.3**

** Transactional and traslational.*

EBIT for the first half-year of 2025 amounted to euro 479.6 million (an increase of euro 13 million, compared to euro 466.6 million for the first half-year of 2024), and included the amortisation of intangible assets identified in the PPA to the amount of euro 56.9 million, consistent with the first half-year of 2024, and one-off, non-recurring and restructuring expenses to the amount of euro 21.8 million.

Net income/(loss) from equity investments amounted to an income of euro 16.0 million, (positive to the amount of euro 15.9 million for the first half-year of 2024), 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 10.9 million (positive to the amount of euro 12.5 million for the first half-year of 2024).

Net financial expenses for the first half-year of 2025 amounted to euro 122.7 million, showing a marked improvement compared to euro 176.1 million for the first half-year of 2024. These figures included the negative effects, without an impact on cash generation, linked to the phenomena of currency devaluation and hyperinflation, which went from euro 68.7 million for the first half-year of 2024, to euro 9.2 million for the first half-year of 2025.

At June 30, 2025, the **cost of debt**, calculated as the average cost of debt for the last twelve months, stood at 4.88%, a decrease from the 5.06% at December 31, 2024. This decrease was attributable to a fall in interest rates in the Eurozone on floating rate debt.

Taxes for the first half-year of 2025 amounted to euro 108.9 million. The figure for the first half-year of 2024 of euro 75.1 million, included the benefits of the Patent Box and the impact of the successful resolution of tax disputes.

Net income/(loss) amounted to an income of euro 264.0 million, compared to an income of euro 231.3 million for the first half-year of 2024.

Net income/(loss) adjusted amounted to an income of euro 320.2 million, (euro 283.0 million for the first half-year of 2024). The following table shows the calculations:

(in millions of euro)	1 HY	
	2025	**2024**
Net income/(loss)	**264.0**	**231.3**
Amortisation of intangible assets included in PPA	56.9	56.9
One-off, non-recurring and restructuring expenses	21.8	15.6
Taxes	(22.5)	(20.8)
Net income/(loss) adjusted	**320.2**	**283.0**

Net income/(loss) attributable to the owners of the Parent Company amounted to an income of euro 246.5 million, compared to an income of euro 215.6 million for the first half-year of 2024.

Equity went from euro 5,912.3 million at December 31, 2024 to euro 5,702.9 million at June 30, 2025.

Equity attributable to the owners of the Parent Company at June 30, 2025 equalled euro 5,542.2 million, compared to euro 5,756.1 million at December 31, 2024.

This change is shown in the table below:

(in millions of euro)	**Group**	**Non-controlling interests**	**Total**
Equity at 12/31/2024	**5,756.1**	**156.2**	**5,912.3**
Translation differences	(264.5)	(5.1)	(269.6)
Net income/(loss)	246.5	17.5	264.0
Fair value adjustment of financial assets / derivative instruments	17.0	-	17.0
Actuarial gains/(losses) on employee benefits	(0.6)	-	(0.6)
Dividends approved	(250.3)	(8.7)	(259.0)
Effect of hyperinflation in Turkey	6.4	-	6.4
Effect of hyperinflation in Argentina	31.6	-	31.6
Other	0.1	0.8	0.9
Total changes	**(213.9)**	**4.5**	**(209.4)**
Equity at 06/30/2025	**5,542.2**	**160.7**	**5,702.9**

The **net financial position** showed a debt of euro 2,678.7 million, compared to a debt of euro 1,925.8 million at December 31, 2024. It was composed as follows:

(in millions of euro)	**06/30/2025**	**12/31/2024**
Current borrowings from banks and other financial institutions	1,049.6	760.9
- of which lease liabilities	*100.6*	*105.2*
Current derivative financial instruments (liabilities)	58.4	3.5
Non-current borrowings from banks and other financial institutions	2,760.0	3,068.6
- of which lease liabilities	*370.1*	*380.5*
Non-current derivative financial instruments (liabilities)	-	-
Total gross debt	**3,868.0**	**3,833.0**
Cash and cash equivalents	(849.9)	(1,502.7)
Other financial assets at fair value through Income Statement	(80.6)	(166.0)
Current financial receivables **	(110.3)	(113.3)
Current derivative financial instruments (assets)	(42.4)	(16.6)
Net financial debt *	**2,784.8**	**2,034.4**
Non-current derivative financial instruments (assets)	-	(4.3)
Non-current financial receivables **	(106.1)	(104.3)
Total net financial (liquidity) / debt position	**2,678.7**	**1,925.8**

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

** The item "*financial receivables*" is reported net of the relative provisions for impairment which amounted to euro 8.4 million at June 30, 2025 (euro 8.4 million at December 31, 2024).

The **structure of gross debt** which amounted to euro 3,868.0 million, was as follows:

(in millions of euro)	**06/30/2025**	**Maturity date**					
		within 1 year	**between 1 and 2**	**between 2 and 3**	**between 3 and 4**	**between 4 and 5**	**more than 5 years**
Club Deal EUR 1.6bn ESG 2022 5y	599.1	-	599.1	-	-	-	-
Club Deal EUR 600m ESG 2024 4.5y	598.2	-	-	-	598.2	-	-
Bond SLB EUR 600m 4.25% due 01/28	596.5	-	-	596.5	-	-	-
Bond SLB EUR 600m 3.875% due 07/29	594.5	-	-	-	-	594.5	-
Convertible bond	495.1	495.1	-	-	-	-	-
Bilateral EUR 300m ESG 2023 2.5y facility	299.8	299.8	-	-	-	-	-
Bank debt held by subsidiaries	56.5	55.6	0.2	0.7	-	-	-
Other financial debt	157.6	156.9	0.7	-	-	-	-
Lease liabilities	470.7	100.6	83.4	69.1	50.3	33.6	133.7
Total gross debt	**3,868.0**	**1,108.0**	**683.4**	**666.3**	**648.5**	**628.1**	**133.7**
		28.6%	*17.7%*	*17.2%*	*16.8%*	*16.2%*	*3.5%*

At June 30, 2025, the Group had a liquidity margin of euro 2,430.5 million consisting of euro 1,500.0 million in unutilised committed credit facilities, euro 849.9 million in cash and cash equivalents, and euro 80.6 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 fourth quarter of 2028.

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

(in millions of euro)	1 Q		2 Q		1 HY	
	2025	2024	2025	2024	2025	2024
EBIT adjusted	279.8	262.6	278.5	276.5	558.3	539.1
Amortisation and depreciation (excluding PPA amortisation)	119.2	113.7	115.4	115.5	234.6	229.2
Investments in intangible and owned tangible assets (CapEx)	(60.0)	(53.4)	(68.0)	(90.2)	(128.0)	(143.6)
Increases in right of use	(28.3)	(15.3)	(43.3)	(26.1)	(71.6)	(41.4)
Change in working capital and other	(865.7)	(845.8)	55.4	(16.9)	(810.3)	(862.7)
Operating net cash flow	**(555.0)**	**(538.2)**	**338.0**	**258.8**	**(217.0)**	**(279.4)**
Financial income / (expenses) paid	(49.1)	(63.2)	(67.6)	(45.7)	(116.7)	(108.9)
Taxes paid	(31.6)	(24.7)	(35.0)	(44.8)	(66.6)	(69.5)
Cash-out for one-off, non-recurring and restructuring expenses	(12.6)	(20.4)	(9.9)	(9.5)	(22.5)	(29.9)
Dividends paid to minority shareholders	-	(1.3)	(0.4)	(5.2)	(0.4)	(6.5)
Differences from foreign currency translation and other	(29.8)	(2.6)	(75.0)	0.1	(104.8)	(2.5)
Net cash flow before dividends, extraordinary transactions and investments	**(678.1)**	**(650.4)**	**150.1**	**153.7**	**(528.0)**	**(496.7)**
Hevea-Tec acquisition	-	(23.0)	-	0.5	-	(22.5)
Capital subscription Middle East and North Africa Tyre Company	(12.8)	-	-	-	(12.8)	-
Daeckia disposal	-	-	43.4	-	43.4	-
Other extraordinary transactions	(5.8)	-	(0.5)	-	(6.3)	-
Net cash flow before dividends paid by the Parent Company	**(696.7)**	**(673.4)**	**193.0**	**154.2**	**(503.7)**	**(519.2)**
Dividends paid by the Parent Company	-	-	(249.2)	(197.1)	(249.2)	(197.1)
Net cash flow	**(696.7)**	**(673.4)**	**(56.2)**	**(42.9)**	**(752.9)**	**(716.3)**

Net cash flow before dividends for the first half-year of 2025 was negative to the amount of euro 503.7 million, (negative to the amount of euro 519.2 million for the first half-year of 2024), which reflected the usual seasonality of the business and of working capital, as well as the effects attributable to the extraordinary transactions completed during the half-year, and particularly:

- euro +43.4 million related to the sale of Däckia AB to CTS, which was completed on June 18, 2025;
- euro -19.1 million related to other extraordinary transactions, amongst which the main transaction was the capital contribution paid into the Middle East and North Africa Tyre Company, a joint venture with the Public Investment Fund (PIF) of Saudi Arabia.

Operating net cash flow for the first half-year of 2025 was negative to the amount of euro 217.0 million, (negative to the amount of euro 279.4 million for the first half-year of 2024), and reflected:

- the improvement in the operating performance compared to the previous year, (the EBITDA adjusted for the first half-year of 2025 amounted to euro 792.9 million, compared to euro 768.3 million for the first half-year of 2024);
- investments in property, plant and equipment and intangible assets to the amount of euro 128.0 million in the first half-year of 2025, (euro 143.6 million in first half-year of 2024), aimed mainly at High Value activities, at technology upgrades and at the automation of factories;
- the *"increase in the right of use"* of euro 71.6 million for the first half-year of 2025, (euro 41.4 million for the first half-year of 2024). Among the main projects with an impact on the first

half-year 2025, was the inauguration of the new warehouse in Campinas in Brazil, as well as other projects aimed at improving warehouse efficiency in Romania;

- lower cash absorption by euro 52.4 million, linked to the change in *"working capital and other"*, (to euro -810.3 million in the first half-year of 2025, from euro -862.7 million in the first half-year of 2024), thanks to the careful management of inventories (21.2% of the net sales for last twelve months), a figure that was consistent with the first half-year of 2024, but lower compared to the first quarter of 2025 (22.0%).

Net cash flow before dividends for the second quarter of 2025, was positive to the amount of euro 193.0 million. Excluding the already mentioned positive effect from the sale of Däckia AB to CTS, this was essentially consistent with the figure for the second quarter of 2024 (euro 154.2 million).

OUTLOOK FOR 2025

(in billions of euro)	**May 2025**	**July 2025**
Revenues	~6.8 ÷ ~7.0	~6.7 ÷ ~6.8
EBIT margin adjusted	~16%	~16%
Investments (CapEx)	~0.42	~0.42
% of revenues	*~6%*	*~6%*
Net cash flow before dividends	~0.55 ÷ ~0.57	~0.55
Net Financial Position	~-1.6	~-1.6
NFP/EBITDA adj.	*~1.0x*	*~1.0x*
ROIC *post taxes*	~23%	~23%

Market outlook

Pirelli confirms forecasts – already announced in May – of a Car tyre market that is substantially flat (~-1% ÷ +1%), with a more resilient High Value segment, driven by the replacement channel, and with Standard expected to decline. In any case, the uncertainties of the economic scenario could translate into a slowing of demand compared with estimates.

Usa tariffs

The United States of America generates over 20% of group revenues and around 5% of the country's demand is satisfied locally, in Georgia, thanks to a factory with the highest level of automation of all the group's factories, with 55% covered by imports from Mexico and the remaining 40% from Brazil and Europe.

The tariff scenario is still being defined: an agreement, whose ratification is expected on August 1, was reached between Europe and the USA on July 27, while regarding Brazil Pirelli is analyzing the provision relating to tariffs announced on July 30 to verify their actual application to the various product segments.

Based on the laws that are today in force, the tariff scenario is the following:

- **Europe**: 25% on imports of Car tyres from May 3 to July 31, expected at 15% from August 1;

- **Brazil**: 25% on imports of Car tyres from May 3, the provision announced by the USA on July 30 is being analyzed;
- **Mexico**: no tariffs on imports in that Pirelli is a “USMCA compliant” producer;
- Universal and reciprocal tariffs on imports of moto and bicycle tyres from all countries with different percentages depending on the source.

Pirelli – based on this scenario – has already implemented a mitigation plan, acting on a revision of logistical flows, optimizing of inventories, adjusting commercial policies and a program of cost cuts in addition to the efficiency plan already underway.

2025 TARGETS

Based on the results of the first half, Pirelli confirms – notwithstanding the worsening of the forex scenario compared with expectations in May and the uncertainty surrounding tariffs – the profitability and cash targets thanks to solid organic growth and the effectiveness of the tariff mitigation plan.
For 2025 Pirelli forecasts:

- **Revenues between ~6.7 and ~6.8 billion euro** (previous estimate ~6.8 and ~7.0 billion), with organic growth confirmed at greater than or equal to 4%. The forex scenario worsens, while there is, instead, a continuous improvement in the price/mix. In detail:
  - **volumes’ growth of ~+1%** (previous estimate ~+1% and ~+2%);
  - **price/mix further improving between ~+3% /~+3.5%** (previous estimate ~+2% / ~+3%);
  - **impatto cambi compreso fra ~-4,5% / ~-4,0% (**~-2,5% / ~-1,5% la precedente stima);
- **Adjusted ebit margin confirmed on an annual basis, with an Adjusted ebit margin** of ~16%, with an improvement of the price/mix and the contribution of the mitigation plan reducing the impact of tariffs and the greater negativity of forex.
- **Net cash generation before dividends confirmed at ~550 million euro**, in line with the lower end of the range (initial estimate ~550 and ~570 million euro) as already anticipated in May in the event that tariffs are applied all year;
- **Investments confirmed** at**~420 million euro** (~6% of revenues);
- **NFP/Adjusted Ebitda ration confirmed** at ~1 times with a **Net Financial Positions** of ~-1.6 billion euro.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE HALF-YEAR

On **July, 27 2025**, the United States and the European Union signed an agreement, scheduled to be ratified on August 1st, for the renegotiation of the tariffs announced in April, (for further information reference should be made to the relevant event reported in the section *"Significant Events of the Half-Year"*). Furthermore, on **July, 30, 2025**, the US administration imposed tariffs of 50% on Brazil: Pirelli is analyzing the provision to verify their actual application to the various product segments. At the date of the approval of this Half-Year Financial Report at June 30, 2025, the tariff scenario was still evolving, with Pirelli exposed to the following tariffs: Europe: 25% on the imports of Car tyres from May 3rd to July 31st, which is expected to decease to 15% from August 1st; Brazil: 25% on the imports of Car tyres from May 3rd, the provision announced by the US administration on July 30 is being analyzed; Mexico: no import duties as Pirelli qualifies as an *"USMCA compliant"* manufacturer, and universal and reciprocal tariffs on the imports of motorcycle and bicycle tyres from all countries of varying percentages, depending on the source.

Thanks also to its strong organic growth and the tariff mitigation plan implemented during the second quarter of 2025, Pirelli has confirmed its profitability and cash targets. For further information, reference should be made to the *"Outlook for 2025"* section in this document.

ALTERNATIVE PERFORMANCE INDICATORS

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

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

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

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

- **Fixed assets**: this measure is constituted by the sum of the Financial Statement items, *"Property, plant and equipment", "Intangible assets", "Investments in associates and joint ventures", "Other financial assets at fair value through other Comprehensive Income" and "Other non-current financial assets at fair value through the Income Statement".* Fixed assets represent the non-current assets included in the net invested capital;

- **Net operating working capital**: this measure is constituted by the sum of *"Inventory", "Trade receivables"* and *"Trade payables";*

- **Net working capital**: this measure is constituted by the net operating working capital and by other receivables and payables, including tax receivables and payables, and by the derivative financial instruments not included in the net financial position. This measure represents the short-term assets and liabilities included in the net invested capital, and is used to measure short-term financial stability;

- **Net invested capital**: this measure is constituted by the sum of (i) fixed assets, and (ii) net working capital. Net invested capital is used to represent the investment of financial resources;

- **Provisions**: this measure is constituted by the sum of *"Provisions for liabilities and charges (current and non-current)", "Provisions for employee benefit obligations (current and non-current)", "Other non-current assets", "Deferred tax liabilities"* and *"Deferred tax assets";*

- **Net financial debt**: calculated pursuant to the CONSOB Notice dated July 28, 2006 and in compliance with the ESMA Guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable as of May 5, 2021. Net financial debt represents borrowings from banks and other financial institutions net of cash and cash equivalents, of other current financial assets at fair value through the Income Statement, of current financial receivables (included in the Financial Statements under *"Other receivables"*), and of the derivative hedging instruments for items included in the net financial position and included in the Financial Statements under *"Derivative financial instruments"* as current assets, current liabilities and non-current liabilities;

- **Net Financial Position**: this measure represents the net financial debt less the non-current financial receivables (included in the Financial Statements under *"Other receivables"*) and the non-current derivative financial hedging instruments for items included in the net financial position and included in the Financial Statements under *"Derivative financial instruments"* as non-current assets. The net financial position is an alternative measure to net financial debt but which includes non-current financial assets;

- **Liquidity margin**: this measure is constituted by the sum of the Financial Statement items, *"Cash and cash equivalents", "Other financial assets at fair value through the Income Statement"* and the committed but unutilised credit facilities;

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

OTHER INFORMATION

ROLE OF THE BOARD OF DIRECTORS

For more information on the role of the Board of Directors, reference should be made to the Report on Corporate Governance and Ownership Structure contained in the 2024 Annual Report group of documents, as well as to the additional information published on the Pirelli website (www.pirelli.com) in the Governance section.

INFORMATION ON THE SHARE CAPITAL AND OWNERSHIP STRUCTURE

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

Updated extracts of the existing agreements between some of the Shareholders, including the indirect Shareholders of the Company, which contain the provisions of the Shareholders' Agreements regarding, amongst other things, the corporate governance of Pirelli, are available on the Company's website. For further details on the Company's corporate governance and ownership structure, reference should be made to the Report on Corporate Governance and Ownership Structure included in the 2024 Annual Report group of documents, as well as to the additional information available on the Pirelli website (www.pirelli.com), in the Governance and Investor Relations sections.

WAIVER OF THE PUBLICATION OF INFORMATION DOCUMENTS

The Board of Directors, having regard to the simplification measures introduced by CONSOB pursuant to CONSOB Regulation No. 11971 of May 14, 1999, as subsequently amended and supplemented (“**Issuers’ Regulation**”), resolved to avail itself of the option provided under Article 70, paragraph 8, and Article 71, paragraph 1-bis of the aforesaid Regulation, to waive the obligation to publish the information documents otherwise required in connection with significant mergers, demergers, capital increases through contributions of assets in kind, acquisitions, and disposals.

RELATED PARTY TRANSACTIONS

In compliance with CONSOB Regulation 17221 of March 12, 2010, as subsequently amended and supplemented, concerning Related Party Transactions ("**CONSOB RPT Regulation**"), Pirelli has adopted a specific procedure for Related Party Transactions, which was most recently updated on May 9, 2024 during the periodic reviews of the existing procedures ("**RPT Procedure**").

The RPT Procedure is available on the Company's website (www.pirelli.com). For further details, reference should also be made to the section on the *Directors' Interests and Related Party Transactions,* included in the Report on Corporate Governance and Ownership Structure, included in the 2024 Annual Report.

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

Pursuant to Article 5, paragraph 8 of the CONSOB RPT Regulation, it should be noted that during the first half-year of 2025, that no transaction of greater significance as defined by Article 3, paragraph 1, letter b) of the aforesaid Regulation, was submitted to the Board of Directors of Pirelli & C. S.p.A. for approval.

The information on Related Party Transactions as required, pursuant to CONSOB Notice No. DEM/6064293 of July 28, 2006 is presented in the Financial Statements, and in the Note entitled *"Related Party Transactions"* contained in the Condensed Half-Year Financial Statements at June 30, 2025. The Related Party Transactions carried out 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, when not concluded under standard conditions, or dictated by specific regulatory requirements, are in any case conducted on terms consistent with market conditions**.** Furthermore, they are carried out in accordance with the RPT Procedure.

Furthermore, there were no Related Party Transactions - nor any amendments to, or developments in the transactions described in the previous Financial Report - that had a material impact on the financial position or results of the Group for the first half-year of 2025.

ATYPICAL AND/OR UNUSUAL OPERATIONS

Pursuant to CONSOB Notice No. DEM/6064293 of July 28, 2006, it is specified that, that during the first half of the 2025 financial year, the Company did not carry out any atypical and/or unusual transactions, as defined in the aforementioned communication.

The Board of Directors

Milan, July 31, 2025

CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS AT JUNE 30, 2025

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

	Note	06/30/2025	of which related parties (note 41)	12/31/2024	of which related parties (note 41)
Property, plant and equipment	**8**	3,274,929		3,427,756	
Intangible assets	**9**	5,091,735		5,159,729	
Investments in associates and joint ventures	**10**	126,893		120,790	
Other financial assets at fair value through other Comprehensive Income	**11**	78,356		63,294	
Deferred tax assets	**12**	218,109		228,740	
Other receivables	**14**	310,339	*7,079*	309,526	*7,791*
Tax receivables	**15**	13,911		9,973	
Other assets	**21**	92,196		93,838	
Derivative financial instruments	**26**	-		4,326	
Non-current assets		**9,206,468**		**9,417,972**	
Inventories	**16**	1,445,546		1,467,707	
Trade receivables	**13**	896,495	*8,091*	622,915	*10,976*
Other receivables	**14**	392,818	*82,396*	444,010	*90,954*
Other financial assets at fair value through Income Statement	**17**	80,630		165,965	
Cash and cash equivalents	**18**	849,874		1,502,741	
Tax receivables	**15**	31,771		36,989	
Derivative financial instruments	**26**	64,535		22,323	
Current assets		**3,761,669**		**4,262,650**	
Total Assets		**12,968,137**		**13,680,622**	
Equity attributable to the owners of the Parent Company:	**19.1**	**5,542,242**		**5,756,071**	
Share capital		1,904,375		1,904,375	
Reserves		3,391,370		3,383,715	
Net income / (loss)		246,497		467,981	
Equity attributable to non-controlling interests:	**19.2**	**160,683**		**156,183**	
Reserves		143,202		123,060	
Net income / (loss)		17,481		33,123	
Total Equity	**19**	**5,702,925**		**5,912,254**	
Borrowings from banks and other financial institutions	**22**	2,759,971	*13,288*	3,068,598	*15,825*
Other payables	**24**	69,891	-	79,947	-
Provisions for liabilities and charges	**20**	93,010	*11,727*	101,123	*19,437*
Deferred tax liabilities	**12**	951,338		990,250	
Provisions for employee benefit obligations	**21**	165,491	*4,753*	184,040	*7,812*
Tax payables	**25**	4,036		4,001	
Non-current liabilities		**4,043,737**		**4,427,959**	
Borrowings from banks and other financial institutions	**22**	1,049,572	*3,881*	760,857	*3,707*
Trade payables	**23**	1,573,671	*88,368*	2,081,617	*129,000*
Other payables	**24**	334,344	*3,476*	392,744	*22,945*
Provisions for liabilities and charges	**20**	35,167	*9,584*	31,363	-
Provisions for employee benefit obligations	**21**	34,344	*7,151*	557	-
Tax payables	**25**	128,820		63,150	
Derivative financial instruments	**26**	65,557		10,121	
Current liabilities		**3,221,475**		**3,340,409**	
Total Liabilities and Equity		**12,968,137**		**13,680,622**	

CONSOLIDATED INCOME STATEMENT (in thousands of euro)

	Note	01/01 - 06/30/2025	of which related parties (note 41)	01/01 - 06/30/2024	of which related parties (note 41)
Revenues from sales and services	**28**	**3,498,577**	*27,677*	**3,447,526**	*29,492*
Other income	**29**	169,537	*46,474*	150,914	*29,968*
Changes in inventories of unfinished, semi-finished and finished products		45,165		11,738	
Raw materials and consumables used (net of change in inventories)		(1,148,111)	*(9,460)*	(1,092,807)	*(6,216)*
Personnel expenses	**30**	(660,301)	*(7,706)*	(649,676)	*(8,737)*
Amortisation, depreciation and impairment	**31**	(292,494)		(285,719)	
Other costs	**32**	(1,129,897)	*(177,631)*	(1,109,356)	*(156,281)*
Net impairment of financial assets	**33**	(3,779)		(7,190)	
Increases in fixed assets due to internal works		907		1,204	
Operating income/(loss)		**479,604**		**466,634**	
Net income/(loss) from equity investments	**34**	15,984		15,895	
- share of net income/(loss) of associates and joint ventures		*11,102*	*11,102*	*14,073*	*14,073*
- gains on equity investments		*2,904*		*-*	
- dividends		*1,978*		*1,822*	
Financial income	**35**	44,774	*1,260*	81,749	*1,848*
Financial expenses	**36**	(167,512)	*(316)*	(257,920)	*(421)*
Net income / (loss) before taxes		**372,850**		**306,358**	
Taxes	**37**	(108,872)		(75,057)	
Net income / (loss)		**263,978**		**231,301**	
Attributable to:					
Owners of the Parent Company		246,497		215,599	
Non-controlling interests		17,481		15,702	
Total basic/diluted earnings / (losses) per share (in euro)	38	**0.246**		**0.216**	

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

		Note	01/01 - 06/30/2025	01/01 - 06/30/2024
A	**Total Net income / (loss)**		**263,978**	**231,301**
	- Remeasurement of employee benefits	**21**	(853)	(15,970)
	- Tax effect		262	4,233
	- Fair value adjustment of other financial assets at fair value through Other Comprehensive Income	**11**	14,825	5,279
B	**Total items that may not be reclassified to Income Statement**		**14,234**	**(6,458)**
	Exchange rates differences from translation of foreign Financial Statements			
	- Gains / (losses)	**19**	(254,997)	(71,709)
	Fair value adjustment of derivatives designated as cash flow hedges:			
	- Gains / (losses)	**26**	11,160	7,898
	- (Gains) / losses reclassified to Income Statement	**26**	(8,323)	(9,365)
	- Tax effect		(696)	355
	Share of Other Comprehensive Income related to associates and joint ventures	**10**	(14,610)	1,545
C	**Total items reclassified / that may be reclassified to Income Statement**		**(267,465)**	**(71,277)**
D	**Total Other Comprehensive Income (B+C)**		**(253,231)**	**(77,735)**
A+D	**Total Comprehensive Income / (loss)**		**10,747**	**153,566**
	Attributable to:			
	- Owners of the Parent Company		(1,655)	132,528
	- Non-controlling interests		12,402	21,038

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 06/30/2025

(in thousands of euro)	Attributable to the Parent Company (note 19.1)					Non-controlling interests (note 19.2)	Total (note 19)
	Share Capital	Translation reserve	Other reserves with changes in the statement of Comprehensive Income *	Other reserves/ retained earnings	**Total attributable to the Parent Company**		
Total at 12/31/2024	**1,904,375**	**(834,999)**	**(54,438)**	**4,741,133**	**5,756,071**	**156,183**	**5,912,254**
Other components of Comprehensive Income	-	(264,528)	16,375	-	(248,153)	(5,078)	(253,231)
Net income / (loss)	-	-	-	246,497	246,497	17,481	263,978
Total Comprehensive Income / (loss)	**-**	**(264,528)**	**16,375**	**246,497**	**(1,656)**	**12,403**	**10,747**
Dividends approved	-	-	-	(250,360)	(250,360)	(8,677)	(259,037)
Effects of hyperinflation accounting in Turkey	-	-	-	6,381	6,381	-	6,381
Effects of hyperinflation accounting in Argentina	-	-	-	31,626	31,626	-	31,626
Other	-	-	(209)	389	180	774	954
Total at 06/30/2025	**1,904,375**	**(1,099,527)**	**(38,272)**	**4,775,666**	**5,542,242**	**160,683**	**5,702,925**

(in thousands of euro)	**BREAKDOWN OF OTHER RESERVES WITH CHANGES IN THE STATEMENT OF COMPREHENSIVE INCOME***				
	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 reserves with changes in the statement of Comprehensive Income**
Total at 12/31/2024	**3,156**	**16,160**	**(30,398)**	**(43,356)**	**(54,438)**
Other components of Comprehensive Income	14,825	2,837	(853)	(434)	16,375
Other changes	-	-	(209)	-	(209)
Total at 06/30/2025	**17,981**	**18,997**	**(31,460)**	**(43,790)**	**(38,272)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 06/30/2024

(in thousands of euro)	Attributable to the Parent Company (note 19.1)					Non-controlling interests (19.2)	Total (note 19)
	Share Capital	Translation reserve	Other reserves with changes in the statement of Comprehensive Income *	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	-	(75,500)	(7,571)	-	(83,071)	5,336	(77,735)
Net income / (loss)	-	-	-	215,599	215,599	15,702	231,301
Total comprehensive income / (loss)	**-**	**(75,500)**	**(7,571)**	**215,599**	**132,528**	**21,038**	**153,566**
Dividends approved	-	-	-	(198,000)	(198,000)	(5,216)	(203,216)
Effects of hyperinflation accounting in Turkey	-	-	-	9,356	9,356	-	9,356
Effects of hyperinflation accounting in Argentina	-	-	-	135,145	135,145	-	135,145
Other	-	-	(475)	(896)	(1,371)	216	(1,155)
Total at 06/30/2024	**1,904,375**	**(742,780)**	**(30,646)**	**4,441,102**	**5,572,051**	**141,239**	**5,713,290**

(in thousands of euro)	**BREAKDOWN OF OTHER RESERVES WITH CHANGES IN THE STATEMENT OF COMPREHENSIVE INCOME***				
	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 reserves with changes in the statement of Comprehensive Income**
Total at 12/31/2023	**(6,666)**	**31,958**	**8,653**	**(56,545)**	**(22,600)**
Other components of Comprehensive Income	5,279	(1,467)	(15,970)	4,587	(7,571)
Other changes	-	-	(439)	(36)	(475)
Total at 06/30/2024	**(1,387)**	**30,491**	**(7,756)**	**(51,994)**	**(30,646)**

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euro)

		Note	01/01 - 06/30/2025	01/01 - 06/30/2024
	Net income / (loss) before taxes		372,850	306,358
	Reversal of amortisation, depreciation, impairment losses and restatement of property, plant and equipment and intangible assets	31	292,494	285,719
	Reversal of Financial (income) / expenses	35/36	122,738	176,171
	Reversal of Dividends	34	(1,978)	(1,822)
	Reversal of gains / (losses) on equity investments	34	(2,904)	-
	Reversal of share of net result from associates and joint ventures	34	(11,102)	(14,073)
	Reversal of accruals to provisions and other accruals		34,610	36,103
	Net Taxes paid	37	(66,604)	(69,469)
	Change in Inventories		(71,018)	(46,614)
	Change in Trade receivables		(329,394)	(296,131)
	Change in Trade payables		(313,176)	(415,875)
	Change in Other receivables		28,866	(85,651)
	Change in Other payables		(61,034)	(6,472)
	Uses of Provisions for employee benefit obligations		(265)	(9,424)
	Uses of Provisions for liabilities and charges		(17,505)	(14,932)
A	**Net cash flow provided by / (used in) operating activities**		**(23,422)**	**(156,112)**
	of which related parties	41	*(167,235)*	*(163,599)*
	Investments in owned tangible assets		(211,741)	(214,263)
	Disposal of owned tangible assets		3,135	1,438
	Investments in intangible assets		(7,284)	(5,730)
	(Investments) in other financial assets at fair value through Other Comprehensive Income		(704)	-
	Disposal of investments in subsidiaries		19,233	-
	Acquisition of investments in subsidiaries		(2,473)	(20,205)
	Acquisition of investments in associates and joint ventures		(12,838)	(65)
	Change in Financial receivables from associates and joint ventures		(249)	(10,313)
	Dividends and reserves received from associates and joint ventures		3,070	-
	Dividends received from other non-current financial assets at FVTOCI	34	1,978	1,822
B	**Net cash flow provided by / (used in) investing activities**		**(207,873)**	**(247,316)**
	of which related parties	41	*(249)*	*(10,313)*
	Change in Borrowings from banks and other financial institutions due to draw downs	22	55,892	704,722
	Change in Borrowings from banks and other financial institutions due to repayments and other	22	(79,403)	(505,712)
	Change in Financial receivables / Other current financial assets at fair value through Income Statement		54,204	63,666
	Financial income / (expenses)		(104,459)	(146,755)
	Dividends paid		(249,561)	(203,587)
	Repayment of principal and payment of interest for lease liabilities		(59,813)	(62,181)
C	**Net cash flow provided by / (used in) financing activities**		**(383,140)**	**(149,847)**
	of which related parties	41	*(2,056)*	*(2,493)*
D	**Total cash flow provided / (used) during the period (A+B+C)**		**(614,435)**	**(553,275)**
E	**Cash and cash equivalents at the beginning of the financial year**		**1,501,274**	**1,248,850**
F	**Exchange rate differences from translation of cash and cash equivalents**		(39,385)	(5,093)
G	**Cash and cash equivalents at the end of the period (D+E+F) (°)**	18	**847,454**	**690,482**
(°)	**of which:**			
	cash and cash equivalents		849,874	716,192
	bank overdrafts		(2,420)	(25,710)

EXPLANATORY NOTES

1. GENERAL INFORMATION

Pursuant to Article 154 of Legislative Decree No. 58/1998, the Pirelli & C. Group has prepared these Condensed Consolidated Half-Year Financial Statements pursuant to IAS 34, which governs half-yearly financial reporting, in condensed form.

The information contained in the Explanatory Notes should be read in conjunction with the other sections of the Half-Year Financial Report, of which the Condensed Consolidated Half-Year Financial Statements are a part, and with the Annual Report for the year ended December 31, 2024.

The present Condensed Consolidated Half-Year Financial Statements have been prepared using the euro as the reporting currency, with all values rounded to the nearest thousand euro, unless otherwise indicated.

These Condensed Consolidated Half-Year Financial Statements of Pirelli & C. at June 30, 2025, were approved by the Board of Directors on July 31, 2025.

2. BASIS OF PRESENTATION

Financial Statements

The Condensed Consolidated Half-Year Financial Statements at June 30, 2025 consist of the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Explanatory Notes, is an integral part of the Half-Year Financial Report. The format adopted for the Statement of Financial Position provides for the distinction of assets and liabilities according to whether they are current or non-current.

The Group has opted to present the components of the results for the period in a separate Income Statement, rather than include these components directly in the Statement of Comprehensive Income. The Income Statement format which has been adopted provides for the classification of costs by nature.

The Statement of Comprehensive Income includes the results for the period and, for the homogeneous categories, the income and expenses which, in accordance with the IFRS, are not recognised in the Income Statement.

The Group has opted for the presentations of tax effects, as well as the reclassifications to the Income Statement of the gains/losses which were recognised in equity in previous financial years, directly in the Statement of Comprehensive Income and not in the Explanatory Notes.

The Statement of Changes in Equity includes, in addition to the total gains/losses for the period, the amounts for transactions with equity holders and the movements which occurred in reserves during the period.

In the Statement of Cash Flow, the financial flows from operating activities are reported using the indirect method, whereby the gains or losses for the period are adjusted by the effects of non-monetary transactions, by any deferrals or accruals of past or future collections or payments for operating activities and by revenue or expense items related to the cash flows derived from any investment or financing activity.

Scope of Consolidation

The scope of consolidation includes the subsidiaries, associates and agreements for joint control (joint arrangements).

Subsidiaries are defined as all the companies over which the Group simultaneously holds:

- the power of decision making, or rather the ability to direct the relevant activities of the investee, that is those activities that have a significant influence on the results of the investee company itself;
- the exposure or the right to the variable (positive or negative) results from the investment in the entity;
- the ability to exercise its decision making power to determine the amount of the results deriving from the investment in the entity.

The financial statements of subsidiaries are included in the Condensed Consolidated Half-Year Financial Statements as of the date when control is assumed, until such time when control ceases to exist. The portion of equity and of the results attributable to minority shareholders, are reported separately and respectively in the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, and in Equity.

All companies over which the Group is able to exercise significant influence as defined by IAS 28 - Investments in Associates and Joint Ventures, qualify as associates. This influence is legally presumed to exist when the Group holds a percentage of voting rights of between 20% and 50%, or when - even in the case of a lower share of voting rights – it has the power to participate in determining financial and operating policies by virtue of specific legal relationships, such as, for example, the participation in Shareholders' Agreements together with other forms of the significant exercise of corporate governance rights.

Joint arrangements are agreements under which two or more parties have joint control under a contract. Joint control is the shared control of a business activity, established by an agreement, and which exists only when decisions relative to the activity, require the unanimous consent of all parties who share control. These agreements may give rise to joint ventures or joint operations.

A joint venture is an agreement for the joint control of an entity whereby the parties that have joint control, have rights to the net assets of the said entity. Joint ventures are distinguished from joint operations which instead are configured as agreements which give the parties of the agreement, which have joint control of the initiative, the rights to the individual assets and the obligations of the individual liabilities relative to the agreement. The Group does not currently have any agreements in place for joint operations.

The following is a summary of the changes that occurred in the first half-year of 2025, in the scope of consolidation:

- the acquisition of the company Telco S.r.l., on January 13, 2025;
- the liquidation of the company CTC 2008 Ltd., on May 29, 2025;
- the disposal of the company Däckia Aktiebolag, on June 18, 2025.

3. ACCOUNTING STANDARDS

3.1 Adopted Accounting Standards

The accounting standards adopted are the same as those used for the preparation of the Consolidated Financial Statements at December 31, 2024, to which reference should be made for further details, with the exception of the following amendments which are applicable as of January 1, 2025:

- Amendments to IAS 21 - Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

  These amendments clarify when a currency is exchangeable for another currency and, consequently, when it is not. When one currency is not exchangeable for another, these amendments define the method for determining the exchange rate to be applied. The amendments also specify the information that must be provided when a currency is not exchangeable.

  There were no impacts on the Group's Financial Statements, as the Group holds no currencies that fall within the scope of these changes.

It is also to be noted that income taxes, are recognised based on the best estimate of the expected weighted average tax rate for the full financial year, and adjusted to include any non-recurring items in the relevant reporting period, consistent with the indications provided by IAS 34 for the preparation of Interim Financial Statements.

3.2 International Accounting Standards and/or Interpretations Issued but not yet in Force in 2025

The new standards or interpretations that had already been issued, but had not yet entered into force, or had not yet been approved by the European Union at June 30, 2025 and were therefore not applicable, are indicated below:

- Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments.

  These changes concern 3 areas:

  1. The classification of financial assets with ESG features.

     The amendments clarify and provide further guidance on how to assess whether financial assets with environmental, social and governance (ESG) related features, meet the " solely payments of principal and interest" (SPPI) criterion, and helps determine whether such assets should be measured at amortised cost or at fair value;

2. The derecognition of financial liabilities that are settled through electronic payment systems.

   The amendment introduced the option to cancel (derecognise) financial liabilities that are settled through electronic payment systems prior to the settlement date, provided that the entity making the payment does not have:

   - the practical ability to withdraw, stop, or cancel the instruction for payment;
   - the practical ability to access the liquidity;
   - a significant settlement risk.

   This exception does not apply to other payment methods, such as cheques, and must be selected for each payment system used.

3. New disclosure requirements in relation to:

   - equity instruments measured at fair value through Other Comprehensive Income: the changes in fair value through Other Comprehensive Income must be disaggregated between those related to securities disposed ofduring the period and those related to securities still held at the reporting date;
   - instruments with contractual clauses that may change financial flows as a result of events not directly related to changes in underlying credit risks (such as, for example, certain instruments with features linked to the achievement of ESG objectives). These new requirements apply both to financial assets measured at fair value through Other Comprehensive Income, and to financial assets and financial liabilities measured at amortised cost, and include:
     - a qualitative description of the nature of the event;
     - quantitative information on the possible changes in contractual financial flows - for example, the range of possible changes; and
     - the gross carrying amount of the financial assets and the amortised cost of financial liabilities subject to such contractual provisions.

These amendments, which have been endorsed by the European Union, will enter into force on January 1, 2026. No impact on the Group's Financial Statements is expected since:

- the Group does not hold any financial assets with ESG features;
- the Group is evaluating whether to avail itself of the option provided for payments made with electronic systems;
- the additional disclosures required for financial liabilities measured at amortised cost are already included in the Notes.

- Amendments to IFRS 9 and to IFRS 7 – Contracts Referencing Nature-dependent Electricity.

  These amendments:

  - introduce guidelines for determining whether contracts to purchase electricity from natural sources fall within the definition of *"own use"* contracts. In particular, the amendments specify that such contracts fall within the definition of *"own use"* contracts if the entity is, and expects to continue to be, a "net purchaser" of electricity during a maximum period of 12 months, meaning if it purchases sufficient electricity to offset the sales of unused electricity on the same relevant market;

- introduce an exception to the requirement of IFRS 9, according to which a future transaction must be highly probable in order to be designated as a hedged instrument in a hedging relationship;
- require additional disclosures for physical "*Power Purchase Agreements*" which are accounted for as *"own use"* contracts.

These amendments, which will enter into force on January 1, 2026, have been approved by the European Union. The impact of these amendments on the Consolidated Financial Statements is currently under analysis and will mainly relate to the additional disclosures that are required.

- Annual Improvements, Volume 11 (issued in July 2024).

  These amendments provide minor clarifications regarding the following principles:

  - IFRS 1 - First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 - Financial Instruments: Disclosures, and the related guidance to the application of IFRS 7;
  - IFRS 9 - Financial Instruments;
  - IFRS 10 - Consolidated Financial Statements;
  - IAS 7 - Statement of Cash Flows.

  These amendments, which will enter into force on January 1, 2026, have not yet been approved by the European Union. There were no impacts on the Consolidated Financial Statements as a result of these amendments.

- IFRS 18 - Presentation and Disclosure in Financial Statements.

  The key points of the new standard are as follows:

  - the structure of the Income Statement: all revenue and expense items must be classified into five categories and grouped into three subtotals. The standard provides specific guidance on the classification of the various items within each category;
  - the definition of Management Performance Measures (MPM), that is, the performance indicators defined by management and used in public disclosures. These indicators must be explained in detail in the Notes, and a reconciliation with the comparable subtotals as specified by the IFRS, must be provided;
  - guidance on how to aggregate and disaggregate information: items with similar characteristics must be aggregated, while those with dissimilar characteristics must be disaggregated.

This standard, which will enter into force on January 1, 2027, has not yet been approved by the European Union. The impact of these amendments on the Consolidated Financial Statements is currently under analysis.

- IFRS 19 –Subsidiaries without Public Accountability: Disclosures.

  The new standard reduces and simplifies the disclosure requirements for the IFRS separate financial statements for companies that have a parent company which prepares their consolidated financial statements pursuant to the IFRS, resulting in operational relief and lower costs. Entities that may apply IFRS 19, are those whose equity or debt instruments are not traded on a public market.

  This standard, which will enter into force on January 1, 2027, has not yet been approved by the European Union. The impact on the financial statements of subsidiaries which apply the IFRS standards in separate financial statements, is currently under analysis.

Seasonality

The amount for trade receivables at June 30, 2025 was impacted by the usual seasonality factors, which caused, all other conditions being equal, an increase in half-year-end values, compared to the corresponding values at the end of the financial year. These phenomena, which are more pronounced in markets with greater seasonality such as Europe, generally result in in a lower amount of trade receivables at the year-end compared to amounts recorded during the year, due to the almost complete collection of receivables related to winter product revenues in these markets in the fourth quarter, while the collection of a significant portion of receivables related to summer product revenues, is generally completed in the same markets during the third quarter.

4. ESTIMATES AND ASSUMPTIONS

The estimates and assumptions used to prepare these Condensed Consolidated Half-Year Financial Statements are consistent with those used to prepare the Consolidated Financial Statements at December 31, 2024, to which reference should be made.

5. INFORMATION ON FAIR VALUE

5.1 Fair Value Measurement

In relation to financial instruments measured at fair value, the classification of these instruments, based on the level hierarchy as provided for by IFRS 13, which reflects the significance of the inputs used in determining their fair value, is shown below. The levels are defined as follows:

- level 1 - unadjusted quoted prices in active markets for the assets or liabilities being valued;
- level 2 - inputs other than the quoted prices referred to in the previous point, which are observable on the market either directly (such as prices), or indirectly (that is, derived from prices);

– level 3 - inputs that are not based on observable market data.

The following table shows the **assets and liabilities measured at fair value at June 30, 2025**, subdivided into three levels:

(in thousands of euro)	Note	Carrying amount at 06/30/2025	Level 1	Level 2	Level 3
FINANCIAL ASSETS:					
Financial assets at fair value through Income Statement:					
Other current financial assets at fair value through Income Statement	17	80,630	73,080	7,550	-
Current derivative financial instruments	26	54,545	-	54,545	-
Derivative hedging instruments:					
Non-current derivative financial instruments	26	9,990	-	9,990	-
Other financial assets at fair value through Other Comprehensive Income:					
Securities and shares	11	78,356	24,794	40,885	12,677
TOTAL ASSETS		**223,522**	**97,874**	**112,971**	**12,677**
FINANCIAL LIABILITIES:					
Financial assets at fair value through Income Statement:					
Current derivative financial instruments	26	(64,935)	-	(64,935)	-
Derivative hedging instruments:					
Current derivative financial instruments	26	(622)	-	(622)	-
TOTAL LIABILITIES		**(65,557)**	**-**	**(65,557)**	**-**

The following table shows the **assets and liabilities measured at fair value at December 31, 2024**, subdivided into the three levels defined above:

(in thousands of euro)	Note	Carrying amount at 12/31/2024	Level 1	Level 2	Level 3
FINANCIAL ASSETS:					
Financial assets at fair value through Income Statement:					
Other current financial assets at fair value through Income Statement	17	165,965	147,079	18,886	-
Current derivative financial instruments	26	22,323	-	22,323	-
Derivative hedging instruments:					
Non-current derivative financial instruments	26	4,326	-	4,326	-
Other financial assets at fair value through Other Comprehensive Income:					
Securities and shares	11	63,294	21,929	29,297	12,068
TOTAL ASSETS		**255,908**	**169,008**	**74,832**	**12,068**
FINANCIAL LIABILITIES:					
Financial assets at fair value through Income Statement:					
Current derivative financial instruments	26	(8,816)	-	(8,816)	-
Derivative hedging instruments:					
Current derivative financial instruments	26	(1,305)	-	(1,305)	-
TOTAL LIABILITIES		**(10,121)**	**-**	**(10,121)**	**-**

The financial instruments, included in level 1, include the equity investments classified as financial assets at fair value through Other Comprehensive Income, and the listed Argentine dollar-linked bond instruments classified as financial assets at fair value through the Income Statement. Since the objective of the Argentine instruments was to mitigate the effects of depreciation in the local currency, which was recorded as a loss/gain in the net monetary position, the option was exercised to also recognise the change in the fair value of these instruments in the Income Statement. For further information, reference should be made to Note 35, *"Financial Income"* and Note 36, *"Financial Expenses".*

The following table shows **changes that occurred in the financial assets** classified within **level 3, during the first half-year of 2025**:

(in thousands of euro)	
Opening balance 01/01/2025	**12,068**
Translation differences	(7)
Increases	704
Fair value adjustments through Other Comprehensive Income	372
Other changes	(460)
Closing balance 06/30/2025	**12,677**

These financial assets are mainly represented by equity investments in the Istituto Europeo di Oncologia (European Institute of Oncology) (euro 8,906 thousand), in Genextra S.p.A (euro 301 thousand), in Nomisma S.p.A (euro 486 thousand) and in Tlcom I LP (euro 192 thousand).

The **fair value adjustments through Other Comprehensive Income** amounted to a positive net amount of euro 372 thousand, and refers to the fair value adjustment of the investment in the Istituto Europeo di Oncologia, (positive to the amount of euro 326 thousand), in Nomisma S.p.A., (positive to the amount of euro 29 thousand) and in Genextra S.p.A., (positive to the amount of euro 17 thousand).

During the first half-year of 2025, no transfers occurred from level 1 to level 2 or vice versa, nor from level 3 to other levels and vice versa.

6. DISPOSALS AND ACQUISITIONS

Disposal of Däckia AB

On June 18, 2025, the closing was signed for the sale of Däckia AB to CTS, an independent operator specialising in tyre retail and services operating in Northern Europe. The transaction will allow Pirelli to strengthen its commercial presence and its High Value strategy in the region.

The sale price, which was subject to the usual post-closing adjustments, was euro 23.5 million, while the net assets sold amounted to euro 17.5 million. The impact of euro 2.9 million recorded in the Income Statement, refers to euro 6.0 million, which is the difference between the sale price and the net assets sold, and to euro -3.1 million in losses from the foreign currency translation into euro of the subsidiary's financial statements accrued in previous financial years, which were recognised in equity and reclassified to the Income Statement.

Details of the assets and liabilities that were disposed of are listed as financial statement items as per below:

(in thousands of euro)	**Book value as of the disposal date**
Tangible assets	21,930
Intangible assets	9,954
Inventories	16,306
Trade receivables	3,780
Other receivables	2,261
Cash and cash equivalents	4,266
TOTAL ASSETS	**58,497**
Provisions for employee benefit obligations	(2,047)
Trade payables	(11,766)
Borrowings from banks and other financial institutions	(24,165)
Other payables	(1,863)
Deferred tax liabilities	(1,199)
TOTAL LIABILITIES	**(41,039)**
TOTAL NET ASSETS	**17,458**

Acquisition of Telco S.r.l.

On January 13, 2025, Pirelli acquired a 75% stake for a total of euro 7.2 million in Telco S.r.l., a company in which it already held a 5% stake. Telco specialises in the design and construction of hardware and software systems for industrial automation in the rubber, chemical, pharmaceutical and food sectors. This acquisition will allow Pirelli to accelerate the development of innovative projects in the area of mixing, and to and to directly make use of, as well as co-develop algorithms, for industrial automation applications.

The provisional fair value of the net assets was estimated to be equal to the carrying amount, and is equal to euro 3.0 million. The provisional fair values for the items in the financial statements, are as follows:

(in thousands of euro)	**Fair value as of the acquisition date**
Tangible assets	1,262
Intangible assets	9
Inventories	1,804
Trade receivables	3,229
Tax receivables	54
Cash and cash equivalents	3,332
TOTAL ASSETS	**9,690**
Provisions for employee benefit obligations	(958)
Trade payables	(732)
Tax payables	(175)
Borrowings from banks and other financial institutions	(1,172)
Other payables	(3,642)
TOTAL LIABILITIES	**(6,679)**
TOTAL NET IDENTIFIABLE ASSETS	**3,011**

The process of allocating the price paid at fair value of the assets acquired for the business combination (Purchase Price Allocation - PPA), in accordance with the provisions of the accounting standard IFRS 3 (Business combinations), has not yet been completed. The consequent determination of the goodwill deriving from the acquisition, is therefore to be considered provisional and will be completed, in accordance with the provisions of the standard, within 12 months of the acquisition date.

The difference, at the date of the transaction, between the fair value of the total consideration (including the stake previously held) which amounted to euro 7.6 million, and the provisional fair value of the net assets acquired which amounted to euro 3.0 million and the equity attributable to third parties of euro 0.6 million, equalled euro 5.2 million, and was recorded as goodwill under Intangible Assets.

7. OPERATING SEGMENTS

IFRS 8 - Operating segments, defines an operating segment as a component:

- which involves entrepreneurial activities which generate revenues and costs;
- whose operating results are periodically reviewed by the Chief Executive Officer, in his role as Chief Operating Decision Maker (CODM);
- for which separate Income Statement, Statement of Financial Position and other financial data is available.

For the purposes of IFRS 8, the activities performed by Consumer Activities are identifiable in a single operating segment.

Revenues from **sales and services according to geographical region**, were as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Europe	1,406,651	1,385,547
North America	915,785	872,657
APAC	579,513	563,748
South America	346,900	379,505
Russia and MEAI	249,728	246,069
Total	**3,498,577**	**3,447,526**

Tangible and intangible assets by geographic region allocated based on the country in which the assets are located, were as follows.

(in thousands of euro)	**06/30/2025**		**12/31/2024**	
Europe	4,953,064	59.20%	5,092,403	59.30%
North America	533,907	6.38%	572,200	6.66%
APAC	409,909	4.90%	475,152	5.53%
South America	468,542	5.60%	457,761	5.33%
Russia and MEAI	118,534	1.42%	103,258	1.20%
Non-current unallocated assets	1,882,708	22.50%	1,886,711	21.98%
Total	**8,366,664**	**100.00%**	**8,587,485**	**100.00%**

The **non-current allocated assets** reported in the preceding table consist of property, plant and equipment and intangible assets, excluding goodwill. The **non-current unallocated assets** are relative to goodwill.

8. PROPERTY, PLANT AND EQUIPMENT

Their composition was as follows:

(in thousands of euro)	**06/30/2025**	**12/31/2024**
Total Net Value:	**3,274,929**	**3,427,756**
- Owned tangible assets	2,846,512	2,984,811
- Right of use	428,417	442,945

8.1 – Owned Tangible Assets

Their composition and changes were as follows:

(in thousands of euro)	06/30/2025			12/31/2024		
	Gross Value	**Accumulated Depreciation**	**Net Value**	**Gross Value**	**Accumulated Depreciation**	**Net Value**
Land	150,620	-	**150,620**	152,576	-	**152,576**
Buildings	923,139	(302,334)	**620,805**	945,388	(293,133)	**652,255**
Plants and machinery	3,281,727	(1,543,632)	**1,738,095**	3,343,289	(1,497,737)	**1,845,552**
Industrial and trade equipment	797,930	(547,435)	**250,495**	784,134	(535,709)	**248,425**
Other assets	170,560	(84,063)	**86,497**	169,483	(83,480)	**86,003**
Total	**5,323,976**	**(2,477,464)**	**2,846,512**	**5,394,870**	**(2,410,059)**	**2,984,811**

NET VALUE (in thousands of euro)	**12/31/2024**	**Hyperinflation Argentina and Turkey**	**Currency translation differences**	**Change in consolidation scope**	**Increases**	**Decreases**	**Depreciation**	**Devaluation**	**Recl./Other**	**06/30/2025**
Land	**152,576**	442	(2,489)	-	23	-	-	-	68	**150,620**
Buildings	**652,255**	2,369	(21,559)	(334)	5,819	(174)	(17,570)	-	0	**620,805**
Plants and machinery	**1,845,552**	10,329	(73,382)	1	63,433	(1,392)	(105,418)	(781)	(248)	**1,738,095**
Industrial and trade equipment	**248,425**	3,203	(5,465)	(2,521)	43,980	(525)	(35,333)	(229)	(1,039)	**250,495**
Other assets	**86,003**	2,080	(3,498)	(391)	7,441	(22)	(6,578)	(0)	1,461	**86,497**
Total	**2,984,811**	**18,423**	**(106,393)**	**(3,245)**	**120,695**	**(2,112)**	**(164,900)**	**(1,010)**	**242**	**2,846,512**

NET VALUE (in thousands of euro)	**12/31/2023**	**Hyperinflation Argentina and Turkey**	**Currency translation differences**	**Businnes combination**	**Increases**	**Decreases**	**Depreciation**	**Devaluation**	**Recl./Other**	**06/30/2024**
Land	**150,747**	2,017	(5,180)	159	340	-	-	-	3	**148,086**
Buildings	**645,849**	8,386	(8,583)	2,538	8,997	(139)	(18,727)	-	(4,129)	**634,193**
Plants and machinery	**1,873,739**	27,528	(26,301)	933	77,346	(1,002)	(103,883)	374	8,525	**1,857,259**
Industrial and trade equipment	**226,381**	6,109	(2,875)	-	44,074	(897)	(34,745)	-	(4,226)	**233,821**
Other assets	**71,862**	4,471	(650)	59	7,067	166	(5,776)	1	1,215	**78,414**
Total	**2,968,578**	**48,511**	**(43,588)**	**3,688**	**137,824**	**(1,872)**	**(163,130)**	**375**	**1,389**	**2,951,773**

The item **Hyperinflation Argentina and Turkey** refers to the revaluation of the assets held by the Argentine and Turkish subsidiaries as a consequence of the application of the IAS 29 accounting standard - Financial Reporting in Hyperinflationary Economies, (euro 14,172 thousand for Argentina and euro 4,251 thousand for Turkey). The effect partially balanced the negative foreign **currency translation differences** (euro -22,670 thousand for Argentina and euro -7,129 thousand for Turkey).

Increases, totalling euro 120,695 thousand, were primarily aimed at the High Value segment, at the continuous improvement in the mix and quality in the manufacturing plants, as well as projects for greater energy efficiency and the electrification of the vulcanisation presses.

The ratio of investments to depreciation for the first half-year of 2025 was equal to 0.73, (0.84 for the same period of 2024).

The item **devaluation** totalling euro 1,010 thousand, refers mainly to plants and machinery in operation in the subsidiary in Germany (euro 684 thousand).

Property, plant and equipment in progress at June 30, 2025, included in the individual fixed asset categories, amounted to euro 225,807 thousand, (euro 247,636 thousand at December 31, 2024). The main projects included under property, plant and equipment in progress relate to High Value activities, the ongoing technological upgrade of factories and machinery aimed at enhancing safety from an Environmental, Health and Safety (EHS) perspective, and investments in machinery for the development of new product lines and the improvement of existing products. These investments were concentrated in Mexico, Romania, China, Germany and Italy.

It should be noted that the companies of the Group did not pledge any property, plant and equipment as collateral.

8.2 - Right of Use

The net value of the assets for which the Group has entered into lease contracts, is detailed as follows:

(in thousands of euro)	**06/30/2025**	**12/31/2024**
Right of use land	13,878	15,475
Right of use buildings	333,762	348,884
Right of use plants and machinery	14,671	15,020
Right of use other assets	66,106	63,566
Total net right of use	**428,417**	**442,945**

Increases in the right of use for the first half-year of 2025, also including remeasurements, amounted to euro 71,596 thousand and were mainly due to:

- a new lease contract for a warehouse in Campinas in Brazil for approximately euro 25,207 thousand;
- new contracts for car and forklift hires for euro 11,586 thousand;
- new rental contracts for two warehouses in Romania for euro 8,383 thousand;
- a new contract for a warehouse in Germany for approximately euro 2,545 thousand;
- new contracts for residential apartments and guest accommodations in China for euro 2,060 thousand;
- contracts related to energy projects in Germany for euro 1,725 thousand;
- a two-year extension for a warehouse contract in China for euro 1,856 thousand.

The increase also includes the adjustment for inflation where contractually foreseen.

During the first half-year of 2025, no contracts were subject to reassessment or significant changes.

The disposal of Däckia AB resulted in a decrease in the net value of the right of use by euro 18,481 thousand.

For the first half-year of 2025 depreciation of the right of use recognised in the Income Statement and included under the item *"Depreciation, Amortisation and Impairments"* (Note 31), was composed as follows:

(in thousands of euro)	01/01 - 06/30/2025	01/01 - 06/30/2024
Land	826	807
Buildings	41,649	40,056
Plants and machinery	2,393	2,398
Other assets	11,947	10,616
Total depreciation of right of use	**56,815**	**53,877**

With regard to interest on lease liabilities, reference should be made to Note 36, *"Financial Expenses".*

Information on the costs for lease contracts with a duration of less than twelve months, lease contracts for assets with a low unit value, and lease contracts with variable rates, is included in Note 32, *"Other Costs".*

9. INTANGIBLE ASSETS

Their composition and changes were as follows:

NET VALUE (in thousands of euro)	**12/31/2024**	**Currency translation differences**	**Change in consolidation scope**	**Increase**	**Amortisation**	**Recl./Other**	**06/30/2025**
Concessions, licenses and trademarks - finite useful life	**63,818**	(1,578)	-	-	(2,064)	84	**60,260**
Pirelli Brand - indefinite useful life	**2,270,000**	-	-	-	-	-	**2,270,000**
Goodwill	**1,886,711**	19	(4,022)	-	-	-	**1,882,708**
Customer relationships	**135,147**	(85)	-	-	(17,260)	37	**117,839**
Technology	**738,067**	-	-	-	(38,425)	-	**699,642**
Software applications	**49,748**	(14)	8	5,713	(10,744)	37	**44,748**
Patents and design patent rights	**16,172**	-	-	1,570	(1,263)	-	**16,480**
Other intangible assets	**66**	(12)	-	-	(15)	19	**59**
Total	**5,159,729**	**(1,670)**	**(4,014)**	**7,284**	**(69,770)**	**176**	**5,091,735**

NET VALUE (in thousands of euro)	**12/31/2023**	**Currency translation differences**	**Business combination**	**Increase**	**Amortisation**	**Recl./Other**	**06/30/2024**
Concessions, licenses and trademarks - finite useful life	**64,613**	708	-	126	(1,794)	255	**63,908**
Pirelli Brand - indefinite useful life	**2,270,000**	-	-	-	-	-	**2,270,000**
Goodwill	**1,884,925**	(1,801)	11,141	-	-	-	**1,894,265**
Customer relationships	**169,453**	(370)	-	-	(17,252)	-	**151,831**
Technology	**814,917**	-	-	-	(38,425)	-	**776,492**
Software applications	**45,020**	(125)	26	3,814	(10,414)	(237)	**38,084**
Patents and design patent rights	**14,455**	-	-	1,788	(1,052)	-	**15,191**
Other intangible assets	**404**	(37)	-	2	(151)	224	**442**
Total	**5,263,787**	**(1,625)**	**11,167**	**5,730**	**(69,088)**	**242**	**5,210,213**

Intangible assets were composed as follows:

- the Pirelli Brand (indefinite useful life) to the amount of euro 2,270,000 thousand. It should be noted that the valuation of the useful life of trademarks is based on a number of factors, including: the competitive environment, the market share, the history of the Brand, the life cycles of the underlying product, the operational plans, and the macroeconomic environment of the countries in which the related products are sold. Specifically, the useful life of the Pirelli Brand was assessed as indefinite based on its history of one hundred and fifty years of success (established in 1872), and on the intention and ability of the Group to continue investing in order to support and maintain the Brand;

- the Metzeler Brand (useful life of 20 years) to the amount of euro 38,078 thousand which is included under the item "*Concessions, licenses and trademarks – finite useful life";*
- Customer Relationships (useful life of 10 - 20 years) to the amount of euro 117,839 thousand, which mainly includes the value of commercial relationships for both the Original Equipment and Replacement channel;
- Technology which includes the value of both product and process technologies as well the value of the *In-Process R&D* (being formed at the time of the acquisition of the Group in 2015 by Marco Polo Industrial Holding S.p.A.) amounted to euro 679,642 thousand and euro 20,000 thousand respectively. The useful life of product and process technology was determined to be 20 years, while the useful life of In-Process R&D was determined to be 10 years;
- Goodwill to the amount of euro 1,882,708 thousand, of which euro 1,868,137 thousand was recognised at the time of the acquisition of the Group in September 2015. The remaining portion refers to the goodwill determined as part of the acquisition of the company JMC Pneus Comércio Importação e Exportação Ltda., which occurred in 2018, and the acquisition of the company Hevea-Tec Indústria E Comércio Ltda., at the beginning of 2024. The change in the scope of consolidation in the first half-year of 2025 amounted to euro 4,022 thousand, which refers to the balance of the Group's acquisitions and disposals that led to a decrease in goodwill following the disposal of the subsidiary Däckia AB for euro 9,226 thousand, and an increase in goodwill due to the acquisition of Telco S.r.l. for euro 5,204 thousand.

The increases which totalled euro 7,284 thousand, mainly refers to application software (euro 5,713 thousand), which was mainly carried out to implement the Company's digitisation programme.

With reference to the goodwill - allocated to the "*Consumer Activities*" Group of CGUs (Cash Generating Units) - and to the intangible assets with an indefinite useful life (the Pirelli Brand), the Company has proceeded with the verification, in accordance with the requirements of IAS 36, that the prerequisite conditions for performing an Impairment Test at June 30, 2025 were not met.

10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The changes in investments in associates and joint ventures were as follows:

(in thousands of euro)	06/30/2025			12/31/2024		
	Associates	JV	Total	Associates	JV	Total
Opening balance	**1,113**	**119,677**	**120,790**	**7,469**	**78,928**	**86,397**
Decreases	-	-	-	(5,201)	-	(5,201)
Increases	-	12,838	12,838	-	12,071	12,071
Distribution of dividends	(157)	-	(157)	(2,974)	-	(2,974)
Share of net income / (loss)	140	10,962	11,102	1,818	25,638	27,456
Share of other components recognised in Equity	-	(17,680)	(17,680)	-	3,040	3,040
Other	-	-	-	1	-	1
Closing balance	**1,096**	**125,797**	**126,893**	**1,113**	**119,677**	**120,790**

10.1 Investments in Associates

The details were as follows:

(in thousands of euro)	12/31/2024	Decreases	Distribution of dividends	Share of net income / (loss)	Other	06/30/2025
Eurostazioni S.p.A.	**39**	-	-	-	-	**39**
Investments in other associates	**1,074**	-	(157)	140	-	**1,057**
Total	**1,113**	**-**	**(157)**	**140**	**-**	**1,096**

The investments in associates were accounted for using the equity method are not material in terms of their impact on the total consolidated assets, either individually or in aggregate form.

10.2 Investments in Joint Ventures

The details were as follows:

(in thousands of euro)	12/31/2024	Increases	Share of net income / (loss)	Share of other components recognised in Equity	06/30/2025
Xushen Tyre (Shanghai) Co., Ltd.	**93,746**	-	10,923	(11,010)	**93,659**
PT Evoluzione Tyres	**15,678**	-	1,118	(2,104)	**14,692**
Middle East and North Africa Tyre Company	**10,253**	12,838	(1,079)	(4,566)	**17,446**
Total	**119,677**	**12,838**	**10,962**	**(17,680)**	**125,797**

The Group holds:

- a 49% stake in the company Xushen Tyre (Shanghai) Co., Ltd. a joint venture which, through the company Jining Shenzhou Tyre Co., Ltd. owns a Consumer tyre manufacturing plant in China. The plant provides the necessary production flexibility for the High Value segment, given the evolution of the Chinese market, the expected developments in the electric car segment and the increasing share of homologations obtained for the Original Equipment channel in China, Japan and Korea. As announced on August 1, 2018, the joint venture agreement relative to Xushen Tyre (Shanghai) Co., Ltd. provides for a for a Call Option in favour of Pirelli Tyre S.p.A., exercisable from January 1, 2021 until March 31, 2026, which - if exercised - would allow Pirelli Tyre S.p.A. to increase its stake in the company to up to 70%. Pirelli Tyre S.p.A. has notified the shareholders of Xushen Tyre (Shanghai) Co., Ltd. of its intention to not exercise the option until December 31, 2025, without prejudice to the right to exercise the option thereafter, and in any case, by March 31, 2026;

- a 63.04% stake of in PT Evoluzione Tyres, an entity which operates in Indonesia and is active in the production of tyres for motorcycles. Even though the company is 63.04% owned, due to the contractual agreements between the Shareholders, it falls under the definition of a joint venture, in that the governance rules explicitly provide for the unanimous approval of decisions regarding significant business activities;
- a 25% investment stake in the Middle East and North Africa Tyre Company, with the remaining 75% owned by Saudi Arabia's Public Investment Fund (PIF). Even though the company is 25% owned, due to the contractual agreements between the Shareholders, it falls under the definition of a joint venture, in that the governance rules explicitly provide for the unanimous consent of decisions regarding significant business activities. The joint venture, which includes the construction of a manufacturing plant, will produce high quality car tyres under the Pirelli brand, and will produce and market the tyres under a new local brand for the national and regional market.

The investments in joint ventures were not relevant in terms of their impact on the total consolidated assets, either individually or in aggregate form.

11. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Other financial assets at fair value through Other Comprehensive Income amounted to euro 78,356 thousand at June 30, 2025 (euro 63,294 thousand at December 31, 2024). Movements were as follows:

(in thousands of euro)	
Opening balance at 01/01/2025	**63,294**
Translation differences	(7)
Increases	704
Decreases	(10)
Fair Value adjustment through Other Comprehensive Income	14,825
Other	(450)
Closing balance 06/30/2025	**78,356**

The composition of the item by individual security is as follows:

(in thousands of euro)		**06/30/2025**	**12/31/2024**
Listed securities			
RCS MediaGroup S.p.A.		24,794	21,929
	Total	**24,794**	**21,929**
Unlisted securities			
Fin. Priv. S.r.l.		40,885	29,297
Istituto Europeo di Oncologia S.r.l.		8,906	8,580
Tlcom I LP		192	199
Telco S.r.l.		-	450
Other companies		3,579	2,839
	Total	**53,562**	**41,365**
Total other financial assets at Fair Value through Other Comprehensive Income		**78,356**	**63,294**

The **fair value adjustments through Other Comprehensive Income** equalled a positive net amount of euro 14,825 thousand, and mainly refers to the RCS MediaGroup S.p.A. (positive to the amount of euro 2,865 thousand) and to Fin. Priv. S.r.l. (positive to the amount of euro 11,588 thousand).

For listed securities, the fair value corresponds to the stock market price at June 30, 2025. For unlisted securities, the fair value was determined by using estimates based on the best available information.

12. DEFERRED TAX ASSETS AND LIABILITIES

Their composition is as follows:

(in thousands of euro)	**06/30/2025**	**12/31/2024**
Deferred tax assets	218,109	228,740
Deferred tax liabilities	(951,338)	(990,250)
Total	**(733,229)**	**(761,510)**

Deferred tax assets and liabilities are offset where there exists a legal right to offset current tax receivables and current tax payables, and the deferred taxes pertain to the same legal entity and tax authority.

13. TRADE RECEIVABLES

Trade receivables were as follows:

(in thousands of euro)		**06/30/2025**			**12/31/2024**	
	Total	**Non-current**	**Current**	**Total**	**Non-current**	**Current**
Trade receivables	970,732	-	970,732	696,198	-	696,198
Bad debt provision	(74,237)	-	(74,237)	(73,283)	-	(73,283)
Total	**896,495**	**-**	**896,495**	**622,915**	**-**	**622,915**

The carrying amount of trade receivables is considered to approximate their fair value.

14. OTHER RECEIVABLES

Other receivables were as follows:

(in thousands of euro)		**06/30/2025**			**12/31/2024**	
	Total	**Non-current**	**Current**	**Total**	**Non-current**	**Current**
Financial receivables	224,811	106,478	118,333	225,955	112,600	113,355
Trade accruals and deferrals	55,990	5,490	50,500	41,531	6,251	35,280
Receivables from employees	8,974	609	8,365	6,244	589	5,655
Receivables from social security and welfare institutions	2,411	-	2,411	941	-	941
Receivables from tax authorities not related to income taxes	324,374	158,851	165,523	388,198	161,203	226,995
Other receivables	95,424	39,217	56,207	99,529	37,195	62,334
	711,984	**310,645**	**401,339**	**762,398**	**317,838**	**444,560**
Bad debt provision for other receivables and financial receivables	(8,827)	(306)	(8,521)	(8,862)	(8,312)	(550)
Total	**703,157**	**310,339**	**392,818**	**753,536**	**309,526**	**444,010**

Financial receivables non-current (euro 106,478 thousand) refers mainly to euro 61,301 thousand, the sum deposited as guarantees for tax and legal disputes in relation to the subsidiary Pirelli Pneus Ltda. (Brazil) and remunerated at market rates, to euro 15,303 thousand, the sum deposited in escrow accounts in favour of the pension funds of Pirelli UK Ltd., to euro 17,544 thousand in contributions paid in cash at the time of signing an association in participation contract and to euro 7,079 thousand in loans, disbursed in favour of the Indonesian joint venture PT Evoluzione Tyres.

Financial receivables current (euro 118,333 thousand) refers mainly to euro 70,819 thousand for the short-term portion of loans disbursed to the joint venture, Jining Shenzhou Tyre Co., Ltd., for which there was no significant increase in credit risk compared to the disbursement date.

The item **bad debt provision for other receivables and financial receivables** (euro 8,827 thousand) mainly includes euro 8,362 thousand related to the impairment of financial receivables.

The item **receivables from tax authorities not related to income taxes** (euro 324,374 thousand compared to euro 388,198 thousand for at December 31, 2024) is mainly comprised of receivables for IVA (value added tax) and other indirect taxes whose recoverability is expected in future financial years.

Other receivables non-current (euro 39,217 thousand) refers mainly to amounts deposited as guarantees for legal and tax disputes for the Brazilian companies (euro 36,276 thousand).

Other receivables current (euro 56,207 thousand) includes:

- advances to suppliers amounting to euro 18,517 thousand;
- receivables from associates and joint ventures to the amount of euro 9,481 thousand, mainly for royalties and the sale of materials and moulds;
- receivables to the amount of euro 8,666 thousand in yet to be collected state grants.
- receivables for insurance reimbursements and other indemnities to the amount of euro 2,934 thousand.

For other receivables current and non-current, the carrying amount is considered to approximate their fair value.

15. TAX RECEIVABLES

Tax receivables refers to income taxes which amounted to euro 45,682 thousand (of which euro 13,911 thousand was non-current), compared to euro 46,962 thousand at December 31, 2024 (of which euro 9,973 thousand was non-current).

16. INVENTORIES

Inventories were as follows:

(in thousands of euro)	**06/30/2025**	**12/31/2024**
Raw and auxiliary materials and consumables	233,754	217,797
Sundry materials	16,367	23,750
Unfinished and semi-finished products	108,480	100,285
Finished products	1,086,939	1,125,814
Advances to suppliers	6	61
Total	**1,445,546**	**1,467,707**

For further information on the performance of inventories, reference should be made to the section *"Group Performance and Results"* in the Half-Year Financial Report.

Inventories were not subject to any guarantee restrictions.

17. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH THE INCOME STATEMENT

Other financial assets at fair value through the Income Statement, amounted to euro 80,630 thousand at June 30, 2025, compared to euro 165,965 thousand at December 31, 2024.

The amount at June 30, 2025 included euro 73,080 thousand (euro 147,079 thousand at December 31, 2024), relative to investments made by the Argentine subsidiary in listed dollar-linked bond instruments, to mitigate the effects of depreciation on the local currency. The decrease compared to the amount at December 31, 2024, was due, in addition to the change in fair value of the instruments, to the divestment carried out during the first half-year amounting to approximately 30 million dollars, which was used by the Argentine subsidiary to settle trade payables and other outstanding intra-group debts and payables towards third-party suppliers.

For unlisted securities, the fair value was determined by using estimates based on the best available information.

Changes in the fair value for the period were recognised in the Income Statement under *“Financial Income”*, (Note 35).

18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents went from euro 1,502,741 thousand at December 31, 2024 to euro 849,874 thousand at June 30, 2025, and refer to current bank account balances and short-term bank deposits.

Details of the change in the balance are provided in the Consolidated Statement of Cash Flows.

They are concentrated in the treasury centres of the Group, and in companies that generate liquidity and use it locally. They are mainly deployed, in accordance with risk diversification principles and in compliance with minimum rating levels, on the market for deposits with short-term maturities with bank counter-parties at interest rates that are aligned with the prevailing market conditions. The credit risk associated with cash and cash equivalents is considered to be limited as the counter-parties are represented by leading national and international banking institutions.

For the purposes of the Statement of Cash Flow, the balance of cash and cash equivalents was recorded net of bank overdrafts, in the amount of euro 2,418 thousand at June 30, 2025 (euro 1,467 thousand at December 31, 2024).

19. EQUITY

19.1 Attributable to the Owners of the Parent Company

Equity attributable to the Owners of the Parent Company went from euro 5,756,071 thousand at December 31, 2024 to euro 5,542,242 thousand at June 30, 2025.

The subscribed and paid-up **share capital** at June 30, 2025 amounted to euro 1,904,375 thousand and was represented by 1,000,000,000 registered ordinary shares without indication of their nominal value.

The **translation reserve**, generated by the conversion into euro of the financial statements of subsidiaries that use a functional currency other than the euro, was negative to the amount of euro 1,099,527 thousand at June 30, 2025 (negative to the amount of euro 834,999 thousand at December 31, 2024). Movements for the period included a negative change of euro 264,528 thousand, mainly attributable to the subsidiaries in China, Argentina, Mexico and the United States.

Other reserves with changes in the Statement of Comprehensive Income went from a negative euro 54,438 thousand at December 31, 2024, to a negative euro 38,272 thousand at June 30, 2025, mainly due to the positive effect of financial assets at fair value through Other Comprehensive Income (euro 14,825 thousand) and the cash flow hedge reserve (euro 2,837 thousand).

Other reserves/retained earnings went from euro 4,741,133 thousand at December 31, 2024 to euro 4,775,666 thousand at June 30, 2025, essentially due to the net result for the period (positive to the amount of euro 246,497 thousand), to hyperinflation in Argentina and Turkey (positive changes to the amount of euro 31,626 thousand and euro 6,381 thousand, respectively, which was counterbalanced by a negative translation reserve of euro 65,574 thousand and euro 9,325 thousand, respectively) and by approved dividends (negative to the amount of euro 250,360 thousand).

19.2 Attributable to Non-Controlling Interests

Equity attributable to Non-Controlling Interests went from euro 156,183 thousand at December 31, 2024 to euro 160,683 thousand at June 30, 2025. The increase was due to the positive change attributable to the results for the period to the amount of euro 17,481 thousand, partially offset by losses from foreign currency translation differences which amounted to euro 5,078 thousand, and by dividends paid to minority shareholders to the amount of euro 8,677 thousand.

20. PROVISIONS FOR LIABILITIES AND CHARGES

Movements in the non-current portion of provisions that occurred during the period are shown below:

PROVISION FOR LIABILITIES AND CHARGES - NON-CURRENT PORTION *(in thousands of euro)*	**12/31/2024**	**Currency translation differences**	**Increases**	**Uses**	**Releases**	**Reclass.**	**06/30/2025**
Provision for labour disputes	14,923	(466)	4,752	(3,306)	(837)	-	15,066
Provision for tax risks not related to income taxes	2,580	(1)	14	1	-	-	2,594
Provision for environmental risks	33,956	13	-	(1,645)	-	-	32,324
Provision for other risks and expenses	49,664	(330)	5,962	(5,371)	(112)	(6,787)	43,026
Total	**101,123**	**(784)**	**10,728**	**(10,321)**	**(949)**	**(6,787)**	**93,010**

Increases mainly refer to accruals to the provisions for labour disputes particularly for the Brazilian subsidiaries to the amount of euro 4,213 thousand. With regard to other risks, the increase for the period mainly refers to the STI (Short Term Incentive) and LTI (2024-2026 and 2025-2027 Long Term Incentive) Plans for the Directors participating in the plan.

Uses were mainly attributable to labour disputes for the settlement of ongoing litigation**.** With regard to other risks, the use resulted from the partial liquidation of the provision for severance indemnities, paid to Directors.

Reclassifications refer mainly to the reclassification, from non-current to current provisions, of the portions of the 2023-2025 LTI and STI Plan accrued in previous years, which will be settled during the first half-year of 2026.

Movements in the current portion of provisions that occurred during the period, are shown below:

PROVISION FOR LIABILITIES AND CHARGES - CURRENT PORTION *(in thousands of euro)*	**12/31/2024**	**Currency translation differences**	**Increases**	**Uses**	**Releases**	**Reclass.**	**06/30/2025**
Provision for labour disputes	209	(23)	11	(100)	(16)	-	81
Provision for tax risks not related to income taxes	3,603	93	-	-	(654)	-	3,042
Provision for environmental risks	2,050	-	32	(205)	-	-	1,877
Provision for product claims and warranties	11,992	(1,121)	411	(114)	(967)	-	10,201
Provision for other risks and expenses	13,509	(11)	5,516	(5,807)	(28)	6,787	19,966
Total	**31,363**	**(1,062)**	**5,970**	**(6,226)**	**(1,665)**	**6,787**	**35,167**

Increases to the provisions for other risks were mainly attributable to the purchase of greenhouse gas emission allowances, consistent with the provisions of the European Emission Trading Schemes to the amount of euro 2,271 thousand, to the provision for the period for the LTI (2023-2025 Long Term Incentive Plan) for the Directors participating in the plan, which will be settled during the first half-year of 2026.

Uses refer to greenhouse gas emission allowances, consistent with European Emission Trading Schemes, to the amount of euro 5,555 thousand.

21. PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS AND OTHER ASSETS

Provisions for Employee Benefit Obligations and Other Assets – non-current portion

The item is composed as follows:

(in thousands of euro)	**06/30/2025**	**12/31/2024**
Pension funds in surplus	92,196	93,838
Total other assets	**92,196**	**93,838**
Pension funds in deficit	60,080	63,577
Employees' leaving indemnities (TFR - Italian companies)	21,708	20,978
Healthcare plans	10,107	11,434
Other benefits	73,596	88,051
Total provisions for employee benefit obligations	**165,491**	**184,040**

Pension Funds

The following table shows the **composition of pension funds at June 30, 2025:**

	06/30/2025						
(in thousands of euro)	**Germany**	**Total unfunded pension funds**	**USA**	**UK**	**Switzerland**	**Total funded pension funds**	**Total**
Present value of liabilities	58,250	**58,250**	65,386	638,815	34,329	**738,530**	**796,780**
Fair value of plan assets			(66,779)	(729,618)	(32,499)	**(828,896)**	**(828,896)**
Total Assets in surplus			(1,393)	(90,803)		**(92,196)**	**(92,196)**
Total Liabilities in deficit	58,250	**58,250**			1,830	**1,830**	**60,080**
Total pension funds							**(32,116)**

The following table shows the **composition of pension funds at December 31, 2024:**

	12/31/2024							
(in thousands of euro)	**Germany**	**Sweden**	**Total unfunded pension funds**	**USA**	**UK**	**Switzerland**	**Total funded pension funds**	**Total**
Present value of liabilities	59,483	2,068	**61,551**	75,160	685,282	34,084	**794,526**	**856,077**
Fair value of plan assets				(76,571)	(777,709)	(32,058)	**(886,338)**	**(886,338)**
Total Assets in surplus				(1,411)	(92,427)		**(93,838)**	**(93,838)**
Total Liabilities in deficit	59,483	2,068	**61,551**			2,026	**2,026**	**63,577**
Total pension funds								**(30,261)**

Movements for the first half-year of 2025 in the defined benefits pension funds (refers to funded and unfunded pension funds), were as follows:

(in thousands of euro)	**Present value of gross liabilities**	**Fair value of plan assets**	**Total**
Opening balance at January 1, 2025	856,077	(886,338)	(30,261)
Currency translation differences	(28,894)	31,940	3,046
Movements through Income Statement:			
- current service costs	544	-	544
- past service costs	-	-	-
- interest expense / (income)	21,153	(22,755)	(1,602)
	21,697	**(22,755)**	**(1,058)**
Remeasurements recognised in equity:			
- actuarial (gains) / losses from change in demographic assumptions	(2,860)	-	(2,860)
- actuarial (gains) / losses from change in financial assumptions	(21,068)	-	(21,068)
- experience adjustment (gains) / losses	3,604	-	3,604
- return on plan assets, net of interest income	-	21,234	21,234
	(20,324)	**21,234**	**910**
Employer contributions	-	(2,826)	(2,826)
Employee contributions	304	(304)	-
Benefits paid	(30,012)	27,649	(2,363)
Change consolidation scope	(2,068)	-	(2,068)
Other	-	2,504	2,504
Closing balance at June 30, 2025	**796,780**	**(828,896)**	**(32,116)**

Current and past service costs are included under "*Personnel Expenses*" (Note 30), and net interest payables are included under "*Financial Expenses"* (Note 36).

Employees' Leaving Indemnities (TFR)

Movements for the half-year in the provision for employees' leaving indemnities were as follows:

(in thousands of euro)	**06/30/2025**	**12/31/2024**
Opening balance	**20,978**	**19,830**
Movements through Income Statement:		
- current service cost	577	155
- interest expense	384	769
Remeasurements recognised in equity:		
- actuarial (gains) / losses arising from changes in demographic assumptions	12	-
- actuarial (gains) / losses from changes in financial assumptions	(155)	231
- effect of experience adjustments	199	1,281
Liquidation/advances	212	(1,140)
Other	(499)	(148)
Closing balance	**21,708**	**20,978**

The current service cost, for services rendered by employees, is included under *"Personnel Expenses"* (Note 30) and interest payables are included under *"Financial Expenses"* (Note 36).

Healthcare Plans

This item refers exclusively to the healthcare plan in place in the United States.

(in thousands of euro)	USA
Liabilities recognised in the Financial Statements at 06/30/2025	10,107
Liabilities recognised in the Financial Statements at 12/31/2024	11,434

Movements for the period were as follows:

(in thousands of euro)	06/30/2025	12/31/2024
Opening balance	**11,434**	**12,079**
Translation differences	(1,296)	712
Movements through Income Statement:		
- current service cost	-	1
- interest expense	275	544
Remeasurements recognised in equity:		
- actuarial / (gains) losses from changes in financial assumptions	191	1
- effect of experience adjustments	162	(904)
Contributions/benefits paid	(659)	(999)
Closing balance	**10,107**	**11,434**

The service cost is included under "*Personnel Expenses"* (Note 30), and interest payables are included under "*Financial Expenses"* (Note 36).

Additional Information on Post-Employment Benefits

Net actuarial losses accrued during the first half-year of 2025, and recorded directly in Other Comprehensive Income amounted to euro 853 thousand (net actuarial losses for 2024 had amounted to euro 38,637 thousand).

The main actuarial assumptions used at **June 30, 2025** were the following:

	Italy	Germany	UK	USA	Switzerland
Discount rate	3.35%	3.35%	5.80%	5.01%	1.00%
Inflation rate	2.00%	2.25%	3.20%	N/A	0.75%

The main actuarial assumptions used at **December 31, 2024** were the following:

	Italy	Germany	UK	USA	Switzerland
Discount rate	3.25%	3.35%	5.60%	5.30%	0.95%
Inflation rate	2.00%	2.00%	3.37%	N/A	0.75%

Other Long-Term Benefits

The composition of other benefits was as follows:

(in thousands of euro)	**06/30/2025**	**12/31/2023**
Long Term Incentive plans	16,326	32,403
Jubilee awards and other long-term benefits	46,120	44,554
Leaving indemnities	11,150	11,094
Total	**73,596**	**88,051**

The item ***"Long-Term Incentive Plans"*** refers to the amount allocated for the 2024-2026 and 2025-2027 three-year monetary LTI Plans for the Group's management, while the portion related to the 2023-2025 Plan was reclassified for the half-year under current provisions for employee benefit obligations, in that should the parameters underlying the plans be achieved, it is expected to be settled during the first half-year of 2026. It should be noted that the existing incentive plans are based on a *"rolling"* mechanism (a new three-year Incentive Plan will therefore be reintroduced each year). For further details, reference should be made to the Remuneration Report in the 2024 Annual Report.

Provisions for Employee Benefit Obligations – current portion

The Statement of Financial Position item provisions for **employee benefit obligations - current** to the amount of euro 34,344 thousand, includes the amount relative to the 2023-2025 LTI Plan that will be paid out in the first half-year of 2026 to the Group's management, if the targets underlying the plan are achieved.

22. BORROWINGS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

Borrowings from banks and other financial institutions were as follows:

(in thousands of euro)	06/30/2025			12/31/2024		
	Total	**Non-current**	**Current**	**Total**	**Non-current**	**Current**
Bonds	1,686,138	1,191,008	495,130	1,679,980	1,189,839	490,141
Borrowings from banks	1,553,503	1,197,293	356,210	1,578,285	1,496,460	81,825
Borrowings from other financial institutions	47,009	-	47,009	27,820	-	27,820
Lease liabilities	470,773	370,147	100,626	485,628	380,467	105,161
Accrued financial expenses and deferred financial income	42,372	719	41,653	51,282	409	50,873
Other financial payables	9,749	804	8,945	6,460	1,423	5,037
Total	**3,809,543**	**2,759,971**	**1,049,572**	**3,829,455**	**3,068,598**	**760,857**

The item **bonds** refers to:

- the non-interest-bearing senior unsecured guaranteed equity-linked bond loan (*"Convertible Bond Loan"*), [ISIN: XS2276552598] with a nominal value of euro 500 million maturing on December 22, 2025. This bond loan, reserved for institutional investors, was issued by Pirelli & C. S.p.A. on December 22, 2020, guaranteed by Pirelli Tyre S.p.A., and admitted to trading on the Vienna MTF, a multilateral trading facility operated by the Vienna Stock Exchange. The bond is convertible, at the discretion of the bondholders, into new ordinary shares of the Company at a price of euro 5.8493 per share (originally euro 6.235 per share), subject to further anti-dilutive adjustments provided for in the loan regulations. At June 30, 2025, the transaction was fully recognised under financial payables - current to the amount of euro 495.1 million. The difference from the nominal value refers to the fair value of the option held by the bondholders to convert the bond into new ordinary shares of the Company at a predetermined price. This amount was recorded at inception under equity reserves in the amount of euro 41.2 million (net of transaction costs);

- the rated sustainability-linked bond loan the *“Bond SLB EUR 600m 4.25% due 01/28*” [ISIN: XS2577396430] with a nominal value of euro 600 million, placed on January 11, 2023 with international institutional investors, with a fixed coupon of 4.25% and maturing in January 2028. The transaction, fully classified under financial payables - non-current, was issued as part of the EMTN Programme (Euro Medium Term Note Programme), and approved by the Board of Directors on February 23, 2022. These securities are listed on the Luxembourg Stock Exchange. The regulations governing these securities provides for a coupon increase of 0.25% for each of the two contractually stipulated sustainability parameters (linked to the Group's sustainability targets), in the event that each of the respective targets is not met by 2025. At June 30, 2025, the rating assigned to this instrument by the rating agency Fitch was BBB, revised upwards in July 2024, while the rating assigned by the rating agency Standard & Poor's was BBB-;
- the rated sustainability-linked bond loan the *“Bond SLB EUR 600m 3.875% due 07/29*” [ISIN: XS2847641961] with a nominal value of euro 600 million, placed on July 2, 2024 with international institutional investors, with a fixed coupon of 3.875% and maturing in July 2029. The transaction, fully classified under financial payables - non-current, was issued as part of the EMTN Programme (Euro Medium Term Note Programme). These securities are listed on the Luxembourg Stock Exchange. The regulation governing these securities provides for a coupon increase of 0.25% for each of the two contractually stipulated sustainability parameters (linked to the Group's new sustainability targets that were validated by SBTi in September 2024), in the event that either of the respective targets is not met by 2027. At June 30, 2025, the rating assigned to this instrument by the rating agency Fitch was BBB, which was revised upwards in July 2024, while the rating assigned by the rating agency Standard & Poor's was BBB-.

The **carrying amount for the item bonds** was determined as follows:

(in thousands of euro)	**06/30/2025**	**12/31/2024**
Nominal value	1,700,000	1,700,000
Equity component of the convertible bond	(41,791)	(41,791)
Transaction costs	(16,048)	(16,048)
Bond loan discount	(3,780)	(3,780)
Amortisation of the effective interest rate	10,159	8,294
Non-monetary interest on convertible bond loan	37,598	33,305
Total	**1,686,138**	**1,679,980**

The item **borrowings from banks**, which amounted to euro 1,553,503 thousand, is subdivided as follows:

(in thousands of euro)				06/30/2025		
	Due Date	**Interest rate**	**Nominal value**	**Balance**	**Non - current**	**Current**
Club Deal EUR 1.6bn ESG 2022 5y	02/22/2027	EURIBOR + spread	600,000	599,061	599,061	-
Bilateral ESG EUR 300m 2023 2.5y facility	02/27/2026	EURIBOR + spread	300,000	299,837	-	299,837
Club Deal EUR 600m ESG 2024 4.5y	10/20/2028	EURIBOR + spread	600,000	598,232	598,232	-
Borrowings from banks of foreing companies				56,373	-	56,373
Total borrowings from banks				**1,553,503**	**1,197,293**	**356,210**

The item mainly refers to:

- the use of the *"Club Deal EUR 1.6bn ESG 2022 5y"* financing by Pirelli & C. S.p.A. to the amount of euro 599,061 thousand, and classified under financial payables - non-current. This financing facility, with a floating interest rate (EURIBOR + spread), is guaranteed by Pirelli Tyre S.p.A, and was signed on February 21, 2022, with a pool of leading Italian and international banks, with a five year maturity. This facility, which is parameterised to the Group's ESG objectives, consists of three tranches totalling euro 1.6 billion, distributed as follows:
    - the Pirelli & C. S.p.A. term loan with a nominal value of euro 600,000 thousand which was fully utilised and a revolving cash credit facility for euro 100,000 thousand, which at June 30, 2025 had not been utilised;
    - the Pirelli International Treasury S.p.A. revolving cash credit facility for euro 900,000 thousand, which at June 30, 2025 had not been utilised.

  It should be noted that following the most recent reporting for the sustainable KPIs and having achieved the targets for the year, the Group is benefiting from the related incentives to reduce the cost of the credit facility;

- the *"Bilateral ESG 300m 2023 2.5y facility"* for euro 299,837 thousand related to the bilateral financing for a nominal amount of euro 300 million, disbursed in July 2023 in favour of Pirelli & C. S.p.A. by a leading bank, maturing in February 2026 and guaranteed by Pirelli Tyre S.p.A. This financing, at a floating rate (EURIBOR + spread), is parameterised to some of the Group's sustainability targets and is classified under financial payables - current. It should be noted that following the most recent reporting for the sustainable KPIs and having achieved the targets for the year, starting in June 2024, the Group began to benefit from the related incentives to reduce the cost of the credit facility;

- the *“Club Deal EUR 600m ESG 2024 4.5y”* financing for euro 598,232 thousand, related to the euro 600 million credit facility at a floating rate (EURIBOR + spread), guaranteed by Pirelli Tyre S.p.A., and signed on March 22, 2024 with a pool of leading Italian and international banks, and maturing in four and a half years. This financing - classified under financial payables - non-current - is parameterised to some of the Group's sustainability targets, and as of June 2025, the Group began to benefit from the related incentives to reduce the cost of the credit facility;
- borrowings from banks and the use of credit facilities disbursed to subsidiaries in China to the amount of euro 13,249 thousand and classified under borrowings from banks - current (euro 17,751 thousand at December 31, 2024), in Brazil to the amount of euro 8,981 thousand (euro 31,007 thousand at December 31, 2024), and in Turkey to the amount of euro 27,978 thousand and classified under borrowings from banks - current (euro 27,861 thousand at December 31, 2024).

It should also be noted that Pirelli & C. S.p.A. has in place a committed revolving credit facility, the *“Club Deal EUR 500m ESG 2023 4y RCF”* for euro 500 million with a select pool of international banks, maturing in December 2027, guaranteed by Pirelli Tyre S.p.A. and parameterised to the Group's new sustainability targets. As of June 2025, the credit facility started to benefit from cost reduction incentives related to the achievement of the Group's sustainability targets. At June 30, 2025, the credit facility was unutilised.

At June 30, 2025, the Group had a liquidity margin of euro 2,430,504 thousand, calculated as the sum of cash and cash equivalents which equalled euro 849,874 thousand, other current financial assets at fair value through the Income Statement to the amount of euro 80,630 thousand and unutilised credit facilities to the amount of euro 1,500,000 thousand. The above-mentioned liquidity margin is sufficient to cover financial debt maturities, until the fourth quarter of 2028.

Regarding **lease liabilities**, the change compared to the previous financial year, refers to the remeasurement of existing contracts, which was more than offset by the payment of leasing fee instalments.

Non-discounted future payments for lease contracts, for which the exercise of extension options is not considered to be reasonably certain, and which were therefore not included in the item lease liabilities, amounted to euro 125,509 thousand (euro 145,379 thousand at December 31, 2024).

Accrued financial expenses and deferred financial income (euro 42,372 thousand), mainly refers to accrued interest on bond loans to the amount of euro 34,644 thousand (euro 35,972 thousand at December 31, 2024), and to accrued interest on borrowings from banks to the amount of euro 5,205 thousand (euro 13,533 thousand at December 31, 2024). At June 30, 2025, there were no financial payables secured by collateral guarantees (pledges and mortgages).

For current financial payables, it is considered that their carrying amount approximates their relative fair value.

For non-current financial payables, their fair value is shown below, compared with their carrying amount:

(in thousands of euro)	06/30/2025		12/31/2024	
	Carrying amount	***Fair value***	**Carrying amount**	***Fair value***
Bonds	1,191,008	1,238,316	1,189,840	1,237,350
Borrowings from banks	1,197,293	1,208,399	1,496,460	1,522,611
Accrued financial expenses and deferred financial income	719	719	409	409
Other financial payables	804	804	1,423	1,423
Total	**2,389,823**	**2,448,238**	**2,688,132**	**2,761,793**

The fair value of the two rated sustainability-linked bonds issued by Pirelli & C. S.p.A. under the EMTN programme are listed, and therefore were measured with reference to year-end prices. The fair values are classified as level 1 of the hierarchy provided for by IFRS 13 - Fair Value Measurement.

The fair value of borrowings from banks, was calculated by discounting each expected debt cash flow at the market swap-rate for the currency and the relevant maturity date, increased by the Group's credit rating for other debt instruments that are similar in nature and technical characteristics, and therefore rank in level 2 of the hierarchy as provided for by IFRS 13 - Fair Value Measurement.

At June 30, 2025, there were outstanding interest rate derivatives on some floating-rate debt.

Considering the effects of hedging derivatives, the Group’s exposure to changes in interest rates on financial payables, both in terms of the type of interest rate and in terms of the date of the renegotiation of the same (resetting), was subdivided between:

- floating rate payables to the amount of euro 1,017,625 thousand, whose interest rate is subject to a reset during the course of the first half-year of 2025;
- fixed rate payables to the amount of euro 2,686,601 thousand, (euro 2,215,818 thousand excluding lease liabilities), whose interest rate is not subject to any reset until the natural maturity of the debt to which it refers (euro 532,057 thousand with maturity in the next twelve months and euro 1,160,852 thousand euro with maturity beyond twelve months).

At June 30, 2025, the **cost of debt**, calculated as the average cost of debt for the last twelve months, stood at 4.88%, which had decreased compared to 5.06% at December 31, 2024. This decrease was due to falling interest rates on floating-rate debt in the Eurozone.

With reference to the presence of financial covenants, it should be noted that two bank facilities held by the Russian subsidiary LLC *“Pirelli Tyre Russia”* carry the following financial covenants:

a) Facility 1 unutilised at 06/30/2025: a maximum ratio between the net debt and the gross operating margin, and a maximum ratio of net debt to equity;

b) Facility 2 unutilised at 06/30/2025: a maximum ratio between the net debt and the gross operating margin, and a maximum ratio between short-term debt plus interest paid and the gross operating margin.

The failure to comply with the above-mentioned financial covenants is identified as an event of default or non-performance.

Specifically, an event of default or non-performance will result in the termination of the contract and the early repayment of the financing. It should be noted that at June 30, 2025, no event of default or non-performance event had occurred.

With regard to other financial payables at June 30, 2025, the Group was not subject to financial covenants.

The *"Club Deal EUR 1.6bn ESG 2022 5y",* the *"Bilateral EUR 300m ESG 2023 2.5y facility",* the *"Club Deal EUR 500m ESG 2023 4y RCF",* the *"Club Deal EUR 600m ESG 2024 4.5y",* the *"Convertible Bond Loan", the "Bond SLB EUR 600m 4.25% due 01/28"* and the *"Bond SLB EUR 600m 3.875% due 07/29"* include Negative Pledge clauses and other customary provisions whose terms are in line with the market standards for each of the above-mentioned types of financial instrument.

23. TRADE PAYABLES

Trade payables were composed as follows:

(in thousands of euro)	06/30/2025			12/31/2024		
	Total	**Non-current**	**Current**	**Total**	**Non-current**	**Current**
Trade payables	1,483,287	-	1,483,287	1,948,169	-	1,948,169
Bill and notes payable	90,384	-	90,384	133,448	-	133,448
Total	**1,573,671**	**-**	**1,573,671**	**2,081,617**	**-**	**2,081,617**

For trade payables, it is considered that their carrying amount approximates their relative fair value.

24. OTHER PAYABLES

Other payables were as follows:

(in thousands of euro)	06/30/2025			12/31/2024		
	Total	**Non-current**	**Current**	**Total**	**Non-current**	**Current**
Accrued expenses and deferred income	65,822	39,862	25,960	64,941	43,392	21,549
Tax payables not related to income taxes	91,143	2,376	88,767	94,166	8,954	85,212
Payables to employees	119,953	1,219	118,734	173,408	1,532	171,876
Payables to social security and welfare intitutions	63,066	25,545	37,521	74,004	25,198	48,806
Dividends approved	9,801	-	9,801	81	-	81
Contract liabilities	6,009	9	6,000	6,161	10	6,151
Other payables	48,440	880	47,560	59,930	861	59,069
Total Other payables	**404,235**	**69,891**	**334,344**	**472,690**	**79,947**	**392,744**

Accrued expenses and deferred income - non-current refers to euro 37,685 thousand in capital contributions received for investments made mainly in Romania, whose benefits are recognised in the Income Statement in proportion to the costs for which the contribution was disbursed.

Accrued expenses and deferred income - **current** includes euro 14,239 thousand in government grants and tax incentives received mainly in Italy and Romania, and euro 5,493 thousand for insurance coverage costs in some countries in the European region.

The item **tax payables not related to income taxes** is mainly comprised of VAT (value added tax) payables and other indirect taxes, withholding taxes for employees and other taxes not related to income taxes.

The item **payables to employees** mainly includes amounts matured during the period but not yet paid.

The item **contract liabilities** from contracts with customers, refers to advance payments received from customers for which the performance obligation had not yet been completed.

The item **other payables** (euro 48,440 thousand) mainly includes:

- euro 9,531 thousand in payables to representatives, agents, professionals and consultants;
- euro 8,215 thousand in refunds received from the tax authorities, for tax disputes; whose outcome in the final judgement remains uncertain;
- euro 6,620 thousand for payables related to customs duties, import and transport costs;
- euro 2,572 thousand in payables to Directors, Auditors and supervisory bodies.

25. TAX PAYABLES

Tax payables were for the most part for national and regional income taxes in different countries and amounted to euro 132,856 thousand, (of which euro 4,036 thousand was for non-current payables), compared to euro 67,151 thousand at December 31, 2024, (of which euro 4,001 thousand was for non-current payables). Income tax payables included the assessments made by Management, regarding any potential effects of uncertainty in the treatment of income taxes.

26. DERIVATIVE FINANCIAL INSTRUMENTS

The item includes the fair value measurement of derivative instruments. The details are as follows:

(in thousands of euro)	06/30/2025				12/31/2024			
	Non-current assets	**Current assets**	**Non-current liabilities**	**Current liabilities**	**Non-current assets**	**Current assets**	**Non-current liabilities**	**Current liabilities**
Derivative Financial Instruments not in Hedge Accounting								
Foreign exchange derivatives - commercial positions		13,699		(6,495)		5,746		(5,313)
Foreign exchange derivatives - included in net financial position		40,846		(58,440)		16,577		(3,503)
Derivative Financial Instruments in Hedge Accounting								
- cash flow hedge:								
Foreign exchange derivatives - commercial positions		8,462						(1,305)
Interest rate derivatives - included in net financial position		1,528			4,326			
Other derivatives				(622)				
		64,535		**(65,557)**	**4,326**	**22,323**	**-**	**(10,121)**
Total derivatives included in net financial position		42,374		(58,440)	4,326	16,577	-	(3,503)

Derivative Financial Instruments not in Hedge Accounting

The value of **foreign exchange derivatives** included in current assets and liabilities corresponds to the fair value measurement of forward foreign exchange buy/sell contracts outstanding at the closing date for the period. These are transactions which mirror the commercial and financial transactions of the Group, and for which the hedge accounting option has not been adopted. Their fair value was determined by using the forward exchange rate at the reporting date.

Derivative Financial Instruments in Hedge Accounting

The value of **foreign exchange derivatives**, recognised under current assets to the amount of euro 8,462 thousand (current liabilities to the amount of euro 1,305 thousand at December 31, 2024), refers to the fair value measurement of eight Average Rate Forwards (ARF):

Derivative	**Hedged element**	**Notional amount (millions of USD)**	**Start date**	**Maturity**
Average Rate Forward	Highly probable forecast sales in USD	80.0	November 2024 - February 2025	July to December 2025

Cash flow hedge accounting was adopted for these derivatives. The object of the hedge is the exchange rate risk connected with the variability in revenues generated by future sales denominated in a foreign currency and the related collection cash flows. Particularly, the risk is attributable to the variability of the EUR/USD exchange rate.

The change in the fair value for the period was positive to the amount of euro 12,623 thousand. This change was entirely suspended under Other Comprehensive Income. The ARF contracts are designated as hedging instruments in their entirety (full Fair Value Approach).

For each designated hedging relationship, the amounts that accumulate in the cash flow hedge reserve are reversed to the Income Statement, when the underlying hedged item is recognised (or at the end of the month in which the sale occurs), and are included in the item *“Revenues from sales and services”.*

At June 30, 2025, gains of euro 2,856 thousand were reversed to the Income Statement.

The value of **interest rate derivatives** recognised under non-current assets to the amount of euro 1,528 thousand (euro 4,326 thousand at December 31, 2024), refers to the fair value measurement of five interest rate swaps used to hedge the following financing contracts:

Derivative	Hedged element	Notional amount (Millions of EUR)	Start date	Maturity	
IRS	Club Deal EUR 1.6bn ESG 2022 5y	500.0	February 2023	February 2026	receive floating / pay fixed

Cash flow hedge accounting was adopted for these derivatives. The object of the hedge is the future interest flows on floating-rate liabilities in EUR.

The change in the fair value for the period was negative to the amount of euro 20 thousand. This change was entirely suspended under Other Comprehensive Income.

Income to the amount of euro 5,514 thousand was reversed to the Income Statement under the item "*Financial Expenses"* (Note 36), to correct the financial expenses recognised on the hedged liability. This amount was mainly composed of:

- euro 2,779 thousand in interest receivables on the IRS in hedge accounting;
- euro 2,788 thousand, which corresponds to the positive portion of the cash flow hedge reserve matured on the forward start pre-hedge receive floating EURIBOR/pay fixed EURIBOR IRSs that were closed early in 2022. This amount corrects the financial expenses of the relative hedged item, a sustainability-linked bond issued in January 2023, for the total nominal amount of euro 600 million.

27. COMMITMENTS AND RISKS

COMMITMENTS FOR THE PURCHASE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The commitments to purchase property, plant and equipment and intangible assets in the second half of 2025 and in the subsequent financial years, amounted to euro 233,172 thousand and euro 4,241 thousand, respectively, and refer mainly to subsidiaries in Romania, Italy, Germany, Brazil, Mexico, the UK and the United States.

COMMITMENTS FOR LEASE CONTRACTS

At June 30, 2025, the total amount for future non-discounted payments for lease contracts not yet in effect, and for which no financial payable was recognised, amounted to euro 2,005 thousand, and refers to a lease contract for a new warehouse in Poland.

COMMITMENTS FOR FUTURE CAPITAL SUBSCRIPTIONS

These refer to the commitment by Pirelli Tyre S.p.A. to subscribe the share capital of the joint venture the Middle East and North Africa Tyre Company for the remaining total amount in Saudi riyals, equal to the equivalent of approximately 24 million dollars.

COMMITMENTS FOR THE PURCHASE OF TAX CREDITS

These refer to the commitment by Pirelli & C. S.p.A. and some of its Italian subsidiaries to purchase a monthly amount of tax credits (the so-called *"Superbonus Credits"*) for the 2025-2027 three-year period, from a bank of the highest credit standing, for a total residual amount of euro 362 million, with an almost immediate use to offset various types of tax liabilities.

OTHER RISKS

Litigations against the Companies of the Prysmian Group before the Milan Court of Appeal

In June 2024, Pirelli appealed to the Court of Appeal of Milan against the ruling of the Court of Milan published in May 2024, concerning the dispute between Pirelli and some companies of the Prysmian Group. The Court ruled that Pirelli and Prysmian Cavi e Sistemi S.r.l. (*"Prysmian CS"*) must jointly bear an equal share of the European Commission's sanction (already paid by these parties) as well as any damages that they may be ordered to pay jointly and severally in the follow-on proceedings brought by Terna, (see below - Other Disputes Consequent to the Decision of the European Commission) rejecting the reciprocal requests for full indemnification made by the parties.

This dispute is a consequence of the decision issued on April 2, 2014 by the European Commission (later confirmed in the final instance by the Court of Justice of the European Union on October 28, 2020) at the conclusion of the antitrust investigation into restrictive conduct in the European high voltage electrical cable market. The Commission's decision had imposed a sanction on Prysmian CS*,* as it was directly involved in the cartel, a portion of which (euro 67 million) Pirelli, despite not having been found to be directly involved in the activities of the cartel, had been held to be jointly and severally liable with Prysmian CS, based solely on the application of the EU principle, the so-called *"parental liability",* since during part of the period of the infraction, the share capital of the current Prysmian CS was held, either directly or indirectly by Pirelli.

On December 31, 2020, Pirelli proceeded to pay its share of the aforementioned sanction to the European Commission (corresponding to 50% of the sanction, plus interest), for which it had previously made appropriate provisions.

Pending the settlement of the aforementioned EU Court proceedings, in 2014 and in 2019, Pirelli brought two proceedings before the Court of Milan, (the first) against Prysmian CS and (the second) against Prysmian CS and Prysmian S.p.A., to obtain, in addition to the reimbursement of the sanction imposed by the European Commission, a judgment requiring that these parties hold Pirelli harmless and indemnified against any charges, expenses, costs and/or damages arising from claims by public and/or private third parties in connection with and/or consequential to the facts that are the subject of the European Commission's decision.

Pirelli has also requested that the liabilities of Prysmian CS and Prysmian S.p.A. be determined in relation to certain unlawful conduct connected with the aforesaid anti-competitive cartel put in place by them and, as a consequence, be ordered to pay compensation for all damages suffered and to be suffered by Pirelli.

Prysmian CS and Prysmian S.p.A. entered an appearance in the above proceedings, seeking the dismissal of Pirelli's claims and, by way of a counter-claim, to be held harmless and indemnified by Pirelli against any consequences arising from claims by private and/or public third parties relating to, connected with and/or consequential to the facts that are the subject of the decision of the European Commission.

In April 2021, the two lawsuits (that of 2014 and that of 2019) were joined, and, in 2022, two segments of the proceedings brought by Terna S.p.A. - Rete Elettrica Nazionale ("Terna"), against amongst others, Pirelli, Prysmian CS and Prysmian S.p.A., were also joined. With regard to these segments, Pirelli, on the one hand, and Prysmian CS and Prysmian S.p.A., on the other, have submitted reciprocal indemnity claims with regard to what they were ordered to pay to Terna (refer to the section below - Other Disputes Consequent to the Decision of the European Commission).

Based on careful analyses supported by authoritative external legal opinions, the assessment of the risk related to the disputes described above is such as to not require the allocation of any specific provision in the Consolidated Financial Statements at June 30, 2025.

Other Disputes Consequent to the Decision of the European Commission

In November 2015, a number of companies of Prysmian Group served Pirelli with a summons in a lawsuit for the compensation of damages brought before the London High Court of Justice against them and other defendants of the Decision of the European Commission of April 2, 2014, by National Grid and Scottish Power, the companies who claim to have been harmed by the cartel. Specifically, the companies of the Prysmian Group have requested that Pirelli, by reason of its role as Parent Company for part of the period of the cartel, hold them harmless with respect to any obligations to pay damages (to date unquantifiable) to the National Grid and Scottish Power. As the aforementioned action, brought before the Court of Milan in November 2014, is still pending, Pirelli has challenged the lack of jurisdiction of the London High Court of Justice claiming that, that any decision on the merits must be referred to the Court that had previously heard the case. In April 2016, the High Court of Justice, at the request of Pirelli and the companies in the Prysmian Group, suspended the lawsuit against Pirelli until final judgement is passed, that would settle the already pending Italian proceedings.

In April 2019, Terna filed a lawsuit before the Court of Milan, jointly and severally, against Pirelli, three Prysmian Group companies and another company named in the aforementioned European Commission decision, in order to obtain compensation for the damage allegedly suffered as a consequence of the anti-competitive conduct, currently quantified by the plaintiff as totalling euro 199.9 million. Pirelli entered the proceedings, disputing Terna's claims, and similar to the other defendants and against them, filed a counter-claim for recourse in the unlikely event that it is held jointly and severally liable for the anti-competitive cartel.

In October 2021, the Judge dismissed from the proceedings, the portion of the litigation consisting of the cross indemnity claims between Pirelli, on the one hand, and Prysmian CS and Prysmian S.p.A., on the other, ordering that it be joined with the litigation pending between the two parties before the Court of Milan (refer to the section above - Litigations against the Companies of the Prysmian Group before the Milan Court of Appeal).

Lastly, also in April 2019, the Electricity & Water Authority of Bahrain, GCC Interconnection Authority, Kuwait Ministry of Electricity and Water and Oman Electricity Transmission Company, served a writ of summons against Pirelli, some of the Prysmian Group companies and other defendants in the aforementioned decision of the European Commission, suing them jointly and severally to obtain compensation for the damages allegedly suffered as a result of the alleged anti-competitive conduct for the total amount of euro 472 million, which was quantified during the course of the proceedings. These proceedings were brought before the Court of Amsterdam, which with its ruling dated November 25, 2020, upheld the objection raised by Pirelli and excluded its own jurisdiction over Pirelli. In February 2021, the plaintiffs appealed against this ruling before the Amsterdam Court of Appeal, proceedings that have to date been suspended, following an incidental question raised by the Amsterdam Court of Appeal itself before the Court of Justice of the European Union.

Based on careful analyses supported by authoritative external legal opinions, the assessment of the risk related to the disputes described above is such as to not require the allocation of any specific provision in the Consolidated Financial Statements at June 30, 2025.

US Class Actions

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 of prices for new replacement tyres for cars and trucks, to be sold in the European Economic Area. At the same time, the Commission has conducted inspections at the offices of the aforementioned tyre manufacturers, including those of Pirelli. The latter confirmed the probity of its operations and to have always acted in compliance with the applicable antitrust laws and regulations.

Following the European Commission's announcement of the aforementioned actions, in February 2024, a number of class action suits - later merged into a single proceeding - were commenced before the US Courts, relating to alleged similar issues that allegedly occurred in the United States. The claims for damages have not been quantified.

In February 2025, the Federal Court of Ohio, before which these class actions had been joined, dismissed the Plaintiffs' appeal in its entirety, granting the Plaintiffs time to file a new complaint based on different arguments, which was filed in April 2025.

Based on the assessment carried out, supported, by authoritative external legal opinions, Pirelli, also, in light of the limited information available to date, did not consider it necessary to recognise any specific provision in the Consolidated Financial Statements at June 30, 2025.

Tax Disputes

The subsidiaries Pirelli Pneus Ltda., Pirelli Comercial de Pneus Brasil Ltda. and Pirelli Neumaticos SAIC, with headquarters in Brazil and in Argentina, are involved in various tax disputes and proceedings. The most significant are described below:

Brazil - Litigation concerning the IPI Tax Rate applicable to specific Types of Tyres

Pirelli Pneus Ltda. is party to a tax dispute with the Brazilian tax authorities concerning the IPI tax rate (Imposto sobre Produtos Industrializados or tax on industrialised products) specifically concerning the tax rate applicable to the production and importation of tyres for the Sports Utility Vehicle (*"SUV"*), vans and other light industrial transportation vehicles (such as, for example, trucks). According to statements by the Brazilian tax authorities in the tax assessment notices issued during the course of 2015, 2017 and 2021, the aforementioned tyres should have been subjected to the IPI tax rate for the production and importation of tyres for cars - with an applicable rate of 15% - instead of the 2% rate applied by Pirelli Pneus Ltda., as is required for the production and importation of tyres destined for heavy industrial use vehicles. To date, the dispute is pending before the competent tax commissions and the Group believes it has a good chance of winning in court. This position is also supported by: (i) an appraisal prepared by a Brazilian government institution (the INT - National Institute of Technology), specifically commissioned for this purpose by Pirelli Pneus Ltda, who concluded their analysis by equating, in light of their similar characteristics, the tyres in question with those intended for heavy industrial vehicles, (ii) judicial decisions favourable to taxpayers.

The risk is estimated at approximately euro 42 million, inclusive of tax, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning Transfer Pricing applied to some Intra-group Transactions

Pirelli Pneus Ltda. is involved in a dispute with the Brazilian tax authorities for income tax purposes (*IRPJ - Imposto sobre a renda das pessoas jurídicas*) and social security contributions (*CSLL - Contribuição Social sobre o Lucro Líquido*) due from the company for the 2008, 2011 and 2012 tax periods deriving from the application, of the so-called transfer pricing regulations, to import transactions with related parties. Based on the notices of assessment served on the company during the course of 2013, 2015 and 2016, the Brazilian tax authorities are mainly contesting the incorrect application by the company, of the methodology provided for by the administrative practice in force at the time (*IN* - Instrução Normativa 243), for the assessment of transfer prices applied to the importation of goods from related parties.

To date, part of this litigation is pending before the competent tax courts. The Group maintains that it has a good chance of winning and, in this regard, Pirelli Pneus Ltda has already obtained some favourable rulings from the administrative court, which has recognised the company's arguments by reducing the amount originally contested by the Brazilian tax authorities.

In light of the above, the risk is estimated at approximately euro 19 million inclusive of taxes, sanctions and interest.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Disputes concerning the IPI Tax Rate for the Sale of Tyres to the Automotive Sector

Pirelli Pneus Ltda. is also party to a dispute concerning the IPI tax rate, (Imposto sobre Produtos Industrializados or tax on industrialised products), concerning the sale of components to companies operating in the automotive sector. According to what was claimed by the Brazilian tax authorities in a notice of assessment issued in 2013, Pirelli Pneus Ltda. was not entitled to benefit, with reference to its secondary headquarters located in the city of Ibiritè in the Federal State of Minas Gerais, from the IPI exemption provided for by law in the case of sales of particular components, to companies operating in the automotive sector. All administrative proceedings have been concluded, resulting in a reduction of the originally contested amount. The remaining amount is currently being disputed in the judicial system. The Group believes it has well-founded grounds to contest the tax administration’s claim and, therefore, has a good chance of winning.

The risk is estimated at approximately euro 19 million, inclusive of tax, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning the Tax Impact deriving from the so called "*Plano Verão*"

Pirelli Pneus is involved in a tax dispute with the Brazilian tax authorities for the period from 1989 to 1994 as a result of the so-called *"Plano Verão".* The Plano Verão was an economic measure introduced by the then Brazilian government, to control the phenomenon of hyperinflation that was affecting the country, through a price freeze. However, the difference between the real inflation and indexed inflation had the effect of creating significant distortions in the financial statements of companies and ultimately, the amount of taxes paid by them. Pirelli Pneus Ltda. used the real inflation rate for its financial statement assessments, and, at the same time, initiated legal proceedings to assert its arguments regarding the correct amount of taxes owed. During the course of the aforementioned proceedings, Pirelli Pneus Ltda. first adhered to a tax amnesty to settle the dispute in question and, only later, on the basis of a ruling by the Brazilian Supreme Court with binding *erga omnes* effects, did it request the annulment of the effects of the amnesty it had previously adhered to.

The proceedings are pending before the competent judicial courts and the risk is estimated to be up to a maximum euro 37 million, inclusive of taxes, interest and sanctions.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning "*ICMS Substituicão Tributária*" *(Tax Substitution case)*

Pirelli Comercial de Pneus Brasil Ltda. has become involved in a new dispute concerning ICMS (Imposto sobre Circulaçao de Mercadorias e Serviços - Substituicão Tributária) tax credits. According to the claims made in a notice of assessment issued during 2022 by the Brazilian tax authorities for the 2018 and 2019 tax periods, Pirelli Comercial de Pneus Brasil Ltda. allegedly transferred ICMS-ST credits to Pirelli Pneus without the prior formal authorisation of the Brazilian tax authorities.

In 2023, Pirelli Pneus also received a contestation from the State of São Paulo on the same matter, for allegedly failing to comply with formal obligations in relation to the use of the ICMS-ST credits transferred by Pirelli Comercial.

Proceedings are pending before the competent administrative bodies and the risk is estimated at approximately euro 53 million, including taxes, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning ICMS Tax Credits for the Purchase of Assets Used in the Industrial Process and for the Purchase of Fixed Assets

Pirelli Pneus Ltda. is involved in a tax dispute concerning ICMS (Imposto sobre Circulaçao de Mercadorias e Serviços) tax credits. In August 2024, the Company was assessed by the State of São Paulo for a series of alleged irregularities related to the recording of ICMS credits against the purchase of tangible assets used in the Company's industrial process.

As also demonstrated during the tax audit, the Group believes it has well-founded reasons to contest the tax authorities' claim and, therefore, a good chance of winning.

Proceedings are pending before the competent administrative bodies and the risk is estimated at approximately euro 17 million, including taxes, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning Reintegra

The so-called Reintegra, is a tax credit that was instituted as a mechanism to reimburse, in full or in part, to Brazilian companies, the taxes they were incurring along the production chain on goods subsequently destined for export.

A law that entered into force in 2014, provided that Brazilian exporting taxpayers could record: (i) tax credits ranging from 0.1% to 3% of export turnover (the so-called *"Ordinary Reintegra"*); (ii) as well as an additional tax credit of up to 2% (the so-called *"Additional Reintegra"*), in accordance with certain criteria and parameters to be defined by a specific regulation.

However, such a regulation was ever issued by the Brazilian Government. Consequently, a debate arose as to the immediate enforceability of the legal provision in the absence of that regulation.

In this case, Pirelli Pneus Ltda. also has ongoing judicial proceedings relating to this matter and, in addition, the company has submitted claims for reimbursement concerning the amount for *"Additional Reintegra".* The lawsuit brought by the company for the recognition of its right to the *"Additional Reintegra",* as well as the related reimbursement claims, are still pending. It should be noted that the Brazilian Supreme Court, in a *"pilot case"* with binding *erga omnes* effect, (i) held that the Government may reduce the rates of the *"Ordinary Reintegra"* without any obligation to provide the underlying reasons; (ii) on the contrary - did not rule on the taxpayers' entitlement to benefit from the *"Additional Reintegra"* in the absence of the corresponding regulation.

Pending a decision by the administrative-judicial courts, therefore on the right of Pirelli Pneus Ltda. to benefit from the so-called *"Additional Reintegra",* the risk is estimated at approximately euro 33 million in taxes and interest.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Argentina - Customs dispute concerning Import Values

The subsidiary Pirelli Neumaticos SAIC, based in Argentina, is involved in a number of disputes and tax proceedings, in which the Argentine customs authorities claim that the value of certain imports - from other Group companies - of finished products and raw materials should have included royalties paid to the Pirelli Tyre S.p.A. Group company, for the licence to use patents and for technical assistance.

On the same subject, the Company is a party to various litigations in progress with the Argentine customs authorities that concern the years from 2009 to 2019. In particular, in one of the disputed cases, the customs authority ruled in Pirelli's favour to annul the dispute with reference to the importation of finished products and limiting it exclusively to the importation of raw materials.

The risk is estimated at approximately euro 10 million, inclusive of tax, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

28. REVENUES FROM SALES AND SERVICES

Revenues from sales and services were as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Revenues from the sales of goods	3,406,165	3,351,650
Revenues from services	92,412	95,876
Total	**3,498,577**	**3,447,526**

These revenues are mainly generated by the sales of tyres and related services to customers represented by both distributors and end customers.

For information on the breakdown of sales according to geographical region, reference should be made to Note 7, *"Operating Segments".*

For further information on the performance of revenues from sales and services, reference should be made to the section *"Group Performance and Results"* in the Half-Year Financial Report.

29. OTHER INCOME

The item is composed as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Sales of Industrial products	47,112	55,884
Other income from the Prometeon Group	18,847	16,019
Recoveries and reimbursements	17,968	13,380
Government grants	11,667	9,914
Gains on disposal of property, plant and equipment	1,877	872
Rent income	1,513	1,427
Income from subleases of right of use assets	503	472
Other income	70,050	52,946
Total	**169,537**	**150,914**

The item **sales of industrial products** mainly refers to revenues generated by the sale of tyres for trucks and agricultural vehicles, purchased mainly from the Prometeon Group, and which are sold by the distribution network controlled by the Pirelli Group, mainly in Brazil.

The item **other income from the Prometeon Group** mainly includes:

- euro 6,500 thousand for the license agreement for the use of the Pirelli trademark;
- euro 5,500 thousand for the license agreement for know-how;
- euro 613 thousand for services rendered;
- euro 133 thousand for the sales of raw materials, semi-finished and finished products.

The item **recoveries and reimbursements** mainly includes:

- tax refunds and customs duty refunds totalling euro 8,340 thousand, received mainly by the Brazilian subsidiary;
- tax refunds totalling euro 1,943 thousand due to rebates obtained in Germany for excise duties on electricity to the amount of euro 1,091 thousand, and on gas to the amount of euro 852 thousand;
- income from the sale of tyres for testing, and the recovery of transport expenses in Germany to the amount of euro 662 thousand.

The item **other** mainly includes income related to the sale of goods and services, in connection with sports events linked to sponsorship agreements to the amount of euro 18,678 thousand, royalties from third parties to the amount of euro 23,578 thousand, of which euro 15,012 thousand was from the joint venture the Middle East and North Africa Tyre Company for the supply of know-how in the construction of the tyre factory in Saudi Arabia (Note 10), and income from the sale of tyres and scrap materials carried out in the United Kingdom totalling euro 703 thousand.

30. PERSONNEL EXPENSES

The item is composed as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Wages and salaries	504,674	499,422
Social security and welfare contributions	99,838	96,394
Costs for employee leaving indemnities and similar	13,399	12,263
Costs for defined contribution pension funds	13,935	13,402
Costs for defined benefit pension funds	546	501
Costs for jubilee awards	4,676	5,911
Costs for defined contribution healthcare plans	16,835	16,542
Other costs	6,398	5,241
Total	**660,301**	**649,676**

31. DEPRECIATION, AMORTISATION AND IMPAIRMENTS

The item is composed as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Amortisation	69,770	69,088
Depreciation of owned tabgible assets	164,899	163,130
Depreciation of right of use	56,815	53,877
Impairment net of reversals	1,010	(376)
Total	**292,494**	**285,719**

For the composition of the depreciation of the right of use, reference should be made to Note 8.2, *“Right of Use"*.

32. OTHER COSTS

The item is subdivided as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Selling costs	212,477	215,696
Purchases of goods for resale	237,085	211,202
Advertising	125,657	116,411
Fluids and energy	117,264	132,796
Warehouse operating costs	58,326	36,937
IT expenses	32,631	30,570
Consultants	29,398	33,629
Maintenance	42,102	38,880
Insurance	20,027	19,450
Leases and rentals	29,130	23,779
Outsourcing	23,376	29,778
Stamp duties, levies and local taxes	13,597	25,139
Other provisions	14,427	10,589
Travel expenses	20,704	20,896
Remuneration for Key Managers	12,102	8,358
Cleaning expenses	11,109	12,105
Canteen	15,648	16,087
Security expenses	8,596	8,507
Waste disposal	7,964	7,018
Telephone expenses	2,374	2,355
Other	95,903	109,174
Total	**1,129,897**	**1,109,356**

The item **fluids and energy** includes the cost of purchasing greenhouse gas emission allowances and renewable energy certificates.

The item **leases and rentals** is composed as follows:

- euro 17,763 thousand for lease contracts with a duration of less than twelve months (euro 11,225 thousand for the first half-year of 2024);
- euro 6,764 thousand for lease contracts with variable instalments not linked to indices or rates, (for example, inflation or the EURIBOR), but linked for example, to usage (euro 7,639 thousand for the first half-year of 2024);
- euro 4,603 thousand for lease contracts for assets with a low unit value (euro 4,915 thousand for the first half-year of 2024);

The item **Other** also includes, labour provided by third parties to the amount of euro 7,142 thousand, (euro 7,435 thousand for the first half-year of 2024), expenses for the testing of technology to the amount of euro 9,800 thousand (euro 8,372 thousand for the first half-year of 2024), membership fees to the amount of euro 4,655 thousand (euro 5,013 thousand for the first half-year of 2024) and transport costs for materials to the amount of euro 9,297 thousand (euro 11,312 thousand for the first half-year of 2024).

33. NET IMPAIRMENT OF FINANCIAL ASSETS

This item, which was negative to the amount of euro 3,779 thousand compared to euro 7,190 thousand for the first half-year of 2024, mainly included the net impairment of trade receivables to the amount of euro 3,813 thousand (net impairment of euro 6,369 thousand for the first half-year of 2024).

34. NET INCOME/(LOSS) FROM EQUITY INVESTMENTS

34.1 Share of Net Income/(Loss) from Equity Investments in Associates and Joint Ventures

The share of the net income/(loss) from equity investments in associates and joint ventures, which is accounted for using the equity method, was positive to the amount of euro 11,102 thousand and mainly refers to the investment in the joint venture Xushen Tyre (Shanghai) Co., Ltd. which was positive to the amount of euro 10,923 thousand (positive to the amount of euro 12,520 thousand for the first half-year of 2024), and in the joint venture PT Evoluzione Tyres in Indonesia, which was positive to the amount of euro 1,118 thousand (positive to the amount of euro 1,581 thousand for the first half-year of 2024).

34.2 Dividends

For the first half-year of 2025, these amounted to euro 1,978 thousand (euro 1,822 thousand in the first half-year of 2024), of which euro 1,729 thousand was received from the RCS Mediagroup S.p.A.

34.3 Net income/(loss) from Equity Investments

The item includes the capital gain realised on the sale of the subsidiary Däckia AB in the amount of euro 2,904 thousand.

35. FINANCIAL INCOME

The item is composed as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Interest income	18,903	19,658
Other financial income	10,185	2,017
Net interest on provisions for employee benefit obligations	390	709
Fair value measurement of other financial assets	15,296	46,708
Fair value measurement of foreign exchange derivatives	-	12,657
Total	**44,774**	**81,749**

Interest income which totalled euro 18,903 thousand, mainly included:

- euro 13,257 thousand in interest receivables from financial institutions, associates and joint ventures;
- euro 3,737 thousand in interest on fixed-income securities;
- euro 1,329 thousand in interest accrued on security deposits provided by the Brazilian subsidiaries as a guarantee for legal and tax disputes;
- euro 244 thousand in interest on other types of securities.

The item **other financial income** amounted to euro 10,185 thousand and includes interest accrued on tax and social security receivables from the Brazilian subsidiaries.

The **fair value measurement of other financial assets** was positive to the amount of euro 15,296 thousand and refers to the fair value measurement of dollar-linked bond instruments, in which the Argentine subsidiary has invested in, to mitigate the effects of depreciation on the local currency. The exchange rate component of the fair value measurement of dollar-linked bond instruments amounted to euro 13,007 thousand, and partially offsets the combined effect of the total of euro 42,300 thousand, comprised on the one hand, of the Argentine net monetary loss of euro 24,029 thousand, and on the other hand, of the effect of the Argentine subsidiary's net losses on exchange rates which amounted to euro 18,271 thousand. Reference should be made to Note 36, *"Financial Expenses"* for further details.

36. FINANCIAL EXPENSES

The item is composed as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Interest expenses	64,702	86,624
Commissions	17,971	14,514
Net monetary loss	20,352	69,149
Other financial expenses	6,821	5,157
Interest expenses on lease liabilities	12,547	11,743
Net losses on exchange rates	6,622	70,732
Fair value measurement of foreign exchange derivatives	38,497	-
Total	**167,512**	**257,920**

The item **interest expenses** which totalled euro 64,702 thousand, mainly included:

- euro 30,328 thousand in financial expenses related to bond loans;
- euro 27,300 thousand incurred from bank financing facilities held by Pirelli & C. S.p.A;
- euro 11,525 thousand in financial expenses related to bank loans held by foreign subsidiaries;
- euro 5,514 thousand in net interest receivables which included interest on Interest Rate Swaps, for which hedge accounting was adopted to rectify the flow of financial expenses for the bank credit facilities and bond loans mentioned in the preceding point. For further details, reference should be made to Note 26, *"Derivative Financial Instruments".*

Interest includes euro 1.5 million recognised to suppliers with whom, as part of the normal management and optimisation of working capital, the Group has commercial agreements in place - mainly in Brazil - for the deferral of payment terms. The total for the related trade payables at June 30, 2025 amounted to euro 81.6 million.

The item **commissions**, to the amount of euro 17,971 thousand includes, in particular, euro 6,428 thousand in costs for the disposal transactions of receivables with non-recourse clauses, mainly in South America, Italy and Germany, and euro 11,543 thousand related to expenses for sureties and other banking commissions.

The item **net monetary loss** refers to the effect on monetary items deriving from the application of IAS 29 - Financial Reporting in Hyperinflationary Economies, by the Argentine subsidiary Pirelli Neumaticos SAIC, which was negative to the amount of euro 24,029 thousand, and by the Turkish subsidiaries Pirelli Otomobil Lastikleri A.S. and Pirelli Lastikleri Dis Ticaret A.S., which was positive to the amount of euro 3,677 thousand (reference should be made to Note 40 *"Hyperinflation"* for further details).

The item **net losses on exchange rates** which amounted to euro 6,622 thousand (gains amounted to euro 292,043 thousand and losses amounted to euro 298,665 thousand), refers to, the adjustment of period-end exchange rates for items expressed in currencies other than the functional currency, and still outstanding at the closing date of the Consolidated Financial Statements, and to the net gains realised on items closed during the period.

When comparing the net losses on exchange rates of euro 6,622 thousand, recognised on the receivables and payables in currencies other than the functional currency of the various subsidiaries, with the fair value measurement of the exchange rate component of the foreign exchange derivatives used for hedging, which amounted to a net charge of euro 18,555 thousand, the result is a negative imbalance of euro 25,177 thousand. This imbalance includes a net loss on exchange rates for the Argentine subsidiary Pirelli Neumaticos SAIC of euro 18,271 thousand, which was partially offset by the positive fair value measurement of other financial assets, as described in Note 35, *"Financial Income"*. Net of the aforementioned Argentine subsidiary effect, the imbalance would have been a negative euro 6,907 thousand.

The item **fair value measurement of foreign exchange derivatives** refers to forward foreign exchange buy/sell transactions to hedge commercial and financial transactions, in accordance with the Group's exchange rate risk management policy. For transactions still open at period-end, the fair value is determined by applying the forward exchange rate at the reporting date. Fair value measurement consists of two elements: the interest component, which is linked to the interest rate differential between the currencies covered by the individual hedges, equal to a net cost of euro 19,966 thousand, and the exchange rate component, equal to a net expense of euro 18,555 thousand.

37. TAXES

Taxes were composed as follows:

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Current taxes	145,746	81,051
Deferred taxes	(36,874)	(5,994)
Total	**108,872**	**75,057**

Taxes in the first half-year of 2025 amounted to euro 108,872 thousand against a net income before taxes of euro 372,850 thousand, compared to the amount of euro 75,057 thousand in the first half-year of 2024 against a net income before taxes of euro 306,358 thousand. The tax rate for the first half-year of 2025 stood at 29.2%, compared to 24.5% for in the first half-year of 2024. Taxes in the first half-year of 2024 had included the tax benefits of the Patent Box as well as the positive effect related to the successful resolution of a tax dispute concerning previous years.

38. EARNINGS/(LOSSES) PER SHARE

Basic earnings/(losses) per share are determined by the ratio between the earnings/(losses) attributable to the Parent Company and the weighted average number of ordinary shares outstanding during the period, with the exclusion of treasury shares.

(in thousands of euro)	**01/01 - 06/30/2025**	**01/01 - 06/30/2024**
Net income/(loss) attributable to the Parent Company	246,497	215,599
Weighted average number of ordinary shares outstanding (in thousands)	1,000,000	1,000,000
Earnings /(losses) per ordinary share (in euro per share)	**0.246**	**0.216**

It should be noted that basic and diluted earnings/(losses) per share are the same. It should also be noted that the option to convert the shares of the bond loan, did not have a dilutive effect as the average market price of the shares, was lower than the exercise price of the option itself during the first half-year of 2025.

39. DIVIDENDS PER SHARE

The Shareholders' Meeting of Pirelli & C. S.p.A. of June 12, 2025, which approved the 2024 Financial Statements, resolved to distribute to its shareholders a unit dividend of euro 0.25 per ordinary share from its 2024 results, equal to a total dividend pay-out of euro 250 million gross of withholding taxes. The dividend was placed in payment on June 25, 2025 (with an ex-dividend date of June 23, and a record date of June 24).

40. HYPERINFLATION

Based on the provisions of the Group's accounting standards, hyperinflation accounting was adopted by the Argentine subsidiaries, Pirelli Neumaticos SAIC and Latam Servicios Industriales S.A. as of July 1, 2018 and December 15, 2022 respectively, and by the Turkish subsidiaries Pirelli Otomobil Lastikleri A.S. and Pirelli Lastikleri Dis Ticaret A.S., as of June 30, 2022.

For the Argentine company, the price index used for the application of hyperinflation accounting was the National Consumer Price Index (CPI) published by the National Institute of Statistics and Census (INDEC), equal to an official half-year value of 15.30%.

For the Turkish companies, the price index used was the National Consumer Price Index (TUFE) published by the Turkish Statistical Institute (TUIK), equal to an official half-year value of 16.67%.

Net losses on the net monetary position were recorded in the Income Statement as *"Financial Expenses"* (Note 36), to the amount of euro 20,352 thousand.

41. RELATED PARTY TRANSACTIONS

Related Party Transactions, including intra-group transactions, do not qualify as either atypical or unusual, but are part of the ordinary course of business for companies of the Group. Such transactions, when not concluded under standard conditions, or as required by specific regulatory provisions, are in any case conducted on terms consistent with market conditions and carried out in compliance with the provisions contained in the Procedure for Related Party Transactions adopted by the Company.

The following table summarises the items from the Statement of Financial Position, the Income Statement and the Statement of Cash Flows that include the amounts arising from Related Party Transactions and their relative impact.

STATEMENT OF FINANCIAL POSITION *(in millions of euro)*	**06/30/2025**	**of which related parties**	**% incidence**	**12/31/2024**	**of which related parties**	**% incidence**
Non current assets						
Other receivables	**310.3**	7.1	2.3%	**309.5**	7.8	2.5%
Current assets						
Trade receivables	**896.5**	8.1	0.9%	**622.9**	11.0	1.8%
Other receivables	**392.8**	82.4	21.0%	**444.0**	91.0	20.5%
Non-current liabilities						
Borrowings from banks and other financial institutions	**2,760.0**	13.3	0.5%	**3,068.6**	15.8	0.5%
Other payables	**69.9**	-	n.a.	**79.9**	-	n.a.
Provisions for liabilities and charges	**93.0**	11.7	12.6%	**101.1**	19.4	19.2%
Provisions for employee benefit obligations	**165.5**	4.8	2.9%	**184.0**	7.8	4.2%
Current liabilities						
Borrowings from banks and other financial institutions	**1,049.6**	3.9	0.4%	**760.9**	3.7	0.5%
Trade payables	**1,573.7**	88.4	5.6%	**2,081.6**	129.0	6.2%
Other payables	**334.3**	3.5	1.0%	**392.7**	22.9	5.8%
Provisions for liabilities and charges	**35.2**	9.6	27.3%	**31.4**	-	n.a.
Provisions for employee benefit obligations	**34.3**	7.2	20.8%	**0.6**	-	n.a.

INCOME STATEMENT *(in millions of euro)*	**01/01 - 06/30/2025**	**of which related parties**	**% incidence**	**01/01 - 06/30/2024**	**of which related parties**	**% incidence**
Revenue from sales and services	**3,498.6**	27.6	0.8%	**3,447.5**	29.5	0.9%
Other income	**169.5**	46.5	27.4%	**150.9**	30.0	19.9%
Raw materials and consumables used (net of changes in inventories)	**(1,148.1)**	(9.4)	0.8%	**(1,092.8)**	(6.2)	0.6%
Personnel expenses	**(660.3)**	(7.7)	1.2%	**(649.7)**	(8.7)	1.3%
Other costs	**(1,129.9)**	(177.6)	15.7%	**(1,109.4)**	(156.3)	14.1%
Financial income	**44.8**	1.2	2.6%	**81.7**	1.8	2.3%
Financial expenses	**(167.5)**	(0.3)	0.2%	**(257.9)**	(0.4)	0.2%
Net income / (loss) from equity investments	**16.0**	11.1	69.5%	**15.9**	14.1	88.5%

CASH FLOW *(in thousands of euro)*	**01/01 - 06/30/2025**	**of which related parties**	**% incidence**	**01/01 - 06/30/2024**	**of which related parties**	**% incidence**
Net cash flow provided by / (used in) operating activities	**(23.4)**	(167.2)	n.a.	**(156.1)**	(163.6)	n.a.
Net cash flow provided by / (used in) investing activities	**(207.9)**	(0.2)	n.a.	**(247.3)**	(10.3)	n.a.
Net cash flow provided by / (used in) financing activities	**(383.1)**	(2.1)	n.a.	**(149.8)**	(2.5)	n.a.

Related Party Transactions are detailed below, subdivided according to the counterparty:

STATEMENT OF FINANCIAL POSITION	06/30/2025				12/31/2024			
(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	7.1	-	-	**7.1**	7.8	-	-	**7.8**
of which financial	*7.1*	-	-	***7.1***	*7.8*	-	-	***7.8***
Trade receivables	5.3	2.8	-	**8.1**	9.4	1.6	-	**11.0**
Other current receivables	80.8	1.6	-	**82.4**	87.1	3.9	-	**91.0**
of which financial	*70.8*	-	-	***70.8***	*78.6*	-	-	***78.6***
Borrowings from banks and other financial institutions non-current	4.9	8.4	-	**13.3**	6.3	9.5	-	**15.8**
Other non-current payables	-	-	-	**-**	-	-	-	**-**
Provisions for liabilities and charges non-current	-	-	11.7	**11.7**	-	-	19.4	**19.4**
Provisions for employee benefit obligations non-current	-	-	4.8	**4.8**	-	-	7.8	**7.8**
Borrowings from banks and other financial institutions current	2.2	1.6	-	**3.8**	2.4	1.3	-	**3.7**
Trade payables	48.2	40.2	-	**88.4**	69.5	59.5	-	**129.0**
Other current payables	-	0.6	2.9	**3.5**	-	0.4	22.5	**22.9**
Provisions for liabilities and charges current	-	-	9.6	**9.6**	-	-	-	**-**
Provisions for employee benefit obligations current	-	-	7.2	**7.2**	-	-	-	**-**

INCOME STATEMENT	01/01 - 06/30/2025				01/01 - 06/30/2024			
(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	26.2	1.4	-	**27.6**	28.4	1.1	-	**29.5**
Other income	27.6	18.9	-	**46.5**	13.9	16.1	-	**30.0**
Raw materials and consumables used (net of change in inventories)	(5.2)	(4.2)	-	**(9.4)**	(2.2)	(4.0)	-	**(6.2)**
Personnel expenses	-	-	(7.7)	**(7.7)**	-	-	(8.7)	**(8.7)**
Other costs	(125.5)	(40.0)	(12.1)	**(177.6)**	(106.0)	(41.9)	(8.4)	**(156.3)**
Financial income	1.2	-	-	**1.2**	1.4	0.4	-	**1.8**
Financial expenses	(0.1)	(0.2)	-	**(0.3)**	(0.2)	(0.2)	-	**(0.4)**
Net income/ (loss) from equity investments	11.1	-	-	**11.1**	14.1	-	-	**14.1**

STATEMENT OF CASH FLOWS	01/01 - 06/30/2025				01/01 - 06/30/2024			
(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**
Net income / (loss) before taxes	(64.6)	(24.2)	(19.8)	**(108.6)**	(50.6)	(28.6)	(17.1)	**(96.3)**
Reversal of Financial (income) / expenses	(1.1)	0.2	-	**(1.0)**	(1.2)	(0.2)	-	**(1.4)**
Reversal of share of net result from associates and joint ventures	(11.1)	-	-	**(11.1)**	(14.1)	-	-	**(14.1)**
Reversal of accruals to provisions and other accruals	-	-	11.1	**11.1**	-	-	7.9	**7.9**
Change in Trade receivables	3.7	(0.7)	-	**3.0**	(1.3)	(0.7)	-	**(2.0)**
Change in Trade payables	(16.9)	(19.5)	-	**(36.4)**	(6.9)	(35.2)	-	**(42.1)**
Change in Other receivables	(2.1)	2.2	-	**0.1**	0.1	9.3	-	**9.4**
Change in Other payables	0.1	0.3	(19.7)	**(19.3)**	(0.1)	-	(20.2)	**(20.2)**
Uses of Provisions for liabilities and charges	-	-	(5.1)	**(5.1)**	-	-	(4.8)	**(4.8)**
Net cash flow provided by / (used in) operating activities	**(91.9)**	**(41.8)**	**(33.5)**	**(167.2)**	**(74.1)**	**(55.4)**	**(34.1)**	**(163.6)**
Disposals of equity investments in associates and J.V.	-	-	-	**-**	-	-	-	**-**
Change in Financial receivables from associates and joint ventures	(0.2)	-	-	**(0.2)**	(10.3)	-	-	**(10.3)**
Dividends received	-	-	-	**-**	-	-	-	**-**
Net cash flow provided by / (used in) investing activities	**(0.2)**	**-**	**-**	**(0.2)**	**(10.3)**	**-**	**-**	**(10.3)**
Repayment of principal and payment of interest for lease liabilities	(1.2)	(0.9)	-	**(2.1)**	(1.5)	(1.0)	-	**(2.5)**
Net cash flow provided by / (used in) financing activities	**(1.2)**	**(0.9)**	**-**	**(2.1)**	**(1.5)**	**(1.0)**	**-**	**(2.5)**

TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES

Transactions - Statement of Financial Position

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

The item **trade receivables** is mainly related to sales of raw material and for services rendered to the Chinese joint venture Jining Shenzhou Tyre Co., Ltd., to the amount of euro 4.9 million.

The item **other current receivables** mainly refers to receivables from the Jining Shenzhou Tyre Co., Ltd., for royalties to the amount of euro 3 million, and for various services to the amount of euro 6.2 million.

The financial portion, the amount of euro 70.8 million, refers to the financing granted by the Pirelli Tyre Co., Ltd. to the Jining Shenzhou Tyre Co., Ltd.

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

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

The item **trade payables** mainly refers to trade payables to the Jining Shenzhou Tyre Co., Ltd.Transactions - Income statement

Transactions - Income statement

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

The item **other income** refers to royalties to the amount of euro 21.4 million, of which euro 15.0 million received from the joint venture, the Middle East and North Africa Tyre Company, euro 5.8 million from the Jining Shenzhou Tyre Co., Ltd. and euro 4.5 million from the recharging of expenses.

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

- the purchase of tyres from Jining Shenzhou Tyre Co., Ltd. to the amount of euro 83.8 million;
- the purchase of Motorcycle products from PT Evoluzione Tyres to the amount of euro 24.1 million;
- purchase of energy and fees for the operational management by Industriekraftwerk Breuberg Gmbh totalling euro 13.1 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 refer mainly to transactions with the Prometeon Group, belonging to the Sinochem group.

Transactions - Statement of Financial Position

The items **trade receivables** and other current receivables refer mainly to receivables from companies of the Prometeon Group.

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

The item **trade payables** mainly refers to payables to companies of the Prometeon Group to the amount of euro 37.2 million.

Transactions - Income statement

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

- the licence agreement for know-how charged by Pirelli Tyre S.p.A. to the amount of euro 5.5 million;
- royalties recorded by Pirelli Tyre S.p.A. in respect of the license agreement for the use of the Pirelli trademark to the amount of euro 6.5 million;
- logistics services rendered by the Spanish company Pirelli Neumaticos S.A. - Sociedad Unipersonal to the amount of euro 0.6 million.

The item **raw materials and consumables used** refers mainly to costs payable to companies of the Sinochem Group for the purchase of direct materials, consumables and compounds, of which euro 4.2 million were costs to payable the Chinese company, Pirelli Tyre Co., Ltd.

The item **other costs** mainly includes the purchase of truck products for a total amount of euro 35.7 million of which euro 33.5 million was made by the Brazilian company Comercial e Importadora de Pneus Ltda., and subsequently resold to retail customers, and euro 1.1 million made by the German company Driver Reifen und KFZ-Technik GmbH.

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 2024-2026 and 2025-2027 Long Term Incentive Plans (LTI) to the amount of euro 4.5 million, (euro 8.6 million at December 31, 2024), the provisions for the Short Term Incentive Plan (STI) to the amount of euro 4 million (euro 6.4 million at December 31, 2024), as well as severance indemnities to the amount of euro 8 million (euro 12.2 million at December 31, 2024);
- the Statement of Financial Position items **provisions for liabilities and charges current** and **provisions for employee benefit obligations current**, include the provisions for the 2023-2025 LTI Plan which, should the parameters underlying the plan be achieved, will be paid out in the first half-year of 2026;
- the Statement of Financial Position item **other current payables**, includes the short-term portion related to the STI Plan;
- the items **personnel expenses** and **other costs** mainly include euro 1.2 million related to employees' leaving indemnities (TFR), and to severance indemnities (euro 1.2 million for the first half-year of 2024), as well as provisions for short-term benefits to the amount of euro 5.3 million (euro 5.1 million for the first half-year of 2024) and for long-term benefits to the amount of euro 7.2 million (euro 7.1 million for the first half-year of 2024).

42. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE PERIOD

On **July, 27 2025**, the United States and the European Union signed an agreement, scheduled to be ratified on August 1st, for the renegotiation of the tariffs announced in April, (for further information reference should be made to the relevant event reported in the section *"Significant Events of the Half-Year"*). Furthermore, on **July, 30, 2025**, the US administration imposed tariffs of 50% on Brazil: Pirelli is analyzing the provision to verify their actual application to the various product segments. At the date of the approval of this Half-Year Financial Report at June 30, 2025, the tariff scenario was still evolving, with Pirelli exposed to the following tariffs: Europe: 25% on the imports of Car tyres from May 3rd to July 31st, which is expected to decease to 15% from August 1st; Brazil: 25% on the imports of Car tyres from May 3rd, the provision announced by the US administration on July 30 isn being analyzed; Mexico: no import duties as Pirelli qualifies as an *"USMCA compliant"* manufacturer, and universal and reciprocal tariffs on the imports of motorcycle and bicycle tyres from all countries of varying percentages, depending on the source.

Thanks also to its strong organic growth and the tariff mitigation plan implemented during the second quarter of 2025, Pirelli has confirmed its profitability and cash targets. For further information, reference should be made to the *"Outlook for 2025"* section in this document.

43. OTHER INFORMATION

Information on the Macroeconomic Environment

During the first half of 2025, the global economy was resilient, despite geopolitical uncertainties and trade tensions whose impacts were most evident during the second quarter, leading to a slowdown in global GDP growth. The inflation rate improved significantly, while economic uncertainty in the United States and the improved growth prospects in Europe, led to a weakening in the US dollar against the euro. For the main raw materials, prices in the first half-year of 2025 were affected by tensions in the Middle East and uncertainties linked to the growing protectionism in the United States. This last factor, had a particular impact on the demand for raw materials such as butadiene and natural rubber, especially during the second quarter.

During the first half-year of 2025, the car tyre market recorded a global level growth in volumes of +1.1%, compared to the same half-year of 2024.

Pirelli's results for the first half-year of 2025 highlighted a solid operating performance, with an EBIT adjusted of euro 558.3 million, which mainly reflected the positive contribution of internal levers, and which more than offset inflation in the cost of production and of raw materials, and the negative impact of the exchange rate effect.

For further details on the performance in the first half-year of 2025, and for the most updated forecasts for the second half-year of 2025, reference should be made to the section *"Group Performance and Results"* and *"Outlook for 2025"* in the Half-Year Financial Report, while for information on the management of external risks, reference should be made to the section *"Risk Factors and Uncertainty"* in the 2024 Annual Report.

Information on Climate Change

For information on climate change, reference should be made to the Consolidated Financial Statements at December 31, 2024 under Note 45, *"Other Information".*

Research and Development Expenses

Research & Development expenses for the first half-year of 2025 amounted to euro 152.4 million, represented 4.4% of sales, and refer to expenses for product and process innovation, as well as for the development of new materials. The portion allocated to research and development for High Value activities amounted to euro 145.9 million and equalled 5.2% of High Value revenues.

Atypical and/or Unusual Transactions

Pursuant to CONSOB Notice No. 6064293 of July 28, 2006, it should be noted that, during first half 2025, no atypical and/or unusual transactions as defined in the aforesaid communication, were carried out by the Company.

Exchange Rates

The main exchange rates used for consolidation were as follows:

(local currency vs euro)	Period-end Exchanges Rates		Change in %	Average Exchange Rates 1HY		Change in %
	06/30/2025	**12/31/2024**		**2025**	**2024**	
Thai Bhat	**38.1250**	35.6760	6.86%	**36.6161**	39.1192	(6.40%)
Swedish Krona	**11.1465**	11.4865	(2.96%)	**11.0958**	11.3907	(2.59%)
Australian Dollar	**1.7948**	1.6772	7.01%	**1.7229**	1.6422	4.92%
Canadian Dollar	**1.6027**	1.4948	7.22%	**1.5400**	1.4685	4.87%
Singaporean Dollar	**1.4941**	1.4164	5.49%	**1.4461**	1.4561	(0.69%)
US Dollar	**1.1720**	1.0389	12.81%	**1.0928**	1.0813	1.06%
Swiss Franc	**0.9347**	0.9412	(0.69%)	**0.9414**	0.9615	(2.09%)
Egyptian Pound	**58.2064**	52.8872	10.06%	**55.2212**	44.5960	23.83%
Turkish Lira (°)	**46.5526**	36.7429	26.70%	**46.5526**	35.1284	32.52%
Romanian Leu	**5.0777**	4.9741	2.08%	**5.0045**	4.9742	0.61%
Argentinian Peso (°)	**1,412.2600**	1,072.1448	31.72%	**1,412.2600**	976.2960	44.65%
Mexican Peso	**22.1424**	21.0567	5.16%	**21.8448**	18.4751	18.24%
South African Rand	**20.8411**	19.6188	6.23%	**20.0823**	20.2476	(0.82%)
Brazilian Real	**6.4230**	6.4363	(0.21%)	**6.2922**	5.4969	14.47%
Chinese Renminbi	**8.3899**	7.4680	12.34%	**7.8502**	7.6824	2.18%
Saudi Arabian Riyal	**4.3956**	3.9029	12.62%	**4.0994**	4.0554	1.08%
Russian Rouble	**92.2785**	106.1028	(13.03%)	**94.9512**	98.0995	(3.21%)
British Pound Sterling	**0.8555**	0.8292	3.17%	**0.8423**	0.8547	(1.45%)
Japanese Yen	**169.1700**	163.0600	3.75%	**162.1195**	164.4614	(1.42%)

(°) Average exchange rates equal period-end exchange rates from the application of IAS 29 - Financial Reporting in Hyperinflationary Economies

Net Financial Position

(Alternative Performance Indicators not provided for by the accounting standards).

(in thousands of euro)	**Note**	**06/30/2025**	**of which related parties (note 41)**	**12/31/2024**	**of which related parties (note 41)**
Current borrowings from banks and other financial institutions	**22**	1,049,572	*3,881*	760,856	*3,707*
Current derivative financial instruments (liabilities)	**26**	58,440		3,503	
Non-current borrowings from banks and other financial institutions	**22**	2,759,971	*13,288*	3,068,599	*15,825*
Non-current derivative financial instruments (liabilities)	**26**	-		-	
Total gross debt		**3,867,983**		**3,832,958**	
Cash and cash equivalents	**18**	(849,874)		(1,502,741)	
Other financial assets at fair value through Income Statement	**17**	(80,630)		(165,965)	
Current financial receivables **	**14**	(110,277)	*(70,819)*	(113,297)	*(78,552)*
Current derivative financial instruments (assets)	**26**	(42,374)		(16,577)	
Net financial debt *		**2,784,828**		**2,034,378**	
Non-current derivative financial instruments (assets)	**26**	-		(4,326)	
Non-current financial receivables **	**14**	(106,173)	*(7,079)*	(104,288)	*(7,791)*
Total net financial (liquidity) / debt position		**2,678,655**		**1,925,764**	

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

** The item "*Financial receivables*" is reported net of the relative provisions for impairment which amounted to euro 8,362 thousand at June 30, 2025 (euro 8,369 thousand at December 31, 2024).

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

(in thousands of euro)	**06/30/2025**	**12/31/2024**
Cash and cash equivalents	(849,874)	(1,502,741)
Other current financial assets	(233,281)	(295,839)
of which Current financial receivables	*(110,277)*	*(113,297)*
of which Current derivative financial instruments (assets)	*(42,374)*	*(16,577)*
of which Other financial assets at fair value through Income Statement	*(80,630)*	*(165,965)*
Liquidity	**(1,083,155)**	**(1,798,580)**
Current borrowings from banks and other financial institutions	1,049,572	760,856
Current derivative financial instruments (liabilities)	58,440	3,503
Current financial debt	**1,108,012**	**764,359**
Current net financial debt	**24,857**	**(1,034,221)**
Non-current borrowings from banks and other financial institutions	2,759,971	3,068,599
Non-current derivative financial instruments (liabilities)	-	-
Non-current financial debt	**2,759,971**	**3,068,599**
Total net financial debt *	**2,784,828**	**2,034,378**

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

List of companies included in consolidation using the line-by-line method

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Europe						
Austria						
Pirelli GmbH	Agent	Vienna	Euro	726,728	100.00%	Pirelli Tyre (Suisse) S.A.
Belgium						
Pirelli Tyres Belux S.A.	Agent	Brussels	Euro	700,000	99.996%	Pirelli Tyre (Suisse) S.A.
					0.004%	Pneus Pirelli S.A.S.
France						
Pneus Pirelli S.A.S.	Distributor	Villepinte	Euro	1,515,858	100.00%	Pirelli Tyre S.p.A.
Germany						
Deutsche Pirelli Reifen Holding GmbH	Holding	Breuberg / Odenwald	Euro	7,694,943	100.00%	Pirelli Tyre S.p.A.
Driver Handelssysteme GmbH	Service provider	Breuberg / Odenwald	Euro	26,000	100.00%	Deutsche Pirelli Reifen Holding GmbH
Pirelli Deutschland GmbH	Manufacturer and distributor	Breuberg / Odenwald	Euro	23,959,100	100.00%	Deutsche Pirelli Reifen Holding GmbH
Pirelli Personal Service GmbH	Service provider	Breuberg / Odenwald	Euro	25,000	100.00%	Deutsche Pirelli Reifen Holding GmbH
PK Grundstuecksverwaltungs GmbH	Dormant	Breuberg / Odenwald	Euro	26,000	100.00%	Deutsche Pirelli Reifen Holding GmbH
Driver Reifen und KFZ-Technik GmbH	Distribution chain	Breuberg / Odenwald	Euro	259,225	100.00%	Deutsche Pirelli Reifen Holding GmbH
Greece						
Elastika Pirelli C.S.A.	Distributor	Elliniko-Argyroupoli	Euro	11,630,000	99.90%	Pirelli Tyre S.p.A.
					0.10%	Pirelli Tyre (Suisse) S.A.
Pirelli Hellas S.A. (in liquidation)	Under liquidation	Athens	US $	22,050,000	79.857%	Pirelli Tyre S.p.A.
The Experts in Wheels - Driver Hellas S.A.	Service provider	Elliniko-Argyroupoli	Euro	100,000	74.80%	Elastika Pirelli C.S.A.

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Italy						
Driver Italia S.p.A.	Service provider	Milan	Euro	350,000	71.214%	Pirelli Tyre S.p.A.
Driver Servizi Retail S.p.A.	Service provider	Milan	Euro	120,000	100.00%	Pirelli Tyre S.p.A.
HB Servizi S.r.l.	Service provider	Milan	Euro	10,000	100.00%	Pirelli & C. S.p.A.
Maristel S.r.l.	Service provider	Milan	Euro	50,000	100.00%	Pirelli & C. S.p.A.
NewCo Micromobility S.r.l. (in liquidation)	Service provider	Milan	Euro	10,000	100.00%	Pirelli Tyre S.p.A.
Pirelli Digital Solutions S.r.l.	Service provider	Milan	Euro	500,000	100.00%	Pirelli Tyre S.p.A.
Pirelli Industrie Pneumatici S.r.l.	Manufacturer	Settimo Torinese (To)	Euro	40,000,000	100.00%	Pirelli Tyre S.p.A.
Pirelli International Treasury S.p.A.	Financial	Milan	Euro	125,000,000	70.00%	Pirelli Tyre S.p.A.
					30.00%	Pirelli & C. S.p.A.
Pirelli Servizi Amministrazione e Tesoreria S.p.A.	Service provider	Milan	Euro	2,047,000	100.00%	Pirelli & C. S.p.A.
Pirelli Sistemi Informativi S.r.l.	Service provider	Milan	Euro	1,010,000	100.00%	Pirelli & C. S.p.A.
Pirelli Tyre S.p.A.	Principal	Milan	Euro	558,154,000	100.00%	Pirelli & C. S.p.A.
Poliambulatorio Bicocca S.r.l.	Service provider	Milan	Euro	10,000	100.00%	Pirelli Tyre S.p.A.
Telco S.r.l.	Service provider	Milan	Euro	93,600,000	80.00%	Pirelli Tyre S.p.A.
The Netherlands						
Pirelli China Tyre N.V.	Holding and Agent	Rotterdam	Euro	38,045,000	100.00%	Pirelli Tyre S.p.A.
Poland						
Driver Polska Sp. z o.o.	Service provider	Warsaw	Pol. Zloty	100,000	70.00%	Pirelli Polska Sp. z o.o.
Pirelli Polska Sp. z o.o.	Distributor	Warsaw	Pol. Zloty	625,771	100.00%	Pirelli Tyre S.p.A.

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
United Kingdom						
Pirelli Cif Trustees Ltd.	Trustees	Burton-on-Trent	British Pound Sterling	4	50.00%	Pirelli General & Overseas Pension Trustees Ltd.
					50.00%	Pirelli Tyres Pension Trustees Ltd.
Pirelli International Limited (ex Pirelli International plc)	Dormant	Burton-on-Trent	Euro	5,000,000	100.00%	Pirelli Tyre S.p.A.
Pirelli Motorsport Services Ltd.	Service provider	Burton-on-Trent	British Pound Sterling	1	100.00%	Pirelli UK Ltd.
Pirelli General & Overseas Pension Trustees Ltd.	Trustees	Burton-on-Trent	British Pound Sterling	1	100.00%	Pirelli UK Ltd.
Pirelli Tyres Ltd.	Dormant	Burton-on-Trent	British Pound Sterling	16,000,000	100.00%	Pirelli UK Tyres Ltd.
Pirelli Tyres Pension Trustees Ltd.	Trustees	Burton-on-Trent	British Pound Sterling	1	100.00%	Pirelli Tyres Ltd.
Pirelli UK Ltd.	Holding	Burton-on-Trent	British Pound Sterling	210,991,278	100.00%	Pirelli & C. S.p.A.
Pirelli UK Tyres Ltd.	Manufacturer and distributor	Burton-on-Trent	British Pound Sterling	85,000,000	100.00%	Pirelli Tyre S.p.A.
Slovakia						
Pirelli Slovakia S.R.O.	Distributor	Bratislava	Euro	6,639	100.00%	Pirelli Tyre S.p.A.
Romania						
Pirelli Tyres Romania S.r.l.	Manufacturer and distributor	Slatina	Rom. Leu	2,189,797,300	100.00%	Pirelli Tyre S.p.A.
Russia						
Closed Joint Stock Company "Voronezh Tyre Plant"	Manufacturer	Voronezh	Russian Rouble	1,520,000,000	100.00%	Limited Liability Company Pirelli Tyre Russia
Limited Liability Company Pirelli Tyre Services	Service provider	Moscow	Russian Rouble	54,685,259	95.00%	Pirelli Tyre (Suisse) S.A.
					5.00%	Pirelli Tyre S.p.A.
Limited Liability Company "Industrial Complex Kirov Tyre"	Manufacturer	Kirov	Russian Rouble	348,423,221	100.00%	Limited Liability Company Pirelli Tyre Russia
Limited Liability Company "Pirelli Tyre Russia"	Manufacturer and distributor	Moscow	Russian Rouble	6,153,846	65.00%	Pirelli Tyre (Pty) Ltd.

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Spain						
Euro Driver Car S.L.	Service provider	Valencia	Euro	960,000	58.438%	Pirelli Neumaticos S.A. - Sociedad Unipersonal
Neumaticos Arco Iris S.A.	Service provider	Valencia	Euro	302,303	66.203%	Pirelli Neumaticos S.A. - Sociedad Unipersonal
Pirelli Neumaticos S.A. - Sociedad Unipersonal	Distributor	Valencia	Euro	25,075,907	100.00%	Pirelli Tyre S.p.A.
Sweden						
Pirelli Tyre Nordic Aktiebolag	Distributor	Stockholm	Swed. Krona	950,000	100.00%	Pirelli Tyre S.p.A.
Switzerland						
Driver (Suisse) S.A.	Service provider	Bioggio	Swiss Franc	100,000	100.00%	Pirelli Tyre (Suisse) S.A.
Pirelli Group Reinsurance Company S.A.	Insurance	Basel	Swiss Franc	3,000,000	100.00%	Pirelli & C. S.p.A.
Pirelli Tyre (Suisse) S.A.	Distributor / Distribution chain	Basel	Swiss Franc	1,000,000	100.00%	Pirelli Tyre S.p.A.
Turkey						
Pirelli Lastikleri Dis Ticaret A.S.	Service provider	Istanbul	Turkish Lira	50,000	100.00%	Pirelli Otomobil Lastikleri A.S.
Pirelli Otomobil Lastikleri A.S.	Manufacturer and distributor	Istanbul	Turkish Lira	190,000,000	100.00%	Pirelli Tyre S.p.A.
Hungary						
Pirelli Hungary Tyre Trading and Services Ltd.	Distributor	Budapest	Hun. Forint	3,000,000	100.00%	Pirelli Tyre S.p.A.
North America						
Canada						
Pirelli Tire Inc.	Agent	St-Laurent (Quebec)	Can. $	6,000,000	100.00%	Pirelli Tyre (Suisse) S.A.
U.S.A.						
Pirelli North America Inc.	Holding	New York (New York)	US $	10	100.00%	Pirelli Tyre S.p.A.
Pirelli Tire LLC	Manufacturer and distributor	Rome (Georgia)	US $	1	100.00%	Pirelli North America Inc.
Prestige Stores LLC	Dormant	Los Angeles (California)	US $	10	100.00%	Pirelli Tire LLC

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Central/South America						
Argentina						
Pirelli Neumaticos S.A.I.C.	Manufacturer and distributor	Buenos Aires	Arg. Peso	2,948,055,176	99.828%	Pirelli Tyre S.p.A.
					0.172%	Pirelli Pneus Ltda.
Latam Servicios Industriales S.A.	Service provider	Buenos Aires	Arg. Peso	17,600,000	99.97%	Pirelli Neumaticos S.A.I.C.
					0.03%	Pirelli Pneus Ltda..
Brazil						
Comercial e Importadora de Pneus Ltda.	Distribution chain	Sao Paulo	Bra. Real	381,473,982	100.00%	Pirelli Comercial de Pneus Brasil Ltda.
Pirelli Comercial de Pneus Brasil Ltda.	Distributor	Sao Paulo	Bra. Real	710,994,861	85.00%	Pirelli Tyre S.p.A.
					15.00%	Pirelli Latam Participaçoes Ltda.
Pirelli Latam Participaçoes Ltda.	Holding	Sao Paulo	Bra. Real	701,959,921	100.00%	Pirelli Tyre S.p.A.
Pirelli Ltda.	Service provider	Sao Paulo	Bra. Real	14,000,000	100.00%	Pirelli & C. S.p.A.
Pirelli Pneus Ltda.	Manufacturer and distributor	Campinas (Sao Paulo)	Bra. Real	3,527,941,893	85.026%	Pirelli Tyre S.p.A.
					14.974%	Pirelli Latam Participaçoes Ltda.
Comércio e Importação Multimarcas de Pneus Ltda.	Dormant	Sao Paulo	Bra. Real	128,191,500	97.12%	Pirelli Pneus Ltda.
					2.45%	Pirelli Tyre S.p.A.
					0.43%	Pirelli Latam Participaçoes Ltda.
C.P.Complexo Automotivo de Testes, Eventos e Entretenimento Ltda.	Service provider	Elias Fausto (Sao Paulo)	Bra. Real	89,812,000	60.00%	Pirelli Pneus Ltda.
					40.00%	Pirelli Comercial de Pneus Brasil Ltda.
TLM - Total Logistic Management Serviços de Logistica Ltda.	Service provider	Sao Paulo	Bra. Real	3,074,417	99.995%	Pirelli Pneus Ltda.
					0.005%	Pirelli Ltda.
Hevea-Tec Industria E Comercio Ltda.	Manufacturer	Sao Paulo	Bra. Real	23,300,000	100.00%	Comércio e Importação Multimarcas de Pneus Ltda.
Chile						
Pirelli Neumaticos Chile Ltda.	Distributor	Santiago	US $	3,520,000	85.252%	Pirelli Comercial de Pneus Brasil Ltda.
					14.728%	Pirelli Latam Participaçoes Ltda.
					0.020%	Pirelli Ltda.
Colombia						
Pirelli Tyre Colombia S.A.S.	Distributor	Santa Fe De Bogota	Col. Peso/000	1,863,222,000	85.00%	Pirelli Comercial de Pneus Brasil Ltda.
					15.00%	Pirelli Latam Participaçoes Ltda.
Mexico						
Pirelli Neumaticos S.A. de C.V.	Manufacturer and distributor	Silao	Mex. Peso	11,595,773,848	99.8315%	Pirelli Tyre S.p.A.
					0.1685%	Pirelli Latam Participaçoes Ltda.

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Africa						
Egypt						
Pirelli Egypt Tyre Trading S.A.E.	Holding	Giza	Egy. Pound	84,250,000	99.994%	Pirelli Tyre S.p.A.
					0.003%	Pirelli Tyre S.p.A.
					0.003%	Pirelli Tyre (Suisse) S.A.
Pirelli Egypt Consumer Tyre Distribution S.A.E.	Distributor	Giza	Egy. Pound	89,000,000	99.888%	Pirelli Egypt Tyre Trading S.A.E.
					0.056%	Pirelli Tyre S.p.A.
					0.056%	Pirelli Tyre (Suisse) S.A.
South Africa						
Pirelli Tyre (Pty) Ltd.	Distributor	Gauteng 2090	S.A. Rand	11	100.00%	Pirelli Tyre S.p.A.
E-VOLUTION Tyre South Africa (Pty) Ltd.	Holding	Gauteng 2090	S.A. Rand	100	100.00%	Pirelli Tyre (Pty) Ltd.
Oceania						
Australia						
Pirelli Tyres Australia Pty Ltd.	Distributor	Pyrmont (NSW)	Aus. $	150,000	100.00%	Pirelli Tyre (Suisse) S.A.
Asia						
Saudi Arabia						
Pirelli Middle East Limited	Service provider	Riyadh	Riyal Saudita	500,000	100.00%	Pirelli Tyre S.p.A.
China						
Pirelli Logistics (Yanzhou) Co., Ltd.	Service provider	Jining	Chinese Yuan	5,000,000	100.00%	Pirelli Tyre Co., Ltd.
Pirelli Tyre (Jiaozuo) Co., Ltd.	Manufacturer	Jiaozuo	Chinese Yuan	350,000,000	80.00%	Pirelli Tyre S.p.A.
Pirelli Tyre Co., Ltd.	Manufacturer and distributor	Yanzhou	Chinese Yuan	2,471,150,000	90.00%	Pirelli China Tyre N.V.
Pirelli Tyre Trading (Shanghai) Co., Ltd.	Service provider	Shanghai	US $	700,000	100.00%	Pirelli China Tyre N.V.
Korea						
Pirelli Korea Ltd.	Distributor	Seoul	Korean Won	100,000,000	100.00%	Pirelli Asia Pte Ltd.
United Arab Emirates						
Pirelli Tyre MEAI DMCC	Distributor	Dubai	AED	50,000	100.00%	Pirelli Asia Pte Ltd.
Japan						
Pirelli Japan Kabushiki Kaisha	Distributor	Tokyo	Jap. Yen	2,200,000,000	100.00%	Pirelli Tyre S.p.A.
Singapore						
Pirelli Asia Pte Ltd.	Distributor	Singapore	Sing. $	2	100.00%	Pirelli Tyre (Suisse) S.A.
Thailand						
Pirelli Tyre (Thailand) Ltd.	Distributor	Bangkok	Baht Thailandese	102,000,000	99.00%	Pirelli Tyre S.p.A.
					1.00%	Pirelli Asia Pte Ltd.

List of investments accounted for using the equity method

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Europe						
Germany						
Industriekraftwerk Breuberg GmbH	Electricity generation	Hoechst / Odenwald	Euro	1,533,876	26.00%	Pirelli Deutschland GmbH
Greece						
Eco Elastika S.A.	Tyres	Athens	Euro	60,000	20.00%	Elastika Pirelli C.S.A.
Italy						
Consorzio per la Ricerca di Materiali Avanzati (CORIMAV)	Financial	Milan	Euro	103,500	100.00%	Pirelli & C. S.p.A.
Eurostazioni S.p.A.	Financial	Rome	Euro	100,000	32.71%	Pirelli & C. S.p.A.
Poland						
Centrum Utylizacji Opon Organizacja Odzysku S.A.	Tyres	Warsaw	Pol. Zloty	1,008,000.00	20.00%	Pirelli Polska Sp. z o.o.
Slovakia						
ELT Management Company Slovakia S.R.O.	Tyres	Bratislava	Euro	132,000.00	20.00%	Pirelli Slovakia S.R.O.
Romania						
Eco Anvelope S.A.	Tyres	Bucarest	Rom. Leu	160,000	20.00%	Pirelli Tyres Romania S.r.l.
Spain						
Signus Ecovalor S.L.	Tyres	Madrid	Euro	200,000	20.00%	Pirelli Neumaticos S.A. - Sociedad Unipersonal
Asia						
China						
Xushen Tyre (Shanghai) Co, Ltd	Tyres	Shanghai	Renminbi	1,050,000,000	49.00%	Pirelli Tyre S.p.A.
Jining Shenzhou Tyre Co, Ltd	Tyres	Jining City	Renminbi	1,050,000,000	100.00%	Xushen Tyre (Shanghai) Co, Ltd
Saudi Arabia						
“Middle East and North Africa Tyre Company (Joint Stock Company)”	Tyres	King Abdullah Economic City	Saudi Riyal	386,250,000	25.00%	Pirelli Tyre S.p.A.
Indonesia						
PT Evoluzione Tyres	Tyres	Subang	Rupee	1,313,238,780,000	63.04%	Pirelli Tyre S.p.A.

CERTIFICATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-*BIS* OF LEGISLATIVE DECREE 58 OF FEBRUARY 24, 1998, AND PURSUANT TO ARTICLE 81-*TER* OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED AND SUPPLEMENTED

1. The undersigned Andrea Casaluci, in his capacity as Chief Executive Officer, and Fabio Bocchio, in his capacity as Manager responsible for the preparation of the corporate financial documents of Pirelli & C. S.p.A., having also taken into account the provisions of article 154-*bis*, paragraph 3 and 4, of Legislative Decree 58 of February 24, 1998, hereby certify:

   - the adequacy in relation to the nature of the business; and
   - the effective application

   of the administrative and accounting procedures for preparation of the condensed consolidated interim financial statements, during the period January 1, 2025 – June 30, 2025.

2. In this regard it should be noted that the adequacy of the administrative and accounting procedures for preparation of the condensed consolidated interim financial statements referred to the period January 1, 2025 – June 30, 2025, was determined on the basis of an assessment of the internal control system. This assessment was based on a specific process defined in accordance with the *criteria* laid down in the "Internal Control – Integrated Framework" guidelines issued by the "Committee of Sponsoring Organizations of the Treadway Commission" (COSO), which is a reference framework generally accepted at the international level.

3. It is also certified that:

3.1 the condensed consolidated interim financial statements:

   a. were prepared in accordance with the applicable international accounting standards recognized in the European Union under the EC Regulation 1606/2002 of the European Parliament and of the Council, of July 19, 2002;

   b. are consistent with the entries in the books and accounting records;

   c. give a true and fair view of the assets, liabilities, income, expenses and financial position of the issuer and of the companies included in the consolidation.

3.2 The interim report on operations includes a reliable analysis of the significant events mentioned in the report that occurred during the first six months of the year and their impact on the condensed consolidated interim financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the year.

The interim report on operations also contains a reliable analysis of the information provided on material transactions with related parties.

July 31, 2025

The Chief Executive Officer	Manager responsible for the preparation of the corporate financial documents
(Andrea Casaluci)	(Fabio Bocchio)

PIRELLI & C. SPA

REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the shareholders of
Pirelli & C. SpA

Foreword

We have reviewed the accompanying condensed consolidated interim financial statements of Pirelli & C. SpA and its subsidiaries (Pirelli & C. Group) as of 30 June 2025 comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the related explanatory notes. Pirelli & C. SpA Directors are responsible for the preparation of the condensed consolidated interim financial statements in accordance with international accounting standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of the review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of condensed consolidated interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed consolidated interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of Pirelli & C. Group as of 30 June 2025 have not been prepared, in all material respects, in accordance with the international accounting standard applicable to interim financial reporting (IAS 34), as issued by the International Accounting Standards Board and adopted by the European Union.

Milan, 1 August 2025

PricewaterhouseCoopers SpA

Signed by

Stefano Bravo
(Partner)

This review report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.